

Governor's Budget Recommendation Conforming Bill  
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1 A bill to be entitled

2 An act related to transportation project financing;  
3 amending s. 201.015, F.S.; revising the amount of documentary  
4 stamp tax revenue distributed to the State Transportation Trust  
5 Fund; amending s. 206.46, F.S.; removing the maximum dollar  
6 limitation on the debt service cap for specified bonds; amending  
7 215.211, F.S.; eliminating the General Revenue service charge on  
8 proceeds from rental car surcharges, directing the proceeds to  
9 the State Transportation Trust Fund; amending s. 215.616, F.S.;  
10 increasing the maximum term length term of state bonds for  
11 federal aid highway construction; amending s. 319.32, F.S.;  
12 redirecting a portion of vehicle title fee collections from  
13 General Revenue to the State Transportation Trust Fund; amending  
14 s. 337.025, F.S.; including phased designed-build contracts  
15 under innovative transportation projects; eliminating the annual  
16 cap on contracts awarded under this section; amending 337.11,  
17 F.S.; eliminating the limitation of design-build contracts to  
18 specified projects, defining phased design-build contracts,  
19 providing requirements and specifications; amending s. 339.0803,  
20 F.S.; authorizing the department to bond the dedicated revenue  
21 stream from arterial roads for transportation investments;  
22 providing an effective date.

23  
24 Be It Enacted by the Legislature of the State of Florida:

25  
26 Section 1. Paragraph (a) of subsection (4) of section  
27 201.15, Florida Statutes, is amended to read:

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28           201.15 Distribution of taxes collected.—All taxes collected  
29 under this chapter are hereby pledged and shall be first made  
30 available to make payments when due on bonds issued pursuant to  
31 s. 215.618 or s. 215.619, or any other bonds authorized to be  
32 issued on a parity basis with such bonds. Such pledge and  
33 availability for the payment of these bonds shall have priority  
34 over any requirement for the payment of service charges or costs  
35 of collection and enforcement under this section. All taxes  
36 collected under this chapter, except taxes distributed to the  
37 Land Acquisition Trust Fund pursuant to subsections (1) and (2),  
38 are subject to the service charge imposed in s. 215.20(1).  
39 Before distribution pursuant to this section, the Department of  
40 Revenue shall deduct amounts necessary to pay the costs of the  
41 collection and enforcement of the tax levied by this chapter.  
42 The costs and service charge may not be levied against any  
43 portion of taxes pledged to debt service on bonds to the extent  
44 that the costs and service charge are required to pay any  
45 amounts relating to the bonds. All of the costs of the  
46 collection and enforcement of the tax levied by this chapter and  
47 the service charge shall be available and transferred to the  
48 extent necessary to pay debt service and any other amounts  
49 payable with respect to bonds authorized before January 1, 2017,  
50 secured by revenues distributed pursuant to this section. All  
51 taxes remaining after deduction of costs shall be distributed as  
52 follows:

53           (4) After the required distributions to the Land  
54 Acquisition Trust Fund pursuant to subsections (1) and (2) and

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55 deduction of the service charge imposed pursuant to s.  
56 215.20(1), the remainder shall be distributed as follows:

57 (a) The ~~lesser~~ greater of 20.5453 percent of the remainder  
58 or \$466.75 million in each fiscal year shall be paid into the  
59 State Treasury to the credit of the State Transportation Trust  
60 Fund. Notwithstanding any other law, amounts exceeding \$466.75  
61 million shall be used for highway capacity improvements, and the  
62 remaining amount credited to the State Transportation Trust Fund  
63 shall be used for:

64 1. Capital funding for the New Starts Transit Program,  
65 authorized by Title 49, U.S.C. s. 5309 and specified in s.  
66 341.051, in the amount of 10 percent of the funds;

67 2. The Small County Outreach Program specified in s.  
68 339.2818, in the amount of 10 percent of the funds;

69 3. The Strategic Intermodal System specified in ss. 339.61,  
70 339.62, 339.63, and 339.64, in the amount of 75 percent of the  
71 funds after deduction of the payments required pursuant to  
72 subparagraphs 1. and 2.; and

73 4. The Transportation Regional Incentive Program specified  
74 in s. 339.2819, in the amount of 25 percent of the funds after  
75 deduction of the payments required pursuant to subparagraphs 1.  
76 and 2. The first \$60 million of the funds allocated pursuant to  
77 this subparagraph shall be allocated annually to the Florida  
78 Rail Enterprise for the purposes established in s. 341.303(5).

79 Section 2. Subsection (2) of section 206.46, Florida  
80 Statutes, is amended to read:

81 206.46 State Transportation Trust Fund.—

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82 (2) Notwithstanding any other law, from the revenues  
83 deposited into the State Transportation Trust Fund a maximum of  
84 7 percent in each fiscal year shall be transferred into the  
85 Right-of-Way Acquisition and Bridge Construction Trust Fund  
86 created in s. 215.605, as needed to meet the requirements of the  
87 documents authorizing the bonds issued or proposed to be issued  
88 under ss. 215.605 and 337.276 or at a minimum amount sufficient  
89 to pay for the debt service coverage requirements of outstanding  
90 bonds. Notwithstanding the 7 percent annual transfer authorized  
91 in this subsection, the annual amount transferred under this  
92 subsection may not exceed an amount necessary to provide the  
93 required debt service coverage levels ~~for a maximum debt service~~  
94 ~~not to exceed \$350 million~~. Such transfer shall be payable  
95 primarily from the motor and diesel fuel taxes transferred to  
96 the State Transportation Trust Fund from the Fuel Tax Collection  
97 Trust Fund.

98 Section 3. Subsection (5) of section 215.211, Florida  
99 Statutes, is created to read:

100 215.211 Service charge; elimination or reduction for  
101 specified proceeds.—

102 (5) Notwithstanding the provisions of s. 215.20(1), the  
103 service charge provided in s. 215.20(1) which is deducted from  
104 the proceeds of rental car surcharge distributed under  
105 212.0606(5)(a) shall be eliminated, effective July 1, 2023. The  
106 increased revenues resulting from the provisions of this  
107 subsection shall be deposited into the State Transportation

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108 Trust Fund and be used in support of highway capacity  
109 improvements.

110 Section 4. Subsection (3) of section 215.616, Florida  
111 Statutes, is amended to read:

112 215.616 State bonds for federal aid highway construction.—

113 (3) The term of the bonds shall not exceed a term of ~~12~~ 30  
114 years. Prior to the issuance of bonds, the Department of  
115 Transportation shall determine that annual debt service on all  
116 bonds issued pursuant to this section does not exceed 10 percent  
117 of annual apportionments to the department for federal highway  
118 aid in accordance with the provisions of Title 23 of the United  
119 States Code.

120 Section 5. Paragraph (a) of subsection (5) of section  
121 319.32, Florida Statutes, is amended to read:

122 319.32 Fees; service charges; disposition.—

123 (5) (a) Forty-seven dollars of each fee collected, except  
124 for fees charged on a certificate of title for a motor vehicle  
125 for hire registered under s. 320.08(6), for each applicable  
126 original certificate of title and each applicable duplicate copy  
127 of a certificate of title shall be deposited into the State  
128 Transportation Trust Fund. ~~Deposits to the State Transportation~~  
129 ~~Trust Fund pursuant to this paragraph may not exceed \$200~~  
130 ~~million in any fiscal year, and~~ The first \$200 million collected  
131 shall be deposited into the State Transportation Trust Fund.

132 ~~From~~ any collections in excess of that amount during the fiscal  
133 year, the first \$30 million collected shall be deposited into  
134 the Highway Safety Operating Trust Fund, and any remaining

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135 collections shall be paid into the ~~General Revenue Fund~~ State  
136 Transportation Trust Fund and used in support of highway  
137 capacity improvements.

138 Section 6. Section 337.025, Florida Statutes, is amended to  
139 read:

140 337.025 Innovative transportation projects; department to  
141 establish program.—

142 (1) The department may establish a program for  
143 transportation projects demonstrating innovative techniques of  
144 highway and bridge design, construction, maintenance, and  
145 finance which have the intended effect of measuring resiliency  
146 and structural integrity and controlling time and cost increases  
147 on construction projects. Such techniques may include, but are  
148 not limited to, state-of-the-art technology for pavement,  
149 safety, and other aspects of highway and bridge design,  
150 construction, and maintenance; innovative bidding and financing  
151 techniques; phased design-build contracts; accelerated  
152 construction procedures; and those techniques that have the  
153 potential to reduce project life cycle costs. To the maximum  
154 extent practical, the department must use the existing process  
155 to award and administer construction and maintenance contracts.  
156 When specific innovative techniques are to be used, the  
157 department is not required to adhere to those provisions of law  
158 that would prevent, preclude, or in any way prohibit the  
159 department from using the innovative technique. However, before  
160 using an innovative technique that is inconsistent with another  
161 provision of law, the department must document in writing the

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162 need for the exception and identify what benefits the traveling  
163 public and the affected community are anticipated to receive.  
164 ~~The department may enter into no more than \$120 million in~~  
165 ~~contracts awarded annually for the purposes authorized by this~~  
166 ~~section.~~

167 ~~(2) The annual cap on contracts provided in subsection (1)~~  
168 ~~does not apply to:~~

169 ~~(a) Turnpike enterprise projects.~~

170 ~~(b) Low bid design build milling and resurfacing contracts.~~

171 Section 7. Subsection (7) of section 337.11, Florida  
172 Statutes, is amended to read:

173 337.11 Contracting authority of department; bids; emergency  
174 repairs, supplemental agreements, and change orders; combined  
175 design and construction contracts; progress payments; records;  
176 requirements of vehicle registration.-

177 (7) (a) If the department determines that it is in the best  
178 interests of the public, the department may combine the design  
179 and construction phases of a ~~building, a major bridge, a limited~~  
180 ~~access facility, or a rail corridor~~ project into a single  
181 contract. Such contract is referred to as a design-build  
182 contract. ~~Design-build contracts may be advertised and awarded~~  
183 ~~notwithstanding the requirements of paragraph (3) (c). However,~~  
184 ~~construction activities may not begin on any portion of such~~  
185 ~~projects for which the department has not yet obtained title to~~  
186 ~~the necessary rights-of-way and easements for the construction~~  
187 ~~of that portion of the project has vested in the state or a~~  
188 ~~local governmental entity and all railroad crossing and utility~~

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189 ~~agreements have been executed. Title to rights-of-way shall be~~  
190 ~~deemed to have vested in the state when the title has been~~  
191 ~~dedicated to the public or acquired by prescription.~~

192 (b) If the department determines that it is in the best  
193 interests of the public, the department may combine the design  
194 and construction phases of a project into a single contract and  
195 select the design-build firm in the early stages of a project to  
196 ensure that the design-build firm is part of the collaboration  
197 and development of the design as part of a step-by-step  
198 progression through construction. Such a contract is referred to  
199 as a phased design-build contract. For phased design-build  
200 contracts, selection and award must include a two-phase process.  
201 For phase one, the department shall competitively award the  
202 contract to a design-build firm based upon qualifications. For  
203 phase two, the design-build firm shall competitively bid  
204 construction trade subcontractor packages and, based upon these  
205 bids, negotiate with the department a fixed firm price or  
206 guaranteed maximum price that meets the project budget and scope  
207 as advertised in the request for qualifications.

208 (c) Design-build contracts and phased design-build  
209 contracts may be advertised and awarded notwithstanding the  
210 requirements of paragraph (3)(c). However, construction  
211 activities may not begin on any portion of such projects for  
212 which the department has not yet obtained title to the necessary  
213 rights-of-way and easements for the construction of that portion  
214 of the project has vested in the state or a local governmental  
215 entity and all railroad crossing and utility agreements have



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216 been executed. Title to rights-of-way shall be deemed to have  
217 vested in the state when the title has been dedicated to the  
218 public or acquired by prescription.

219 ~~(b)~~(d) The department shall adopt by rule procedures for  
220 administering design-build and phased design-build contracts.

221 Such procedures shall include, but not be limited to:

- 222 1. Prequalification requirements.
- 223 2. Public announcement procedures.
- 224 3. Scope of service requirements.
- 225 4. Letters of interest requirements.
- 226 5. Short-listing criteria and procedures.
- 227 6. Bid proposal requirements.
- 228 7. Technical review committee.
- 229 8. Selection and award processes.
- 230 9. Stipend requirements.

231 ~~(e)~~(e) The department must receive at least three letters  
232 of interest in order to proceed with a request for proposals.  
233 The department shall request proposals from no fewer than three  
234 of the design-build firms submitting letters of interest. If a  
235 design-build firm withdraws from consideration after the  
236 department requests proposals, the department may continue if at  
237 least two proposals are received.

238 Section 8. Section 339.0803, Florida Statutes, is amended  
239 to read:

240 339.0803 Allocation of increased revenues derived from  
241 amendments to s. 320.08 by ch. 2019-43.—Beginning in the 2021-  
242 2022 fiscal year and each fiscal year thereafter, funds that

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243 result from increased revenues to the State Transportation Trust  
244 Fund derived from the amendments to s. 320.08 made by chapter  
245 2019-43, Laws of Florida, and deposited into the fund pursuant  
246 to s. 320.20(5)(a) must be used first as set forth in subsection  
247 (1) and then as set forth in subsection (2), notwithstanding any  
248 other provision of law:

249 (1)(a) Beginning in the 2023-2024 fiscal year and annually  
250 thereafter, up to \$50 million may be used to fund arterial  
251 highways with controlled access under s. 339.66 and arterial  
252 rural highway projects under s. 339.68, to be known as the  
253 Arterial Bond Program.

254 (b) Revenue bonds shall be issued by the Division of Bond  
255 Finance at the request of the Department of Transportation under  
256 the State Bond Act, and shall be secured by such revenues as  
257 provided in this subsection.

258 (c) Revenue bonds or other indebtedness issued hereunder  
259 are not a general obligation of the state, and are secured  
260 solely by a first lien on the revenues distributed under this  
261 subsection.

262 (d) The state covenants with holders of the revenue bonds  
263 or other instruments of indebtedness issued pursuant to this  
264 subsection that it will not repeal this subsection, nor take any  
265 action, including but not limited to amending this section, that  
266 will materially and adversely affect the rights of such holders  
267 so long as revenue bonds or other indebtedness authorized by  
268 this section remain outstanding.

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269        (2) The remaining funds shall be used to fund arterial  
270 highway projects identified by the department in accordance with  
271 s. 339.65 and may be used for projects as specified in ss.  
272 339.66 and 339.67. For purposes of the funding provided in this  
273 section, the department shall prioritize use of existing  
274 facilities or portions thereof when upgrading arterial highways  
275 to limited or controlled access facilities. However, this  
276 section does not preclude use of the funding for projects that  
277 enhance the capacity of an arterial highway. The funds allocated  
278 as provided in this section shall be in addition to any other  
279 statutory funding allocations provided by law.

280        Section 9. This act shall take effect July 1, 2023.