By the Committee on Infrastructure and Security; and Senator Albritton

A bill to be entitled

An act relating to the Department of Transportation; amending s. 20.23, F.S.; deleting the requirement that the Governor appoint the Secretary of Transportation from among three persons nominated by the Florida Transportation Commission; providing additional qualifications for the secretary; creating s. 334.179, F.S.; prohibiting local governments from adopting standards or specifications that are contrary to the department standards or specifications for permissible use of aggregates that have been certified for use; defining the term “certified for use”; amending s. 337.025, F.S.; authorizing the department to establish a program for transportation projects that demonstrate certain innovative techniques for measuring resiliency and structural integrity and controlling time and cost increases; amending s. 337.14, F.S.; requiring that any contractor, instead of any person, desiring to bid for the performance of certain construction contracts first be certified by the department as qualified; conforming provisions to changes made by the act; requiring a contractor desiring to bid on certain contracts to have satisfactorily completed certain projects; amending s. 337.185, F.S.; increasing the maximum amounts per contract of certain contractual claims that must be arbitrated by the State Arbitration Board under certain circumstances; providing an effective date.
Be It Enacted by the Legislature of the State of Florida:

Section 1. Subsection (1) of section 20.23, Florida Statutes, is amended to read:

20.23 Department of Transportation.—There is created a Department of Transportation which shall be a decentralized agency.

(1)(a) The head of the Department of Transportation is the Secretary of Transportation. The secretary shall be appointed by the Governor, from among three persons nominated by the Florida Transportation Commission and shall be subject to confirmation by the Senate. The secretary shall serve at the pleasure of the Governor.

(b) The secretary must be a proven, effective administrator who, by a combination of education and experience, clearly possesses a broad knowledge of the administrative, financial, and technical aspects of the development, operation, and regulation of transportation systems and facilities or comparable systems and facilities. The secretary must be a registered professional engineer in accordance with chapter 471 or the laws of another state, or, in lieu of professional engineer registration, must hold an advanced degree in an appropriate related discipline, such as a Master of Business Administration, and have 5 years of relevant transportation experience or must have 10 years of relevant transportation experience.

(c) The secretary shall provide to the Florida Transportation Commission or its staff, such assistance, information, and documents as are requested by the commission or
its staff to enable the commission to fulfill its duties and responsibilities.

(d) The secretary may appoint up to three assistant secretaries who shall be directly responsible to the secretary and who shall perform such duties as are assigned by the secretary. The secretary shall designate to an assistant secretary the duties related to enhancing economic prosperity, including, but not limited to, the responsibility of liaising with the head of economic development in the Executive Office of the Governor. This assistant secretary is shall be directly responsible for providing the Executive Office of the Governor with investment opportunities and transportation projects that expand the state’s role as a global hub for trade and investment and enhance the supply chain system in the state to process, assemble, and ship goods to markets throughout the eastern United States, Canada, the Caribbean, and Latin America. The secretary may delegate to any assistant secretary the authority to act in the absence of the secretary.

(e) Any secretary appointed after July 5, 1989, and the assistant secretaries are shall be exempt from the provisions of part III of chapter 110 and must shall receive compensation that is commensurate with their qualifications and competitive with compensation for comparable responsibility in the private sector.

Section 2. Section 334.179, Florida Statutes, is created to read:

334.179 Departmental standards or specifications for permissible use of aggregates.—Notwithstanding any law, rule, or ordinance to the contrary, a local government may not adopt
standards or specifications that are contrary to the
departmental standards or specifications for permissible use of
aggregates that have been certified for use. For purposes of
this section, the term “certified for use” means that the
aggregates have been certified by the producer in accordance
with departmental rule.

Section 3. Subsection (1) of section 337.025, Florida
Statutes, is amended to read:

337.025 Innovative transportation highway projects;—
(1) The department may is authorized to establish a program
for transportation highway projects demonstrating innovative
techniques of highway and bridge design, construction,
maintenance, and finance which have the intended effect of
measuring resiliency and structural integrity and controlling
time and cost increases on construction projects. Such

CODING: Words stricken are deletions; words underlined are additions.
provision of law, the department must document in writing the
need for the exception and identify what benefits the traveling
public and the affected community are anticipated to receive.
The department may enter into no more than $120 million in
contracts annually for the purposes authorized by this section.

Section 4. Subsection (1) of section 337.14, Florida
Statutes, is amended to read:
337.14 Application for qualification; certificate of
qualification; restrictions; request for hearing.—
(1) Any contractor person desiring to bid for the
performance of any construction contract in excess of $250,000
which the department proposes to let must first be certified by
the department as qualified pursuant to this section and rules
of the department. The rules of the department must shall
address the qualification of contractors persons to bid on
construction contracts in excess of $250,000 and must shall
include requirements with respect to the equipment, past record,
experience, financial resources, and organizational personnel of
the applying contractor which are applicant necessary to perform
the specific class of work for which the contractor person seeks
certification. Any contractor desiring to bid on contracts in
excess of $50 million must have satisfactorily completed two
projects, each in excess of $25 million, for the department or
for any other state department of transportation. The department
may limit the dollar amount of any contract upon which a
contractor person is qualified to bid or the aggregate total
dollar volume of contracts such contractor person is allowed to
have under contract at any one time. Each applying contractor
applicant seeking qualification to bid on construction contracts
in excess of $250,000 shall furnish the department a statement under oath, on such forms as the department may prescribe, setting forth detailed information as required on the application. Each application for certification shall be accompanied by the latest annual financial statement of the applying contractor completed within the last 12 months. If the application or the annual financial statement shows the financial condition of the applying contractor more than 4 months prior to the date on which the application is received by the department, then an interim financial statement and an updated application must be submitted and be accompanied by an updated application. The interim financial statement must cover the period from the end date of the annual statement and must show the financial condition of the applying contractor no more than 4 months prior to the date that the interim financial statement is received by the department. However, upon the request of the applying contractor, an application and accompanying annual or interim financial statement received by the department within 15 days after either 4-month period under this subsection shall be considered timely. Each required annual or interim financial statement must be audited and accompanied by the opinion of a certified public accountant. An applying contractor desiring to bid exclusively for the performance of construction contracts with proposed budget estimates of less than $1 million may submit reviewed annual or reviewed interim financial statements prepared by a certified public accountant. The information required by this subsection is confidential and exempt from the provisions of s. 119.07(1). The department shall
act upon the application for qualification within 30 days after
the department determines that the application is complete. The
department may waive the requirements of this subsection for
projects having a contract price of $500,000 or less if the
department determines that the project is of a noncritical
nature and the waiver will not endanger public health, safety,
or property.

Section 5. Subsection (1) of section 337.185, Florida
Statutes, is amended to read:

337.185 State Arbitration Board.—
(1) To facilitate the prompt settlement of claims for
additional compensation arising out of construction and
maintenance contracts between the department and the various
contractors with whom it transacts business, the Legislature
does hereby establish the State Arbitration Board, referred to
in this section as the “board.” For the purpose of this section,
the term “claim” means the aggregate of all outstanding claims
by a party arising out of a construction or maintenance
contract. Every contractual claim in an amount up to $250,000
per contract or, at the claimant’s option, up to $1 million
$500,000 per contract or, upon agreement of the parties, up to
$2 million $1 million per contract which that
cannot be resolved
by negotiation between the department and the contractor must
shall be arbitrated by the board after acceptance of the project
by the department. As an exception, either party to the dispute
may request that the claim be submitted to binding private
arbitration. A court of law may not consider the settlement of
such a claim until the process established by this section has
been exhausted.
Section 6. This act shall take effect July 1, 2019.