

## REVENUE ESTIMATING CONFERENCE

**Tax:** Various State Fees

**Issue:** Reduces or eliminates several fees and surcharges administered by various state agencies.

**Bill Number(s):** HB 1123 (SB 1442 identical)

☒ **Entire Bill**

☐ **Partial Bill:**

**Sponsor(s):** Representative Drake (Senator Broxson)

**Month/Year Impact Begins:** July 1, 2017, except for Sections 3-5 of the bill, which would be effective January 1, 2018.

**Date of Analysis:** April 15, 2017

### ***Sections 1-2 of the Bill – Elimination of the \$10 Fee for the Issuance of an Elected Officer's Commission (Department of State)***

#### **Narrative**

- a. Current Law:** Section 15.09(3), F.S., provides that all fees arising from certificates of election or appointment to office and from commissions to officers shall be paid to the Chief Financial Officer for deposit in the General Revenue Fund. A certificate of election is a formal document that grants the holder the rights and privileges of holding elected office. A commission to officers is a warrant or authority granted by government, which empowers the named individual to execute official acts. Section 113.01, F.S., provides that a fee of \$10 is prescribed for the issuance of each commission issued by the Governor and attested by the Secretary of State for an elected officer or a notary public. This fee is charged to persons who are elected or appointed to fill vacancies in elected positions.
- b. Proposed Change:** Section 2 of the bill amends s. 113.01, F.S., to eliminate the \$10 fee for a commission of an elected officer issued by the Governor. Section 1 of the bill makes a conforming change to s. 15.09(3), F.S.

#### **Description of Data and Sources**

Department of State, Director of Legislative Affairs.

According to the Department, the number of individuals who are charged the \$10 fee varies by election year and number of appointments. The Department provided the following data on the number of commissions issued during the most recent fiscal years.

FY 2016-17 (through 1/20/2017): 1,936 commissions issued, totaling \$19,360. 202 commissions to be issued upon payment, totaling \$2,020.

FY 2015-16: 169 commissions issued, totaling \$1,690.

FY 2014-15: 2,518 commissions issued, totaling \$25,180.

FY 2013-14: 1,177 commissions issued, totaling \$11,770.

FY 2012-13: 3,028 commissions issued, totaling \$30,280.

#### **Methodology (Include Assumptions and Attach Details)**

Since annual revenue in the most recent fiscal years has totaled less than \$50,000, a fiscal impact of negative insignificant is proposed.

#### **Proposed Fiscal Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18			(Insignificant)	(Insignificant)		
2018-19			(Insignificant)	(Insignificant)		
2019-20			(Insignificant)	(Insignificant)		
2020-21			(Insignificant)	(Insignificant)		
2021-22			(Insignificant)	(Insignificant)		

**List of Affected Trust Funds:** General Revenue Fund

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### ***Section 3 of the Bill – Elimination of the \$2 Deduction from Each Claim Made for Refund (Department of Revenue)***

#### **Narrative**

- a. Current Law:** Section 206.41(5)(c), F.S., directs the Department of Revenue to deduct \$2 from each refund claim made pursuant to s. 206.41(4), F.S.
- b. Proposed Change:** Section 3 of the bill amends s. 206.41(5)(c), F.S., to eliminate this \$2 deduction from each refund claim.

#### **Description of Data and Sources**

Department of Revenue refund data

\$2 Withheld from Fuel Refunds	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Collections	\$2,950	\$2,192	\$2,544	\$2,126	\$2,020
Growth		-25.7%	16.1%	-16.4%	-5.0%

#### **Methodology (Include Assumptions and Attach Details)**

For each forecast year, the FY 2011-12 collections were used for the high estimate; the FY 2013-14 collections were used for the middle estimate, and the FY 2015-16 collections were used for the low estimate.

#### **Proposed Fiscal Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(Insignificant)	(\$2,950)	(Insignificant)	(\$2,544)	(Insignificant)	(\$2,544)
2018-19	(\$2,950)	(\$2,950)	(\$2,544)	(\$2,544)	(\$2,544)	(\$2,544)
2019-20	(\$2,950)	(\$2,950)	(\$2,544)	(\$2,544)	(\$2,544)	(\$2,544)
2020-21	(\$2,950)	(\$2,950)	(\$2,544)	(\$2,544)	(\$2,544)	(\$2,544)
2021-22	(\$2,950)	(\$2,950)	(\$2,544)	(\$2,544)	(\$2,544)	(\$2,544)

**List of Affected Trust Funds:** General Revenue Fund

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**Bill Number(s):** HB 1123 (SB 1442 identical)

### ***Sections 4-5 of the Bill – Elimination of the \$5 Registration Fee for Certain Dealers or Businesses (Department of Revenue)***

#### **Narrative**

- a. Current Law:** Section 212.18(3), F.S., requires a fee of \$5 for registering with the Department as a dealer or to engage in transient rental or commercial rental activity and specifies that the fee is not required to accompany an application to engage in mail order sales. The Department may waive the registration fee for applications submitted through its Internet registration process. Furthermore, a person who engages in activities that require registration but fails or refuses to do so is also subject to a \$100 registration fee in lieu of the \$5 fee. However, if the Department finds the failure to register was due to reasonable cause and not to willful negligence, willful neglect, or fraud, it may waive the increase in the registration fee.
- b. Proposed Change:** Section 5 of the bill amends s. 212.18(3), F.S., to eliminate the \$5 registration fee. Section 4 of the bill makes a conforming change to s. 212.0596(7), F.S.

#### **Description of Data and Sources**

DOR collections data

Registration fee amounts:

2015-16	\$130,766
2014-15	\$163,925
2013-14	\$121,878
2012-13	\$128,386
2011-12	\$145,043
AVG	\$138,002

#### **Methodology (Include Assumptions and Attach Details)**

High – assumed 2014-15 level for all future years.

Middle – assumed five-year average for all future years.

Low – assumed 2013-14 level for all future years.

Based on the assumption that registrations come in evenly throughout the year, the first year cash impact is 50% of the recurring impact.

#### **Proposed Fiscal Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(\$81,648)	(\$163,295)	(\$69,001)	(\$138,002)	(\$60,939)	(\$121,878)
2018-19	(\$163,295)	(\$163,295)	(\$138,002)	(\$138,002)	(\$121,878)	(\$121,878)
2019-20	(\$163,295)	(\$163,295)	(\$138,002)	(\$138,002)	(\$121,878)	(\$121,878)
2020-21	(\$163,295)	(\$163,295)	(\$138,002)	(\$138,002)	(\$121,878)	(\$121,878)
2021-22	(\$163,295)	(\$163,295)	(\$138,002)	(\$138,002)	(\$121,878)	(\$121,878)

**List of Affected Trust Funds:** General Revenue Fund

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### ***Sections 6-10, 12 of the Bill – Implementation of Changes to Several Fees (Department of Highway Safety and Motor Vehicles)***

#### **Narrative**

- a. Current Law:** Sections 319.28 and 319.32, F.S., provide for a \$70 fee charged for each original or duplicate certificate of title, except for for-hire vehicles and salvaged vehicles. The \$70 fee is distributed as follows: \$21 into the State Transportation Trust Fund (STTF), \$47 into the STTF for the first \$200 million with the remainder into the General Revenue Fund (GR), and \$2 into the GR Fund. Section 319.32, F.S., also provides for a service charge of \$2.50 for shipping and handling of paper titles to be deposited into the Highway Safety Operating Trust Fund.

Section 322.051, F.S., allows for the word “veteran” to be displayed upon a veteran’s identification card upon payment of an additional \$1 fee and the word “veteran” to be added to a veteran’s driver license upon payment of an additional \$2 fee. These fees are deposited into the Highway Safety Operating Trust Fund.

Section 322.14, F.S., allows for the word “veteran” to be displayed upon a veteran’s driver license upon payment of an additional \$1 fee and the word “veteran” to be added to a veteran’s driver license upon payment of an additional \$2 fee. These fees are deposited into the Highway Safety Operating Trust Fund.

Section 322.21, F.S., provides a \$75 fee for each original commercial driver license deposited into the General Revenue Fund and a \$25 fee for each original, renewal, and replacement ID card. The fees from original ID cards are deposited into the General Revenue Fund. The fees from renewal ID cards are deposited in the following manner: \$19 into the General Revenue Fund and \$6 into the Highway Safety Operating Trust Fund. The fees from replacement ID cards are deposited in the following manner: \$16 into the General Revenue Fund and \$9 into either the Highway Safety Operating Trust Fund or retained by the local tax collector, depending upon who issues the card.

Section 488.03, F.S., provides for various fees for the application for, issuance, and renewal of licenses for commercial driver schools.

- b. Proposed Change:** Section 7 of the bill amends s. 319.32(1), F.S., to state that the surviving spouse of a deceased motor vehicle owner who applies for a transfer of title in his or her own name is exempt from the fees imposed. Section 6 of the bill makes a conforming change to s. 319.28, F.S.

Section 8 of the bill amends s. 322.051(8), F.S., to abolish the \$1 and \$2 fees for displaying or adding the word “veteran” to a veteran’s identification card.

Section 9 of the bill amends s. 322.14(1), F.S., to abolish the \$1 and \$2 fees for displaying or adding the word “veteran” to a veteran’s driver license.

Section 10 of the bill amends s. 322.21(1), F.S., to exempt veterans from the \$75 fee for original commercial driver license and exempt any person who is 80 years of age or older from the \$25 fee for original, renewal, and replacement ID cards.

Section 12 of the bill amends s. 488.03, F.S., to reduce by 50% the various fees for the application for, issuance, and renewal of licenses for commercial driver schools.

#### **Description of Data and Sources**

March 2017 Highway Safety REC and History

February 2017 Demographic Estimating Conference

Phone interview with Department of Highway Safety and Motor Vehicles staff

Number of Veterans in Florida per the Florida Department of Veteran Affairs website

US Census 2015 American Community Survey (ACS)

FHWA 2009 National Household Travel Survey (NHTS)

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### Methodology (Include Assumptions and Attach Details)

Sections 6-7 of the bill: Exempting surviving spouses from the title fee for removing the name of the deceased spouse results in a negative impact to the forecasted title revenue for STTF, GR, and HSOTF. For each applicable title, the impact to each trust fund is as follows: STTF - \$21 and GR - \$49. For the \$2.50 HSOTF paper title service fees, the REC history was used to calculate the rate at which paper titles are requested of base titles (56%), which was applied to applicable titles and multiplied by \$2.50. Note that the \$47 portion of the base fee, for which STTF receives the first \$200 million, only impacts GR because there would need to be an unrealistically high number of applicable titles for the impact to reach into the \$200 million STTF portion.

The February 2017 Demographic Estimating Conference was used to forecast deaths above age 15. Per the 2015 American Community Survey, 45.5% of Americans above age 15 are married. Per the 2009 National Household Travel Survey, 8.7% of households do not own an automobile. All three of the above sources were used to forecast the number of married car-owner deaths. To get to applicable titles, this number needs to be further reduced for the following factors. First, surviving spouses who wish to sell their deceased spouse's vehicle are already exempt from titling the vehicle prior to sale per s. 319.28 F.S. A second deduction must be made for repossessed titles. Lastly, a third deduction must be made for certain titles owned jointly. Vehicles may be titled jointly using either the phrase "\_\_\_ or \_\_\_" or using "\_\_\_ and \_\_\_." If a joint title includes the word "or," there is no need for a surviving spouse to make revision to the title when attempting to register the vehicle while such need exists if the joint title uses the word "and." According to the Department of Highway Safety and Motor vehicles, 22.63% of titles are jointly owned; however, it is unknown how many of these titles are jointly owned by spouses nor how many use "or" vs. "and." Further note that when preparing this analysis, it was assumed that the fee exemption would apply to surviving spouses when the vehicle is titled solely in the name of the deceased spouse. Lastly note that the language could be interpreted to grant the exemption to a surviving spouse transferring any vehicle title. This interpretation does not impact this analysis because such actions would be extremely rare. For the high analysis, applicable titles represent 40% of married car-owner deaths. For the middle analysis, applicable titles represent 25% of married car-owner deaths. For the low analysis, applicable titles represent 10% of married car-owner deaths.

Sections 8-9 of the bill: The FY 2015-16 revenue from the \$1 and \$2 fees charged per s. 322.14, F.S., was retrieved from the Highway Safety REC History. This fee is included with other items in the Highway Safety REC. The growth rates for the line item that includes the relevant fees was used to grow the FY 2015-16 actual to derive a forecast, which will be the total reduction.

Section 10 of the bill: The number of veterans in Florida was found on the Florida Department of Veterans' Affairs website. Using Florida population from the February 2017 Demographic Estimating Conference, the percentage of Florida residents who are veterans is 8.76%. For the low scenario, 8.76% of forecasted original CDL's are veterans. This percentage increases to 10% for the middle scenario and 15% for the high scenario.

The February 2017 Demographic Estimating Conference was also used to generate the Florida population above 80 years of age, which is about 5% of the total population. The number of transactions for original, renewal, and replacement ID cards comes from the March 2017 Highway Safety REC. In the three scenarios, transactions are reduced by 5% for the low, 8% for the middle, and 12% for the high.

Section 12 of the bill: The fees for commercial driver schools come from the March 2017 Highway Safety REC. The forecast is reduced by 50% to reflect the fee reduction.

All Sections: For all fee changes impacting Highway Safety REC fees, there is a half-month collection to distribution lag accounting for the difference between FY 2017-18 cash and recurring. There is also a subsequent GR service charge impact to the Highway Safety Operating Trust Fund and General Revenue Fund.

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## Proposed Fiscal Impact (Millions)

GR	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(\$3.60)	(\$3.76)	(\$2.12)	(\$2.22)	(\$1.17)	(\$1.23)
2018-19	(\$3.78)	(\$3.78)	(\$2.23)	(\$2.23)	(\$1.23)	(\$1.23)
2019-20	(\$3.87)	(\$3.87)	(\$2.29)	(\$2.29)	(\$1.26)	(\$1.26)
2020-21	(\$3.95)	(\$3.95)	(\$2.33)	(\$2.33)	(\$1.29)	(\$1.29)
2021-22	(\$4.00)	(\$4.00)	(\$2.36)	(\$2.36)	(\$1.30)	(\$1.30)

TRUST	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(\$0.93)	(\$0.97)	(\$0.59)	(\$0.62)	(\$0.29)	(\$0.30)
2018-19	(\$0.98)	(\$0.98)	(\$0.62)	(\$0.62)	(\$0.30)	(\$0.30)
2019-20	(\$1.01)	(\$1.01)	(\$0.64)	(\$0.64)	(\$0.31)	(\$0.31)
2020-21	(\$1.04)	(\$1.04)	(\$0.65)	(\$0.65)	(\$0.32)	(\$0.32)
2021-22	(\$1.05)	(\$1.05)	(\$0.67)	(\$0.67)	(\$0.32)	(\$0.32)

LOCAL	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(\$0.11)	(\$0.11)	(\$0.06)	(\$0.06)	(\$0.04)	(\$0.04)
2018-19	(\$0.11)	(\$0.11)	(\$0.06)	(\$0.06)	(\$0.04)	(\$0.04)
2019-20	(\$0.11)	(\$0.11)	(\$0.06)	(\$0.06)	(\$0.04)	(\$0.04)
2020-21	(\$0.11)	(\$0.11)	(\$0.06)	(\$0.06)	(\$0.04)	(\$0.04)
2021-22	(\$0.12)	(\$0.12)	(\$0.06)	(\$0.06)	(\$0.04)	(\$0.04)

FINAL	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(\$1.69)	(\$1.76)	(\$0.56)	(\$0.58)	(\$0.04)	(\$0.04)	(\$2.28)	(\$2.38)
2018-19	(\$1.78)	(\$1.78)	(\$0.59)	(\$0.59)	(\$0.04)	(\$0.04)	(\$2.41)	(\$2.41)
2019-20	(\$1.82)	(\$1.82)	(\$0.61)	(\$0.61)	(\$0.04)	(\$0.04)	(\$2.47)	(\$2.47)
2020-21	(\$1.86)	(\$1.86)	(\$0.62)	(\$0.62)	(\$0.04)	(\$0.04)	(\$2.52)	(\$2.52)
2021-22	(\$1.89)	(\$1.89)	(\$0.63)	(\$0.63)	(\$0.04)	(\$0.04)	(\$2.56)	(\$2.56)

## List of Affected Trust Funds:

General Revenue Fund

Highway Safety Operating Trust Fund

State Transportation Trust Fund

Local Trust Funds

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### ***Sections 11, 13 of the Bill – Reductions to a Fee for Renewal of a Delinquent License and Surcharge on Building Permits (Department of Business and Professional Regulation)***

#### **Narrative**

- a. Current Law:** Section 455.271, F.S., authorizes each professional licensing board, or the Department when there is no board, to impose an additional delinquency fee for the renewal of a delinquent status license. The delinquency fee must be adopted by rule. The additional fee may be up to the same amount as the biennial renewal fee, potentially doubling the cost to renew the license. Currently, all boards have adopted delinquency fees, which vary by profession ranging from \$25 to \$260.

Section 553.721, F.S., requires all local building departments to assess and collect a 1.5% surcharge on any building permit issued by their agency for the purpose of enforcing the Florida Building Code. The surcharge assessment is paid directly by the individual or construction professional pulling the permit and is generally passed on to consumers through increased costs for construction. The local jurisdictions collect the assessment and remit the surcharge fees to the Department to fund the activities of the Florida Building Commission and the Department's Office of Codes and Standards. Local building departments must retain 10% of the collected surcharge to fund participation of their agencies in the national and state building code adoption processes and provide education related to Florida Building Code enforcement.

- b. Proposed Change:** Section 11 of the bill amends s. 455.271(7), F.S., to limit delinquency fees to a flat rate of \$25 per delinquent license for all professions regulated under Chapter 455, F.S. According to the Department, this change will provide consistency across professions and eliminating the need for boards to engage in continued rulemaking regarding delinquency fees. Section 13 of the bill amends s. 553.721, F.S., to reduce the amount of the building surcharge assessed on the applicable building permits from 1.5% to 1.0%.

#### **Description of Data and Sources**

Delinquency Fee Reduction: The reduction in delinquent fee collections is calculated using FY 2015-16 actual revenues. Building Permit Surcharge Reduction: The reduction in the building permit surcharge fee collections is calculated using the FY 2015-16 actual revenues.

#### **Methodology (Include Assumptions and Attach Details)**

Delinquency Fee Reduction Methodology: Delinquent fees collected by board in FY 2015-16 were recalculated using the new proposed fee of \$25 rather than the current fee. Revenue decreases were summed for a total decrease in revenue. Building Permit Surcharge Reduction Methodology: Total surcharge fees were calculated by taking surcharge revenues received by the Department in FY 2015-16 and then increasing those fees to include the 10% fee collected by cities and counties. To show the impact of the proposed fee reduction, the total surcharge fees were then reduced by 1/3 to reflect the surcharge reduction from 1.5% to 1.0%. The Department anticipates that surcharge revenues will remain at or near the 2016 levels. Therefore, projected savings were based on the 2016 surcharge fees.

Assumptions: The building permit surcharge and the license renewal delinquent fee revenue will remain constant over the next five fiscal years. Cash reduction represents the gross revenue impact less the 8% surcharge to General Revenue.

**See Attached.**

#### **Proposed Fiscal Impact for Section 11, Delinquency Fee Reduction**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18			(\$680,060)	(\$680,060)		
2018-19			(\$680,060)	(\$680,060)		
2019-20			(\$680,060)	(\$680,060)		
2020-21			(\$680,060)	(\$680,060)		
2021-22			(\$680,060)	(\$680,060)		

**List of Affected Trust Funds:** Professional Regulation Trust Fund, GR Service Charge

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## Proposed Fiscal Impact for Section 13, Surcharge Reduction on Building Permits

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18			(\$2,900,394)	(\$2,900,394)		
2018-19			(\$2,900,394)	(\$2,900,394)		
2019-20			(\$2,900,394)	(\$2,900,394)		
2020-21			(\$2,900,394)	(\$2,900,394)		
2021-22			(\$2,900,394)	(\$2,900,394)		

**List of Affected Trust Funds:** Professional Regulation Trust Fund, Local Funds, GR Service Charge

**Section 5: Consensus Estimate (Adopted: 03/10/2017, Section 13 Revised -04/17/2017):** The Conference adopted the following impacts:

Sections 1-2, *Elimination of \$10 Elected Officer's Commission Fee* – negative insignificant

Section 3, *\$2 Fuel Refunds* – negative insignificant

Sections 4-5, *\$5 Registration Fee* – Middle

Sections 6-7, *HMSV Fees Title Fees - Surviving Spouses* – Middle

Sections 8-9, *Veteran Specialty Driver License Discount* – Proposed Estimate

Section 10, *Veteran CDL* – Adopted an adjusted low (5% of CDL originals are Veterans)

Section 10, *Over 80 ID Card Discount* - Low

Section 12, *CDL School Discount* – Proposed Estimate

Section 11, 13, *Building Permits*, - Proposed Estimate

Sections 1-2, *Elimination of \$10 Elected Officer's Commission Fee* – negative insignificant

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(Insignificant)	(Insignificant)	0.0	0.0	0.0	0.0	(Insignificant)	(Insignificant)
2018-19	(Insignificant)	(Insignificant)	0.0	0.0	0.0	0.0	(Insignificant)	(Insignificant)
2019-20	(Insignificant)	(Insignificant)	0.0	0.0	0.0	0.0	(Insignificant)	(Insignificant)
2020-21	(Insignificant)	(Insignificant)	0.0	0.0	0.0	0.0	(Insignificant)	(Insignificant)
2021-22	(Insignificant)	(Insignificant)	0.0	0.0	0.0	0.0	(Insignificant)	(Insignificant)

Section 3, *\$2 Fuel Refunds* – negative insignificant

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(Insignificant)	(Insignificant)	0.0	0.0	0.0	0.0	(Insignificant)	(Insignificant)
2018-19	(Insignificant)	(Insignificant)	0.0	0.0	0.0	0.0	(Insignificant)	(Insignificant)
2019-20	(Insignificant)	(Insignificant)	0.0	0.0	0.0	0.0	(Insignificant)	(Insignificant)
2020-21	(Insignificant)	(Insignificant)	0.0	0.0	0.0	0.0	(Insignificant)	(Insignificant)
2021-22	(Insignificant)	(Insignificant)	0.0	0.0	0.0	0.0	(Insignificant)	(Insignificant)

Sections 4-5, *\$5 Registration Fee* – Middle

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(0.1)	(0.1)	0.0	0.0	0.0	0.0	(0.1)	(0.1)
2018-19	(0.1)	(0.1)	0.0	0.0	0.0	0.0	(0.1)	(0.1)
2019-20	(0.1)	(0.1)	0.0	0.0	0.0	0.0	(0.1)	(0.1)
2020-21	(0.1)	(0.1)	0.0	0.0	0.0	0.0	(0.1)	(0.1)



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2021-22	(0.1)	(0.1)	0.0	0.0	0.0	0.0	(0.1)	(0.1)
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## Sections 6-7, *HMSV Fees Title Fees - Surviving Spouses* – Middle

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(1.0)	(1.0)	(0.5)	(0.5)	0.0	0.0	(1.5)	(1.5)
2018-19	(1.1)	(1.1)	(0.5)	(0.5)	0.0	0.0	(1.5)	(1.5)
2019-20	(1.1)	(1.1)	(0.5)	(0.5)	0.0	0.0	(1.6)	(1.6)
2020-21	(1.1)	(1.1)	(0.5)	(0.5)	0.0	0.0	(1.6)	(1.6)
2021-22	(1.1)	(1.1)	(0.5)	(0.5)	0.0	0.0	(1.6)	(1.6)

## Sections 8-9, *Veteran Specialty Driver License Discount* – Proposed Estimate

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(Insignificant)	(Insignificant)	(0.1)	(0.1)	0.0	0.0	(0.1)	(0.1)
2018-19	(Insignificant)	(Insignificant)	(0.1)	(0.1)	0.0	0.0	(0.1)	(0.1)
2019-20	(Insignificant)	(Insignificant)	(0.1)	(0.1)	0.0	0.0	(0.1)	(0.1)
2020-21	(Insignificant)	(Insignificant)	(0.1)	(0.1)	0.0	0.0	(0.1)	(0.1)
2021-22	(Insignificant)	(Insignificant)	(0.1)	(0.1)	0.0	0.0	(0.1)	(0.1)

## Section 10, *Veteran CDL* – Adopted an adjusted low (5% of CDL originals are Veterans)

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(0.1)	(0.1)	0.0	0.0	0.0	0.0	(0.1)	(0.1)
2018-19	(0.1)	(0.1)	0.0	0.0	0.0	0.0	(0.1)	(0.1)
2019-20	(0.1)	(0.1)	0.0	0.0	0.0	0.0	(0.1)	(0.1)
2020-21	(0.1)	(0.1)	0.0	0.0	0.0	0.0	(0.1)	(0.1)
2021-22	(0.2)	(0.2)	0.0	0.0	0.0	0.0	(0.2)	(0.2)

## Section 10, *Over 80 ID Card Discount - Low*

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(0.5)	(0.5)	(0.1)	(0.1)	0.0	0.0	(0.6)	(0.6)
2018-19	(0.5)	(0.5)	(0.1)	(0.1)	0.0	0.0	(0.6)	(0.6)
2019-20	(0.6)	(0.6)	(0.1)	(0.1)	0.0	0.0	(0.7)	(0.7)
2020-21	(0.6)	(0.6)	(0.1)	(0.1)	0.0	0.0	(0.7)	(0.7)
2021-22	(0.6)	(0.6)	(0.1)	(0.1)	0.0	0.0	(0.7)	(0.7)

## Section 12, *CDL School Discount* – Proposed Estimate

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(Insignificant)	(Insignificant)	0.0	0.0	0.0	0.0	(Insignificant)	(Insignificant)
2018-19	(Insignificant)	(Insignificant)	0.0	0.0	0.0	0.0	(Insignificant)	(Insignificant)
2019-20	(Insignificant)	(Insignificant)	0.0	0.0	0.0	0.0	(Insignificant)	(Insignificant)
2020-21	(Insignificant)	(Insignificant)	0.0	0.0	0.0	0.0	(Insignificant)	(Insignificant)
2021-22	(Insignificant)	(Insignificant)	0.0	0.0	0.0	0.0	(Insignificant)	(Insignificant)

# REVENUE ESTIMATING CONFERENCE

**Tax:** Various State Fees

**Issue:** Reduces or eliminates several fees and surcharges administered by various state agencies.

**Bill Number(s):** HB 1123 (SB 1442 identical)

## Section 11 *Delinquency Fee Reduction* - Proposed Estimate

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(0.1)	(0.1)	(0.6)	(0.6)	0.0	0.0	(0.7)	(0.7)
2018-19	(0.1)	(0.1)	(0.6)	(0.6)	0.0	0.0	(0.7)	(0.7)
2019-20	(0.1)	(0.1)	(0.6)	(0.6)	0.0	0.0	(0.7)	(0.7)
2020-21	(0.1)	(0.1)	(0.6)	(0.6)	0.0	0.0	(0.7)	(0.7)
2021-22	(0.1)	(0.1)	(0.6)	(0.6)	0.0	0.0	(0.7)	(0.7)

## Section 13, *Surcharge Reduction on Building Permits* - Proposed Estimate

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	(0.2)	(0.2)	(2.4)	(2.4)	(0.3)	(0.3)	(2.9)	(2.9)
2018-19	(0.2)	(0.2)	(2.4)	(2.4)	(0.3)	(0.3)	(2.9)	(2.9)
2019-20	(0.2)	(0.2)	(2.4)	(2.4)	(0.3)	(0.3)	(2.9)	(2.9)
2020-21	(0.2)	(0.2)	(2.4)	(2.4)	(0.3)	(0.3)	(2.9)	(2.9)
2021-22	(0.2)	(0.2)	(2.4)	(2.4)	(0.3)	(0.3)	(2.9)	(2.9)

<b>Total Impact to Sections 11 and 13</b>	<b>-3,580,454</b>	<b>-3,580,454</b>	<b>-3,580,454</b>	<b>-3,580,454</b>	<b>-3,580,454</b>
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Section 13, Surcharge Reduction on Building Permits

Current 1.5% Collection Forecast	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Total Surcharge: 1.5% (projected)	8,701,182	8,701,182	8,701,182	8,701,182	8,701,182
10% Fee Collected by Locals	870,118	870,118	870,118	870,118	870,118
8% GR Surcharge on 1.5% fee	626,485	626,485	626,485	626,485	626,485
NET Revenues to TF: 1.5% Surcharge	7,204,579	7,204,579	7,204,579	7,204,579	7,204,579

1.0% Collection Forecast	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Total Surcharge: 1.0%	5,800,788	5,800,788	5,800,788	5,800,788	5,800,788
10% Fee Collected by Locals	580,079	580,079	580,079	580,079	580,079
8% GR Surcharge on 1.0% fee	417,657	417,657	417,657	417,657	417,657
NET Revenues to TF: 1.0% Surcharge	4,803,052	4,803,052	4,803,052	4,803,052	4,803,052

<b>Reduction in Total Revenue Collected</b>	<b>-2,900,394</b>	<b>-2,900,394</b>	<b>-2,900,394</b>	<b>-2,900,394</b>	<b>-2,900,394</b>
<b>Impact to Locals</b>	<b>-290,039</b>	<b>-290,039</b>	<b>-290,039</b>	<b>-290,039</b>	<b>-290,039</b>
<b>Impact to GR Service Charge</b>	<b>-208,828</b>	<b>-208,828</b>	<b>-208,828</b>	<b>-208,828</b>	<b>-208,828</b>
<b>Impact to TF</b>	<b>-2,401,526</b>	<b>-2,401,526</b>	<b>-2,401,526</b>	<b>-2,401,526</b>	<b>-2,401,526</b>

Section 11 Delinquency Fee Reduction

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Total Annual Fee Reduction	-680,060	-680,060	-680,060	-680,060	-680,060
8% Surcharge to GR	-54,405	-54,405	-54,405	-54,405	-54,405
<b>Cash Reduction to TF</b>	<b>-625,655</b>	<b>-625,655</b>	<b>-625,655</b>	<b>-625,655</b>	<b>-625,655</b>

	Number of Delinquent Licenses	Current Delinquent Fee	6/30/2016 Revenue	New Proposed Fee	Fee Increase (decrease)	Total Revenue Increase or (decrease)
Certified Public Accountant	497	50	24,850	25	-25	-12,425
FIRM	118	50	5,900	25	-25	-2,950
Architect	99	125	12,375	25	-100	-9,900
Architect Business	28	125	3,500	25	-100	-2,800
Interior Designers	19	125	2,375	25	-100	-1,900
Interior Design Business	7	125	875	25	-100	-700
Barbers	228	100	22,800	25	-75	-17,100
Restricted Barber	73	100	7,300	25	-75	-5,475
Barber Shop	128	100	12,800	25	-75	-9,600
Home Inspector	79	100	7,900	25	-75	-5,925
Cosmetologist	5,648	50	282,400	25	-25	-141,200
Cosmetology Salon	382	50	19,100	25	-25	-9,550
Mobile Cosmetology Salon	2	50	100	25	-25	-50
Nail Specialist	1,745	50	87,250	25	-25	-43,625
Facial Specialist	1,187	50	59,350	25	-25	-29,675
Full Specialist	1,122	50	56,100	25	-25	-28,050
Certified AC Contractor	43	100	4,300	25	-75	-3,225
Certified Building Contractor	151	100	15,100	25	-75	-11,325
Certified Roofing Contractor	53	100	5,300	25	-75	-3,975
Certified Plumbing Contractor	26	100	2,600	25	-75	-1,950
Certified General Contractor	302	100	30,200	25	-75	-22,650

Certified Mechanical Contractor	11	100	1,100	25	-75	-825
Certified Pool/Spa Contractor	16	100	1,600	25	-75	-1,200
Certified Residential Contractor	61	100	6,100	25	-75	-4,575
Certified Utility and Excavation	11	100	1,100	25	-75	-825
Certified Solar Contractor	1	100	100	25	-75	-75
Certified Specialty Contractor	18	100	1,800	25	-75	-1,350
Certified Pollutant Storage Contractor	3	100	300	25	-75	-225
Registered Air Conditioning Contractor	36	100	3,600	25	-75	-2,700
Registered Building Contractor	36	100	3,600	25	-75	-2,700
Registered Roofing Contractor	47	100	4,700	25	-75	-3,525
Registered Plumbing Contractor	45	100	4,500	25	-75	-3,375
Registered General Contractor	51	100	5,100	25	-75	-3,825
Registered Mechanical Contractor	9	100	900	25	-75	-675
Registered Pool/Spa Contractor	58	100	5,800	25	-75	-4,350
Registered Precision Tank Tester	1	100	100	25	-75	-75
Registered Residential Contractor	55	100	5,500	25	-75	-4,125
Registered Sheet Metal Contractor	1	100	100	25	-75	-75
Registered Utility and Excavation Contr	2	100	200	25	-75	-150
Registered Specialty Contractor	21	100	2,100	25	-75	-1,575
Mold Assessor	21	100	2,100	25	-75	-1,575
Mold Remediator	31	100	3,100	25	-75	-2,325
Cert. Electrical Contractors (EC)	29	50	1,450	25	-25	-725
Cert. Alarm System Contractors I (EF)	7	50	350	25	-25	-175
Cert. Specialty Contractors (ES)	9	50	450	25	-25	-225
Reg. Electrical Contractors (ER)	24	50	1,200	25	-25	-600
Reg. Alarm System Contractors I (EY)	1	50	50	25	-25	-25
Reg. Specialty Contractors (ET)	4	50	200	25	-25	-100
Reg. Alarm System Contractors I (EH)	1	50	50	25	-25	-25
Reg. Alarm System Contractors II (EI)	1	50	50	25	-25	-25
Professional Engineer	338	200	67,600	25	-175	-59,150
Certificate of Authorization	132	100	13,200	25	-75	-9,900
Registered Landscape Architect	69	100	6,900	25	-75	-5,175
Landscape Architect Business	8	100	800	25	-75	-600
Real Estate Broker or Sales	6,795	45	305,775	25	-20	-135,900
Real Estate Corporation	835	45	37,575	25	-20	-16,700
Real Estate Partnership	4	45	180	25	-20	-80
Real Estate Branch Office	92	45	4,140	25	-20	-1,840
Real Estate Instructor	41	45	1,845	25	-20	-820
Real Estate School	22	45	990	25	-20	-440
Real Estate Additional Location	14	45	630	25	-20	-280
Veterinarian	100	260	26,000	25	-235	-23,500
Community Association Manager	133	50	6,650	25	-25	-3,325
CAM Firm	76	50	3,800	25	-25	-1,900
Auctioneer Apprentice	1	100	100	25	-75	-75
Auctioneer	105	100	10,500	25	-75	-7,875
Auction Business	36	100	3,600	25	-75	-2,700
Professional Geologist	13	100	1,300	25	-75	-975
Asbestos Consultant	1	250	250	25	-225	-225
Asbestos Business	13	150	1,950	25	-125	-1,625
Athlete Agents	12	100	1,200	25	-75	-900

Total Annual Fee Reduction	-680,060
8% Surcharge to GR	-54,405
Cash Reduction	-625,655

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
<u>Sections 8 and 9 - Veteran License Discount</u>							
Veteran Status D.L. Fee per HS REC History	\$ 58,644						
Miscellaneous 18B Forecast	\$ 169,127	\$ 182,243	\$ 184,445	\$ 186,123	\$ 187,788	\$ 189,439	\$ 191,067
Miscellaneous 18B Forecast Growth Rate		7.76%	1.21%	0.91%	0.89%	0.88%	0.86%
<b>Derived Veteran Status D.L. Fee (HSOTF)</b>		\$ 63,192	<b>\$ 63,956</b>	<b>\$ 64,537</b>	<b>\$ 65,115</b>	<b>\$ 65,687</b>	<b>\$ 66,252</b>
<u>Section 10 - Veteran CDL Discount</u>							
Original CDL (transactions)			38,006	38,582	39,180	39,723	40,262
Original CDL (revenue)			\$ 2,801,044	\$ 2,843,486	\$ 2,887,600	\$ 2,927,570	\$ 2,967,299
Florida Population (2/2017 FDEC)		20,393,653	20,717,787	21,040,280	21,359,361	21,674,659	21,984,736
# of Florida Veterans (FL DoVA website)		1,785,913					
% of Florida Population who are Veterans		8.76%					
<b>Low (8.76% of CDL originals are veterans) (GR)</b>			<b>\$ 249,700</b>	<b>\$ 253,483</b>	<b>\$ 257,416</b>	<b>\$ 260,979</b>	<b>\$ 264,520</b>
<b>Middle (10% of CDL originals are veterans) (GR)</b>			<b>\$ 285,045</b>	<b>\$ 289,364</b>	<b>\$ 293,853</b>	<b>\$ 297,921</b>	<b>\$ 301,964</b>
<b>High (15% of CDL originals are veterans) (GR)</b>			<b>\$ 427,568</b>	<b>\$ 434,046</b>	<b>\$ 440,780</b>	<b>\$ 446,881</b>	<b>\$ 452,946</b>
<b>Adopted (5% of CDL originals are veterans) (GR)</b>			<b>\$ 142,523</b>	<b>\$ 144,682</b>	<b>\$ 146,927</b>	<b>\$ 148,960</b>	<b>\$ 150,982</b>
<u>Section 10 - Over 80 ID Card Discount</u>							
Florida Population Over 80 (2/2017 FDEC)			1,076,926	1,104,910	1,132,722	1,170,776	1,214,911
Florida Population Over 80 % of Population			5.2%	5.3%	5.3%	5.4%	5.5%
ID Card Originals			261,487	263,523	265,522	267,481	269,395
ID Card Renewals			127,247	116,794	131,987	139,692	138,295
ID Card Replacements			130,041	131,054	132,048	133,022	133,974
<b>Low - 5% of ID Cards</b>							
<b>ID Card Originals (GR)</b>			<b>\$ 326,859</b>	<b>\$ 329,404</b>	<b>\$ 331,903</b>	<b>\$ 334,351</b>	<b>\$ 336,744</b>
<b>ID Card Renewals (GR &amp; HSOTF)</b>			<b>\$ 159,059</b>	<b>\$ 145,993</b>	<b>\$ 164,984</b>	<b>\$ 174,615</b>	<b>\$ 172,869</b>
<b>ID Card Replacements (GR, HSOTF, &amp; Local)</b>			<b>\$ 162,552</b>	<b>\$ 163,817</b>	<b>\$ 165,060</b>	<b>\$ 166,278</b>	<b>\$ 167,468</b>
<b>Middle - 8% of ID Cards</b>							
<b>ID Card Originals (GR)</b>			<b>\$ 522,974</b>	<b>\$ 527,046</b>	<b>\$ 531,044</b>	<b>\$ 534,962</b>	<b>\$ 538,790</b>
<b>ID Card Renewals (GR &amp; HSOTF)</b>			<b>\$ 254,494</b>	<b>\$ 233,588</b>	<b>\$ 263,974</b>	<b>\$ 279,384</b>	<b>\$ 276,590</b>
<b>ID Card Replacements (GR, HSOTF, &amp; Local)</b>			<b>\$ 260,083</b>	<b>\$ 262,108</b>	<b>\$ 264,096</b>	<b>\$ 266,045</b>	<b>\$ 267,948</b>
<b>High - 12% of ID Cards</b>							
<b>ID Card Originals (GR)</b>			<b>\$ 980,576</b>	<b>\$ 988,211</b>	<b>\$ 995,708</b>	<b>\$ 1,003,054</b>	<b>\$ 1,010,231</b>
<b>ID Card Renewals (GR &amp; HSOTF)</b>			<b>\$ 477,176</b>	<b>\$ 437,978</b>	<b>\$ 494,951</b>	<b>\$ 523,845</b>	<b>\$ 518,606</b>
<b>ID Card Replacements (GR, HSOTF, &amp; Local)</b>			<b>\$ 487,656</b>	<b>\$ 491,452</b>	<b>\$ 495,180</b>	<b>\$ 498,834</b>	<b>\$ 502,403</b>
<u>Section 12 - CDL School Fees</u>							
Current Forecast			\$49,078	\$50,258	\$51,425	\$52,578	\$53,712
<b>Reduced by 1/2 (GR)</b>			<b>\$24,539</b>	<b>\$25,129</b>	<b>\$25,712</b>	<b>\$26,289</b>	<b>\$26,856</b>

<b>Title Fee Exemption for Surviving Spouses (Sections 6 &amp; 7)</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>
Deaths Aged 15 and Above (02/2017 DEC)	202,815	207,137	211,377	215,899	220,909
% Married Above Age 15 (ACS)	45.5%	45.5%	45.5%	45.5%	45.5%
# of Married Deaths	92,281	94,247	96,177	98,234	100,514
2009 NHTS % of Households with No Vehicles	8.7%	8.7%	8.7%	8.7%	8.7%
<b># of Married Deaths Owning a Vehicle</b>	<b>84,252</b>	<b>86,048</b>	<b>87,809</b>	<b>89,688</b>	<b>91,769</b>
<b>High (60% reduction for sales, repossessions, and "or" joint titles)</b>					
# of Applicable Titles (40% of Married Car-Owner Deaths)	33,701	34,419	35,124	35,875	36,708
Reduction to STTF	(707,720)	(722,802)	(737,597)	(753,377)	(770,859)
Reduction to GR	(1,651,347)	(1,686,537)	(1,721,060)	(1,757,879)	(1,798,671)
Reduction to HSOTF	(47,181)	(48,187)	(49,173)	(50,225)	(51,391)
<b>Middle (75% reduction for sales, repossessions, and "or" joint titles)</b>					
# of Applicable Titles (25% of Married Car-Owner Deaths)	21,063	21,512	21,952	22,422	22,942
Reduction to STTF	(442,325)	(451,751)	(460,998)	(470,860)	(481,787)
Reduction to GR	(1,032,092)	(1,054,086)	(1,075,662)	(1,098,674)	(1,124,169)
Reduction to HSOTF	(29,488)	(30,117)	(30,733)	(31,391)	(32,119)
<b>Low (90% reduction for sales, repossessions, and "or" joint titles)</b>					
# of Applicable Titles (10% of Married Car-Owner Deaths)	8,425	8,605	8,781	8,969	9,177
Reduction to STTF	(176,930)	(180,700)	(184,399)	(188,344)	(192,715)
Reduction to GR	(412,837)	(421,634)	(430,265)	(439,470)	(449,668)
Reduction to HSOTF	(11,795)	(12,047)	(12,293)	(12,556)	(12,848)