

## REVENUE ESTIMATING CONFERENCE

**Tax:** Ad Valorem

**Issue:** Refund for Catastrophic Event

**Bill Number(s):** CS/HB 7071 Section 14

☐ **Entire Bill**

☒ **Partial Bill:** Section 14

**Sponsor(s):** Appropriations Committee, Ways and Means Committee, Representative Payne

**Month/Year Impact Begins:** January 2023

**Date of Analysis:** Post Session – May 31, 2022

### Section 1: Narrative

**a. Current Law:** No law currently exists.

**b. Proposed Change:** Creates section 197.319, Florida Statutes, to provide abatement of taxes for residential dwellings rendered uninhabitable for more than 30 days by a catastrophic event. A residential dwelling can be homestead properties or nonhomestead properties with a residential unit count of nine or fewer, not including the value of the land or special features. To receive the abatement, the property must be rendered uninhabitable by a catastrophic event as defined by the bill. If a property meets the criteria, the owner must file an application with the property appraiser between 30 days after the dwelling becomes habitable again and March 1 of the year after the catastrophic event. The application must identify the parcel, the date of the catastrophic event, and the number of days the structure was uninhabitable during that calendar year and the applicant must verify its contents under oath. The property appraiser must investigate the statements in the application and determine if the applicant is eligible for an abatement. Denied applications or applicants filing after the March 1st deadline, but before 25 days after truth in millage (TRIM) notices are mailed, approximately September 18th, can file a petition with the value adjustment board.

If the property appraiser determines the applicant is eligible for an abatement, the property appraiser must issue an official written statement to the tax collector within 30 days but no later than April 1 of the year after the catastrophic event that must include:

1. the just value of the residential improvement as of January 1 of the year in which the catastrophic event took place [jv-Ind\_val-spec\_feat\_val]
2. the number of days in that year in which the dwelling was uninhabitable as a result of the catastrophic event
3. the postcatastrophic event just value [Ind\_val+spec\_feat\_val]
4. the percent change in value applicable to the residential parcel [(jv-Ind\_val-spec\_feat\_val)/jv or (#1)/(#1+#3)]

The postcatastrophic event just value is the January 1 just value reduced to reflect the change in value resulting from the catastrophic event and is further defined to indicate that residential dwellings deemed uninhabitable have no value. The percent change in value is defined as the difference between the January 1 just value and the postcatastrophic just value, all divided by the January 1 just value. The tax collector then calculates the damage differential, applies it to the amount of timely taxes paid, and issues a refund. The damage differential is calculated as the percent change in value (previously defined) multiplied by the number of days in that year in which the dwelling was uninhabitable as a result of the catastrophic event divided by 365. The refund amount formula is:

$$\frac{JV_{Jan1} - JV_{postcatastrophic}}{JV_{Jan1}} \times \frac{\#DaysUninhabitable}{365} \times TimelyPaidTaxes$$

There are no significant changes from the original analysis of [proposed language from February 18, 2022](#). Minor changes include language clarifying that it is a refund rather than an abatement and clarifying that the first roll year impacted is 2023. These were assumed on the original analysis.

### Section 2: Description of Data and Sources

2017-2021 Final Real Property Assessment Rolls

2021 Millage and Taxes Levied Report, 2021 Final Data Book published by Property Tax Oversight

Conference Package from the January 6, 2022 Ad Valorem Revenue Estimating Conference

Residential Fire Data from the U.S. Fire Administration

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### Section 3: Methodology (Include Assumptions and Attach Details)

To determine the impact on current and future years, we first assess how much abatement would have occurred over the last 4 years. To calculate the abatement for year X, the following process is applied:

1. Destruction occurring to a property in tax year X will appear as a deletion value in the year X+1 roll (the deletion value is an adjustment to just value). In the year X+1 roll, identify parcels of the appropriate use code (1,2,4,5,8) with a non-zero/blank deletion value. For those parcels, calculate the share remaining after the deletion as the current improvement value divided by what the improvement value would have been absent the deletion, or:

$$ShareRemain = \frac{JustValue - LandValue - SpecialFeatureValue}{JustValue - LandValue - SpecialFeatureValue + DeletionValue}$$

2. Match these parcels with the year X roll and remove all observations where the use code changed between years (unless it changed to vacant residential) or where the year X just value was less than or equal to the sum of the land and special feature values. This step is done to avoid situations where a previous commercial operation is destroyed to build a home and where the property was only land and special features and the special feature was destroyed. Additionally, parcels that change owner between years X and X+1 are dropped to remove the situation of new owners destroying an older home to build a new one on the site.
3. For the remaining parcels, taxes paid are calculated using taxable values and statewide millage rates as well as “Percent change in value.” The percent change in value formula is found above in Section 1, but since only dwellings deemed uninhabitable receive an abatement and an uninhabitable dwelling has no value (see (1)(e) of the bill), the postcatastrophic just value is equal to the land value plus the special feature value. The percent change in value formula is then:

$$PercentChangeInValue = \frac{JV_{Jan1} - JV_{postcatastrophic}}{JV_{Jan1}} = \frac{JV_{Jan1} - LandValue - SpecialFeatureValue}{JV_{Jan1}}$$

4. Multiply the taxes paid by the percent change in value to represent the value of a refund of a property uninhabitable for 365 days. Choices can then be made of how low the share remaining from step 1 should be to be considered uninhabitable, what a reasonable estimate of the representative days uninhabitable would be, how much of the destruction results from catastrophic events, and what share of eligible homeowners will apply.

The numbers presented assume that parcels with 10/50/100% (high/middle/low) of an improvement destroyed are uninhabitable, the representative days uninhabitable is 182 (approximately half a year), that 90.7/55.2/19.7% of destruction is the result of a catastrophic event, and that 100/90/80% of eligible households will apply. The U.S. Fire Administration, an entity of the U.S. Department of Homeland Security’s Federal Emergency Management Agency (FEMA), publishes data regarding the cause of residential building fires resulting in deaths in 2019. In this data, 19.7% of such fires are identified as “Unintentional” and this is used for the low estimate for the share of destruction resulting from a catastrophic event. In the same data, 9.3% of such fires are identified as “Intentional” and this is used (as 90.7% unintentional) for the high estimate of this share, and the middle estimate assumes the average of the high and low shares.

Note that some amount of these properties, particularly those with use code 8, multi-family with fewer than 10 units, may have multiple buildings with multiple residential units in them. For those properties, it is possible for some units to be uninhabitable while others remain habitable. The analysis assumes that, if those parcels meet the damage threshold, they are all uninhabitable. Properties with use code 8, multiple buildings, and multiple residential units account for less than 1.5% of the parcels considered. The estimates for what the impact would have been in 2017 through 2020 appear in the table below.

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| Calendar Year of Roll | High Amount Abated<br>(if bill applied) | Mid Amount Abated<br>(if bill applied) | Low Amount Abated<br>(if bill applied) |
|-----------------------|---|--|--|
| 2017                  | \$(9.1 M)                               | \$(2.2 M)                              | \$(0.5 M)                              |
| 2018                  | \$(7.0 M)                               | \$(2.5 M)                              | \$(0.7 M)                              |
| 2019                  | \$(5.4 M)                               | \$(1.8 M)                              | \$(0.5 M)                              |
| 2020                  | \$(4.9 M)                               | \$(1.6 M)                              | \$(0.4 M)                              |

A similar concept became law in 2018 (see s. 197.318, F.S., or CS/HB7087 from 2018) allowing for an abatement of taxes from damage due to Hurricanes Hermine, Matthew, and Irma. The abatement calculation for qualified applicants was effectively identical to the calculation from this bill. Language was included for the Legislature to appropriate money to offset the reduction in revenue for Monroe and fiscally constrained counties. The total abatement resulting from that law was \$(0.4 M).

The impacts below assumes that all abatement for a given Ad Valorem tax year will occur in the fiscal year beginning in that tax year. In reality, some may occur in the following fiscal year due to the late application period being open between July 1 and September 18. The estimates take the average of the amounts calculated as the low/middle/high estimate for the previous 4 years if the bill had applied to them and grows it by the appropriate statewide school and county taxable value growth rates from the Ad Valorem Revenue Estimating Conference held January 6, 2022. Presented also is the average of the high and the middle:

|         | Avg. High & Middle |           |
|---------|--------------------|-----------|
|         | Cash               | Recurring |
| 2022-23 | \$0                | \$(4.9 M) |
| 2023-24 | \$(5.2 M)          | \$(5.2 M) |
| 2024-25 | \$(5.5 M)          | \$(5.5 M) |
| 2025-26 | \$(5.8 M)          | \$(5.8 M) |
| 2026-27 | \$(6.1 M)          | \$(6.1 M) |

### Section 4: Proposed Fiscal Impact

|         | High      |           | Middle    |           | Low       |           |
|---------|-----------|-----------|-----------|-----------|-----------|-----------|
|         | Cash      | Recurring | Cash      | Recurring | Cash      | Recurring |
| 2022-23 | \$0       | \$(7.5 M) | \$0       | \$(2.3 M) | \$0       | \$(0.6 M) |
| 2023-24 | \$(8.0 M) | \$(8.0 M) | \$(2.5 M) | \$(2.5 M) | \$(0.6 M) | \$(0.6 M) |
| 2024-25 | \$(8.5 M) | \$(8.5 M) | \$(2.6 M) | \$(2.6 M) | \$(0.6 M) | \$(0.6 M) |
| 2025-26 | \$(8.9 M) | \$(8.9 M) | \$(2.8 M) | \$(2.8 M) | \$(0.7 M) | \$(0.7 M) |
| 2026-27 | \$(9.4 M) | \$(9.4 M) | \$(2.9 M) | \$(2.9 M) | \$(0.7 M) | \$(0.7 M) |

### List of affected Trust Funds:

Ad Valorem

**Section 5: Consensus Estimate (Adopted: 05/31/2022):** The Conference adopted an average of the high and middle estimates. These estimates do not assume any extraordinary catastrophic events since they are not in the underlying baseline forecast. Were one to happen, the impact of the bill would be much higher in that year.

|         | School |           | Non-School |           | Total Local/Other |           |
|---------|--------|-----------|------------|-----------|-------------------|-----------|
|         | Cash   | Recurring | Cash       | Recurring | Cash              | Recurring |
| 2022-23 | 0.0    | (1.8)     | 0.0        | (3.1)     | 0.0               | (4.9)     |
| 2023-24 | (1.9)  | (1.9)     | (3.3)      | (3.3)     | (5.2)             | (5.2)     |
| 2024-25 | (2.0)  | (2.0)     | (3.5)      | (3.5)     | (5.5)             | (5.5)     |
| 2025-26 | (2.1)  | (2.1)     | (3.7)      | (3.7)     | (5.8)             | (5.8)     |
| 2026-27 | (2.2)  | (2.2)     | (3.9)      | (3.9)     | (6.1)             | (6.1)     |

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|         | GR   |           | Trust |           | Local/Other |           | Total |           |
|---------|------|-----------|-------|-----------|-------------|-----------|-------|-----------|
|         | Cash | Recurring | Cash  | Recurring | Cash        | Recurring | Cash  | Recurring |
| 2022-23 | 0.0  | 0.0       | 0.0   | 0.0       | 0.0         | (4.9)     | 0.0   | (4.9)     |
| 2023-24 | 0.0  | 0.0       | 0.0   | 0.0       | (5.2)       | (5.2)     | (5.2) | (5.2)     |
| 2024-25 | 0.0  | 0.0       | 0.0   | 0.0       | (5.5)       | (5.5)     | (5.5) | (5.5)     |
| 2025-26 | 0.0  | 0.0       | 0.0   | 0.0       | (5.8)       | (5.8)     | (5.8) | (5.8)     |
| 2026-27 | 0.0  | 0.0       | 0.0   | 0.0       | (6.1)       | (6.1)     | (6.1) | (6.1)     |

|    |   |                                     |                                    |                                    |           |           |           |
|----|---|-------------------------------------|------------------------------------|------------------------------------|-----------|-----------|-----------|
|    | A   | B                                   | C                                  | D                                  | E         | F         | G         |
| 1  |   |                                     |                                    |                                    |           |           |           |
| 2  | AV Tax Year   | SD Growth                           | NSD Growth                         |                                    |           |           |           |
| 3  | 2021  | 6.13%                               | 6.75%                              |                                    |           |           |           |
| 4  | 2022  | 7.62%                               | 7.88%                              |                                    |           |           |           |
| 5  | 2023  | 5.85%                               | 6.31%                              |                                    |           |           |           |
| 6  | 2024  | 5.54%                               | 5.91%                              |                                    |           |           |           |
| 7  | 2025  | 5.18%                               | 5.47%                              |                                    |           |           |           |
| 8  | 2026  | 5.03%                               | 5.26%                              |                                    |           |           |           |
| 9  |   |                                     |                                    |                                    |           |           |           |
| 10 | Calendar Year of Roll                                 | High SD Abated (if bill applied)    | Mid SD Abated (if bill applied)    | Low SD Abated (if bill applied)    |           |           |           |
| 11 |   |                                     |                                    |                                    |           |           |           |
| 12 |   |                                     |                                    |                                    |           |           |           |
| 13 |   |                                     |                                    |                                    | 2017      | \$(3.6 M) | \$(0.9 M) |
| 14 | 2018  | \$(2.7 M)                           | \$(1.0 M)                          | \$(0.3 M)                          |           |           |           |
| 15 | 2019  | \$(2.1 M)                           | \$(0.7 M)                          | \$(0.2 M)                          |           |           |           |
| 16 | 2020  | \$(1.9 M)                           | \$(0.6 M)                          | \$(0.2 M)                          |           |           |           |
| 17 |   |                                     |                                    |                                    |           |           |           |
| 18 | Calendar Year of Roll                                 | High NSD Abated (if bill applied)   | Mid NSD Abated (if bill applied)   | Low NSD Abated (if bill applied)   |           |           |           |
| 19 |   |                                     |                                    |                                    |           |           |           |
| 20 |   |                                     |                                    |                                    |           |           |           |
| 21 |   |                                     |                                    |                                    | 2017      | \$(5.5 M) | \$(1.4 M) |
| 22 | 2018  | \$(4.2 M)                           | \$(1.5 M)                          | \$(0.4 M)                          |           |           |           |
| 23 | 2019  | \$(3.3 M)                           | \$(1.1 M)                          | \$(0.3 M)                          |           |           |           |
| 24 | 2020  | \$(3.0 M)                           | \$(1.0 M)                          | \$(0.3 M)                          |           |           |           |
| 25 |   |                                     |                                    |                                    |           |           |           |
| 26 | Calendar Year of Roll                                 | High Total Abated (if bill applied) | Mid Total Abated (if bill applied) | Low Total Abated (if bill applied) |           |           |           |
| 27 |   |                                     |                                    |                                    |           |           |           |
| 28 |   |                                     |                                    |                                    |           |           |           |
| 29 |   |                                     |                                    |                                    | 2017      | \$(9.1 M) | \$(2.2 M) |
| 30 | 2018  | \$(7.0 M)                           | \$(2.5 M)                          | \$(0.7 M)                          |           |           |           |
| 31 | 2019  | \$(5.4 M)                           | \$(1.8 M)                          | \$(0.5 M)                          |           |           |           |
| 32 | 2020  | \$(4.9 M)                           | \$(1.6 M)                          | \$(0.4 M)                          |           |           |           |
| 33 |   |                                     |                                    |                                    |           |           |           |
| 34 |   |                                     |                                    | High                               | Middle    | Low       |           |
| 35 | Share of Property Destroyed >= X%:                    |                                     |                                    | 10%                                | 50%       | 100%      |           |
| 36 | Number of Days Uninhabitable:                         |                                     |                                    | 182                                | 182       | 182       |           |
| 38 | Share of Destruction classified "Catastrophic Event": |                                     |                                    | 90.7%                              | 55.2%     | 19.7%     |           |
| 39 | Participation Rate:                                   |                                     |                                    | 100.0%                             | 90.0%     | 80.0%     |           |
| 40 | Same Owner Required:                                  |                                     |                                    | 1                                  | 1         | 1         |           |
| 41 | Share of 2021 Destruction in 21-22:                   |                                     |                                    | 0%                                 | 0%        | 0%        |           |
| 42 |   |                                     |                                    |                                    |           |           |           |
| 43 |   |                                     | s. 197.318, F.S.                   | High                               | Middle    | Low       |           |
| 44 | Estimated Parcels Impacted (latest)                   |                                     | 1,056                              | 7,205                              | 2,392     | 669       |           |
| 45 |   |                                     |                                    |                                    |           |           |           |
| 46 | Total Impact  |                                     |                                    |                                    |           |           |           |
| 47 | Year  | High                                |                                    | Middle                             |           | Low       |           |
| 48 |   | Cash                                | Recurring                          | Cash                               | Recurring | Cash      | Recurring |
| 49 | 21-22   | \$0                                 | \$(7.0 M)                          | \$0                                | \$(2.2 M) | \$0       | \$(0.5 M) |
| 50 | 22-23   | \$0                                 | \$(7.5 M)                          | \$0                                | \$(2.3 M) | \$0       | \$(0.6 M) |
| 51 | 23-24   | \$(8.0 M)                           | \$(8.0 M)                          | \$(2.5 M)                          | \$(2.5 M) | \$(0.6 M) | \$(0.6 M) |
| 52 | 24-25   | \$(8.5 M)                           | \$(8.5 M)                          | \$(2.6 M)                          | \$(2.6 M) | \$(0.6 M) | \$(0.6 M) |
| 53 | 25-26   | \$(8.9 M)                           | \$(8.9 M)                          | \$(2.8 M)                          | \$(2.8 M) | \$(0.7 M) | \$(0.7 M) |
| 54 | 26-27   | \$(9.4 M)                           | \$(9.4 M)                          | \$(2.9 M)                          | \$(2.9 M) | \$(0.7 M) | \$(0.7 M) |

|    | A                                  | B           | C         | D             | E         | F          | G         |
|----|------------------------------------|-------------|-----------|---------------|-----------|------------|-----------|
| 55 |                                    |             |           |               |           |            |           |
| 56 | <b>Refund: School District</b>     |             |           |               |           |            |           |
| 57 | <b>Year</b>                        | <b>High</b> |           | <b>Middle</b> |           | <b>Low</b> |           |
| 58 |                                    | Cash        | Recurring | Cash          | Recurring | Cash       | Recurring |
| 59 | 21-22                              | \$0         | \$(2.7 M) | \$0           | \$(0.8 M) | \$0        | \$(0.2 M) |
| 60 | 22-23                              | \$0         | \$(2.9 M) | \$0           | \$(0.9 M) | \$0        | \$(0.2 M) |
| 61 | 23-24                              | \$(3.1 M)   | \$(3.1 M) | \$(1.0 M)     | \$(1.0 M) | \$(0.2 M)  | \$(0.2 M) |
| 62 | 24-25                              | \$(3.3 M)   | \$(3.3 M) | \$(1.0 M)     | \$(1.0 M) | \$(0.2 M)  | \$(0.2 M) |
| 63 | 25-26                              | \$(3.5 M)   | \$(3.5 M) | \$(1.1 M)     | \$(1.1 M) | \$(0.3 M)  | \$(0.3 M) |
| 64 | 26-27                              | \$(3.6 M)   | \$(3.6 M) | \$(1.1 M)     | \$(1.1 M) | \$(0.3 M)  | \$(0.3 M) |
| 65 |                                    |             |           |               |           |            |           |
| 66 | <b>Refund: Non-School District</b> |             |           |               |           |            |           |
| 67 | <b>Year</b>                        | <b>High</b> |           | <b>Middle</b> |           | <b>Low</b> |           |
| 68 |                                    | Cash        | Recurring | Cash          | Recurring | Cash       | Recurring |
| 69 | 21-22                              | \$0         | \$(4.3 M) | \$0           | \$(1.3 M) | \$0        | \$(0.3 M) |
| 70 | 22-23                              | \$0         | \$(4.6 M) | \$0           | \$(1.4 M) | \$0        | \$(0.4 M) |
| 71 | 23-24                              | \$(4.9 M)   | \$(4.9 M) | \$(1.5 M)     | \$(1.5 M) | \$(0.4 M)  | \$(0.4 M) |
| 72 | 24-25                              | \$(5.2 M)   | \$(5.2 M) | \$(1.6 M)     | \$(1.6 M) | \$(0.4 M)  | \$(0.4 M) |
| 73 | 25-26                              | \$(5.5 M)   | \$(5.5 M) | \$(1.7 M)     | \$(1.7 M) | \$(0.4 M)  | \$(0.4 M) |
| 74 | 26-27                              | \$(5.8 M)   | \$(5.8 M) | \$(1.8 M)     | \$(1.8 M) | \$(0.4 M)  | \$(0.4 M) |

## REVENUE ESTIMATING CONFERENCE

**Tax:** Ad Valorem

**Issue:** Additional Homestead Exemption for Public Service Workforce

**Bill Number(s):** CS/CS/HJR 1

☒ **Entire Bill**

☐ **Partial Bill:**

**Sponsor(s):** State Affairs Committee, Ways and Means Committee, Representative Tomkow

**Month/Year Impact Begins:** January 2023

**Date of Analysis:** Post Session – May 31, 2022

### Section 1: Narrative

#### a. Current Law:

Article VII, Section 6 of the Florida Constitution identifies how the Homestead exemption is to function. Article XII identifies the schedule of implementation of changes to the constitution.

#### b. Proposed Change:

Article VII is amended to create an additional homestead exemption specifically for classroom teachers, law enforcement officers, correctional officers, firefighters, emergency medical technicians, paramedics, child welfare services professionals, active duty members of the United States Armed Forces, and Florida National Guard members. The exemption applies to the assessed valuation between \$100,000 and \$150,000 for non-school levies. The exemption goes into effect January 1, 2023.

The accompanying impact for this resolution is that of [CS/CS/HB1563 from February 23, 2022](#). There are two changes from the originally analyzed resolution of [SJR1746/HJR1 from January 14, 2022](#) and neither change the impact. First, the enrolled resolution limits the potential exemptions to impact only non-school levies. This has no impact as all previously analyzed bills implementing the resolution only applied the exemption to non-school levies. Second, the resolution includes emergency medical technicians and paramedics. While they were not included in the original resolution, they were included in the adopted impact of CS/CS/HB1563 (linked above).

### Section 2: Description of Data and Sources

American Communities Survey, U.S. Census  
Data received from the U.S. Department of Defense  
2021 Final Real Property Assessment Rolls, NAL data  
Data received from the Florida Department of Military Affairs  
Data received from the Florida Department of Children and Families  
DEO Occupational Employment and Wage Survey, 2020 Wage Estimates  
Population data from the December 13, 2021 Demographic Estimating Conference  
Conference Package from the January 6, 2022 Ad Valorem Revenue Estimating Conference  
Economic data from the December 20, 2021 Economic Estimating Conference, Florida Economy  
2021 Millage and Taxes Levied Report, 2021 Final Data Book published by Property Tax Oversight

### Section 3: Methodology (Include Assumptions and Attach Details)

The methodology for the impact of this joint resolution is identical to the analysis for SB1748, though the proposed fiscal impact is indeterminate for the joint resolution as it must be approved by voters and legislation must be implemented. The methodology below assumes the limitations put in place by SB1748 (applies only to non-school taxes, annual application, etc.)

Florida employment and entry/median/experienced wage data for 2020 are available from DEO's OEWS for teachers, EMT/paramedics, law enforcement officers, and firefighters. Data was received from DCF regarding child welfare professionals and from DOD and DMA regarding servicemembers. Occupation and homeownership data from the ACS was used to calculate homeownership rates for each relevant occupation category. The calculated amounts are used in the middle estimate, the middle amounts plus 5% are used in the high estimate, and the middle amounts minus 5% are used in the low estimate. The 2020 data is adjusted to 2021 using the state and local government employment growth from the Florida Economic Estimating Conference.

The homeownership and employment data for each relevant occupation are used to estimate the number of homesteads per occupation. In the initial year of the analysis, these are assumed to be owned 25% by entry-level employees, 50% by median-wage employees, and 25% by experienced employees. For net new employees entering in future years, the

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**Issue:** Additional Homestead Exemption for Public Service Workforce

**Bill Number(s):** CS/CS/HJR 1

entry/median/experience breakdown are assumed to be 25%/50%/25%, 50%/25%/25%, and 75%/12.5%/12.5% in the high/middle/low estimates, respectively. It is further assumed that, based on 15-20% down payment, normal 28-36% debt ratio, and 30-year fixed financing, a standard household can afford a home valued at 2.5 times their annual wages.

Due to potential other existing exemptions and the save our homes differential between just value and assessed value, some assumptions regarding the exemption amount received based on the just value of a home must be made. For the high estimate, the exemption is assumed to be \$50k for just values over \$150k and is assumed to be the just value minus \$100k for just values between \$100k and \$150k. For the middle and low, a simulation is run statewide evaluating the exemption as if it applied to all homesteads. Using actual just values, assessed values, and taxable values, the amount of exemption each parcel could claim is calculated. The simulation first calculates the "potential exemption" as how much assessed value each homestead parcel has between \$100k and \$150k. Then it compares the potential exemption to the non-school taxable value and the "estimated exemption" is equal to the potential exemption if the potential exemption is smaller than tv\_nsd and is equal to tv\_nsd if tv\_nsd is smaller than the potential exemption. These estimated exemptions are then broken into just values groups and the average and median estimated exemption amount within each group is calculated. The maximum of the median and average exemption by just value group is used for the middle estimate and the average exemption by just value group is used for the low estimate.

Finally, assumptions must be made regarding dual and single income households and the propensity for multiple individuals within the occupation set to co-own a single homestead. Dual income households are assumed to each have the same income, which should not be problematic since the exemption is the same for a \$300k house as it is for a \$1m house. The joint ownership rate (from a prior analysis of HB283/SB460) of 43.4% was used for the dual income rate in the low, 50% for the middle, and 75% for the high. The probability of cohabitation within the occupation set is calculated as the probability of a person of one of the set occupations randomly drawing another person within the full occupation set using employee count data. This calculated probability of 4.3% is used in the middle estimate, slightly decreased to 2% for the high, and increased to 10% for the low. This percent only applies to the dual income households.

The tax base reduction can then be calculated for the high/middle/low scenarios for the entry/median/experienced single and dual income households of each occupation. This is done by calculating the affordable home price based on 2.5 times annual wages, calculating the exemption amount for that home price, and multiplying it by the number of employees in that occupation and wage-level category. Summing all of these calculations together provides a total reduction in non-school taxable value for a given year. No growth rate is applied as the exemption amount does not grow each year. Only those with an assessed value less than \$150k would potentially see an increasing exemption.

Analysis of exemption growth for relevant parcels is done by growing a given year's affordable home value by the save our homes rate from the Ad Valorem Estimating Conference for single and dual income households. This is calculated each year for each occupation. For those remaining under \$100k or over \$150k between years, no change is made. When a home value increases to over \$100k for the first time, the new value minus \$100k is the new impact. When it changes between \$100k and \$150k, the difference between the current and previous period home value is the new impact. When it first exceeds \$150k, \$150k minus the previous period home value is the new impact. The total of these incremental impacts is calculated for each future year.

Every year this process is re-applied for the net new employees' homesteads. The number of new homesteads within each occupation group is estimated by first calculating the ratio of 2021 homesteads in each occupation to the total number of 2021 homesteads, then multiplying that ratio by the total new homesteads in the state each year (forecasted by average growth). Further, each year the wages by occupation are grown using the state and local government employee wage growth rate from the Florida Economic Estimating Conference.

Once each year of the analysis has its base and future impacts calculated, each year is summed across each layer and multiplied by the 2021 non-school millage rate to arrive at a revenue impact in each year. This first applies to the 2023 tax roll, resulting in an impact of \$0 for the 2022-23 fiscal year.

The joint resolution is dependent on the ballot outcome and implementing legislation, therefor the proposed fiscal impact is indeterminate.



## REVENUE ESTIMATING CONFERENCE

**Tax:** Ad Valorem

**Issue:** Additional Homestead Exemption for Public Service Workforce

**Bill Number(s):** CS/CS/HJR 1

### Section 4: Proposed Fiscal Impact

|         | High   |           | Middle |           | Low    |           |
|---------|--------|-----------|--------|-----------|--------|-----------|
|         | Cash   | Recurring | Cash   | Recurring | Cash   | Recurring |
| 2022-23 | 0      | (0/**)    | 0      | (0/**)    | 0      | (0/**)    |
| 2023-24 | (0/**) | (0/**)    | (0/**) | (0/**)    | (0/**) | (0/**)    |
| 2024-25 | (0/**) | (0/**)    | (0/**) | (0/**)    | (0/**) | (0/**)    |
| 2025-26 | (0/**) | (0/**)    | (0/**) | (0/**)    | (0/**) | (0/**)    |
| 2026-27 | (0/**) | (0/**)    | (0/**) | (0/**)    | (0/**) | (0/**)    |

### List of affected Trust Funds:

Ad valorem

**Section 5: Consensus Estimate (Adopted: 05/31/2022):** The Conference adopted a zero impact since this is a joint resolution proposing an amendment to be submitted to the voters which is not self-executing.

|         | GR   |           | Trust |           | Local/Other |           | Total |           |
|---------|------|-----------|-------|-----------|-------------|-----------|-------|-----------|
|         | Cash | Recurring | Cash  | Recurring | Cash        | Recurring | Cash  | Recurring |
| 2022-23 | 0.0  | 0.0       | 0.0   | 0.0       | 0.0         | 0.0       | 0.0   | 0.0       |
| 2023-24 | 0.0  | 0.0       | 0.0   | 0.0       | 0.0         | 0.0       | 0.0   | 0.0       |
| 2024-25 | 0.0  | 0.0       | 0.0   | 0.0       | 0.0         | 0.0       | 0.0   | 0.0       |
| 2025-26 | 0.0  | 0.0       | 0.0   | 0.0       | 0.0         | 0.0       | 0.0   | 0.0       |
| 2026-27 | 0.0  | 0.0       | 0.0   | 0.0       | 0.0         | 0.0       | 0.0   | 0.0       |

## REVENUE ESTIMATING CONFERENCE

**Tax:** Ad Valorem

**Issue:** Affordable Housing 15-Year Start Date

**Bill Number(s):** CS/HB 7071 Section 10

☐ **Entire Bill**

☒ **Partial Bill:**

**Sponsor(s):** Appropriations Committee, Ways and Means Committee, Representative Payne

**Month/Year Impact Begins:** January 2023

**Date of Analysis:** Post Session – May 31, 2022

### Section 1: Narrative

- a. Current Law:** Paragraph 196.1978(2)(a) identifies the requirements for a multifamily property to receive a full exemption from ad valorem taxation. The exemption begins the January 1<sup>st</sup> after the 15<sup>th</sup> year of a term of a recorded agreement with the Florida Housing Finance Corporation and requires more than 70 units provided for affordable housing. The exemption terminates if the property no longer serves low income individuals pursuant to the agreement.
- b. Proposed Change** The proposed language breaks Paragraph 196.1978(2)(a) into two distinct paragraphs (a) and (b). Paragraph (a) would read:

*Notwithstanding ss. 196.195 and 196.196, property in a multifamily project that meets the requirements of this subsection is considered property used for a charitable purpose and is exempt from ad valorem tax beginning with the January 1 assessment after the 15th completed year from the earliest of:*

- 1. The effective date of the recorded agreement on those portions of the affordable housing property that provide housing to natural persons or families meeting the extremely-low-income, very-low-income, or low-income limits specified in s. 420.0004;*
- 2. The first day of the first taxable year in which the property was placed in service as an affordable housing property that provides housing to natural persons or families meeting the extremely-low-income, very-low-income, or low-income limits specified in s. 420.0004; or*
- 3. The date the property received a certificate of occupancy or a certificate of substantial completion, as applicable, allowing the property to be used as an affordable housing property that provides housing to natural persons or families meeting the extremely-low-income, very-low-income, or low-income limits specified in s. 420.0004.*

Paragraph (b) then lists the same requirements of more than 70 affordable housing units and an agreement with the Florida Housing Finance Corporation from the current law.

There is no change in impact from the analysis of the [proposed language from February 18, 2022](#). A problematic reference to a paragraph rather than subsection in paragraph (2)(a) was resolved and the requirements of that same paragraph were adjusted to ensure that properties meeting the service date requirement are providing affordable housing and that properties meeting the certificate of occupancy requirement are allowed to provide affordable housing.

### Section 2: Description of Data and Sources

2021 Millage and Taxes Levied Report, 2021 Final Data Book published by Property Tax Oversight

2021 Final Real Property Assessment Rolls, NAL data

Results of the January 6, 2022 Ad Valorem Revenue Estimating Conference

Florida Housing Data Clearinghouse, Assisted Housing Inventory, 2020

### Section 3: Methodology (Include Assumptions and Attach Details)

Data from the Assisted Housing Inventory of the Florida Housing Data Clearing House contains parcel id, county, affordable units, housing program(s), and the start date of the affordability agreement. Staff at the Florida Housing Finance Corporation provided the set of relevant housing programs that would receive the exemption. This is used to match with parcels in the real property roll and just values, assessed values, taxable values, actual years built, and amount of exemptions are imported to the affordable housing data set.

## REVENUE ESTIMATING CONFERENCE

**Tax:** Ad Valorem

**Issue:** Affordable Housing 15-Year Start Date

**Bill Number(s):** CS/HB 7071 Section 10

Separately, all parcels on the real property roll receiving any amount in exemption 15, encapsulating the current 196.1978 requirements, are identified. For parcels with no other exemptions, the share of assessed value represented by the amount in exemption 15 is calculated. Due to HB7061 from the 2021 Legislative Session, parcels receiving a 49-51% are assumed to be 100%. To determine the ratio of Exemption 15 values to Assessed Value for the estimates, the parcels currently receiving solely Exemption 15 were analyzed. The low estimate uses the statewide sum of Exemption 15 divided by the statewide sum of Assessed Valued for these parcels. The middle estimate uses the average of these individual parcels' ratios. The high estimate uses the median of these individuals parcels' ratios.

Some amount of the affordable housing data did not match with the real property roll and some had blank build dates. For each of these, the number of affordable units and type of housing program is still known. The unmatched parcels are distributed among build dates at the same ratios as the matched parcels. The estimates based on the matched parcels will be scaled up to the total number of parcels.

For the matched parcels with more than 70 units, the 16<sup>th</sup> year after construction is compared to the 16<sup>th</sup> year since beginning an FHFC agreement and the fiscal year under analysis to determine if there is an impact that year. If, in the year of analysis, a parcel had reached its 16<sup>th</sup> year since construction but not yet reached its 16<sup>th</sup> year since beginning an FHFC agreement, the taxable value was noted and adjusted by the high/middle/low calculation above. Each year the taxable value is grown by the growth in county taxable value from the January 6, 2022 Ad Valorem conference to estimate the possible impact amount in the following year. Finally, if there was already an amount in exemption 15 in 2021, the impact for that parcel is assumed to be zero. The 2021 millage rates are applied to produce an impact of the currently known affordable housing agreements.

Each year, FHFC makes new agreements. Over the last few years, this has ranged from at least 62 to at least 113. For the forecast period, the total number of parcels for which the above criteria are newly met is divided by the total number of newly eligible parcels to estimate the share of parcels from new credits that would be eligible based on construction date. The low estimate uses that calculated rate. Within the affordable housing data set, there are 681 properties where the build date and affordable agreement start date are known. 117 of them were built before the agreement. That ratio of 117 to 681 is used in the high. Of that 681, 67 were at least 16 years old at the time of their agreement with FHFC. That ratio of 67 to 681 used in the middle. Since there are new credits each year and the impact would last for 15 years, these new parcels are put into cohorts and grown for the forecast period. The aggregate by year are summed, and the millage rate is applied. This total is added to the total from the known parcels to arrive at the impact. The recurring represents the impact of the new agreements made through 2027.

### Section 4: Proposed Fiscal Impact

|         | High      |           | Middle    |           | Low       |           |
|---------|-----------|-----------|-----------|-----------|-----------|-----------|
|         | Cash      | Recurring | Cash      | Recurring | Cash      | Recurring |
| 2022-23 | \$0       | \$(6.1 M) | \$0       | \$(2.7 M) | \$0       | \$(0.3 M) |
| 2023-24 | \$(2.9 M) | \$(6.1 M) | \$(1.7 M) | \$(2.7 M) | \$(0.8 M) | \$(0.3 M) |
| 2024-25 | \$(3.4 M) | \$(6.1 M) | \$(1.7 M) | \$(2.7 M) | \$(0.5 M) | \$(0.3 M) |
| 2025-26 | \$(4.4 M) | \$(6.1 M) | \$(2.2 M) | \$(2.7 M) | \$(0.6 M) | \$(0.3 M) |
| 2026-27 | \$(5.7 M) | \$(6.1 M) | \$(2.8 M) | \$(2.7 M) | \$(0.8 M) | \$(0.3 M) |

**List of affected Trust Funds:** Ad Valorem

**Section 5: Consensus Estimate (Adopted: 05/31/2022):** The Conference adopted the middle estimate but used FY 2026-27 cash as the recurring impact.

|         | School |           | Non-School |           | Total Local/Other |           |
|---------|--------|-----------|------------|-----------|-------------------|-----------|
|         | Cash   | Recurring | Cash       | Recurring | Cash              | Recurring |
| 2022-23 | 0.0    | (1.0)     | 0.0        | (1.8)     | 0.0               | (2.8)     |
| 2023-24 | (0.6)  | (1.0)     | (1.1)      | (1.8)     | (1.7)             | (2.8)     |
| 2024-25 | (0.6)  | (1.0)     | (1.1)      | (1.8)     | (1.7)             | (2.8)     |
| 2025-26 | (0.8)  | (1.0)     | (1.4)      | (1.8)     | (2.2)             | (2.8)     |
| 2026-27 | (1.0)  | (1.0)     | (1.8)      | (1.8)     | (2.8)             | (2.8)     |

# REVENUE ESTIMATING CONFERENCE

**Tax:** Ad Valorem

**Issue:** Affordable Housing 15-Year Start Date

**Bill Number(s):** CS/HB 7071 Section 10

|         | GR   |           | Trust |           | Local/Other |           | Total |           |
|---------|------|-----------|-------|-----------|-------------|-----------|-------|-----------|
|         | Cash | Recurring | Cash  | Recurring | Cash        | Recurring | Cash  | Recurring |
| 2022-23 | 0.0  | 0.0       | 0.0   | 0.0       | 0.0         | (2.8)     | 0.0   | (2.8)     |
| 2023-24 | 0.0  | 0.0       | 0.0   | 0.0       | (1.7)       | (2.8)     | (1.7) | (2.8)     |
| 2024-25 | 0.0  | 0.0       | 0.0   | 0.0       | (1.7)       | (2.8)     | (1.7) | (2.8)     |
| 2025-26 | 0.0  | 0.0       | 0.0   | 0.0       | (2.2)       | (2.8)     | (2.2) | (2.8)     |
| 2026-27 | 0.0  | 0.0       | 0.0   | 0.0       | (2.8)       | (2.8)     | (2.8) | (2.8)     |

|    | A                                      | B                     | C             | D             | E                                   | F  | G  | H |
|----|--|-----------------------|---------------|---------------|-------------------------------------|--|--|---|
| 1  | 21-22 School Millage                   | 6.27                  |               |               |                                     |  |  |   |
| 2  | 21-22 Non-School Millage               | 10.76                 |               |               |                                     |  |  |   |
| 3  |  |                       |               |               |                                     |  |  |   |
| 4  |  | Ratio                 | Category      |               |                                     |  |  |   |
| 5  | sum ex15/av                            | 90.05%                | low           |               |                                     |  |  |   |
| 6  | avg ex15/av                            | 98.30%                | mid           |               |                                     |  |  |   |
| 7  | median ex15/av                         | 100.00%               | high          |               |                                     |  |  |   |
| 8  |  |                       |               |               |                                     |  |  |   |
| 9  | Growth Rates                           | County Taxable Value  |               |               |                                     |  |  |   |
| 10 | 2022                                   | 7.88%                 |               |               |                                     |  |  |   |
| 11 | 2023                                   | 6.31%                 |               |               |                                     |  |  |   |
| 12 | 2024                                   | 5.91%                 |               |               |                                     |  |  |   |
| 13 | 2025                                   | 5.47%                 |               |               |                                     |  |  |   |
| 14 | 2026                                   | 5.26%                 |               |               |                                     |  |  |   |
| 15 | 2027                                   | 5.09%                 |               |               |                                     |  |  |   |
| 16 |  |                       |               |               |                                     |  |  |   |
| 17 | # Matched with years:                  | 681                   |               |               |                                     |  |  |   |
| 18 | Total:                                 | 1,060                 |               |               |                                     |  |  |   |
| 19 | Share-up for missing:                  | 1.56                  |               |               |                                     |  |  |   |
| 20 |  |                       |               |               |                                     |  |  |   |
| 21 | Existing Agreements                    |                       |               |               |                                     |  |  |   |
| 22 | New Calc Ex15                          | Calc New TV           | Shared-up     | High EX15     | Middle EX15                         | Low EX15   |  |   |
| 23 | 2022                                   | \$ 36,005,129         | \$ 56,043,226 | \$ 56,043,226 | \$ 55,092,589                       | \$ 50,464,419  |  |   |
| 24 | 2023                                   | \$ 31,469,012         | \$ 48,982,604 | \$ 48,982,604 | \$ 48,151,733                       | \$ 44,106,645  |  |   |
| 25 | 2024                                   | \$ 17,705,453         | \$ 27,559,148 | \$ 27,559,148 | \$ 27,091,675                       | \$ 24,815,781  |  |   |
| 26 | 2025                                   | \$ 18,673,941         | \$ 29,066,634 | \$ 29,066,634 | \$ 28,573,589                       | \$ 26,173,204  |  |   |
| 27 | 2026                                   | \$ 24,083,799         | \$ 37,487,264 | \$ 37,487,264 | \$ 36,851,384                       | \$ 33,755,605  |  |   |
| 28 | 2027                                   | \$ 14,624,352         | \$ 22,763,308 | \$ 22,763,308 | \$ 22,377,184                       | \$ 20,497,341  |  |   |
| 29 |  |                       |               |               |                                     |  |  |   |
| 30 |  | Estimated New Credits |               |               | Additional Credit, in dollars above | become eligible in given year, but either ex15 or FHFC at 15 years | become eligible in given year, but neither ex15 nor FHFC at 15 years |   |
| 31 | Count Data                             | High                  | Middle        | Low           | Parcels                             | Parcels Newly Eligible   | Parcels Newly Eligible   |   |
| 32 | 2022                                   | 113                   | 88            | 62            | 12                                  | 37   | 1  |   |
| 33 | 2023                                   | 113                   | 88            | 62            | 10                                  | 27   | 0  |   |
| 34 | 2024                                   | 113                   | 88            | 62            | 8                                   | 15   | 0  |   |
| 35 | 2025                                   | 113                   | 88            | 62            | 8                                   | 17   | 0  |   |
| 36 | 2026                                   | 113                   | 88            | 62            | 8                                   | 38   | 1  |   |
| 37 | 2027                                   | 113                   | 88            | 62            | 6                                   | 7  | 0  |   |
| 38 |  |                       |               |               |                                     |  |  |   |
| 39 |  | Count                 | Share         |               |                                     |  |  |   |
| 40 | Built Before Agreement                 | 117                   | 17.2%         |               |                                     |  |  |   |
| 41 | Built Concurrent to or After Agreement | 564                   | 82.8%         |               |                                     |  |  |   |
| 42 | Total with Both Dates Known            | 681                   |               |               |                                     |  |  |   |
| 43 | Built 15 years prior to agreement      | 67                    | 9.8%          |               |                                     |  |  |   |
| 44 |  |                       |               |               |                                     |  |  |   |
| 45 |  | High                  | Middle        | Low           |                                     | Toggle New   |  |   |
| 46 | Share New > 15 years:                  | 17.2%                 | 9.8%          | 1.4%          |                                     | 1  |  |   |

|     | A                           | B                | C               | D               | E             | F             | G             | H              |
|-----|-----------------------------|------------------|-----------------|-----------------|---------------|---------------|---------------|----------------|
| 47  |                             |                  |                 |                 |               |               |               |                |
| 48  | <b>New Credits High</b>     | <b>2022</b>      | <b>2023</b>     | <b>2024</b>     | <b>2025</b>   | <b>2026</b>   | <b>2027</b>   | <b>Total</b>   |
| 49  | 2022                        | \$ 58,250,589    |                 |                 |               |               |               | \$ 58,250,589  |
| 50  | 2023                        | \$ 61,926,201    | \$ 61,094,246   |                 |               |               |               | \$ 123,020,447 |
| 51  | 2024                        | \$ 65,586,039    | \$ 64,704,916   | \$ 42,966,922   |               |               |               | \$ 173,257,877 |
| 52  | 2025                        | \$ 69,173,596    | \$ 68,244,275   | \$ 45,317,213   | \$ 45,317,213 |               |               | \$ 228,052,296 |
| 53  | 2026                        | \$ 72,812,127    | \$ 71,833,923   | \$ 47,700,898   | \$ 47,700,898 | \$ 58,445,650 |               | \$ 298,493,497 |
| 54  | 2027                        | \$ 76,518,264    | \$ 75,490,270   | \$ 50,128,874   | \$ 50,128,874 | \$ 61,420,534 | \$ 47,319,764 | \$ 361,006,580 |
| 55  |                             |                  |                 |                 |               |               |               |                |
| 56  | <b>New Credits Mid</b>      | <b>2022</b>      | <b>2023</b>     | <b>2024</b>     | <b>2025</b>   | <b>2026</b>   | <b>2027</b>   | <b>Total</b>   |
| 57  | 2022                        | \$ 25,391,533    |                 |                 |               |               |               | \$ 25,391,533  |
| 58  | 2023                        | \$ 26,993,739    | \$ 26,631,088   |                 |               |               |               | \$ 53,624,828  |
| 59  | 2024                        | \$ 28,589,069    | \$ 28,204,986   | \$ 18,729,356   |               |               |               | \$ 75,523,411  |
| 60  | 2025                        | \$ 30,152,891    | \$ 29,747,798   | \$ 19,753,852   | \$ 19,753,852 |               |               | \$ 99,408,394  |
| 61  | 2026                        | \$ 31,738,933    | \$ 31,312,533   | \$ 20,792,905   | \$ 20,792,905 | \$ 25,476,561 |               | \$ 130,113,837 |
| 62  | 2027                        | \$ 33,354,445    | \$ 32,906,341   | \$ 21,851,264   | \$ 21,851,264 | \$ 26,773,318 | \$ 20,626,768 | \$ 157,363,399 |
| 63  |                             |                  |                 |                 |               |               |               |                |
| 64  | <b>New Credits Low</b>      | <b>2022</b>      | <b>2023</b>     | <b>2024</b>     | <b>2025</b>   | <b>2026</b>   | <b>2027</b>   | <b>Total</b>   |
| 65  | 2022                        | \$ 2,376,008     |                 |                 |               |               |               | \$ 2,376,008   |
| 66  | 2023                        | \$ 2,525,934     | \$ 2,491,999    |                 |               |               |               | \$ 5,017,933   |
| 67  | 2024                        | \$ 2,675,217     | \$ 2,639,276    | \$ 1,752,596    |               |               |               | \$ 7,067,088   |
| 68  | 2025                        | \$ 2,821,551     | \$ 2,783,644    | \$ 1,848,463    | \$ 1,848,463  |               |               | \$ 9,302,121   |
| 69  | 2026                        | \$ 2,969,964     | \$ 2,930,064    | \$ 1,945,692    | \$ 1,945,692  | \$ 2,383,964  |               | \$ 12,175,377  |
| 70  | 2027                        | \$ 3,121,136     | \$ 3,079,204    | \$ 2,044,728    | \$ 2,044,728  | \$ 2,505,308  | \$ 1,930,146  | \$ 14,725,249  |
| 71  |                             |                  |                 |                 |               |               |               |                |
| 72  | <b>Total Impact</b>         | <b>Ex15 High</b> | <b>Ex15 Mid</b> | <b>Ex15 Low</b> |               |               |               |                |
| 73  | 2022                        | \$ 114,293,815   | \$ 80,484,123   | \$ 52,840,427   |               |               |               |                |
| 74  | 2023                        | \$ 172,003,050   | \$ 101,776,561  | \$ 49,124,577   |               |               |               |                |
| 75  | 2024                        | \$ 200,817,026   | \$ 102,615,086  | \$ 31,882,869   |               |               |               |                |
| 76  | 2025                        | \$ 257,118,930   | \$ 127,981,983  | \$ 35,475,325   |               |               |               |                |
| 77  | 2026                        | \$ 335,980,761   | \$ 166,965,220  | \$ 45,930,982   |               |               |               |                |
| 78  | 2027                        | \$ 383,769,889   | \$ 179,740,583  | \$ 35,222,591   |               |               |               |                |
| 79  |                             |                  |                 |                 |               |               |               |                |
| 80  | <b>Impact on School</b>     |                  |                 |                 |               |               |               |                |
| 81  |                             | <b>High</b>      |                 | <b>Middle</b>   |               | <b>Low</b>    |               |                |
| 82  |                             | Cash             | Recurring       | Cash            | Recurring     | Cash          | Recurring     |                |
| 83  | 2022-23                     | \$0              | \$(2.3 M)       | \$0             | \$(1.0 M)     | \$0           | \$(0.1 M)     |                |
| 84  | 2023-24                     | \$(1.1 M)        | \$(2.3 M)       | \$(0.6 M)       | \$(1.0 M)     | \$(0.3 M)     | \$(0.1 M)     |                |
| 85  | 2024-25                     | \$(1.3 M)        | \$(2.3 M)       | \$(0.6 M)       | \$(1.0 M)     | \$(0.2 M)     | \$(0.1 M)     |                |
| 86  | 2025-26                     | \$(1.6 M)        | \$(2.3 M)       | \$(0.8 M)       | \$(1.0 M)     | \$(0.2 M)     | \$(0.1 M)     |                |
| 87  | 2026-27                     | \$(2.1 M)        | \$(2.3 M)       | \$(1.0 M)       | \$(1.0 M)     | \$(0.3 M)     | \$(0.1 M)     |                |
| 88  |                             |                  |                 |                 |               |               |               |                |
| 89  | <b>Impact on Non-School</b> |                  |                 |                 |               |               |               |                |
| 90  |                             | <b>High</b>      |                 | <b>Middle</b>   |               | <b>Low</b>    |               |                |
| 91  |                             | Cash             | Recurring       | Cash            | Recurring     | Cash          | Recurring     |                |
| 92  | 2022-23                     | \$0              | \$(3.9 M)       | \$0             | \$(1.7 M)     | \$0           | \$(0.2 M)     |                |
| 93  | 2023-24                     | \$(1.9 M)        | \$(3.9 M)       | \$(1.1 M)       | \$(1.7 M)     | \$(0.5 M)     | \$(0.2 M)     |                |
| 94  | 2024-25                     | \$(2.2 M)        | \$(3.9 M)       | \$(1.1 M)       | \$(1.7 M)     | \$(0.3 M)     | \$(0.2 M)     |                |
| 95  | 2025-26                     | \$(2.8 M)        | \$(3.9 M)       | \$(1.4 M)       | \$(1.7 M)     | \$(0.4 M)     | \$(0.2 M)     |                |
| 96  | 2026-27                     | \$(3.6 M)        | \$(3.9 M)       | \$(1.8 M)       | \$(1.7 M)     | \$(0.5 M)     | \$(0.2 M)     |                |
| 97  |                             |                  |                 |                 |               |               |               |                |
| 98  | <b>Total Impact</b>         |                  |                 |                 |               |               |               |                |
| 99  |                             | <b>High</b>      |                 | <b>Middle</b>   |               | <b>Low</b>    |               |                |
| 100 |                             | Cash             | Recurring       | Cash            | Recurring     | Cash          | Recurring     |                |
| 101 | 2022-23                     | \$0              | \$(6.1 M)       | \$0             | \$(2.7 M)     | \$0           | \$(0.3 M)     |                |
| 102 | 2023-24                     | \$(2.9 M)        | \$(6.1 M)       | \$(1.7 M)       | \$(2.7 M)     | \$(0.8 M)     | \$(0.3 M)     |                |
| 103 | 2024-25                     | \$(3.4 M)        | \$(6.1 M)       | \$(1.7 M)       | \$(2.7 M)     | \$(0.5 M)     | \$(0.3 M)     |                |
| 104 | 2025-26                     | \$(4.4 M)        | \$(6.1 M)       | \$(2.2 M)       | \$(2.7 M)     | \$(0.6 M)     | \$(0.3 M)     |                |
| 105 | 2026-27                     | \$(5.7 M)        | \$(6.1 M)       | \$(2.8 M)       | \$(2.7 M)     | \$(0.8 M)     | \$(0.3 M)     |                |

## REVENUE ESTIMATING CONFERENCE

**Tax:** Article V Fees

**Issue:** Clerks of the Circuit Court – Payment Plans

**Bill Number(s):** CS HB 397

☐ **Entire Bill**

☒ **Partial Bill:** Section 1

**Sponsor(s):** Clemons

**Month/Year Impact Begins:** 07/01/2022

**Date of Analysis:** 05/31/2022

### Section 1: Narrative

- a. Current Law:** Section 28.246, F.S. allows the clerk of the circuit court to accept partial payments for court related fees, service charges, costs, and fines. The monthly payment amount is presumed to correspond to the person's ability to pay if the amount does not exceed two percent of the person's annual net income divided by twelve.
- b. Proposed Change:** Section 28.246, F.S. is revised so that a payment plan's monthly payment is presumed to correspond to the person's ability to pay if the amount does not exceed two percent of the person's annual net income divided by twelve or \$25, whichever is greater. Any amount required by the Clerk as down payment to initially establish a payment plan shall be either 10% of the total amount owed or \$100, whichever is less.

### Section 2: Description of Data and Sources

Contact with staff from OSCA, and CCOC

### Section 3: Methodology (Include Assumptions and Attach Details)

The bill makes the following changes to payment plans:

- Changes the presumption that an individual is able to pay from the monthly amount being less than two percent of the person's annual income divided by twelve to the greater of two percent of the person's annual income divided by twelve and \$25.
- Any amount required by the Clerk as down payment to initially establish a payment plan shall be either 10% of the total amount owed or \$100, whichever is less.

With lack of data regarding the current status of various payments plans (i.e. amount being paid, length of the plan, original fine amount, etc.) the impact is indeterminate. When considering all of the changes to payment plans, the positive impacts will likely exceed the negative ones, resulting in a net indeterminate positive impact.

### Section 4: Proposed Fiscal Impact

| GR/Trust/<br>Local | High |           | Middle |           | Low  |           |
|--------------------|------|-----------|--------|-----------|------|-----------|
|                    | Cash | Recurring | Cash   | Recurring | Cash | Recurring |
| 2022-23            |      |           | **     | **        |      |           |
| 2023-24            |      |           | **     | **        |      |           |
| 2024-25            |      |           | **     | **        |      |           |
| 2025-26            |      |           | **     | **        |      |           |
| 2026-27            |      |           | **     | **        |      |           |

### List of affected Trust Funds:

Various state and local trust funds

General Revenue Fund

### Section 5: Consensus Estimate (Adopted: 05/31/2022): The Conference adopted the proposed estimate.

|         | GR   |           | Trust |           | Local/Other |           | Total |           |
|---------|------|-----------|-------|-----------|-------------|-----------|-------|-----------|
|         | Cash | Recurring | Cash  | Recurring | Cash        | Recurring | Cash  | Recurring |
| 2022-23 | **   | **        | **    | **        | **          | **        | **    | **        |
| 2023-24 | **   | **        | **    | **        | **          | **        | **    | **        |
| 2024-25 | **   | **        | **    | **        | **          | **        | **    | **        |
| 2025-26 | **   | **        | **    | **        | **          | **        | **    | **        |
| 2026-27 | **   | **        | **    | **        | **          | **        | **    | **        |

## REVENUE ESTIMATING CONFERENCE

**Tax:** Highway Safety Fees

**Issue:** Identification Cards

**Bill Number(s):** SB 144

☒ **Entire Bill**

☐ **Partial Bill:**

**Sponsor(s):** Hutson

**Month/Year Impact Begins:** 07/01/2022

**Date of Analysis:** 05/31/2022

### Section 1: Narrative

- a. Current Law:** Section 322.051, F.S. states that any person five years of age or older, or any person with a disability regardless of age, may be issued and ID card upon completion of an application and payment of applicable fees. The Department of Highway Safety and Motor Vehicles shall issue or renew an ID for no charge to a person who presents evidence of homelessness, a juvenile offender who is in custody or under supervision of the Department of Juvenile Justice, and certain inmates in the custody of the Florida Department of Corrections. Section 322.18, F.S. requires that a driver licensee who applies for a renewal of his or her driver license must submit to and pass a vision test. Section 322.21, F.S. sets the fee for an original, renewal, or replacement ID card to be \$25, to be distributed as follows: for original ID, \$25 into GR; for renewal ID, \$6 into the Highway Safety Operating Trust Fund and \$19 into the General Revenue Fund; for replacement ID, \$9 either into the Highway Safety Operating Trust Fund or retained by the tax collector and \$16 into the General Revenue Fund.
- b. Proposed Change:** Sections 322.051, F.S. and is revised so that the department shall issue an original identification card at no charge to a person who is 80 years of age or older and whose driving privilege is denied due to failure to pass a vision test per 322.18(5), F.S. Section 318, F.S. is revised to conform to changes made in section 322.051, F.S. Section 322.21, F.S. is revised so that an applicant is exempt from the \$25 fee for an original, renewal, or replacement ID card if the applicant presents a valid Florida Voter's registration card and attests that he or she is experiencing a financial hardship.

### Section 2: Description of Data and Sources

01/04/2022 Highway Safety REC and History

Fl. Voter Registration Data from US Census: [Voting and Registration in the Election of November 2020 \(census.gov\)](#)

Poverty Rate per US Census ACS: [\\$1701: POVERTY STATUS IN THE PAST 12... - Census Bureau Table](#)

Fl. ID Card age 17 and under data emailed from HSMV staff

July 2019 through March 2022 Mature Inadequate Vision data emailed from HSMV staff

Indigent Case Data for FY's 2017-18 through 2020-21 per Court Clerk's staff (CCOC)

### Section 3: Methodology (Include Assumptions and Attach Details)

Providing a free ID card to customers over 80 who fail the vision test and customers with a voter registration who attest they are experiencing financial hardship will have a negative impact on the General Revenue Fund, the Highway Safety Operating Trust Fund, and Local Funds.

#### Free Original ID Card for Customers 80 and Above Failing Vision Test

The department provided a count of customers at least 80 years of age who failed the vision test from July 2019 through March 2022. For all of FY's 2019-20 and 2020-21, the total number of customers 80 or above who failed the vision test was 82 and 81. For FY 2020-22 through March 2022, there were 34 customers 80 or above who failed the vision test, which was a decrease relative to the same months for the previous two fiscal years. When using this data to calculate the impact to GR from the lost \$25 fee and to Tax Collectors from the lost \$6.25 fee, the total annual negative impact is around -\$2,000, which is insignificant negative.

#### Free Original Renewal, or Replacement ID Card for Customers Registered to Vote and Attesting Hardship

The most recent forecast of revenue collected from the \$25 fee for ID card originals, renewals, and replacements comes directly from the most recent REC. This forecast was used to calculate the \$6.25 tax collector fee, which would also be exempted. To calculate the revenue collected from the population subset eligible for the free ID card, calendar year 2021 original and renewal ID cards under 17 was provided by HSMV staff and compared to calendar year 2021 total transactions. The remaining 18 and up subset was reduced by the percentage of the citizen and noncitizen population not registered to vote per the US Census. The collections eligible to be discounted was reduced by 4.7% in the low scenario, which is the rate Circuit Civil, County Civil, Probate, Family, and Juvenile cases apply for indigent status. The middle scenario was reduced by 12.1%, which is the poverty rate for the US population 18-65. The high scenario was reduced by 60.5%, which is the poverty rate multiplied five times.



|    | A  | B               | C              | D   | E  | F               | G                    | H                  | I              | J            | K              |
|----|--|-----------------|----------------|---|--|-----------------|----------------------|--------------------|----------------|--------------|----------------|
| 1  | <b>SB 144 Identification Cards</b>                               |                 |                |   |  |                 |                      |                    |                |              |                |
| 2  |  |                 |                |   |  |                 |                      |                    |                |              |                |
| 3  | <b>Current Forecast</b>  |                 |                |   |  |                 |                      |                    |                |              |                |
| 4  |  | <b>Original</b> | <b>Renewal</b> | <b>Replacement</b>  |  |                 | <b>Tax Collector</b> |                    | <b>Total</b>   |              |                |
| 5  |  | <b>GR</b>       | <b>GR</b>      | <b>HSOTF</b>  | <b>GR</b>  | <b>HSOTF</b>    | <b>Local</b>         | <b>Local</b>       | <b>GR</b>      | <b>HSOTF</b> | <b>Local</b>   |
| 6  | FY 2022-2023   | \$ 6,841,402    | \$ 1,677,180   | \$ 529,636  | \$ 2,143,873   | \$ 419,686      | \$ 785,526           | \$ 3,099,326       | \$ 10,662,456  | \$ 949,321   | \$ 3,884,852   |
| 7  | FY 2023-2024   | \$ 6,888,197    | \$ 1,604,126   | \$ 506,566  | \$ 2,175,303   | \$ 425,838      | \$ 797,042           | \$ 3,099,268       | \$ 10,667,625  | \$ 932,404   | \$ 3,896,310   |
| 8  | FY 2024-2025   | \$ 6,933,074    | \$ 1,469,596   | \$ 464,083  | \$ 2,205,061   | \$ 431,664      | \$ 807,946           | \$ 3,077,856       | \$ 10,607,730  | \$ 895,746   | \$ 3,885,801   |
| 9  | FY 2025-2026   | \$ 6,976,094    | \$ 1,422,781   | \$ 449,299  | \$ 2,233,793   | \$ 437,288      | \$ 818,473           | \$ 3,084,432       | \$ 10,632,667  | \$ 886,588   | \$ 3,902,905   |
| 10 | FY 2026-2027   | \$ 7,017,252    | \$ 1,377,458   | \$ 434,987  | \$ 2,261,514   | \$ 442,715      | \$ 828,630           | \$ 3,090,639       | \$ 10,656,224  | \$ 877,702   | \$ 3,919,270   |
| 11 |  |                 |                |   |  |                 |                      |                    |                |              |                |
| 12 | <b>Calendar Year 2021 Actual (total)</b>                         |                 |                | <b>Calendar Year 2021 Actual (17 years old and under)</b> |  |                 |                      |                    |                |              |                |
| 13 |  | <b>Original</b> | <b>Renewal</b> |   | <b>Original</b>  | <b>Renewal</b>  |                      |                    |                |              |                |
| 14 | January  | 18,139          | 8,167          |   | Number   | 67,902          | 4,450                |                    |                |              |                |
| 15 | February   | 20,965          | 8,123          |   | %  | 22.8%           | 4.7%                 |                    |                |              |                |
| 16 | March  | 27,037          | 9,967          |   |  |                 |                      |                    |                |              |                |
| 17 | April  | 28,669          | 10,224         |   | <b>Estimated % for Replacements</b>                                    |                 | 13.8%                |                    |                |              |                |
| 18 | May  | 24,113          | 8,517          |   |  |                 |                      |                    |                |              |                |
| 19 | June   | 30,596          | 8,422          |   | <b>Percent of Over 17 FI Population Registered to Vote (US Census)</b> |                 |                      |                    |                |              |                |
| 20 | July   | 30,540          | 7,457          |   | <b>% of Citizens and Noncitizens</b>                                   |                 | 60.9%                |                    |                |              |                |
| 21 | August   | 26,670          | 7,072          |   |  |                 |                      |                    |                |              |                |
| 22 | September  | 23,801          | 7,052          |   | <b>Total Adjustment to Base for Age and Voter Registration</b>         |                 |                      |                    |                |              |                |
| 23 | October  | 22,816          | 6,742          |   |  | <b>Original</b> | <b>Renewal</b>       | <b>Replacement</b> |                |              |                |
| 24 | November   | 21,714          | 6,019          |   | Not Eligible   | 53.0%           | 42.0%                | 47.5%              |                |              |                |
| 25 | December   | 22,778          | 6,070          |   | Eligible   | 47.0%           | 58.0%                | 52.5%              |                |              |                |
| 26 | Total  | 297,838         | 93,832         |   |  |                 |                      |                    |                |              |                |
| 27 |  |                 |                |   |  |                 |                      |                    |                |              |                |
| 28 | <b>Forecast: Eligible for Discount</b>                           |                 |                |   |  |                 |                      |                    |                |              |                |
| 29 |  | <b>Original</b> | <b>Renewal</b> | <b>Replacement</b>  |  |                 | <b>Tax Collector</b> |                    | <b>Total</b>   |              |                |
| 30 |  | <b>GR</b>       | <b>GR</b>      | <b>HSOTF</b>  | <b>GR</b>  | <b>HSOTF</b>    | <b>Local</b>         | <b>Local</b>       | <b>GR</b>      | <b>HSOTF</b> | <b>Local</b>   |
| 31 | FY 2022-2023   | \$ 3,216,542    | \$ 972,963     | \$ 307,251  | \$ 1,125,830   | \$ 220,393      | \$ 412,510           | \$ 1,627,574       | \$ 5,315,335   | \$ 527,644   | \$ 2,040,084   |
| 32 | FY 2023-2024   | \$ 3,238,543    | \$ 930,582     | \$ 293,868  | \$ 1,142,334   | \$ 223,624      | \$ 418,557           | \$ 1,627,544       | \$ 5,311,460   | \$ 517,492   | \$ 2,046,101   |
| 33 | FY 2024-2025   | \$ 3,259,643    | \$ 852,539     | \$ 269,223  | \$ 1,157,962   | \$ 226,683      | \$ 424,283           | \$ 1,616,300       | \$ 5,270,143   | \$ 495,906   | \$ 2,040,583   |
| 34 | FY 2025-2026   | \$ 3,279,869    | \$ 825,381     | \$ 260,647  | \$ 1,173,050   | \$ 229,637      | \$ 429,812           | \$ 1,619,753       | \$ 5,278,300   | \$ 490,283   | \$ 2,049,565   |
| 35 | FY 2026-2027   | \$ 3,299,220    | \$ 799,088     | \$ 252,344  | \$ 1,187,607   | \$ 232,487      | \$ 435,146           | \$ 1,623,013       | \$ 5,285,915   | \$ 484,830   | \$ 2,058,158   |
| 36 |  |                 |                |   |  |                 |                      |                    |                |              |                |
| 37 | <b>High Impact: 60.5% Attest Hardship and Receive Discount</b>   |                 |                |   |  |                 |                      |                    |                |              |                |
| 38 |  | <b>Original</b> | <b>Renewal</b> | <b>Replacement</b>  |  |                 | <b>Tax Collector</b> |                    | <b>Total</b>   |              |                |
| 39 |  | <b>GR</b>       | <b>GR</b>      | <b>HSOTF</b>  | <b>GR</b>  | <b>HSOTF</b>    | <b>Local</b>         | <b>Local</b>       | <b>GR</b>      | <b>HSOTF</b> | <b>Local</b>   |
| 40 | FY 2022-2023   | \$ (1,946,008)  | \$ (588,642)   | \$ (185,887)  | \$ (681,127)   | \$ (133,338)    | \$ (249,568)         | \$ (984,683)       | \$ (3,215,777) | \$ (319,225) | \$ (1,234,251) |
| 41 | FY 2023-2024   | \$ (1,959,319)  | \$ (563,002)   | \$ (177,790)  | \$ (691,112)   | \$ (135,292)    | \$ (253,227)         | \$ (984,664)       | \$ (3,213,433) | \$ (313,083) | \$ (1,237,891) |
| 42 | FY 2024-2025   | \$ (1,972,084)  | \$ (515,786)   | \$ (162,880)  | \$ (700,567)   | \$ (137,143)    | \$ (256,691)         | \$ (977,861)       | \$ (3,188,437) | \$ (300,023) | \$ (1,234,553) |
| 43 | FY 2025-2026   | \$ (1,984,321)  | \$ (499,356)   | \$ (157,691)  | \$ (709,695)   | \$ (138,930)    | \$ (260,036)         | \$ (979,951)       | \$ (3,193,371) | \$ (296,621) | \$ (1,239,987) |
| 44 | FY 2026-2027   | \$ (1,996,028)  | \$ (483,448)   | \$ (152,668)  | \$ (718,502)   | \$ (140,654)    | \$ (263,263)         | \$ (981,923)       | \$ (3,197,979) | \$ (293,322) | \$ (1,245,186) |
| 45 |  |                 |                |   |  |                 |                      |                    |                |              |                |
| 46 | <b>Middle Impact: 12.1% Attest Hardship and Receive Discount</b> |                 |                |   |  |                 |                      |                    |                |              |                |
| 47 |  | <b>Original</b> | <b>Renewal</b> | <b>Replacement</b>  |  |                 | <b>Tax Collector</b> |                    | <b>Total</b>   |              |                |
| 48 |  | <b>GR</b>       | <b>GR</b>      | <b>HSOTF</b>  | <b>GR</b>  | <b>HSOTF</b>    | <b>Local</b>         | <b>Local</b>       | <b>GR</b>      | <b>HSOTF</b> | <b>Local</b>   |
| 49 | FY 2022-2023   | \$ (389,202)    | \$ (117,728)   | \$ (37,177)   | \$ (136,225)   | \$ (26,668)     | \$ (49,914)          | \$ (196,937)       | \$ (643,155)   | \$ (63,845)  | \$ (246,850)   |
| 50 | FY 2023-2024   | \$ (391,864)    | \$ (112,600)   | \$ (35,558)   | \$ (138,222)   | \$ (27,058)     | \$ (50,645)          | \$ (196,933)       | \$ (642,687)   | \$ (62,617)  | \$ (247,578)   |
| 51 | FY 2024-2025   | \$ (394,417)    | \$ (103,157)   | \$ (32,576)   | \$ (140,113)   | \$ (27,429)     | \$ (51,338)          | \$ (195,572)       | \$ (637,687)   | \$ (60,005)  | \$ (246,911)   |
| 52 | FY 2025-2026   | \$ (396,864)    | \$ (99,871)    | \$ (31,538)   | \$ (141,939)   | \$ (27,786)     | \$ (52,007)          | \$ (195,990)       | \$ (638,674)   | \$ (59,324)  | \$ (247,997)   |
| 53 | FY 2026-2027   | \$ (399,206)    | \$ (96,690)    | \$ (30,534)   | \$ (143,700)   | \$ (28,131)     | \$ (52,653)          | \$ (196,385)       | \$ (639,596)   | \$ (58,664)  | \$ (249,037)   |
| 54 |  |                 |                |   |  |                 |                      |                    |                |              |                |
| 55 | <b>Low Impact: 4.7% Attest Hardship and Receive Discount</b>     |                 |                |   |  |                 |                      |                    |                |              |                |
| 56 |  | <b>Original</b> | <b>Renewal</b> | <b>Replacement</b>  |  |                 | <b>Tax Collector</b> |                    | <b>Total</b>   |              |                |
| 57 |  | <b>GR</b>       | <b>GR</b>      | <b>HSOTF</b>  | <b>GR</b>  | <b>HSOTF</b>    | <b>Local</b>         | <b>Local</b>       | <b>GR</b>      | <b>HSOTF</b> | <b>Local</b>   |
| 58 | FY 2022-2023   | \$ (151,177)    | \$ (45,729)    | \$ (14,441)   | \$ (52,914)  | \$ (10,358)     | \$ (19,388)          | \$ (76,496)        | \$ (249,821)   | \$ (24,799)  | \$ (95,884)    |
| 59 | FY 2023-2024   | \$ (152,212)    | \$ (43,737)    | \$ (13,812)   | \$ (53,690)  | \$ (10,510)     | \$ (19,672)          | \$ (76,495)        | \$ (249,639)   | \$ (24,322)  | \$ (96,167)    |
| 60 | FY 2024-2025   | \$ (153,203)    | \$ (40,069)    | \$ (12,653)   | \$ (54,424)  | \$ (10,654)     | \$ (19,941)          | \$ (75,966)        | \$ (247,697)   | \$ (23,308)  | \$ (95,907)    |
| 61 | FY 2025-2026   | \$ (154,154)    | \$ (38,793)    | \$ (12,250)   | \$ (55,133)  | \$ (10,793)     | \$ (20,201)          | \$ (76,128)        | \$ (248,080)   | \$ (23,043)  | \$ (96,330)    |
| 62 | FY 2026-2027   | \$ (155,063)    | \$ (37,557)    | \$ (11,860)   | \$ (55,818)  | \$ (10,927)     | \$ (20,452)          | \$ (76,282)        | \$ (248,438)   | \$ (22,787)  | \$ (96,733)    |

# REVENUE ESTIMATING CONFERENCE

**Tax:** Highway Safety Fees

**Issue:** Identification Cards

**Bill Number(s):** SB 144

## Section 4: Proposed Fiscal Impact

Free Original ID Card for Customers 80 and Above Failing Vision Test

| GR, Local | High |           | Middle |           | Low  |           |
|-----------|------|-----------|--------|-----------|------|-----------|
|           | Cash | Recurring | Cash   | Recurring | Cash | Recurring |
| 2022-23   |      |           | (*)    | (*)       |      |           |
| 2023-24   |      |           | (*)    | (*)       |      |           |
| 2024-25   |      |           | (*)    | (*)       |      |           |
| 2025-26   |      |           | (*)    | (*)       |      |           |
| 2026-27   |      |           | (*)    | (*)       |      |           |

Free Original Renewal, or Replacement ID Card for Customers Registered to Vote and Attesting Hardship

| GR      | High  |           | Middle |           | Low   |           |
|---------|-------|-----------|--------|-----------|-------|-----------|
|         | Cash  | Recurring | Cash   | Recurring | Cash  | Recurring |
| 2022-23 | (3.1) | (3.2)     | (0.6)  | (0.6)     | (0.2) | (0.2)     |
| 2023-24 | (3.2) | (3.2)     | (0.6)  | (0.6)     | (0.2) | (0.2)     |
| 2024-25 | (3.2) | (3.2)     | (0.6)  | (0.6)     | (0.2) | (0.2)     |
| 2025-26 | (3.2) | (3.2)     | (0.6)  | (0.6)     | (0.2) | (0.2)     |
| 2026-27 | (3.2) | (3.2)     | (0.6)  | (0.6)     | (0.2) | (0.2)     |

| Trust   | High  |           | Middle |           | Low  |           |
|---------|-------|-----------|--------|-----------|------|-----------|
|         | Cash  | Recurring | Cash   | Recurring | Cash | Recurring |
| 2022-23 | (0.3) | (0.3)     | (0.1)  | (0.1)     | (*)  | (*)       |
| 2023-24 | (0.3) | (0.3)     | (0.1)  | (0.1)     | (*)  | (*)       |
| 2024-25 | (0.3) | (0.3)     | (0.1)  | (0.1)     | (*)  | (*)       |
| 2025-26 | (0.3) | (0.3)     | (0.1)  | (0.1)     | (*)  | (*)       |
| 2026-27 | (0.3) | (0.3)     | (0.1)  | (0.1)     | (*)  | (*)       |

| Local   | High  |           | Middle |           | Low   |           |
|---------|-------|-----------|--------|-----------|-------|-----------|
|         | Cash  | Recurring | Cash   | Recurring | Cash  | Recurring |
| 2022-23 | (1.2) | (1.2)     | (0.2)  | (0.2)     | (0.1) | (0.1)     |
| 2023-24 | (1.2) | (1.2)     | (0.2)  | (0.2)     | (0.1) | (0.1)     |
| 2024-25 | (1.2) | (1.2)     | (0.2)  | (0.2)     | (0.1) | (0.1)     |
| 2025-26 | (1.2) | (1.2)     | (0.2)  | (0.2)     | (0.1) | (0.1)     |
| 2026-27 | (1.2) | (1.2)     | (0.2)  | (0.2)     | (0.1) | (0.1)     |

## List of affected Trust Funds:

General Revenue

Highway Safety Operating Trust Fund

Local Funds (Tax Collector)

## Section 5: Consensus Estimate (Adopted: 05/31/2022): The Conference adopted the middle impact.

|         | GR    |           | Trust |           | Local/Other |           | Total |           |
|---------|-------|-----------|-------|-----------|-------------|-----------|-------|-----------|
|         | Cash  | Recurring | Cash  | Recurring | Cash        | Recurring | Cash  | Recurring |
| 2022-23 | (0.6) | (0.6)     | (0.1) | (0.1)     | (0.2)       | (0.2)     | (0.9) | (0.9)     |
| 2023-24 | (0.6) | (0.6)     | (0.1) | (0.1)     | (0.2)       | (0.2)     | (0.9) | (0.9)     |
| 2024-25 | (0.6) | (0.6)     | (0.1) | (0.1)     | (0.2)       | (0.2)     | (0.9) | (0.9)     |
| 2025-26 | (0.6) | (0.6)     | (0.1) | (0.1)     | (0.2)       | (0.2)     | (0.9) | (0.9)     |
| 2026-27 | (0.6) | (0.6)     | (0.1) | (0.1)     | (0.2)       | (0.2)     | (0.9) | (0.9)     |

## REVENUE ESTIMATING CONFERENCE

**Tax:** Highway Safety Fees

**Issue:** Motor Vehicle Title Fees

**Bill Number(s):** SB 2530

☒ **Entire Bill**

☐ **Partial Bill:**

**Sponsor(s):** Appropriations

**Month/Year Impact Begins:** 07/01/2022

**Date of Analysis:** 05/31/2022

### Section 1: Narrative

- a. **Current Law:** Section 319.32, F.S. provides that \$47 from each title fee collected, except for fees charged for motor vehicles registered for-hire, shall be distributed as follows: the first \$200 million into the State Transportation Trust Fund, the remainder into the General Revenue Fund.
- b. **Proposed Change:** Section 319.32, F.S. is revised so that the \$47 portion of title fees is distributed as follows: the first \$200 million into the State Transportation Trust Fund, the next \$30 million to the Highway Safety Operating Trust Fund, the remainder into the General Revenue Fund.

### Section 2: Description of Data and Sources

01/04/2022 Highway Safety REC

### Section 3: Methodology (Include Assumptions and Attach Details)

The forecasted \$21 portion of titles fees from the latest highway safety REC was used to calculate the GR remainder from the \$47 portion. Based on these estimates, GR received an annual amount ranging from \$61.6 million to \$65.9 million from the \$47 title fee. These amounts will be reduced by \$30 million annually. Because the language is worded so that the \$200 million to STTF comes first, the HSOTF will receive its portion in late spring.

### Section 4: Proposed Fiscal Impact

| GR      | High |           | Middle |           | Low  |           |
|---------|------|-----------|--------|-----------|------|-----------|
|         | Cash | Recurring | Cash   | Recurring | Cash | Recurring |
| 2022-23 |      |           | (30.0) | (30.0)    |      |           |
| 2023-24 |      |           | (30.0) | (30.0)    |      |           |
| 2024-25 |      |           | (30.0) | (30.0)    |      |           |
| 2025-26 |      |           | (30.0) | (30.0)    |      |           |
| 2026-27 |      |           | (30.0) | (30.0)    |      |           |

| Trust   | High |           | Middle |           | Low  |           |
|---------|------|-----------|--------|-----------|------|-----------|
|         | Cash | Recurring | Cash   | Recurring | Cash | Recurring |
| 2022-23 |      |           | 30.0   | 30.0      |      |           |
| 2023-24 |      |           | 30.0   | 30.0      |      |           |
| 2024-25 |      |           | 30.0   | 30.0      |      |           |
| 2025-26 |      |           | 30.0   | 30.0      |      |           |
| 2026-27 |      |           | 30.0   | 30.0      |      |           |

### List of affected Trust Funds:

General Revenue Fund

Highway Safety Operating Trust Fund

# REVENUE ESTIMATING CONFERENCE

**Tax:** Highway Safety Fees

**Issue:** Motor Vehicle Title Fees

**Bill Number(s):** SB 2530

**Section 5: Consensus Estimate (Adopted: 05/31/2022):** The Conference adopted the proposed estimate.

|         | GR     |           | Trust |           | Local/Other |           | Total |           |
|---------|--------|-----------|-------|-----------|-------------|-----------|-------|-----------|
|         | Cash   | Recurring | Cash  | Recurring | Cash        | Recurring | Cash  | Recurring |
| 2022-23 | (30.0) | (30.0)    | 30.0  | 30.0      | 0.0         | 0.0       | 0.0   | 0.0       |
| 2023-24 | (30.0) | (30.0)    | 30.0  | 30.0      | 0.0         | 0.0       | 0.0   | 0.0       |
| 2024-25 | (30.0) | (30.0)    | 30.0  | 30.0      | 0.0         | 0.0       | 0.0   | 0.0       |
| 2025-26 | (30.0) | (30.0)    | 30.0  | 30.0      | 0.0         | 0.0       | 0.0   | 0.0       |
| 2026-27 | (30.0) | (30.0)    | 30.0  | 30.0      | 0.0         | 0.0       | 0.0   | 0.0       |

|   | A                               | B                                       | C  | D   | E                              | F                          |
|---|---------------------------------|---|--|---|--------------------------------|----------------------------|
| 1 | <b>Motor Vehicle Title Fees</b> |   |  |   |                                |                            |
| 2 |                                 | <b>\$21 STTF Title<br/>Fee Forecast</b> | <b>Derived \$47 Title<br/>Fee Forecast</b> | <b>Current GR<br/>Portion of \$47<br/>Title Fee</b> | <b>Less \$30M to<br/>HSOTF</b> | <b>Remainder to<br/>GR</b> |
| 3 | FY 2022-2023                    | \$ 116,903,863                          | \$ 261,641,980                             | \$ 61,641,980                                       | \$ 30,000,000                  | \$ 31,641,980              |
| 4 | FY 2023-2024                    | \$ 117,974,093                          | \$ 264,037,256                             | \$ 64,037,256                                       | \$ 30,000,000                  | \$ 34,037,256              |
| 5 | FY 2024-2025                    | \$ 118,245,433                          | \$ 264,644,541                             | \$ 64,644,541                                       | \$ 30,000,000                  | \$ 34,644,541              |
| 6 | FY 2025-2026                    | \$ 118,517,398                          | \$ 265,253,224                             | \$ 65,253,224                                       | \$ 30,000,000                  | \$ 35,253,224              |
| 7 | FY 2026-2027                    | \$ 118,789,988                          | \$ 265,863,306                             | \$ 65,863,306                                       | \$ 30,000,000                  | \$ 35,863,306              |

## REVENUE ESTIMATING CONFERENCE

**Tax:** Highway Safety Fees

**Issue:** Certificate of Title - Surviving Spouse

**Bill Number(s):** SB 914

☐ **Entire Bill**

☒ **Partial Bill:** Section 6

**Sponsor(s):** Harrell

**Month/Year Impact Begins:** 07/01/2022

**Date of Analysis:** 05/31/2022

### Section 1: Narrative

- a. Current Law:** Section 319.32 F.S. provides 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; a \$1 security fee to be deposited into the General Revenue Fund, and a service charge of \$4.25 for each issuance, duplication, or transfer of any certificate of title to be kept by the collecting agency (Highway Safety Operating Trust Fund or Local Tax Collector). In addition, 319.324 F.S. provides for a \$1 fee for each original or duplicate certificate of title to be deposited into the Highway Safety Operating Trust Fund (HSOTF) for odometer fraud prevention. Chapter 2017-89, L.O.F. added subsection 7 to 319.32 F.S. stating that the department and tax collectors may not charge any fee or service charge, except for the expedited title fee, for a certificate of title issued for a motor vehicle solely to remove the deceased co-owner from a title registered in the names of two persons if the other co-owner is the surviving spouse.
- b. Proposed Change:** Section 319.32(7) F.S. is revised so that the department and tax collectors may not charge any fee or service charge, except for the expedited title fee, for a certificate of title issued for a motor vehicle solely to transfer the title from a deceased spouse's name to the surviving spouse's name.

### Section 2: Description of Data and Sources

Highway Safety Revenue Estimating Conference (01/04/2022)

Demographic Estimating Conference (12/13/2021)

US Census 2020 American Community Survey (ACS)

FHWA 2017 National Household Travel Survey (NHTS)

March 24, 2017 Impact for CS SB 164 and CS HB 97

Jointly Owned Titles per HSMV

### Section 3: Methodology (Include Assumptions and Attach Details)

Exempting surviving spouses from the title fee for transfers from a deceased spouse results in a negative impact to the forecasted title revenue for STTF, GR, HSOTF, and Local Trust Funds. For each applicable title, the impact to each trust fund is as follows: STTF - \$21; GR - \$50; HSOTF - \$1.0425; and Local - \$4.2075. 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 (52%) 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. Also note that the impact of the \$4.25 fee is split between local tax collectors and HSOTF depending upon the ratio of which one collects the title fee.

The December 2021 Demographic Estimating Conference was used to forecast deaths above age 15. According to the most recent American Community Survey, 47.6% of Americans above age 15 are married. Per the 2017 National Household Travel Survey, 89.4% of households own an automobile. These three sources were used to forecast the number of married vehicle-owner deaths. This number needs to be reduced by jointly owned titles exempted by Chapter 2017-89, L.O.F. which was obtained from HSMV staff. The net result of transfers not previously exempted needs to be further reduced for the following factors:

- Surviving spouses who wish to sell their deceased spouse's vehicle are already exempt from titling the vehicle prior to sale per Section 319.28 F.S.
- The surviving spouse may not want the vehicle if there is an outstanding loan, resulting in a repossessed title.
- Over half of deaths are above age 75, who are less likely to have a car or surviving spouse.
- According to NHTSA, about 3,000 Florida deaths per year are due to vehicular crashes. If the deceased person was driving his or her vehicle, it may be damaged beyond reasonable repair.

## REVENUE ESTIMATING CONFERENCE

**Tax:** Highway Safety Fees

**Issue:** Certificate of Title - Surviving Spouse

**Bill Number(s):** SB 914

For the high analysis, applicable titles represents 80% of non-exempted married car-owner deaths. For the middle analysis, applicable titles represents 70% of non-exempted married car-owner deaths. For the low analysis, applicable titles represents 60% of non-exempted married car-owner deaths. For all three scenarios, a half month lag was added to the first year's impact to account for the collection to cash lag.

### Section 4: Proposed Fiscal Impact

| GR      | High  |           | Middle |           | Low   |           |
|---------|-------|-----------|--------|-----------|-------|-----------|
|         | Cash  | Recurring | Cash   | Recurring | Cash  | Recurring |
| 2022-23 | (2.8) | (2.9)     | (2.4)  | (2.5)     | (2.1) | (2.2)     |
| 2023-24 | (3.0) | (3.0)     | (2.6)  | (2.6)     | (2.2) | (2.2)     |
| 2024-25 | (3.1) | (3.1)     | (2.7)  | (2.7)     | (2.3) | (2.3)     |
| 2025-26 | (3.2) | (3.2)     | (2.8)  | (2.8)     | (2.4) | (2.4)     |
| 2026-27 | (3.3) | (3.3)     | (2.9)  | (2.9)     | (2.5) | (2.5)     |

| Trust   | High  |           | Middle |           | Low   |           |
|---------|-------|-----------|--------|-----------|-------|-----------|
|         | Cash  | Recurring | Cash   | Recurring | Cash  | Recurring |
| 2022-23 | (1.3) | (1.4)     | (1.2)  | (1.2)     | (1.0) | (1.0)     |
| 2023-24 | (1.4) | (1.4)     | (1.2)  | (1.2)     | (1.0) | (1.0)     |
| 2024-25 | (1.4) | (1.4)     | (1.3)  | (1.3)     | (1.1) | (1.1)     |
| 2025-26 | (1.5) | (1.5)     | (1.3)  | (1.3)     | (1.1) | (1.1)     |
| 2026-27 | (1.5) | (1.5)     | (1.3)  | (1.3)     | (1.1) | (1.1)     |

| Local   | High  |           | Middle |           | Low   |           |
|---------|-------|-----------|--------|-----------|-------|-----------|
|         | Cash  | Recurring | Cash   | Recurring | Cash  | Recurring |
| 2022-23 | (0.2) | (0.2)     | (0.2)  | (0.2)     | (0.2) | (0.2)     |
| 2023-24 | (0.3) | (0.3)     | (0.2)  | (0.2)     | (0.2) | (0.2)     |
| 2024-25 | (0.3) | (0.3)     | (0.2)  | (0.2)     | (0.2) | (0.2)     |
| 2025-26 | (0.3) | (0.3)     | (0.2)  | (0.2)     | (0.2) | (0.2)     |
| 2026-27 | (0.3) | (0.3)     | (0.2)  | (0.2)     | (0.2) | (0.2)     |

#### List of affected Trust Funds:

General Revenue Fund

Highway Safety Operating Trust Fund

State Transportation Trust Fund

Local Trust Funds

**Section 5: Consensus Estimate (Adopted: 05/31/2022):** The Conference adopted the low with an adjustment to reflect 50% of applicable title transfers.

|         | GR    |           | Trust |           | Local/Other |           | Total |           |
|---------|-------|-----------|-------|-----------|-------------|-----------|-------|-----------|
|         | Cash  | Recurring | Cash  | Recurring | Cash        | Recurring | Cash  | Recurring |
| 2022-23 | (1.7) | (1.8)     | (0.8) | (0.8)     | (0.2)       | (0.2)     | (2.7) | (2.8)     |
| 2023-24 | (1.9) | (1.9)     | (0.9) | (0.9)     | (0.2)       | (0.2)     | (3.0) | (3.0)     |
| 2024-25 | (1.9) | (1.9)     | (0.9) | (0.9)     | (0.2)       | (0.2)     | (3.0) | (3.0)     |
| 2025-26 | (2.0) | (2.0)     | (0.9) | (0.9)     | (0.2)       | (0.2)     | (3.1) | (3.1)     |
| 2026-27 | (2.0) | (2.0)     | (1.0) | (1.0)     | (0.2)       | (0.2)     | (3.2) | (3.2)     |

|    | A   | B              | C              | D              | E              | F              |
|----|---|----------------|----------------|----------------|----------------|----------------|
| 1  | <b>SB 914 Certificate of Title - Surviving Spouse</b>               | <b>2022-23</b> | <b>2023-24</b> | <b>2024-25</b> | <b>2025-26</b> | <b>2026-27</b> |
| 2  |   |                |                |                |                |                |
| 3  | Deaths Aged 15 and Above (12/2021 DEC)                              | 220,345        | 227,291        | 232,602        | 239,878        | 248,050        |
| 4  | % Married Above Age 15 (ACS)  | 47.6%          | 47.6%          | 47.6%          | 47.6%          | 47.6%          |
| 5  | # of Married Deaths   | 104,884        | 108,191        | 110,719        | 114,182        | 118,072        |
| 6  | 2017 NHTS % Owning a Vehicle  | 89.4%          | 89.4%          | 89.4%          | 89.4%          | 89.4%          |
| 7  | # of Married Deaths Owning a Vehicle                                | 93,766         | 96,722         | 98,982         | 102,079        | 105,556        |
| 8  | % of Titles Owned Jointly exempted per 2017-89 L.O.F.               | 22.6%          | 22.6%          | 22.6%          | 22.6%          | 22.6%          |
| 9  | <b># of Married Deaths Owning a Vehicle Not Previously Exempted</b> | <b>72,547</b>  | <b>74,834</b>  | <b>76,583</b>  | <b>78,978</b>  | <b>81,669</b>  |
| 10 |   |                |                |                |                |                |
| 11 | <b>High (80% of applicable title transfers)</b>                     |                |                |                |                |                |
| 12 | Applicable Transfers Reduced for Bank Repossessions, Sales, etc.    | 58,038         | 59,867         | 61,266         | 63,183         | 65,335         |
| 13 | Reduction to STTF   | \$ (1,218,792) | \$ (1,257,212) | \$ (1,286,589) | \$ (1,326,835) | \$ (1,372,036) |
| 14 | Reduction to GR   | \$ (2,901,885) | \$ (2,993,362) | \$ (3,063,307) | \$ (3,159,130) | \$ (3,266,753) |
| 15 | Reduction to HSOTF  | \$ (135,953)   | \$ (140,239)   | \$ (143,516)   | \$ (148,005)   | \$ (153,047)   |
| 16 | Reduction to Local  | \$ (244,194)   | \$ (251,891)   | \$ (257,777)   | \$ (265,841)   | \$ (274,897)   |
| 17 |   |                |                |                |                |                |
| 18 | <b>Middle (70% of applicable title transfers)</b>                   |                |                |                |                |                |
| 19 | Applicable Transfers Reduced for Bank Repossessions, Sales, etc.    | 50,783         | 52,384         | 53,608         | 55,285         | 57,168         |
| 20 | Reduction to STTF   | \$ (1,066,443) | \$ (1,100,061) | \$ (1,125,765) | \$ (1,160,980) | \$ (1,200,532) |
| 21 | Reduction to GR   | \$ (2,539,150) | \$ (2,619,192) | \$ (2,680,394) | \$ (2,764,239) | \$ (2,858,409) |
| 22 | Reduction to HSOTF  | \$ (118,959)   | \$ (122,709)   | \$ (125,576)   | \$ (129,505)   | \$ (133,916)   |
| 23 | Reduction to Local  | \$ (213,669)   | \$ (220,405)   | \$ (225,555)   | \$ (232,611)   | \$ (240,535)   |
| 24 |   |                |                |                |                |                |
| 25 | <b>Low (60% of applicable title transfers)</b>                      |                |                |                |                |                |
| 26 | Applicable Transfers Reduced for Bank Repossessions, Sales, etc.    | 43,528         | 44,900         | 45,950         | 47,387         | 49,001         |
| 27 | Reduction to STTF   | \$ (914,094)   | \$ (942,909)   | \$ (964,942)   | \$ (995,126)   | \$ (1,029,027) |
| 28 | Reduction to GR   | \$ (2,176,414) | \$ (2,245,022) | \$ (2,297,480) | \$ (2,369,347) | \$ (2,450,065) |
| 29 | Reduction to HSOTF  | \$ (101,965)   | \$ (105,179)   | \$ (107,637)   | \$ (111,004)   | \$ (114,786)   |
| 30 | Reduction to Local  | \$ (183,145)   | \$ (188,919)   | \$ (193,333)   | \$ (199,381)   | \$ (206,173)   |
| 31 |   |                |                |                |                |                |
| 32 | <b>Adopted (50% of applicable title transfers)</b>                  |                |                |                |                |                |
| 33 | Applicable Transfers Reduced for Bank Repossessions, Sales, etc.    | 36,274         | 37,417         | 38,291         | 39,489         | 40,834         |
| 34 | Reduction to STTF   | \$ (761,745)   | \$ (785,758)   | \$ (804,118)   | \$ (829,272)   | \$ (857,523)   |
| 35 | Reduction to GR   | \$ (1,813,678) | \$ (1,870,851) | \$ (1,914,567) | \$ (1,974,456) | \$ (2,041,721) |
| 36 | Reduction to HSOTF  | \$ (84,971)    | \$ (87,649)    | \$ (89,697)    | \$ (92,503)    | \$ (95,655)    |
| 37 | Reduction to Local  | \$ (152,621)   | \$ (157,432)   | \$ (161,111)   | \$ (166,150)   | \$ (171,811)   |
| 38 |   |                |                |                |                |                |
| 39 | GR Service Charge Impact  | \$ (6,798)     | \$ (7,012)     | \$ (7,176)     | \$ (7,400)     | \$ (7,652)     |



## REVENUE ESTIMATING CONFERENCE

**Tax:** Highway Safety Fees

**Issue:** Specialty License Plates

**Bill Number(s):** CS/CS/SB364

☒ **Entire Bill**

☐ **Partial Bill:**

**Sponsor(s):** Senator Bean; Appropriations

**Month/Year Impact Begins:** Upon Becoming Law

**Date of Analysis:** 05/31/2022

### Section 1: Narrative

#### a. Current Law:

##### Out-of-state Colleges and Universities (section 1)

Section 320.08053, F.S. states that within 24 months after the presale specialty license plate voucher is established for a new specialty plate, the approved organization must record a minimum of 3,000 voucher sales before manufacture of the plate may commence. For any new out-of-state college or university license plates, 4,000 voucher sales must be recorded before manufacture of the plate may commence.

##### Independent Colleges and Universities (section 2)

Section 320.08056, F.S. states that each independent college or university may elect to use the standard template for these specialty plates established by the Department of Highway Safety and Motor Vehicles. Independent colleges and universities who elect to use the standard template specialty plate shall have their plate sales combined for the purpose of meeting the minimum sales requirement threshold for continued use of the plates.

##### Specialty Plates (section 3)

Section 320.08056, F.S. states that the Department of Highway Safety and Motor Vehicles (HSMV) is responsible for developing specialty license plates authorized in section 320.08053, F.S. The Department shall issue a specialty license plate to the owner or lessee of a motor vehicle upon payment of the license tax set forth in section 320.08, F.S., a \$5 processing fee to be deposited into the Highway Safety Operating Trust Fund, the license plate fee as required by section 320.06(1)(b), F.S., and a license plate annual use fee. Section 320.08058, F.S. lists the specialty license plates which may be developed by the department.

#### b. Proposed Change:

##### Out-of-state Colleges and Universities (section 1)

Section 320.08053, F.S. is revised so that for any new out-of-state college or university license plates, 3,000 voucher sales must be recorded before manufacture of the plate may commence. The Department of Highway Safety and Motor Vehicles shall extend the presale period by an additional 24 months for an approved specialty license plate organization that, as of the effective date of this bill, is in the presale period but has not yet recorded 3,000 voucher sales.

##### Independent Colleges and Universities (section 2)

Section 320.08056, F.S. is revised so that the combined sales of independent college or university plates using the standard template will also include the total number of remaining current valid registrations for the formerly separate independent college or university plates for the purpose of meeting the minimum sales requirement threshold for continued use of the plates.

##### Specialty Plates (section 3)

Section 320.08058, F.S. is revised to add the following new specialty plates: Inter Miami CF, Safe Haven for Newborns, Pap Corps Champions for Cancer Research, Learn to Fly, Florida Swims, Down Syndrome Awareness, Gopher Tortoise, and Take Stock in Children.

### Section 2: Description of Data and Sources

Highway Safety REC held 01/04/2022 and Conference History

Staff Analysis for CS CS SB 364 prepared on 02/25/2022 by Committee on Appropriations

## REVENUE ESTIMATING CONFERENCE

**Tax:** Highway Safety Fees  
**Issue:** Specialty License Plates  
**Bill Number(s):** CS/CS/SB364

### Section 3: Methodology (Include Assumptions and Attach Details)

#### Out-of-state Colleges and Universities (section 1)

There are currently three out-of-state college or university specialty plates available: University of Alabama, University of Georgia, and Auburn University. Lowering the presale requirement from 4,000 to 3,000 plates will potentially result in more out-of-state college or university specialty plates being available – resulting in a positive impact to state trusts. The number of new plates authorized and potential sales is impossible to quantify, thus the positive impact is indeterminate.

#### Independent Colleges and Universities (section 2)

There are currently 25 institutions using the standard template specialty license plate. Allowing the discontinued but currently valid non-template plates for those institutions to count towards the minimum threshold insures that these plates will be less likely to be discontinued and possibly encourages other independent colleges and universities to use the template. The result of this change is an indeterminate and likely small positive impact.

#### Specialty Plates (section 3)

The bill would add eight new specialty license plates to the list of available plates. The most recent Highway Safety REC projects total specialty tag annual use fees ranging from \$49.3M in FY 2022-23 to \$53.6M in FY 2026-27. The proceeds from these annual use fees are deposited into a variety of state, local, and other funds ranging from universities to private or public benefit organizations. The overall change to specialty tag use fees would be zero or positive indeterminate because the number of new specialty tags which owners and lessees of motor vehicles would choose is unknown. In addition, past performance shows that when new specialty tags are introduced, there is a high level of substitution from exiting plates. Also note that the new plate cannot be issued until at least 3,000 plates are presold.

### Section 4: Proposed Fiscal Impact

| Trust/Other/<br>Local | High |           | Middle |           | Low  |           |
|-----------------------|------|-----------|--------|-----------|------|-----------|
|                       | Cash | Recurring | Cash   | Recurring | Cash | Recurring |
| 2022-23               |      |           | **     | **        |      |           |
| 2023-24               |      |           | **     | **        |      |           |
| 2024-25               |      |           | **     | **        |      |           |
| 2025-26               |      |           | **     | **        |      |           |
| 2026-27               |      |           | **     | **        |      |           |

#### List of affected Trust Funds:

Other/Local/State Trust  
 Highway Safety Operating Trust Fund

### Section 5: Consensus Estimate (Adopted: 05/31/2022): The Conference adopted the proposed estimate.

|         | GR   |           | Trust |           | Local/Other |           | Total |           |
|---------|------|-----------|-------|-----------|-------------|-----------|-------|-----------|
|         | Cash | Recurring | Cash  | Recurring | Cash        | Recurring | Cash  | Recurring |
| 2022-23 | 0.0  | 0.0       | **    | **        | **          | **        | **    | **        |
| 2023-24 | 0.0  | 0.0       | **    | **        | **          | **        | **    | **        |
| 2024-25 | 0.0  | 0.0       | **    | **        | **          | **        | **    | **        |
| 2025-26 | 0.0  | 0.0       | **    | **        | **          | **        | **    | **        |
| 2026-27 | 0.0  | 0.0       | **    | **        | **          | **        | **    | **        |

## REVENUE ESTIMATING CONFERENCE

**Tax:** Motor Fuel Tax  
**Issue:** Motor Fuel Tax Holiday  
**Bill Number(s):** CS/HB 7071

- ☐ **Entire Bill**  
☒ **Partial Bill:** Section 47

**Sponsor(s):** Payne

**Month/Year Impact Begins:** 07/01/2022

**Date of Analysis:** 05/31/2022

### Section 1: Narrative

- a. Current Law:** The following taxes are charged on each gallon of motor fuel: the one-cent county tax per s. 206.41(1)(b) F.S., the one-cent municipal tax per s. 206.41(1)(c) F.S., the SCETS tax charged per s. 206.41(1)(f) F.S. at the 2022 rate of 8.3 cents per gallons, and the motor fuel sales tax per s. 206.41(1)(g) F.S. at the 2022 rate of 15 cents per gallon.
- b. Proposed Change:** The following taxes are reduced to zero from October 1, 2022 through October 31, 2022: the one-cent county tax per s. 206.41(1)(b) F.S., the one-cent municipal tax per s. 206.41(1)(c) F.S., the SCETS tax charged per s. 206.41(1)(f) F.S. at the 2022 rate of 8.3 cents per gallons, and the motor fuel sales tax per s. 206.41(1)(g) F.S. at the 2022 rate of 15 cents per gallon.

### Section 2: Description of Data and Sources

01/11/2022 Transportation REC  
Monthly history files for Transportation REC  
2021 FHWA 556 Report

### Section 3: Methodology (Include Assumptions and Attach Details)

The one month fuel tax holiday will result in a negative impact to state trust funds and local funds. To calculate the revenue loss from the holiday, the FY 2022-23 forecasted gallons from the latest REC was multiplied by the historic monthly share of the holiday period, in this case the month of October. The product was multiplied by the reduced tax rate. Sales and SCETS tax refund rates from the Transportation REC and the refund rates for the one-cent county and municipal taxes from the 2021 FHWA 556 Report were used to calculate the refund offset. There is a negative GR service charge impact due to the loss of the local fuel taxes. The low scenario is only the historic share of the holiday period. The middle scenario includes a 5% speed-up while the high scenario includes a 10% speed-up.

### Section 4: Proposed Fiscal Impact

| GR (srvc chrg) | High  |           | Middle |           | Low   |           |
|----------------|-------|-----------|--------|-----------|-------|-----------|
|                | Cash  | Recurring | Cash   | Recurring | Cash  | Recurring |
| 2022-23        | (1.4) | 0.0       | (1.4)  | 0.0       | (1.3) | 0.0       |
| 2023-24        | 0.0   | 0.0       | 0.0    | 0.0       | 0.0   | 0.0       |
| 2024-25        | 0.0   | 0.0       | 0.0    | 0.0       | 0.0   | 0.0       |
| 2025-26        | 0.0   | 0.0       | 0.0    | 0.0       | 0.0   | 0.0       |
| 2026-27        | 0.0   | 0.0       | 0.0    | 0.0       | 0.0   | 0.0       |

# REVENUE ESTIMATING CONFERENCE

**Tax:** Motor Fuel Tax

**Issue:** Motor Fuel Tax Holiday

**Bill Number(s):** CS/HB 7071

| TRUST   | High    |           | Middle  |           | Low     |           |
|---------|---------|-----------|---------|-----------|---------|-----------|
|         | Cash    | Recurring | Cash    | Recurring | Cash    | Recurring |
| 2022-23 | (206.5) | 0.0       | (197.1) | 0.0       | (187.7) | 0.0       |
| 2023-24 | 0.0     | 0.0       | 0.0     | 0.0       | 0.0     | 0.0       |
| 2024-25 | 0.0     | 0.0       | 0.0     | 0.0       | 0.0     | 0.0       |
| 2025-26 | 0.0     | 0.0       | 0.0     | 0.0       | 0.0     | 0.0       |
| 2026-27 | 0.0     | 0.0       | 0.0     | 0.0       | 0.0     | 0.0       |

| LOCAL   | High   |           | Middle |           | Low    |           |
|---------|--------|-----------|--------|-----------|--------|-----------|
|         | Cash   | Recurring | Cash   | Recurring | Cash   | Recurring |
| 2022-23 | (16.4) | 0.0       | (15.6) | 0.0       | (14.9) | 0.0       |
| 2023-24 | 0.0    | 0.0       | 0.0    | 0.0       | 0.0    | 0.0       |
| 2024-25 | 0.0    | 0.0       | 0.0    | 0.0       | 0.0    | 0.0       |
| 2025-26 | 0.0    | 0.0       | 0.0    | 0.0       | 0.0    | 0.0       |
| 2026-27 | 0.0    | 0.0       | 0.0    | 0.0       | 0.0    | 0.0       |

## List of affected Trust Funds:

State Transportation Trust Fund

Agriculture Emergency Eradication Trust Fund

Local Trust Funds

General Revenue Fund

## Section 5: Consensus Estimate (Adopted: 05/31/2022): The Conference adopted the middle estimate.

|         | GR    |           | Trust   |           | Local/Other |           | Total   |           |
|---------|-------|-----------|---------|-----------|-------------|-----------|---------|-----------|
|         | Cash  | Recurring | Cash    | Recurring | Cash        | Recurring | Cash    | Recurring |
| 2022-23 | (1.4) | 0.0       | (197.1) | 0.0       | (15.6)      | 0.0       | (214.1) | 0.0       |
| 2023-24 | 0.0   | 0.0       | 0.0     | 0.0       | 0.0         | 0.0       | 0.0     | 0.0       |
| 2024-25 | 0.0   | 0.0       | 0.0     | 0.0       | 0.0         | 0.0       | 0.0     | 0.0       |
| 2025-26 | 0.0   | 0.0       | 0.0     | 0.0       | 0.0         | 0.0       | 0.0     | 0.0       |
| 2026-27 | 0.0   | 0.0       | 0.0     | 0.0       | 0.0         | 0.0       | 0.0     | 0.0       |

|    | A  | B          | C             | D           |
|----|--|------------|---------------|-------------|
| 1  | <b>Motor Fuel Tax Holiday Estimate</b>               |            |               |             |
| 2  | Fiscal Year 2022-23 Forecasted Gallons of Motor Fuel | 9,602.7    |               |             |
| 3  | Fuel Sales Tax Refund Rate 2022-23                   | 2.12%      |               |             |
| 4  | SCETS Tax Refund Rate 2022-23                        | 0.86%      |               |             |
| 5  |  |            |               |             |
| 6  |  | October    | 860.2         |             |
| 7  | Monthly Rates  | 8.53%      | 8.9577%       |             |
| 8  |  |            |               |             |
| 9  |  | <b>Low</b> | <b>Middle</b> | <b>High</b> |
| 10 |  |            | <b>5%</b>     | <b>10%</b>  |
| 11 | Gallons Lost   | (819.2)    | (860.2)       | (901.1)     |
| 12 | Sales Tax Lost                                       | \$ (122.9) | \$ (129.0)    | \$ (135.2)  |
| 13 | SCETS Tax Lost                                       | \$ (68.0)  | \$ (71.4)     | \$ (74.8)   |
| 14 | County Tax Lost                                      | \$ (8.2)   | \$ (8.6)      | \$ (9.0)    |
| 15 | Municipal Tax Lost                                   | \$ (8.2)   | \$ (8.6)      | \$ (9.0)    |
| 16 | Sales Tax Refund Offset                              | \$ 2.6     | \$ 2.7        | \$ 2.9      |
| 17 | SCETS Tax Refund Offset                              | \$ 0.6     | \$ 0.6        | \$ 0.6      |
| 18 | County Tax Refund Offset                             | \$ 0.1     | \$ 0.1        | \$ 0.1      |
| 19 | Municipal Tax Refund Offset                          | \$ 0.1     | \$ 0.1        | \$ 0.1      |
| 20 | Total Loss STTF and AEETF                            | \$ (187.7) | \$ (197.1)    | \$ (206.5)  |
| 21 | Total Loss Local                                     | \$ (14.9)  | \$ (15.6)     | \$ (16.4)   |
| 22 | Total Loss GR (GR Service Charge)                    | \$ (1.3)   | \$ (1.4)      | \$ (1.4)    |
| 23 |  |            |               |             |
| 24 |  |            |               |             |
| 25 | <b>Trust Impact Breakout</b>                         |            |               |             |
| 26 | AEETF  | \$ (1.2)   | \$ (1.3)      | \$ (1.3)    |
| 27 | STTF   | \$ (186.5) | \$ (195.8)    | \$ (205.2)  |

## REVENUE ESTIMATING CONFERENCE

**Tax:** Other Taxes and Fees

**Issue:** City of Apopka, Orange County

**Bill Number(s):** [HB 1431](#)

☒ **Entire Bill**

☐ **Partial Bill:**

**Sponsor(s):** Reps. Plasencia; Truenow

**Month/Year Impact Begins:** Upon becoming a law

**Date of Analysis:** May 31<sup>th</sup>, 2022

### Section 1: Narrative

#### a. Current Law:

The Division of Alcoholic Beverages and Tobacco within the Department of Business and Professional Regulation (DBPR) is responsible for regulating the conduct, management, and operation of the manufacturing, packaging, distribution, and sale within the state of alcoholic beverages.

Under the Beverage Law, DBPR is not limited on the number of licenses it issues to businesses that sell malt beverages or wine. However, s. 561.20, F.S., limits the number of licenses that may be issued under s. 565.02(1)(a)-(f), F.S., to one license per 7,500 residents per county with a minimum of three licenses per county that has approved the sale of intoxicating liquors. This license, often referred to as a "quota license," allows a business to sell any alcoholic beverage regardless of alcoholic content, including liquor or distilled spirits.

There are several exceptions to the quota license limitation, and businesses that meet the requirements set out in one of the exceptions may be issued a special license by DBPR allowing the business to serve any alcoholic beverages regardless of alcohol content. A food service establishment may qualify for an exemption if the building has at least 2,500 square feet of service area, is equipped to serve meals to 150 persons at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages during the first 120-day operating period and the first 12-month operating period thereafter.

#### b. Proposed Change:

Within the existing City of Apopka – Community Redevelopment Agency, the bill designates the City of Apopka – Community Redevelopment Agency District (CRA District) and provides legal description.

The bill requires DBPR to issue a special food service license to a bona fide restaurant in the CRA District that occupies at least 1,800 square feet of contiguous space, is equipped to serve meals to at least 80 persons at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages during the first 60-day operating period and each 12-month operating period thereafter. The bill includes a complete legal description of the area in which the exemption to the quota license will apply.

### Section 2: Description of Data and Sources

#### Section 3: Methodology

The annual license fee for a business in a county with a population of over 100,000 residents is \$1,820. We were unable to obtain data on how many restaurants there are within the CRA District and how many of those restaurants will qualify for the special alcoholic beverage license.

Without additional data on the number of restaurants in the area, and taking into account that the bill does not force action to be taken by existing businesses, the high forecasts an indeterminate positive or zero impact, which assumes that at least 28 restaurants may apply for the license. The low forecasts an insignificant positive or zero impact, which assumes that less than 28 restaurants may apply for the license.

# REVENUE ESTIMATING CONFERENCE

**Tax:** Other Taxes and Fees

**Issue:** City of Apopka, Orange County

**Bill Number(s):** [HB 1431](#)

## Section 4: Proposed Fiscal Impact

|         | High |           | Middle |           | Low  |           |
|---------|------|-----------|--------|-----------|------|-----------|
|         | Cash | Recurring | Cash   | Recurring | Cash | Recurring |
| 2022-23 | 0/** | 0/**      |        |           | 0/*  | 0/*       |
| 2023-24 | 0/** | 0/**      |        |           | 0/*  | 0/*       |
| 2024-25 | 0/** | 0/**      |        |           | 0/*  | 0/*       |
| 2025-26 | 0/** | 0/**      |        |           | 0/*  | 0/*       |
| 2026-27 | 0/** | 0/**      |        |           | 0/*  | 0/*       |

## List of affected Trust Funds:

Alcoholic Beverage and Tobacco Trust Fund

## Section 5: Consensus Estimate (Adopted: 05/31/2022): The Conference adopted the low estimate.

|         | GR   |           | Trust |           | Local/Other |           | Total |           |
|---------|------|-----------|-------|-----------|-------------|-----------|-------|-----------|
|         | Cash | Recurring | Cash  | Recurring | Cash        | Recurring | Cash  | Recurring |
| 2022-23 | 0/*  | 0/*       | 0/*   | 0/*       | 0.0         | 0.0       | 0/*   | 0/*       |
| 2023-24 | 0/*  | 0/*       | 0/*   | 0/*       | 0.0         | 0.0       | 0/*   | 0/*       |
| 2024-25 | 0/*  | 0/*       | 0/*   | 0/*       | 0.0         | 0.0       | 0/*   | 0/*       |
| 2025-26 | 0/*  | 0/*       | 0/*   | 0/*       | 0.0         | 0.0       | 0/*   | 0/*       |
| 2026-27 | 0/*  | 0/*       | 0/*   | 0/*       | 0.0         | 0.0       | 0/*   | 0/*       |

## REVENUE ESTIMATING CONFERENCE

**Tax:** Other Taxes and Fees

**Issue:** City of Edgewood, Orange County

**Bill Number(s):** [HB 1423](#)

☒ **Entire Bill**

☐ **Partial Bill:**

**Sponsor(s):** Reps. Plasencia; Morales

**Month/Year Impact Begins:** Upon becoming a law

**Date of Analysis:** May 31<sup>th</sup>, 2022

### Section 1: Narrative

#### a. Current Law:

The Division of Alcoholic Beverages and Tobacco within the Department of Business and Professional Regulation (DBPR) is responsible for regulating the conduct, management, and operation of the manufacturing, packaging, distribution, and sale within the state of alcoholic beverages.

Under the Beverage Law, DBPR is not limited on the number of licenses it issues to businesses that sell malt beverages or wine. However, s. 561.20, F.S., limits the number of licenses that may be issued under s. 565.02(1)(a)-(f), F.S., to one license per 7,500 residents per county with a minimum of three licenses per county that has approved the sale of intoxicating liquors. This license, often referred to as a "quota license," allows a business to sell any alcoholic beverage regardless of alcoholic content, including liquor or distilled spirits.

There are several exceptions to the quota license limitation, and businesses that meet the requirements set out in one of the exceptions may be issued a special license by DBPR allowing the business to serve any alcoholic beverages regardless of alcohol content. A food service establishment may qualify for an exemption if the building has at least 2,500 square feet of service area, is equipped to serve meals to 150 persons at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages during the first 120-day operating period and the first 12-month operating period thereafter.

#### b. Proposed Change:

The bill creates the Edgewood Restaurant Incentive Areas in Orange County and provides legal description.

The bill requires DBPR to issue a special alcoholic beverage license to a bona fide restaurant in the Edgewood Restaurant Incentive Areas that occupies at least 1,800 square feet of contiguous space, is equipped to serve meals to at least 80 persons at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages during the first 60-day operating period and each 12-month operating period thereafter. The bill includes a complete legal description of the area in which the exemption to the quota license will apply.

### Section 2: Description of Data and Sources

#### Section 3: Methodology

The annual license fee for a business in a county with a population of over 100,000 residents is \$1,820. We were unable to obtain data on how many restaurants there are within the newly created Edgewood Restaurants Incentive Areas and how many of those restaurants will qualify for the special alcoholic beverage license.

Without additional data on the number of restaurants in the area, and taking into account that the bill does not force action to be taken by existing businesses, the high forecasts an indeterminate positive or zero impact, which assumes that at least 28 restaurants may apply for the license. The low forecasts an insignificant positive or zero impact, which assumes that less than 28 restaurants may apply for the license.



## REVENUE ESTIMATING CONFERENCE

**Tax:** Other Taxes and Fees

**Issue:** City of Edgewood, Orange County

**Bill Number(s):** [HB 1423](#)

### Section 4: Proposed Fiscal Impact

|         | High |           | Middle |           | Low  |           |
|---------|------|-----------|--------|-----------|------|-----------|
|         | Cash | Recurring | Cash   | Recurring | Cash | Recurring |
| 2022-23 | 0/** | 0/**      |        |           | 0/*  | 0/*       |
| 2023-24 | 0/** | 0/**      |        |           | 0/*  | 0/*       |
| 2024-25 | 0/** | 0/**      |        |           | 0/*  | 0/*       |
| 2025-26 | 0/** | 0/**      |        |           | 0/*  | 0/*       |
| 2026-27 | 0/** | 0/**      |        |           | 0/*  | 0/*       |

### List of affected Trust Funds:

Alcoholic Beverage and Tobacco Trust Fund

### Section 5: Consensus Estimate (Adopted: 05/31/2022): The Conference adopted the low estimate.

|         | GR   |           | Trust |           | Local/Other |           | Total |           |
|---------|------|-----------|-------|-----------|-------------|-----------|-------|-----------|
|         | Cash | Recurring | Cash  | Recurring | Cash        | Recurring | Cash  | Recurring |
| 2022-23 | 0/*  | 0/*       | 0/*   | 0/*       | 0.0         | 0.0       | 0/*   | 0/*       |
| 2023-24 | 0/*  | 0/*       | 0/*   | 0/*       | 0.0         | 0.0       | 0/*   | 0/*       |
| 2024-25 | 0/*  | 0/*       | 0/*   | 0/*       | 0.0         | 0.0       | 0/*   | 0/*       |
| 2025-26 | 0/*  | 0/*       | 0/*   | 0/*       | 0.0         | 0.0       | 0/*   | 0/*       |
| 2026-27 | 0/*  | 0/*       | 0/*   | 0/*       | 0.0         | 0.0       | 0/*   | 0/*       |

## REVENUE ESTIMATING CONFERENCE

**Tax:** Other Taxes and Fees

**Issue:** City of Jacksonville, Duval County

**Bill Number(s):** [HB 1497](#)

☒ **Entire Bill**

☐ **Partial Bill:**

**Sponsor(s):** Reps. Duggan; Nixon

**Month/Year Impact Begins:** Upon becoming a law

**Date of Analysis:** May 31<sup>th</sup>, 2022

### Section 1: Narrative

#### a. Current Law:

The Division of Alcoholic Beverages and Tobacco within the Department of Business and Professional Regulation (DBPR) is responsible for regulating the conduct, management, and operation of the manufacturing, packaging, distribution, and sale within the state of alcoholic beverages.

Under the Beverage Law, DBPR is not limited on the number of licenses it issues to businesses that sell malt beverages or wine. However, s. 561.20, F.S., limits the number of licenses that may be issued under s. 565.02(1)(a)-(f), F.S., to one license per 7,500 residents per county with a minimum of three licenses per county that has approved the sale of intoxicating liquors. This license, often referred to as a "quota license," allows a business to sell any alcoholic beverage regardless of alcoholic content, including liquor or distilled spirits.

There are several exceptions to the quota license limitation, and businesses that meet the requirements set out in one of the exceptions may be issued a special license by DBPR allowing the business to serve any alcoholic beverages regardless of alcohol content. A food service establishment may qualify for an exemption if the building has at least 2,500 square feet of service area, is equipped to serve meals to 150 persons at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages during the first 120-day operating period and the first 12-month operating period thereafter.

#### b. Proposed Change:

The bill creates and adds the Kings Avenue Commercial Corridor into the special zones located in downtown Jacksonville and provides legal description.

The bill creates an exception to the quota limitation and authorizes DBPR to issue a special alcoholic beverage license to a bona fide restaurant within Northside West, Northside East, and Kings Avenue Commercial Corridor in Jacksonville that meets the following requirements: occupies at least 1,000 square feet of contiguous space, is equipped to serve meals to at least 50 persons at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages. Such licenses are subject to local zoning requirements and to any provision of the alcoholic beverage laws of the state and rules of the Division of Alcoholic Beverages and Tobacco not inconsistent within the bill.

### Section 2: Description of Data and Sources

#### Section 3: Methodology

The annual license fee for a business in a county with a population of over 100,000 residents is \$1,820. We were unable to obtain data on how many restaurants there are within Kings Avenue Commercial Corridor and how many of those restaurants will qualify for the special alcoholic beverage license.

Without additional data on the number of restaurants in the area, and taking into account that the bill does not force action to be taken by existing businesses, the high forecasts an indeterminate positive or zero impact, which assumes that at least 28 restaurants may apply for the license. The low forecasts an insignificant positive or zero impact, which assumes that less than 28 restaurants may apply for the license.

## REVENUE ESTIMATING CONFERENCE

**Tax:** Other Taxes and Fees

**Issue:** City of Jacksonville, Duval County

**Bill Number(s):** [HB 1497](#)

### Section 4: Proposed Fiscal Impact

|         | High |           | Middle |           | Low  |           |
|---------|------|-----------|--------|-----------|------|-----------|
|         | Cash | Recurring | Cash   | Recurring | Cash | Recurring |
| 2022-23 | 0/** | 0/**      |        |           | 0/*  | 0/*       |
| 2023-24 | 0/** | 0/**      |        |           | 0/*  | 0/*       |
| 2024-25 | 0/** | 0/**      |        |           | 0/*  | 0/*       |
| 2025-26 | 0/** | 0/**      |        |           | 0/*  | 0/*       |
| 2026-27 | 0/** | 0/**      |        |           | 0/*  | 0/*       |

### List of affected Trust Funds:

Alcoholic Beverage and Tobacco Trust Fund

### Section 5: Consensus Estimate (Adopted: 05/31/2022): The Conference adopted the low estimate.

|         | GR   |           | Trust |           | Local/Other |           | Total |           |
|---------|------|-----------|-------|-----------|-------------|-----------|-------|-----------|
|         | Cash | Recurring | Cash  | Recurring | Cash        | Recurring | Cash  | Recurring |
| 2022-23 | 0/*  | 0/*       | 0/*   | 0/*       | 0.0         | 0.0       | 0/*   | 0/*       |
| 2023-24 | 0/*  | 0/*       | 0/*   | 0/*       | 0.0         | 0.0       | 0/*   | 0/*       |
| 2024-25 | 0/*  | 0/*       | 0/*   | 0/*       | 0.0         | 0.0       | 0/*   | 0/*       |
| 2025-26 | 0/*  | 0/*       | 0/*   | 0/*       | 0.0         | 0.0       | 0/*   | 0/*       |
| 2026-27 | 0/*  | 0/*       | 0/*   | 0/*       | 0.0         | 0.0       | 0/*   | 0/*       |

## REVENUE ESTIMATING CONFERENCE

**Tax:** Other Taxes and Fees

**Issue:** City of Ocala, Marion County

**Bill Number(s):** [HB 1429](#)

☒ **Entire Bill**

☐ **Partial Bill:**

**Sponsor(s):** Rep. McClain

**Month/Year Impact Begins:** Upon becoming a law

**Date of Analysis:** May 31<sup>th</sup>, 2022

### Section 1: Narrative

#### a. Current Law:

The Division of Alcoholic Beverages and Tobacco within the Department of Business and Professional Regulation (DBPR) is responsible for regulating the conduct, management, and operation of the manufacturing, packaging, distribution, and sale within the state of alcoholic beverages.

Pursuant to s. 561.01(11), F.S., alcoholic beverages sold for consumption on premises must be consumed inside the licensed premises. DBPR may approve a temporary expansion of the licensed premises to include a sidewalk or other outdoor area for special events. The business must pay an application fee of \$100, stipulate the timeframe for the special event, submit a sketch outlining the expanded premises, and submit written approval from the county or municipality.

#### b. Proposed Change:

The bill creates a special zone in the City of Ocala known as the Downtown Ocala Event Zone and establishes the boundaries of the special zone.

The bill creates an exception to ch. 561, F.S., and requires DBPR to issue a special permit to licensed vendors located within the Downtown Ocala Event Zone that are licensed to sell alcoholic beverages to patrons for consumption on its premises during special events approved or declared by the Ocala City Council to allow for the sale of alcoholic beverages in open containers for consumption off the licensed premises but within the entertainment district. The special permit is only valid for the duration of each special event approved by the city manager and may be authorized for no more than 12 outdoor events per calendar year.

The special permit expands on the temporary expansions currently in in statutes, as the temporary expansions cover relatively small areas directly adjacent to the licensed business.

### Section 2: Description of Data and Sources

#### Section 3: Methodology

The application fee for the special license will be \$100. We were unable to obtain data on how many restaurants there are within the Downtown Ocala Event Zone, how many are licensed to sell alcoholic beverages, and the amount of approved temporary expansions issued per year. It is possible that the same restaurants who currently apply for the temporary expansions will instead apply for the special permit at an equal rate. It is also possible that the bill will lead to additional revenue, if restaurants apply for the special license in addition to the applications submitted for the temporary expansions.

Without additional data on the number of restaurants and temporary expansions issued per year, and taking into account that the bill does not force action to be taken by existing businesses, the high forecasts an indeterminate positive or zero impact, and the low forecasts an insignificant positive or zero impact.

#### Section 4: Proposed Fiscal Impact

|         | High |           | Middle |           | Low  |           |
|---------|------|-----------|--------|-----------|------|-----------|
|         | Cash | Recurring | Cash   | Recurring | Cash | Recurring |
| 2022-23 | 0/** | 0/**      |        |           | 0/*  | 0/*       |
| 2023-24 | 0/** | 0/**      |        |           | 0/*  | 0/*       |
| 2024-25 | 0/** | 0/**      |        |           | 0/*  | 0/*       |
| 2025-26 | 0/** | 0/**      |        |           | 0/*  | 0/*       |
| 2026-27 | 0/** | 0/**      |        |           | 0/*  | 0/*       |

## REVENUE ESTIMATING CONFERENCE

**Tax:** Other Taxes and Fees

**Issue:** City of Ocala, Marion County

**Bill Number(s):** [HB 1429](#)

**List of affected Trust Funds:**

**Section 5: Consensus Estimate (Adopted: 05/31/2022):** The Conference adopted the low estimate.

|         | GR   |           | Trust |           | Local/Other |           | Total |           |
|---------|------|-----------|-------|-----------|-------------|-----------|-------|-----------|
|         | Cash | Recurring | Cash  | Recurring | Cash        | Recurring | Cash  | Recurring |
| 2022-23 | 0/*  | 0/*       | 0/*   | 0/*       | 0.0         | 0.0       | 0/*   | 0/*       |
| 2023-24 | 0/*  | 0/*       | 0/*   | 0/*       | 0.0         | 0.0       | 0/*   | 0/*       |
| 2024-25 | 0/*  | 0/*       | 0/*   | 0/*       | 0.0         | 0.0       | 0/*   | 0/*       |
| 2025-26 | 0/*  | 0/*       | 0/*   | 0/*       | 0.0         | 0.0       | 0/*   | 0/*       |
| 2026-27 | 0/*  | 0/*       | 0/*   | 0/*       | 0.0         | 0.0       | 0/*   | 0/*       |

## REVENUE ESTIMATING CONFERENCE

**Tax:** Other Taxes and Fees

**Issue:** Criminal Conflict and Civil Regional Counsels

**Bill Number(s):** CS/CS/SB 596

☐ **Entire Bill**

☒ **Partial Bill:** Section 12

**Sponsor(s):** Appropriations

**Month/Year Impact Begins:** 07/01/2022

**Date of Analysis:** 05/31/2022

### Section 1: Narrative

#### a. Current Law:

Criminal Conflict and Civil Regional Counsels (section 12)

Section 943.053, F.S. states that a \$24 fee applies per name submitted when the private sector or a noncriminal justice agency requests access to criminal history information from the Florida Department of Law Enforcement. This fee is currently waived for public defenders, while other public entities receive exceptions that allow for lower costs per name submitted. Under the current language, the Office of Criminal Conflict and Civil Regional Counsel does pay this fee when requesting access from the Florida Department of Law Enforcement.

#### b. Proposed Change:

Criminal Conflict and Civil Regional Counsels (section 12)

Section 943.053, F.S. is revised so that the waiver currently applying to public defenders now also applies to each Office of Criminal Conflict and Civil Regional Counsel, allowing them to request criminal history information without having to pay the \$24 fee, beginning on the effective date of July 1, 2022.

### Section 2: Description of Data and Sources

Staff Analysis for CS/SB 596 prepared on 01/19/2022 by Florida Department of Law Enforcement

Staff Analysis for CS/SB 596 prepared on 02/25/2022 by Committee on Appropriations

Florida Department of Law Enforcement Schedule I: Trust Funds Available (Section I: Detail of Revenues)

### Section 3: Methodology (Include Assumptions and Attach Details)

According to the Florida Department of Law Enforcement, the forecasted revenue for FY 22-23 criminal record checks is \$53,340,678, and prior fiscal years have shown similar total revenue. However, it is not known how much of this revenue is due to requests from the Offices of Criminal Conflict and Civil Regional Counsel. Furthermore, these offices do have access to criminal history information through other means, such as judicial offices and systems, allowing for other options that prevent them from incurring the \$24 fee. Therefore, the high scenario is negative indeterminate because the total fee collected is well above the \$50,000 significance threshold and it only takes a little over 2,000 transactions to exceed the threshold. The low scenario is negative insignificant because the Counsel can already access this information without going through FDLE and the FDLE Agency analysis stated that while the amount that the Counsel currently pays is unknown, it is likely that relatively few requests have been submitted by them under current law.

### Section 4: Proposed Fiscal Impact

|         | High |           | Middle |           | Low  |           |
|---------|------|-----------|--------|-----------|------|-----------|
|         | Cash | Recurring | Cash   | Recurring | Cash | Recurring |
| 2022-23 | (**) | (**)      |        |           | (*)  | (*)       |
| 2023-24 | (**) | (**)      |        |           | (*)  | (*)       |
| 2024-25 | (**) | (**)      |        |           | (*)  | (*)       |
| 2025-26 | (**) | (**)      |        |           | (*)  | (*)       |
| 2026-27 | (**) | (**)      |        |           | (*)  | (*)       |

#### List of affected Trust Funds:

Florida Department of Law Enforcement Operating Trust Fund

## REVENUE ESTIMATING CONFERENCE

**Tax:** Other Taxes and Fees

**Issue:** Criminal Conflict and Civil Regional Counsels

**Bill Number(s):** CS/CS/SB 596

**Section 5: Consensus Estimate (Adopted: 05/31/2022):** The Conference adopted the low estimate.

|         | GR   |           | Trust |           | Local/Other |           | Total |           |
|---------|------|-----------|-------|-----------|-------------|-----------|-------|-----------|
|         | Cash | Recurring | Cash  | Recurring | Cash        | Recurring | Cash  | Recurring |
| 2022-23 | (*)  | (*)       | (*)   | (*)       | 0.0         | 0.0       | (*)   | (*)       |
| 2023-24 | (*)  | (*)       | (*)   | (*)       | 0.0         | 0.0       | (*)   | (*)       |
| 2024-25 | (*)  | (*)       | (*)   | (*)       | 0.0         | 0.0       | (*)   | (*)       |
| 2025-26 | (*)  | (*)       | (*)   | (*)       | 0.0         | 0.0       | (*)   | (*)       |
| 2026-27 | (*)  | (*)       | (*)   | (*)       | 0.0         | 0.0       | (*)   | (*)       |

## REVENUE ESTIMATING CONFERENCE

**Tax:** Other Taxes and Fees

**Issue:** Downtown Crystal River Entertainment District, Citrus County

**Bill Number(s):** [HB 927](#)

☒ **Entire Bill**

☐ **Partial Bill:**

**Sponsor(s):** Rep. Page

**Month/Year Impact Begins:** Upon becoming a law

**Date of Analysis:** May 31<sup>th</sup>, 2022

### Section 1: Narrative

#### a. Current Law:

The Division of Alcoholic Beverages and Tobacco within the Department of Business and Professional Regulation (DBPR) is responsible for regulating the conduct, management, and operation of the manufacturing, packaging, distribution, and sale within the state of alcoholic beverages.

Pursuant to s. 561.01(11), F.S., alcoholic beverages sold for consumption on premises must be consumed inside the licensed premises. DBPR may approve a temporary expansion of the licensed premises to include a sidewalk or other outdoor area for special events. The business must pay an application fee of \$100, stipulate the timeframe for the special event, submit a sketch outlining the expanded premises, and submit written approval from the county or municipality.

#### b. Proposed Change:

The bill creates the Downtown Crystal River Entertainment District in Citrus County and provides legal description.

The bill creates an exception to ch. 561, F.S., permitting businesses located within the Downtown Crystal River Entertainment District, which are licensed to sell alcoholic beverages to patrons for consumption on the licensed premises, to receive a special license allowing for the sale of alcoholic beverages in open containers for consumption off the licensed premises but still within the entertainment district, unless otherwise prohibited or limited in geographic area by the Crystal River City Council.

Businesses within the district will only have to submit one annual application for the special license, as opposed to having to submit an application for each special event..

### Section 2: Description of Data and Sources

#### Section 3: Methodology

The application fee for the special license will be \$100. We were unable to obtain data on how many restaurants there are within the Downtown Crystal River Entertainment District, how many of them are licensed to sell alcoholic beverages, and the amount of approved temporary expansions issued each year.

The forecast assumes that the bill may lead to a decrease in revenue due to a decrease in applications for temporary expansions, as businesses apply for the annual special license instead.

Without additional data on the number of temporary expansions issued per year, and taking into account that the bill does not force action to be taken by existing businesses, the high forecasts an indeterminate negative or zero impact, and the low forecasts an insignificant negative or zero impact.

#### Section 4: Proposed Fiscal Impact

|         | High   |           | Middle |           | Low   |           |
|---------|--------|-----------|--------|-----------|-------|-----------|
|         | Cash   | Recurring | Cash   | Recurring | Cash  | Recurring |
| 2022-23 | 0/(**) | 0/(**)    |        |           | 0/(*) | 0/(*)     |
| 2023-24 | 0/(**) | 0/(**)    |        |           | 0/(*) | 0/(*)     |
| 2024-25 | 0/(**) | 0/(**)    |        |           | 0/(*) | 0/(*)     |
| 2025-26 | 0/(**) | 0/(**)    |        |           | 0/(*) | 0/(*)     |
| 2026-27 | 0/(**) | 0/(**)    |        |           | 0/(*) | 0/(*)     |
|         |        |           |        |           |       |           |



## REVENUE ESTIMATING CONFERENCE

**Tax:** Other Taxes and Fees

**Issue:** Downtown Crystal River Entertainment District, Citrus County

**Bill Number(s):** [HB 927](#)

**List of affected Trust Funds:**

Alcoholic Beverage and Tobacco Trust Fund

**Section 5: Consensus Estimate (Adopted: 05/31/2022): The Conference adopted the low estimate.**

|         | GR     |           | Trust  |           | Local/Other |           | Total  |           |
|---------|--------|-----------|--------|-----------|-------------|-----------|--------|-----------|
|         | Cash   | Recurring | Cash   | Recurring | Cash        | Recurring | Cash   | Recurring |
| 2022-23 | 0/(* ) | 0/(* )    | 0/(* ) | 0/(* )    | 0.0         | 0.0       | 0/(* ) | 0/(* )    |
| 2023-24 | 0/(* ) | 0/(* )    | 0/(* ) | 0/(* )    | 0.0         | 0.0       | 0/(* ) | 0/(* )    |
| 2024-25 | 0/(* ) | 0/(* )    | 0/(* ) | 0/(* )    | 0.0         | 0.0       | 0/(* ) | 0/(* )    |
| 2025-26 | 0/(* ) | 0/(* )    | 0/(* ) | 0/(* )    | 0.0         | 0.0       | 0/(* ) | 0/(* )    |
| 2026-27 | 0/(* ) | 0/(* )    | 0/(* ) | 0/(* )    | 0.0         | 0.0       | 0/(* ) | 0/(* )    |

## REVENUE ESTIMATING CONFERENCE

**Tax:** Other Taxes and Fees

**Issue:** Orange County- SoDo District

**Bill Number(s):** [HB 1433](#)

☒ **Entire Bill**

☐ **Partial Bill:**

**Sponsor(s):** Reps. Plasencia; Morales

**Month/Year Impact Begins:** Upon becoming a law

**Date of Analysis:** May 31<sup>th</sup>, 2022

### Section 1: Narrative

#### a. Current Law:

The Division of Alcoholic Beverages and Tobacco within the Department of Business and Professional Regulation (DBPR) is responsible for regulating the conduct, management, and operation of the manufacturing, packaging, distribution, and sale within the state of alcoholic beverages.

Under the Beverage Law, DBPR is not limited on the number of licenses it issues to businesses that sell malt beverages or wine. However, s. 561.20, F.S., limits the number of licenses that may be issued under s. 565.02(1)(a)-(f), F.S., to one license per 7,500 residents per county with a minimum of three licenses per county that has approved the sale of intoxicating liquors. This license, often referred to as a "quota license," allows a business to sell any alcoholic beverage regardless of alcoholic content, including liquor or distilled spirits.

There are several exceptions to the quota license limitation, and businesses that meet the requirements set out in one of the exceptions may be issued a special license by DBPR allowing the business to serve any alcoholic beverages regardless of alcohol content. A food service establishment may qualify for an exemption if the building has at least 2,500 square feet of service area, is equipped to serve meals to 150 persons at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages during the first 120-day operating period and the first 12-month operating period thereafter.

#### b. Proposed Change:

The bill creates the SoDo District in Orange County and provides a legal description.

The bill requires DBPR to issue a special alcoholic beverage license to a bona fide restaurant in the SoDo District that occupies at least 1,800 square feet of contiguous space, is equipped to serve meals to at least 80 persons at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages during the first 60-day operating period and each 12-month operating period thereafter. The bill includes a complete legal description of the area in which the exemption to the quota license will apply.

### Section 2: Description of Data and Sources

#### Section 3: Methodology

The annual license fee for a business in a county with a population of over 100,000 residents is \$1,820. We were unable to obtain data on how many restaurants there are within the SoDo District and how many of those restaurants will qualify for the special alcoholic beverage license.

Without additional data on the number of restaurants in the area, and taking into account that the bill does not force action to be taken by existing businesses, the high forecasts an indeterminate positive or zero impact, which assumes that at least 28 restaurants may apply for the license. The low forecasts an insignificant positive or zero impact, which assumes that less than 28 restaurants may apply for the license.

## REVENUE ESTIMATING CONFERENCE

**Tax:** Other Taxes and Fees

**Issue:** Orange County- SoDo District

**Bill Number(s):** [HB 1433](#)

### Section 4: Proposed Fiscal Impact

|         | High |           | Middle |           | Low  |           |
|---------|------|-----------|--------|-----------|------|-----------|
|         | Cash | Recurring | Cash   | Recurring | Cash | Recurring |
| 2022-23 | 0/** | 0/**      |        |           | 0/*  | 0/*       |
| 2023-24 | 0/** | 0/**      |        |           | 0/*  | 0/*       |
| 2024-25 | 0/** | 0/**      |        |           | 0/*  | 0/*       |
| 2025-26 | 0/** | 0/**      |        |           | 0/*  | 0/*       |
| 2026-27 | 0/** | 0/**      |        |           | 0/*  | 0/*       |

### List of affected Trust Funds:

Alcoholic Beverage and Tobacco Trust Fund

### Section 5: Consensus Estimate (Adopted: 05/31/2022): The Conference adopted the low estimate.

|         | GR   |           | Trust |           | Local/Other |           | Total |           |
|---------|------|-----------|-------|-----------|-------------|-----------|-------|-----------|
|         | Cash | Recurring | Cash  | Recurring | Cash        | Recurring | Cash  | Recurring |
| 2022-23 | 0/*  | 0/*       | 0/*   | 0/*       | 0.0         | 0.0       | 0/*   | 0/*       |
| 2023-24 | 0/*  | 0/*       | 0/*   | 0/*       | 0.0         | 0.0       | 0/*   | 0/*       |
| 2024-25 | 0/*  | 0/*       | 0/*   | 0/*       | 0.0         | 0.0       | 0/*   | 0/*       |
| 2025-26 | 0/*  | 0/*       | 0/*   | 0/*       | 0.0         | 0.0       | 0/*   | 0/*       |
| 2026-27 | 0/*  | 0/*       | 0/*   | 0/*       | 0.0         | 0.0       | 0/*   | 0/*       |