

CHAPTER 2025-122

Committee Substitute for House Bill No. 703

An act relating to utility relocation; amending s. 212.20, F.S.; requiring that a specified amount of communications services tax remittances be distributed by the Department of Revenue by a nonoperating transfer to the Department of Commerce in monthly installments to the Grants and Donations Trust Fund within the Department of Commerce for the Utility Relocation Reimbursement Grant Program; revising the percentage by which a certain amount transferred into the Local Government Half-cent Sales Tax Clearing Trust Fund must be reduced, beginning on a certain date; amending s. 337.403, F.S.; requiring a service provider to initiate communications services facility relocation work under certain circumstances; specifying that a county or municipal authority is not responsible for paying the expense properly attributable to such work except as otherwise provided; authorizing a service provider to apply to the Utility Relocation Reimbursement Grant Program for reimbursement of relocation expenses; requiring a department to notify certain providers of communications services of certain projects within a specified timeframe; defining the term “department”; providing notification requirements; requiring a provider to respond to the notification with certain information within a specified timeframe; requiring the department to provide a reasonable offer for joint participation in certain relocation costs under certain conditions; providing construction; creating s. 337.4031, F.S.; creating the Utility Relocation Reimbursement Grant Program within the Department of Commerce; providing the purpose of the program; requiring the Department of Revenue to deposit certain proceeds into a specified trust fund to fund the program beginning on a certain date; requiring the Department of Commerce to establish program requirements by rule; authorizing only certain uses of program funds; exempting program funds from a certain service charge; providing that interest earned on program funds accrues to the program’s fund; authorizing emergency rulemaking; amending ss. 125.42, 202.18, 212.181, and 218.65, F.S.; conforming cross-references; providing a finding and declaration of important state interest; providing an appropriation; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Paragraph (d) of subsection (6) of section 212.20, Florida Statutes, is amended to read:

212.20 Funds collected, disposition; additional powers of department; operational expense; refund of taxes adjudicated unconstitutionally collected.—

(6) Distribution of all proceeds under this chapter and ss. 202.18(1)(b) and (2)(b) and 203.01(1)(a)3. is as follows:

(d) The proceeds of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be distributed as follows:

1. In any fiscal year, the greater of \$500 million, minus an amount equal to 4.6 percent of the proceeds of the taxes collected pursuant to chapter 201, or 5.2 percent of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be deposited in monthly installments into the General Revenue Fund.

2. After the distribution under subparagraph 1., 8.9744 percent of the amount remitted by a sales tax dealer located within a participating county pursuant to s. 218.61 shall be transferred in two parts:

a. The total amount of \$50 million of the communications services taxes remitted pursuant to s. 202.18(1)(b) and (2)(b), in any fiscal year, shall be distributed by the department by a nonoperating transfer to the Department of Commerce in monthly installments to the Grants and Donations Trust Fund within the Department of Commerce for the Utility Relocation Reimbursement Grant Program created in s. 337.4031; and

b. The remainder shall be transferred into the Local Government Half-cent Sales Tax Clearing Trust Fund. Beginning ~~October 1, 2025~~ July 1, 2003, the amount to be transferred shall be reduced by ~~0.1018~~ 0.1 percent, and the department shall distribute this amount to the Public Employees Relations Commission Trust Fund less \$5,000 each month, which shall be added to the amount calculated in subparagraph 3. and distributed accordingly.

3. After the distribution under subparagraphs 1. and 2., 0.0966 percent shall be transferred to the Local Government Half-cent Sales Tax Clearing Trust Fund and distributed pursuant to s. 218.65.

4. After the distributions under subparagraphs 1., 2., and 3., 2.0810 percent of the available proceeds shall be transferred monthly to the Revenue Sharing Trust Fund for Counties pursuant to s. 218.215.

5. After the distributions under subparagraphs 1., 2., and 3., 1.3653 percent of the available proceeds shall be transferred monthly to the Revenue Sharing Trust Fund for Municipalities pursuant to s. 218.215. If the total revenue to be distributed pursuant to this subparagraph is at least as great as the amount due from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000, no municipality shall receive less than the amount due from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000. If the total proceeds to be distributed are less than the amount received in combination from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000, each municipality shall receive an amount proportionate to the amount it was due in state fiscal year 1999-2000.

6. Of the remaining proceeds:

a. In each fiscal year, the sum of \$29,915,500 shall be divided into as many equal parts as there are counties in the state, and one part shall be distributed to each county. The distribution among the several counties must begin each fiscal year on or before January 5th and continue monthly for a total of 4 months. If a local or special law required that any moneys accruing to a county in fiscal year 1999-2000 under the then-existing provisions of s. 550.135 be paid directly to the district school board, special district, or a municipal government, such payment must continue until the local or special law is amended or repealed. The state covenants with holders of bonds or other instruments of indebtedness issued by local governments, special districts, or district school boards before July 1, 2000, that it is not the intent of this subparagraph to adversely affect the rights of those holders or relieve local governments, special districts, or district school boards of the duty to meet their obligations as a result of previous pledges or assignments or trusts entered into which obligated funds received from the distribution to county governments under then-existing s. 550.135. This distribution specifically is in lieu of funds distributed under s. 550.135 before July 1, 2000.

b. The department shall distribute \$166,667 monthly to each applicant certified as a facility for a new or retained professional sports franchise pursuant to s. 288.1162. Up to \$41,667 shall be distributed monthly by the department to each certified applicant as defined in s. 288.11621 for a facility for a spring training franchise. However, not more than \$416,670 may be distributed monthly in the aggregate to all certified applicants for facilities for spring training franchises. Distributions begin 60 days after such certification and continue for not more than 30 years, except as otherwise provided in s. 288.11621. A certified applicant identified in this sub-subparagraph may not receive more in distributions than expended by the applicant for the public purposes provided in s. 288.1162(5) or s. 288.11621(3).

c. The department shall distribute up to \$83,333 monthly to each certified applicant as defined in s. 288.11631 for a facility used by a single spring training franchise, or up to \$166,667 monthly to each certified applicant as defined in s. 288.11631 for a facility used by more than one spring training franchise. Monthly distributions begin 60 days after such certification or July 1, 2016, whichever is later, and continue for not more than 20 years to each certified applicant as defined in s. 288.11631 for a facility used by a single spring training franchise or not more than 25 years to each certified applicant as defined in s. 288.11631 for a facility used by more than one spring training franchise. A certified applicant identified in this sub-subparagraph may not receive more in distributions than expended by the applicant for the public purposes provided in s. 288.11631(3).

d. The department shall distribute \$15,333 monthly to the State Transportation Trust Fund.

e.(I) On or before July 25, 2021, August 25, 2021, and September 25, 2021, the department shall distribute \$324,533,334 in each of those months to the Unemployment Compensation Trust Fund, less an adjustment for refunds issued from the General Revenue Fund pursuant to s. 443.131(3)(e) 3. before making the distribution. The adjustments made by the department to the total distributions shall be equal to the total refunds made pursuant to s. 443.131(3)(e)3. If the amount of refunds to be subtracted from any single distribution exceeds the distribution, the department may not make that distribution and must subtract the remaining balance from the next distribution.

(II) Beginning July 2022, and on or before the 25th day of each month, the department shall distribute \$90 million monthly to the Unemployment Compensation Trust Fund.

(III) If the ending balance of the Unemployment Compensation Trust Fund exceeds \$4,071,519,600 on the last day of any month, as determined from United States Department of the Treasury data, the Office of Economic and Demographic Research shall certify to the department that the ending balance of the trust fund exceeds such amount.

(IV) This sub-subparagraph is repealed, and the department shall end monthly distributions under sub-sub-subparagraph (II), on the date the department receives certification under sub-sub-subparagraph (III).

f. Beginning July 1, 2023, in each fiscal year, the department shall distribute \$27.5 million to the Florida Agricultural Promotional Campaign Trust Fund under s. 571.26, for further distribution in accordance with s. 571.265.

7. All other proceeds must remain in the General Revenue Fund.

Section 2. Subsection (1) of section 337.403, Florida Statutes, is amended, and subsection (4) is added to that section, to read:

337.403 Interference caused by utility; expenses.—

(1) If a utility that is placed upon, under, over, or within the right-of-way limits of any public road or publicly owned rail corridor is found by the authority to be unreasonably interfering in any way with the convenient, safe, or continuous use, or the maintenance, improvement, extension, or expansion, of such public road or publicly owned rail corridor, the utility owner must shall, within 30 days after upon 30 days' written notice to the utility or its agent by the authority, initiate the work necessary to alleviate the interference at its own expense except as provided in paragraphs (a)-(k) (a)-(j). The work must be completed within such reasonable time as stated in the notice or such time as agreed to by the authority and the utility owner.

(a) If the relocation of utility facilities, as referred to in s. 111 of the Federal-Aid Highway Act of 1956, Pub. L. No. 84-627, is necessitated by the construction of a project on the federal-aid interstate system, including

extensions thereof within urban areas, and the cost of the project is eligible and approved for reimbursement by the Federal Government to the extent of 90 percent or more under the Federal-Aid Highway Act, or any amendment thereof, then in that event the utility owning or operating such facilities ~~must shall~~ perform any necessary work upon notice from the department, and the state ~~must shall~~ pay the entire expense properly attributable to such work after deducting therefrom any increase in the value of a new facility and any salvage value derived from an old facility.

(b) When a joint agreement between the department and the utility is executed for utility work to be accomplished as part of a contract for construction of a transportation facility, the department may participate in those utility work costs that exceed the department's official estimate of the cost of the work by more than 10 percent. The amount of such participation is limited to the difference between the official estimate of all the work in the joint agreement plus 10 percent and the amount awarded for this work in the construction contract for such work. The department may not participate in any utility work costs that occur as a result of changes or additions during the course of the contract.

(c) When an agreement between the department and utility is executed for utility work to be accomplished in advance of a contract for construction of a transportation facility, the department may participate in the cost of clearing and grubbing necessary to perform such work.

(d) If the utility facility was initially installed to exclusively serve the authority or its tenants, or both, the authority ~~must shall~~ bear the costs of the utility work. However, the authority is not responsible for the cost of utility work related to any subsequent additions to that facility for the purpose of serving others. For a county or municipality, if such utility facility was installed in the right-of-way as a means to serve a county or municipal facility on a parcel of property adjacent to the right-of-way and if the intended use of the county or municipal facility is for a use other than transportation purposes, the obligation of the county or municipality to bear the costs of the utility work shall extend only to utility work on the parcel of property on which the facility of the county or municipality originally served by the utility facility is located.

(e) If, under an agreement between a utility and the authority entered into after July 1, 2009, the utility conveys, subordinates, or relinquishes a compensable property right to the authority for the purpose of accommodating the acquisition or use of the right-of-way by the authority, without the agreement expressly addressing future responsibility for the cost of necessary utility work, the authority ~~must shall~~ bear the cost of removal or relocation. This paragraph does not impair or restrict, and may not be used to interpret, the terms of any such agreement entered into before July 1, 2009.

(f) If the utility is an electric facility being relocated underground in order to enhance vehicular, bicycle, and pedestrian safety and in which

ownership of the electric facility to be placed underground has been transferred from a private to a public utility within the past 5 years, the department must shall incur all costs of the necessary utility work.

(g) An authority may bear the costs of utility work required to eliminate an unreasonable interference when the utility is not able to establish that it has a compensable property right in the particular property where the utility is located if:

1. The utility was physically located on the particular property before the authority acquired rights in the property;

2. The utility demonstrates that it has a compensable property right in adjacent properties along the alignment of the utility or, after due diligence, certifies that the utility does not have evidence to prove or disprove that it has a compensable property right in the particular property where the utility is located; and

3. The information available to the authority does not establish the relative priorities of the authority's and the utility's interests in the particular property.

(h) If a municipally owned utility or county-owned utility is located in a rural area of opportunity, as defined in s. 288.0656(2), and the department determines that the utility is unable, and will not be able within the next 10 years, to pay for the cost of utility work necessitated by a department project on the State Highway System, the department may pay, in whole or in part, the cost of such utility work performed by the department or its contractor.

(i) If the relocation of utility facilities is necessitated by the construction of a commuter rail service project or an intercity passenger rail service project and the cost of the project is eligible and approved for reimbursement by the Federal Government, then in that event the utility owning or operating such facilities located by permit on a department-owned rail corridor must shall perform any necessary utility relocation work upon notice from the department, and the department must shall pay the expense properly attributable to such utility relocation work in the same proportion as federal funds are expended on the commuter rail service project or an intercity passenger rail service project after deducting therefrom any increase in the value of a new facility and any salvage value derived from an old facility. In no event is shall the state be required to use state dollars for such utility relocation work. This paragraph does not apply to any phase of the Central Florida Commuter Rail project, known as SunRail.

(j) If a utility is lawfully located within an existing and valid utility easement granted by recorded plat, regardless of whether such land was subsequently acquired by the authority by dedication, transfer of fee, or otherwise, the authority must bear the cost of the utility work required to eliminate an unreasonable interference. The authority shall pay the entire

expense properly attributable to such work after deducting any increase in the value of a new facility and any salvage value derived from an old facility.

(k) If a county or municipal authority requires a provider of communications services which is subject to chapter 202 to relocate a facility used to provide such communications services, the service provider owning or operating such facility must initiate any necessary work upon notice from the authority. The county or municipal authority requiring such relocation is not responsible for paying the expense of such work, except as otherwise provided in this subsection. The service provider may apply for reimbursement of relocation expenses from the Utility Relocation Reimbursement Grant Program pursuant to s. 337.4031, subject to the availability of funds and in compliance with the requirements of the program. If funds are not available, the county or municipal authority requiring such relocation remains not responsible for paying the expense of such work, except as otherwise provided in this subsection.

(4) Notwithstanding paragraph (1)(k), a department shall notify providers of communications services that are subject to chapter 202 which have permitted infrastructure within a planned or existing public right-of-way within 90 days after a project is added to the department's project schedule which may require the provider to relocate its infrastructure for roadway improvements to increase safety or reduce congestion. For purposes of this subsection, the term "department" means the Department of Transportation or an agency of the state created under chapter 348 or chapter 349.

(a) The notification provided under this subsection must include an estimated project schedule and timeline, including the anticipated year of construction.

(b) Within 90 days after receipt of the notification, the provider shall respond to the department with an estimated timeframe and project cost for the relocation of the provider's infrastructure. The response must include a draft relocation schedule within or adjacent to the existing or planned public right-of-way.

(c) Notwithstanding any other provision of this section, the department shall provide a reasonable offer for joint participation in relocation costs, so long as the provider initiates work within a mutually agreed upon timeframe and, if the infrastructure relocation is a result of roadway improvements within the public right-of-way to increase safety or reduce congestion and the impacted infrastructure was, at the time of notification under this subsection, installed within the past 7 state fiscal years, the department must incur at least 50 percent of the costs for relocation work as described in a joint participation agreement.

(d) This subsection may not be construed to prevent a department from pursuing the additional relocation processes, agreements, or payment options authorized under this section or to prevent a provider from using

grant funds provided through other government sources to support all or a portion of the relocation costs.

Section 3. Section 337.4031, Florida Statutes, is created to read:

337.4031 Utility Relocation Reimbursement Grant Program.—

(1) There is created within the Department of Commerce the Utility Relocation Reimbursement Grant Program. The purpose of the program is to reimburse providers of communications services which are subject to chapter 202 for eligible costs incurred in relocating facilities at the request of a county or municipal authority.

(2) Beginning October 1, 2025, the Department of Revenue shall deposit the proceeds to be distributed to the Department of Commerce pursuant to s. 212.20(6)(d)2.a. into a separate account within the Grants and Donations Trust Fund to fund the Utility Relocation Reimbursement Grant Program.

(3) The Department of Commerce shall establish by rule all of the following:

(a) The criteria and process by which service providers may apply for reimbursement.

(b) The minimum documentation required to verify eligible relocation costs. Such costs must be prudent and reasonable in order to be eligible for reimbursement.

(c) The timeline for application review and reimbursement disbursement, which may not exceed 90 days from submission.

(4) Program funds may be used only to reimburse actual, documented expenses directly attributable to the physical relocation of facilities required by a county or municipal authority. Reimbursement may not be made to a service provider for indirect or administrative costs.

(5) Program funds are exempt from s. 215.20 and any interest earnings shall accrue to the program's fund.

(6) The Department of Commerce is authorized to adopt emergency rules pursuant to s. 120.54(4) to administer and enforce the provisions of this section.

Section 4. Subsection (5) of section 125.42, Florida Statutes, is amended to read:

125.42 Water, sewage, gas, power, telephone, other utility, and television lines within the right-of-way limits of county roads and highways.—

(5) In the event of widening, repair, or reconstruction of any such road, the licensee shall move or remove such water, sewage, gas, power, telephone, and other utility lines and television lines at no cost to the county should

they be found by the county to be unreasonably interfering, except as provided in s. 337.403(1)(d)-(k) ~~s. 337.403(1)(d)-(j)~~.

Section 5. Paragraph (b) of subsection (2) of section 202.18, Florida Statutes, is amended to read:

202.18 Allocation and disposition of tax proceeds.—The proceeds of the communications services taxes remitted under this chapter shall be treated as follows:

(2) The proceeds of the taxes remitted under s. 202.12(1)(b) shall be allocated as follows:

(b) Fifty-five and nine-tenths percent of the remainder shall be allocated to the state and distributed pursuant to s. 212.20(6), except that the proceeds allocated pursuant to s. 212.20(6)(d)2.b. ~~s. 212.20(6)(d)2.~~ shall be prorated to the participating counties in the same proportion as that month's collection of the taxes and fees imposed pursuant to chapter 212 and paragraph (1)(b).

Section 6. Paragraph (a) of subsection (3) of section 212.181, Florida Statutes, is amended to read:

212.181 Determination of business address situs, distributions, and adjustments.—

(3)(a) For distributions made pursuant to ss. 125.0104 and 212.20(6)(a), (b), and (d)2.b. ~~(d)2.~~, misallocations occurring solely due to the assignment of an address to an incorrect county will be corrected prospectively only from the date the department is made aware of the misallocation, subject to the following:

1. If the county that should have received the misallocated distributions followed the notification and timing provisions in subsection (2) for the affected periods, such misallocations may be adjusted by prorating current and future distributions for the period the misallocation occurred, not to exceed 36 months from the date the department is made aware of the misallocation.

2. If the county that received the misallocated distribution followed the notification and timing provisions in subsection (2) for the affected periods and the county that should have received the misallocation did not, the correction shall apply only prospectively from the date the department is made aware of the misallocation.

Section 7. Subsection (5) of section 218.65, Florida Statutes, is amended to read:

218.65 Emergency distribution.—

(5) At the beginning of each fiscal year, the Department of Revenue shall calculate a base allocation for each eligible county equal to the difference

between the current per capita limitation times the county's population, minus prior year ordinary distributions to the county pursuant to ss. ~~212.20(6)(d)2.b. 212.20(6)(d)2.~~, 218.61, and 218.62. If moneys deposited into the Local Government Half-cent Sales Tax Clearing Trust Fund pursuant to s. 212.20(6)(d)3., excluding moneys appropriated for supplemental distributions pursuant to subsection (8), for the current year are less than or equal to the sum of the base allocations, each eligible county shall receive a share of the appropriated amount proportional to its base allocation. If the deposited amount exceeds the sum of the base allocations, each county shall receive its base allocation, and the excess appropriated amount, less any amounts distributed under subsection (6), shall be distributed equally on a per capita basis among the eligible counties.

Section 8. The Legislature finds and declares that this act fulfills an important state interest.

Section 9. From the funds distributed to the Department of Commerce pursuant to s. 212.20(6)(d)2.a., Florida Statutes, and for the 2025-2026 fiscal year, the sum of \$50 million in nonrecurring funds is appropriated from the Grants and Donations Trust Fund within the Department of Commerce for the Utility Relocation Reimbursement Grant Program pursuant to s. 337.4031, Florida Statutes.

Section 10. This act shall take effect October 1, 2025.

Approved by the Governor June 5, 2025.

Filed in Office Secretary of State June 5, 2025.