

REVENUE ESTIMATING CONFERENCE

Revenue Source: Other Taxes and Fees

Issue: Beverage License

Bill Number(s): CS/CS/HB639

☒ **Entire Bill**

☐ **Partial Bill:**

Sponsor(s): Esposito

Month/Year Impact Begins: 7/1/2023

Date(s) Conference Reviewed: 6/29/2023

Section 1: Narrative

a. Current Law:

Section 561.20, F.S. sets criteria in which businesses are not subject to limitation upon the number of special beverage licenses issued in a county. One of those conditions is a food service establishment which meets the following minimum criteria: 51% of revenue coming from food or nonalcoholic beverage sales, has a service area over 2,500 square feet, and can serve 150 customers at a time. Another exception is a business which operates a beach or cabana club consisting of beach, swimming pool, locker room for 100 people or more, and restaurant which seats 100 people or more.

b. Proposed Change:

Section 561.20, F.S. is revised to expand the establishments which will be granted exceptions to the limitation of special beverage licenses per county. The minimum size requirement for an eating establishment will change from 2,500 square feet to 2,000 square feet. The minimum seating requirement will be 120 people instead of the previously required 150 people. The requirement that 51% of revenue come from food or nonalcoholic beverage sales remains unchanged. The beach/cabana club requirements will change to include bathroom facilities which accommodate 100 people or more. Additionally, the definition of the eating area will change from a restaurant which serves 100 people or more, to the public food service establishment as defined in s. 509.013(5)(a). A public food service is defined as any physical location where food is served for consumption on or off the immediate premises, including but not limited to buildings, structure, or vehicles.

Section 2: Description of Data and Sources

Name-Address-Legal (NAL) 2022

Contact with DBPR Staff

2022 Florida Tax Handbook

CS CS HB 639 Agency Bill Review prepared by DBPR staff on 05/03/2023

General Revenue Estimating Conference held 03/13/2023

<https://www.myfloridalicense.com/wl11.asp?mode=0&SID=>

Section 3: Methodology (Include Assumptions and Attach Details)

The bill would result in additional collection of beverage license fees due to more establishments qualifying for a special beverage license (SFS). A portion of the new license fee collection would be offset by lost beer and/or wine consumption on premise (COP) licenses which would be transitioning to a special beverage license. To calculate the number of new licenses, NAL ad valorem data was used to pull statewide dine-in and drive-in eating establishments by county and square footage. Data from the DBPR agency bill review was used to calculate the percentage of eating establishments with SFS licenses and the percentage with consumption on premise licenses. Both SFS and COP licenses vary by county based on population. Each county's number of dine-in eating establishments with square footage between 2,000 and 2,499 square feet was multiplied by the percentage of qualifying establishments with current SFS licenses and the relevant fee. The analysis assumes that drive-in eating establishments would not get a liquor license. The percentage of establishments with a COP license and the relevant license fee by county was used to calculate the current COP license fee offset. The net fee change was then distributed between local, state trust, and GR via service charge. The first year's cash impact is adjusted for the 90 days that the department has to approve the license application.

There is also an insignificant positive impact resulting from the language expanding beach or cabana club licenses. Miami-Dade has 114 licensed vendors under the license type (11c) that includes beach/cabana. Most appear to be different types of 11c licenses though, which include fraternal lodges and tennis or yacht clubs. A quick culling based on the name of licensees left less than 30 licenses that could be a beach/cabana club. Assuming that Miami-Dade contains 10-20% of the beach/cabana clubs would suggest that statewide there are 150-300 current clubs. To reach a significant impact, the bill would have to result in the state issuing licenses to an additional 250 clubs, which appears unlikely.

REVENUE ESTIMATING CONFERENCE

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Section 4: Proposed Fiscal Impact

Local	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24			0.3	0.3		
2024-25			0.3	0.3		
2025-26			0.3	0.3		
2026-27			0.3	0.3		
2027-28			0.3	0.3		

Trust	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24			0.2	0.2		
2024-25			0.2	0.2		
2025-26			0.2	0.2		
2026-27			0.2	0.2		
2027-28			0.2	0.2		

GR	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24			*	*		
2024-25			*	*		
2025-26			*	*		
2026-27			*	*		
2027-28			*	*		

Revenue Distribution:

Local Funds

GR (service charge)

Alcoholic Beverage and Tobacco Trust Fund

Section 5: Consensus Estimate (Adopted: 06/29/2023): The Conference adopted the proposed estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	Insignificant	Insignificant	0.2	0.2	0.3	0.3	0.5	0.5
2024-25	Insignificant	Insignificant	0.2	0.2	0.3	0.3	0.5	0.5
2025-26	Insignificant	Insignificant	0.2	0.2	0.3	0.3	0.5	0.5
2026-27	Insignificant	Insignificant	0.2	0.2	0.3	0.3	0.5	0.5
2027-28	Insignificant	Insignificant	0.2	0.2	0.3	0.3	0.5	0.5

	A	B	C	D	E	F	G	H	I
1									
2		s. 561.20 (2)(a)(4), F.S.: A special license (an exception to the quota licensing system) may be granted to <u>food service establishments</u> that:							
3									
4		Current Law	CS/CS/HB639						
5		-Food Service Establishment	- <u>Bona fide</u> food service establishment		Special Food Service Establishment Fee				
6		- Minimum 2,500 square feet	- Minimum 2,000 square feet		Fees based on county population:				
7		- Equipped to serve 150 persons at one time	- Equipped to serve 120 persons at one time		< 25,000	25,000-50,000	50,001 - 75,000	75,001-100,000	> 100,000
8			-Has at least 120 physical seats available to use during operating hours		\$624	\$858	\$ 1,300	\$ 1,560	\$ 1,820
9			-Holds itself out as a restaurant						
10		- Derives at least 51% of gross food and beverage revenue from the sale of food and nonalcoholic drinks.	- Derives at least 51% of gross food and beverage revenue from the sale of food and nonalcoholic drinks.						
11									
12		s. 561.20 (7)(d), F.S.: A special license (an exception to the quota licensing system) may be granted to <u>a beach or cabana club</u> under s. 562.02(4) that:							
13									
14		Current Law	CS/CS/HB639		SRS Cabana or Beach Club				
15		- beach facilities	- beach facilities		\$400				
16		- swimming pool	- swimming pool						
17		- locker rooms with facilities for at least 100 persons	- locker rooms or bathroom facilities for at least 100 persons						
18		- restaurants with seats at tables for at least 100 persons, and	- public food service establishment as defined in s. 509.013(5)(a), and						
19		- comprising in all an area of at least 5,000 square feet located on a contiguous tract of land in excess of 1 acre.	- comprising in all an area of at least 5,000 square feet located on a contiguous tract of land in excess of 1 acre.						
20									
21		s. 509.013(5)(a) - (5)(a) "Public food service establishment" means any building, vehicle, place, or structure, or any room or division in a building,							
22		vehicle, place, or structure where food is prepared, served, or sold for immediate consumption on or in the vicinity of the premises;							
23		called for or taken out by customers; or prepared prior to being delivered to another location for consumption. The term includes a							
24		culinary education program, as defined in s. 381.0072(2), which offers, prepares, serves, or sells food to the general public,							
25		regardless of whether it is inspected by another state agency for compliance with sanitation standards.							
26									
27		Cabana or Beach Club \$400	11C	561.20(7)(a)2 561.20(7)(d) 565.02(4)	Products Permitted	Beer; Wine; Liquor.			
28					Type of Sale	By the drink for consumption on premises only. Sales to members and nonresident guests only.			
29					Other Terms	Issued to a bona fide beach or cabana club in continuous active existence and operation for a period of not less than 2 years in the county where it exists. A qualifying club must consist of beach facilities, swimming pool, locker rooms with facilities for at least 100 persons, and a restaurant with seats at tables for at least 100 persons, comprising in all an area of at least 5,000 square feet located on a contiguous tract of land of in excess of 1 acre.			
30									
31									
32									
33									
34									
35									
36									

	A	B	C	D	E	F	G	H	I	J
1										
2										
3		Ad Valorem Data								
4		Total	2,000-2,499	>2,500	May exclude mixed use parcels such as hotels, airports, etc.					
5	Dine-In	9,120	911	6,215						
6	Drive-In	4,933	767	3,114						
7		14,053	1,678	9,329						
8										
9		DBPR data Sq Foot				DBPR data - Seating				
10		Total	<2,501 sq feet			>120 seats	150 seats	>150 seats		
11	Eating Establishments	38,116	13,784		Licensed Restaurants	17,386	2,647	11,642		
12	Eating Establishments with Specialty (SFS) License	8,439	#N/A							
13	Consumption on Premise (COP) Licenses	19,827	#N/A		Between 120-150 seats	5,744				
14										
15	Total Eating Establishments w/ COP	=19827/ 38116	52.0%							
16	Eligible Eating Establishments w/ SFS	=8,439/ (38,116-13,784)								
17										
18	Assume licenses are beer and wine and for full year.									

	A	B	C	D	E	F	G	H	I	J
19	Ad Valorem use code by county					Will get SFS	Convert from COP			
20	County	2,000-2,499 square feet	SFS Fee	Population	COP beer/wine fee	34.7%	52.0%	Fees from New SFS	Less Converted COP	
21	Alachua	15	\$ 1,820.00	287,009	\$ 392.00	5	3	\$ 9,100	\$ (1,176)	
22	Baker	1	\$ 858.00	27,008	\$ 224.00	0	0	\$ -	\$ -	
23	Bay	25	\$ 1,820.00	182,863	\$ 392.00	9	5	\$ 16,380	\$ (1,960)	
24	Bradford	5	\$ 624.00	24,852	\$ 168.00	2	1	\$ 1,248	\$ (168)	
25	Brevard	56	\$ 1,820.00	627,396	\$ 392.00	19	10	\$ 34,580	\$ (3,920)	
26	Broward	43	\$ 1,820.00	1,968,381	\$ 392.00	15	8	\$ 27,300	\$ (3,136)	
27	Calhoun	1	\$ 624.00	12,444	\$ 168.00	0	0	\$ -	\$ -	
28	Charlotte	8	\$ 1,820.00	195,648	\$ 392.00	3	1	\$ 5,460	\$ (392)	
29	Citrus	7	\$ 1,820.00	157,894	\$ 392.00	2	1	\$ 3,640	\$ (392)	
30	Clay	3	\$ 1,820.00	225,553	\$ 392.00	1	1	\$ 1,820	\$ (392)	
31	Collier	12	\$ 1,820.00	390,903	\$ 392.00	4	2	\$ 7,280	\$ (784)	
32	Columbia	9	\$ 1,300.00	67,511	\$ 280.00	3	2	\$ 3,900	\$ (560)	
33	Miami-Dade	82	\$ 1,820.00	2,748,748	\$ 392.00	28	15	\$ 50,960	\$ (5,880)	
34	DeSoto	3	\$ 858.00	32,391	\$ 224.00	1	1	\$ 858	\$ (224)	
35	Dixie	1	\$ 624.00	15,558	\$ 168.00	0	0	\$ -	\$ -	
36	Duval	28	\$ 1,820.00	1,033,090	\$ 392.00	10	5	\$ 18,200	\$ (1,960)	
37	Escambia	18	\$ 1,820.00	327,712	\$ 392.00	6	3	\$ 10,920	\$ (1,176)	
38	Flagler	3	\$ 1,820.00	124,202	\$ 392.00	1	1	\$ 1,820	\$ (392)	
39	Franklin	6	\$ 624.00	11,772	\$ 168.00	2	1	\$ 1,248	\$ (168)	
40	Gadsden	9	\$ 858.00	41,227	\$ 224.00	3	2	\$ 2,574	\$ (448)	
41	Gilchrist	1	\$ 624.00	18,041	\$ 168.00	0	0	\$ -	\$ -	
42	Glades	1	\$ 624.00	11,292	\$ 168.00	0	0	\$ -	\$ -	
43	Gulf	2	\$ 624.00	14,269	\$ 168.00	1	0	\$ 624	\$ -	
44	Hamilton	1	\$ 624.00	12,003	\$ 168.00	0	0	\$ -	\$ -	
45	Hardee	3	\$ 624.00	23,853	\$ 168.00	1	1	\$ 624	\$ (168)	
46	Hendry	3	\$ 858.00	40,633	\$ 224.00	1	1	\$ 858	\$ (224)	
47	Hernando	9	\$ 1,820.00	198,760	\$ 392.00	3	2	\$ 5,460	\$ (784)	
48	Highlands	14	\$ 1,820.00	103,078	\$ 392.00	5	3	\$ 9,100	\$ (1,176)	
49	Hillsborough	51	\$ 1,820.00	1,519,945	\$ 392.00	18	9	\$ 32,760	\$ (3,528)	
50	Holmes	1	\$ 624.00	18,538	\$ 168.00	0	0	\$ -	\$ -	
51	Indian River	13	\$ 1,820.00	165,559	\$ 392.00	5	2	\$ 9,100	\$ (784)	
52	Jackson	2	\$ 858.00	42,591	\$ 224.00	1	0	\$ 858	\$ -	
53	Jefferson	3	\$ 624.00	13,879	\$ 168.00	1	1	\$ 624	\$ (168)	

	A	B	C	D	E	F	G	H	I	J
54	Lafayette	1	\$ 624.00	7,015	\$ 168.00	0	0	\$ -	\$ -	
55	Lake	22	\$ 1,820.00	403,282	\$ 392.00	8	4	\$ 14,560	\$ (1,568)	
56	Lee	17	\$ 1,820.00	802,064	\$ 392.00	6	3	\$ 10,920	\$ (1,176)	
57	Leon	16	\$ 1,820.00	297,971	\$ 392.00	6	3	\$ 10,920	\$ (1,176)	
58	Levy	5	\$ 858.00	44,288	\$ 224.00	2	1	\$ 1,716	\$ (224)	
59	Liberty		\$ 624.00	6,421	\$ 168.00	0	-	\$ -	\$ -	
60	Madison	3	\$ 624.00	17,290	\$ 168.00	1	1	\$ 624	\$ (168)	
61	Manatee	15	\$ 1,820.00	421,655	\$ 392.00	5	3	\$ 9,100	\$ (1,176)	
62	Marion	9	\$ 1,820.00	387,232	\$ 392.00	3	2	\$ 5,460	\$ (784)	
63	Martin	2	\$ 1,820.00	159,615	\$ 392.00	1	0	\$ 1,820	\$ -	
64	Monroe	25	\$ 1,560.00	83,961	\$ 336.00	9	5	\$ 14,040	\$ (1,680)	
65	Nassau	10	\$ 1,560.00	95,741	\$ 336.00	3	2	\$ 4,680	\$ (672)	
66	Okaloosa	28	\$ 1,820.00	214,335	\$ 392.00	10	5	\$ 18,200	\$ (1,960)	
67	Okeechobee	3	\$ 858.00	37,548	\$ 224.00	1	1	\$ 858	\$ (224)	
68	Orange	41	\$ 1,820.00	1,477,627	\$ 392.00	14	7	\$ 25,480	\$ (2,744)	
69	Osceola	7	\$ 1,820.00	424,664	\$ 392.00	2	1	\$ 3,640	\$ (392)	
70	Palm Beach	22	\$ 1,820.00	1,515,565	\$ 392.00	8	4	\$ 14,560	\$ (1,568)	
71	Pasco	11	\$ 1,820.00	592,001	\$ 392.00	4	2	\$ 7,280	\$ (784)	
72	Pinellas	51	\$ 1,820.00	972,044	\$ 392.00	18	9	\$ 32,760	\$ (3,528)	
73	Polk	13	\$ 1,820.00	766,735	\$ 392.00	5	2	\$ 9,100	\$ (784)	
74	Putnam	12	\$ 1,300.00	73,781	\$ 280.00	4	2	\$ 5,200	\$ (560)	
75	St_Johns	15	\$ 1,820.00	296,767	\$ 392.00	5	3	\$ 9,100	\$ (1,176)	
76	St_Lucie	9	\$ 1,820.00	350,391	\$ 392.00	3	2	\$ 5,460	\$ (784)	
77	Santa Rosa	18	\$ 1,820.00	192,618	\$ 392.00	6	3	\$ 10,920	\$ (1,176)	
78	Sarasota	29	\$ 1,820.00	452,373	\$ 392.00	10	5	\$ 18,200	\$ (1,960)	
79	Seminole	10	\$ 1,820.00	483,912	\$ 392.00	3	2	\$ 5,460	\$ (784)	
80	Sumter	6	\$ 1,820.00	133,960	\$ 392.00	2	1	\$ 3,640	\$ (392)	
81	Suwannee	5	\$ 858.00	42,709	\$ 224.00	2	1	\$ 1,716	\$ (224)	
82	Taylor	4	\$ 624.00	19,978	\$ 168.00	1	1	\$ 624	\$ (168)	
83	Union	1	\$ 624.00	11,684	\$ 168.00	0	0	\$ -	\$ -	
84	Volusia	46	\$ 1,820.00	571,465	\$ 392.00	16	8	\$ 29,120	\$ (3,136)	
85	Wakulla	5	\$ 858.00	32,727	\$ 224.00	2	1	\$ 1,716	\$ (224)	
86	Walton	7	\$ 1,560.00	78,294	\$ 336.00	2	1	\$ 3,120	\$ (336)	
87	Washington	4	\$ 624.00	23,815	\$ 168.00	1	1	\$ 624	\$ (168)	
88		911				316	164	\$ 537,914	\$ (61,656)	

	A	B	C	D	E	F	G	H	I	J
89										
90										
91		Distribution of License Fee			Growth Rates (Bev Tax from GR REC)					
92		County	24%		2023-24	1.3%				
93		City	38%		2024-25	1.5%				
94		ABT TF	35%		2025-26	1.5%				
95		GR (service charge)	3%		2026-27	1.5%				
96					2027-28	1.5%				
97										
98			New SFS Licenses	New SFS License \$	On-Premesis to SFS Coverions	Conversion \$	Net \$ Change	Local \$ Change	Trust \$ Change	GR \$ Change
99		2023-24	320	\$ 544,907	166	\$ (62,458)	\$ 482,449	\$ 299,119	\$ 168,664	\$ 14,666
100		2024-25	325	\$ 553,080	169	\$ (63,394)	\$ 489,686	\$ 303,605	\$ 171,194	\$ 14,886
101		2025-26	330	\$ 561,377	172	\$ (64,345)	\$ 497,031	\$ 308,159	\$ 173,762	\$ 15,110
102		2026-27	335	\$ 569,797	174	\$ (65,310)	\$ 504,487	\$ 312,782	\$ 176,369	\$ 15,336
103		2027-28	340	\$ 578,344	177	\$ (66,290)	\$ 512,054	\$ 317,474	\$ 179,014	\$ 15,566
104										
105		There could be a positive insignificant impact from broadening the requirements for a beach or cabana club.								
106		Miami-Dade has 114 licensed vendors under the license type that includes beach/cabana. Most appear to be								
107		different types of licenses though, which include fraternal lodges and tennis or yacht clubs. A quick culling based on the name								
108		of licensees left less than 30 licenses that could be a beach/cabana club. Assuming that Miami-Dade contains 10-20% of the beach/cabana								
109		clubs would suggest that statewide there are 150-300 current clubs. To reach a significant impact, the bill would have to result in the state issuing								
110		licenses to an additional 250 clubs.								

REVENUE ESTIMATING CONFERENCE

Revenue Source: Ad Valorem

Issue: Residency Requirement Issue

Bill Number(s): HB 7063 Section 8

☐ **Entire Bill**

☒ **Partial Bill:** Section 8

Sponsor(s): Representative McClain

Month/Year Impact Begins: July 2024

Date(s) Conference Reviewed: June 23, 2023; June 29, 2023

Section 1: Narrative

- a. Current Law:** Subsections 196.081(1)-(4), F.S., provide certain homestead benefits to disabled veterans and the surviving spouses of disabled veterans and veterans that died in active duty. 196.081(1)(b) indicates that a veteran or their surviving spouse that is eligible for and receives the exemption under this section may transfer it upon the purchase of a new homestead and receive a prorated refund of the ad valorem taxes paid. This does not apply if the new homestead is acquired in November or December.

Further, subsection 196.081(4), F.S., indicates that surviving spouses of veterans who died on active duty are exempt from ad valorem taxation if the veteran was a permanent resident of Florida on January 1 of the year of their death.

Finally, subsection 196.081(6), F.S., provides a full exemption from ad valorem taxes for homestead properties of surviving spouses of first responders that died in the line of duty if both the deceased and their spouse were permanent residents of the state on January 1 of the year of the first responder's death. The definition of "first responder" only includes those employed by the state and local governments, excluding those employed by the federal government. Additionally, section 196.102, F.S., provides a full exemption for totally and permanently disabled first responders, using the same definition of "first responder" as 196.081.

In the 2020 case *Department of Revenue V. Bell* determined that the residency requirement in 196.081(4) "substantively and materially limited the class of individuals eligible for tax relief as set forth in article VII, section (6)(f)(1)" of the Florida Constitution and that "the statutory provision is invalid and unenforceable."

- b. Proposed Change:** 196.081(1)(b) is amended such that veterans and their surviving spouses that are eligible for the exemption under this section may receive a prorated refund of the ad valorem taxes paid on the purchase of a homestead. The requirement that they must already be receiving the exemption and transfer it in order to receive a refund is removed.

196.081(4) is amended to indicate that surviving spouses of veterans who died on active duty are exempt from ad valorem taxation, regardless of the deceased veterans residency on January 1 of the year of their death.

196.081(6) is amended to include first responders employed by the federal government in the list of first responders whose surviving spouses can receive the full ad valorem exemption on homestead properties in Section 196.081(6), F.S. Further, it strikes all language regarding the requirement of being residents of Florida.

Finally, Section 196.102, F.S., would be expanded to include federal law enforcement officers.

Section 2: Description of Data and Sources

2022 Millage and Taxes Levied Report, 2022 Final Data Book published by Property Tax Oversight

Various Final Real Property Assessment Rolls, NAL data

Results of the Ad Valorem Estimating Conference, March 6, 2023

Results of the Demographic Estimating Conference, February 10, 2023

U.S. Bureau of Labor Statistics (BLS) Occupational Employment and Wages (OEWS), May 2020 and 2021

Department of Revenue v. Bell, Court of Appeal of Florida, Second District, February 19, 2020, Case No. 2D18-3134

REVENUE ESTIMATING CONFERENCE

Revenue Source: Ad Valorem

Issue: Residency Requirement Issue

Bill Number(s): HB 7063 Section 8

Section 3: Methodology (Include Assumptions and Attach Details)

Residency Requirement 196.081(4)

Striking the residency requirement of 196.081(4) brought statute in line with the results of Department of Revenue v. Bell and as such, this change has no impact.

Refund: 196.081(1)

In the real property assessment rolls, all exemption amounts in 196.081(1) are identified as exemption five. Each property is looked at over a 3-year period. There exists a refund scenario if in year 1 the parcel is owned by A, in year 2 the parcel is owned by B and there is no exemption five or ported differential, then in year 3 the parcel is owned by B and there is an exemption five. In year 2 of that scenario, owner B would be entitled to a refund. To estimate the amount of the refund for a given year, we sum the taxable values for those properties, remove 2/12 of the total assuming it occurs in November or December, then assume a uniform distribution of the remaining sales such that 50% is prorated and refunded. Using 2022 millage rates, the estimated amount that may have been refunded over the most recent 10 roll years is as follows:

Roll Year	Count	School	Non-School	Total
2012	11	\$1,887	\$2,978	\$4,864
2013	31	\$8,432	\$14,262	\$22,694
2014	20	\$9,041	\$15,493	\$24,534
2015	33	\$9,111	\$14,944	\$24,056
2016	45	\$8,322	\$12,541	\$20,863
2017	54	\$15,407	\$25,354	\$40,761
2018	54	\$17,688	\$27,884	\$45,572
2019	49	\$19,867	\$33,185	\$53,053
2020	66	\$28,517	\$47,687	\$76,204
2021	82	\$45,088	\$77,401	\$122,489

The values derived for 2021 are grown using the school and non-school taxable value growth rates from the March 2022 Ad Valorem Conference. The bill goes into effect on July 1, 2023 and indicates that it applies beginning with the 2024 tax roll. There are, however, no changes made that would affect a tax roll. A surviving spouse of a permanently disabled veteran, for example, that acquired their first homestead in June of 2023 would still not receive a refund under this bill. If they acquired the homestead in September, they may receive the refund, as the act has taken effect and there are no parts to apply to a tax roll. As such, each cash impact for 2023-24 is multiplied by two fifths, representing the number of months remaining until November after the bill goes into effect.

An effectively identical bill was presented to the conference on March 24, 2023 and the middle impact below was adopted.

HB1001 & SB1052 Impact – March 24, 2023 – Middle Adopted					
			Middle		
			Cash	Recurring	
2023-24			\$(64,493)	\$(161,233)	
2024-25			\$(170,170)	\$(170,170)	
2025-26			\$(182,256)	\$(182,256)	
2026-27			\$(194,200)	\$(194,200)	
2027-28			\$(205,660)	\$(205,660)	

Federal Law Enforcement Officers 196.081(6)

Currently there are four groups who are eligible for this exemption:

1. Law Enforcement Officers (LEOs)
2. Correctional Officers
3. Firefighters
4. Emergency Medical Technicians (EMTs) & Paramedics

The BLS's OEW dataset had Florida occupation information for groups 2-4. As a proxy for LEOs, data for "Police and Sheriff's Patrol Officers" was used as a proxy. According to the BLS's most recent OEW information, there were 98,530 of these employees in Florida, 46% of whom were LEOs. The 2022 Final Real Property roll was used to identify 528 parcels with

REVENUE ESTIMATING CONFERENCE

Revenue Source: Ad Valorem

Issue: Residency Requirement Issue

Bill Number(s): HB 7063 Section 8

Exemption 41, with an average of about \$233k per exemption, and totaling \$123.1m statewide. Applying this ratio to the exemptions, we assume 46% of the exemptions can be attributed to LEOs: 243 exemptions totaling \$56.7m.

Nationally, there were 665,380 (proxy) LEOs, 621,620 of whom were employed by the state or local government (93.42%). Currently, the exemption is only for LEOs “elected, appointed, or employed full time by any municipality or the state or any political subdivision thereof;” and we assume that this 93.42% encapsulates those LEOs. Applying this ratio to the 45,360 LEOs in Florida, we assume 42,377 LEOs are eligible, of which 243 are receiving the exemption, valued at \$56.7m statewide.

Of the 665,380 LEOs in the U.S., 12,770 (1.92%) were employed by the Federal Executive Branch. If 42,377 LEOs claim 243 exemptions (0.57%), proportionally 12,770 LEOs are expected to claim a potential 73 exemptions if their surviving spouses were to come to Florida. Based on Florida’s population share to the U.S., we assume that 7 percent of those that reside outside of Florida will move to Florida. Based on the adopted analysis presented to the conference on February 24, 2023, there would be an estimated 5 exemptions claimed in 2022 by surviving spouses of federal law enforcement officers that resided in Florida. Prior to sharing down the total the 5 Floridians are removed, and then added back at the end. This results in approximately 10 exemptions that would have been claimed in 2022. Multiplying the average exemption value of \$233,214 by the 10 exemptions and the statewide aggregate millage rates produces a 2022 impact of \$36,824.

We assume that there will be a cohort accumulation. Because the exemption has only existed since 2018, the number of exemptions claimed is increasing, but at a decreasing rate. In 2019, 87 new exemptions were filed, compared to only 19 in 2022. These numbers include all four occupations, not just LEOs, and are therefore for illustrative purposes only. The high estimate assumes two-fifths of the 2022 exemptions in new additional exemptions each year, the middle assumes one-fifth, and the low assumes none. The impact is grown forward by the March 2023 Ad Valorem Revenue Estimating Conference’s school and non-school taxable value growth rates. Below is the impact of HB1001 & SB1052 which effectively did the same as this piece of the bill but assumed a residency requirement on surviving spouses of deceased federal first responders. The impact of just this piece of the bill is below that.

HB101 & SB184 Impact – February 24, 2023 – Middle Adopted						
	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	\$-	\$(31,534)	\$-	\$(27,025)	\$-	\$(22,516)
2024-25	\$(43,781)	\$(43,781)	\$(34,045)	\$(34,045)	\$(26,380)	\$(26,380)
2025-26	\$(57,034)	\$(57,034)	\$(41,470)	\$(41,470)	\$(28,217)	\$(28,217)
2026-27	\$(71,606)	\$(71,606)	\$(49,562)	\$(49,562)	\$(29,974)	\$(29,974)
2027-28	\$(87,389)	\$(87,389)	\$(58,246)	\$(58,246)	\$(31,731)	\$(31,731)

196.081(6) Impact						
	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	\$-	\$(58,183)	\$-	\$(49,871)	\$-	\$(41,559)
2024-25	\$(79,003)	\$(79,003)	\$(61,447)	\$(61,447)	\$(45,184)	\$(45,184)
2025-26	\$(103,429)	\$(103,429)	\$(75,221)	\$(75,221)	\$(47,836)	\$(47,836)
2026-27	\$(130,259)	\$(130,259)	\$(90,179)	\$(90,179)	\$(51,061)	\$(51,061)
2027-28	\$(159,185)	\$(159,185)	\$(106,123)	\$(106,123)	\$(54,193)	\$(54,193)

REVENUE ESTIMATING CONFERENCE

Revenue Source: Ad Valorem

Issue: Residency Requirement Issue

Bill Number(s): HB 7063 Section 8

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	(*)	\$(0.1 M)	(*)	\$(0.1 M)	(*)	\$(0.1 M)
2024-25	\$(0.2 M)	\$(0.2 M)	\$(0.2 M)	\$(0.2 M)	\$(0.2 M)	\$(0.2 M)
2025-26	\$(0.3 M)	\$(0.3 M)	\$(0.3 M)	\$(0.3 M)	\$(0.2 M)	\$(0.2 M)
2026-27	\$(0.3 M)	\$(0.3 M)	\$(0.3 M)	\$(0.3 M)	\$(0.2 M)	\$(0.2 M)
2027-28	\$(0.4 M)	\$(0.4 M)	\$(0.3 M)	\$(0.3 M)	\$(0.3 M)	\$(0.3 M)

Revenue Distribution: Ad Valorem

Section 5: Consensus Estimate (Adopted: 06/29/2023): The Conference adopted the high estimate.

	School		Non-School		Total Local/Other	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	(0.0)	(0.1)	(0.0)	(0.1)	(0.1)	(0.2)
2024-25	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)
2025-26	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)
2026-27	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)
2027-28	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	0.0	0.0	0.0	0.0	(0.1)	(0.2)	(0.1)	(0.2)
2024-25	0.0	0.0	0.0	0.0	(0.2)	(0.2)	(0.2)	(0.2)
2025-26	0.0	0.0	0.0	0.0	(0.2)	(0.2)	(0.2)	(0.2)
2026-27	0.0	0.0	0.0	0.0	(0.2)	(0.2)	(0.2)	(0.2)
2027-28	0.0	0.0	0.0	0.0	(0.2)	(0.2)	(0.2)	(0.2)

	A	B	C	D	E	F	G
1	Refund for Veteran's and Surviving Spouses without an Existing Exemption						
2	Part 1: Initial Assumptions and Underlying Data						
3	Exc. Nov/Dec Adjustment:	83.3%					
4	Prorate Remaining:	50.0%					
5							
6	2022 Aggregate Millage Rates						
7	School	5.96					
8	Non-School	10.58					
9							
10	March 23 Ad Valorem Conference Results						
11	Roll Year	TV School Growth	TV Non-School Growth				
12	2022	20.07%	14.67%				
13	2023	12.03%	13.33%				
14	2024	3.32%	6.88%				
15	2025	6.67%	7.36%				
16	2026	6.16%	6.78%				
17	2027	5.52%	6.12%				
18	2028	5.39%	5.79%				
19							
20	Part 2: Estimating the Potential for Refunds						
21	Refund Potential	2012	2013	2014	2015	2016	
22	Schoo Taxable Value	\$ 316,640	\$ 1,415,247	\$ 1,517,389	\$ 1,529,216	\$ 1,396,820	
23	Non-School Taxable Value	\$ 281,374	\$ 1,347,655	\$ 1,464,018	\$ 1,412,151	\$ 1,185,036	
24	School Impact	\$ 1,887	\$ 8,432	\$ 9,041	\$ 9,111	\$ 8,322	
25	Non-School Impact	\$ 2,978	\$ 14,262	\$ 15,493	\$ 14,944	\$ 12,541	
26	Total Impact	\$ 4,864	\$ 22,694	\$ 24,534	\$ 24,056	\$ 20,863	
27	Count	11	31	20	33	45	
28							
29	Refund Potential	2017	2018	2019	2020	2021	
30	Schoo Taxable Value	\$ 2,585,934	\$ 2,968,685	\$ 3,334,482	\$ 4,786,218	\$ 7,567,459	
31	Non-School Taxable Value	\$ 2,395,792	\$ 2,634,875	\$ 3,135,811	\$ 4,506,183	\$ 7,313,948	
32	School Impact	\$ 15,407	\$ 17,688	\$ 19,867	\$ 28,517	\$ 45,088	
33	Non-School Impact	\$ 25,354	\$ 27,884	\$ 33,185	\$ 47,687	\$ 77,401	
34	Total Impact	\$ 40,761	\$ 45,572	\$ 53,053	\$ 76,204	\$ 122,489	
35	Count	54	54	49	66	82	
36							

	A	B	C	D	E	F	G
37	Part 3: Final Assumptions and Impact						
38							
39	2023 Cash Impact Multiplier	40.0%					
40							
41		High	Low				
42	Share of Mid	125%	75%				
43							
44	Full Impact	High		Mid		Low	
45	Roll Year	School	Non-School	School	Non-School	School	Non-School
46	2022	\$ 67,669	\$ 110,945	\$ 54,135	\$ 88,756	\$ 40,601	\$ 66,567
47	2023	\$ 75,809	\$ 125,733	\$ 60,647	\$ 100,586	\$ 45,485	\$ 75,440
48	2024	\$ 78,328	\$ 134,385	\$ 62,662	\$ 107,508	\$ 46,997	\$ 80,631
49	2025	\$ 83,550	\$ 144,270	\$ 66,840	\$ 115,416	\$ 50,130	\$ 86,562
50	2026	\$ 88,694	\$ 154,056	\$ 70,956	\$ 123,244	\$ 53,217	\$ 92,433
51	2027	\$ 93,589	\$ 163,486	\$ 74,871	\$ 130,788	\$ 56,154	\$ 98,091
52							
53	Impact on School						
54		High		Middle		Low	
55		Cash	Recurring	Cash	Recurring	Cash	Recurring
56	2023-24			\$(0.0 M)	\$(0.1 M)		
57	2024-25			\$(0.1 M)	\$(0.1 M)		
58	2025-26			\$(0.1 M)	\$(0.1 M)		
59	2026-27			\$(0.1 M)	\$(0.1 M)		
60	2027-28			\$(0.1 M)	\$(0.1 M)		
61							
62	Impact on Non-School						
63		High		Middle		Low	
64		Cash	Recurring	Cash	Recurring	Cash	Recurring
65	2023-24			\$(0.0 M)	\$(0.1 M)		
66	2024-25			\$(0.1 M)	\$(0.1 M)		
67	2025-26			\$(0.1 M)	\$(0.1 M)		
68	2026-27			\$(0.1 M)	\$(0.1 M)		
69	2027-28			\$(0.1 M)	\$(0.1 M)		
70							
71	Total Impact						
72		High		Middle		Low	
73		Cash	Recurring	Cash	Recurring	Cash	Recurring
74	2023-24			\$(0.1 M)	\$(0.2 M)		
75	2024-25			\$(0.2 M)	\$(0.2 M)		
76	2025-26			\$(0.2 M)	\$(0.2 M)		
77	2026-27			\$(0.2 M)	\$(0.2 M)		
78	2027-28			\$(0.2 M)	\$(0.2 M)		

	A	B	C	D	E	F	G	H	I
1	Federal Law Enforcement Officer's Surviving Spouse								
2	Occupation Data								
3		Statute	Occupation	Proxy	FL	% of FL sum	U.S.	% of U.S. sum	FL as % of US
4		943.10	Law Enforcement Officers (LEO)	Police and Sheriff's Patrol Officers	45,360	46.0%	665,380	40.7%	6.82%
5		943.10	Correctional Officers	Correctional Officers and Jailers	21,890	22.2%	392,600	24.0%	5.58%
6		633.102	Firefighter	Firefighter	20,420	20.7%	317,310	19.4%	6.44%
7		401.23	Emergency Services Technician (EMT) & Paramedics	EMT & Paramedics	10,860	11.0%	257,700	15.8%	4.21%
8		sum			98,530	100%	1,632,990	100%	6.03%
9	Source: U.S. Bureau of Labor Statistics Occupational Employment and Wages								
10	https://www.bls.gov/oes/current/oes332011.htm#st								
11									
12									
13	Exemption 41 Data								
14		Count	528						
15		Value	\$ 123,136,891						
16		Avg Value	\$ 233,214						
17		Source: 2022F NAL Roll							
18									
19	Estimated LEO Portions								
20		% LEOs	46.0%						
21		Exemptions	243						
22		Value	\$ 56,688,210						
23									
24	National Industry Data								
25		Occupation	Federal Executive Branch	State Gov	Local Gov	Other	Total U.S.	% Federal	% State and Local
26		LEO	12,770	56,640	564,980	30,990	665,380	1.92%	93.42%
32	Source: U.S. Bureau of Labor Statistics Occupational Employment and Wages								
33	https://www.bls.gov/oes/current/oes332011.htm#st								
34									
35	Eligible FL LEOs								
36		FL LEOs	45,360						
37		% State and Local	93.42%						
38		Est Currently Eligible	42,377						
39		% Federal	1.92%						
40		Est Future Eligible	12,770						
41									
42	Demographic Conference Results								
43		Data	Value						
44		FL Pop 2022	22,136,857						
45		US Pop 2022	332,349,187						
46		Pop Share in FL	7%						
47									
48	Potential Increase		High	Middle	Low				
49		Current LEO Count	243	243	243				
50		Addition Count From FL Only Analysis	5	5	5				
51		Share Move to FL	7%	7%	7%				
52		Previous Analysis Annual Cohort Rate	40%	20%	0%				
53		Additional Count	10	10	10				
54		Avg Exmpt Value	\$ 233,214	\$ 233,214	\$ 233,214				
55		Additional Ex Value	\$ 2,226,229	\$ 2,226,229	\$ 2,226,229				
56									
57									
58									
59									
60	Statewide Millage Rates								
61		School	5.9581						
62		Non-School	10.5827						
63									
64	2022 Impact								
65			Per Parcel	Total					
66		School	\$ 1,390	\$ 13,264					
67		Non-School	\$ 2,468	\$ 23,560					
68									

	A	B	C	D	E	F	G	H	I
69	Cohort Accumulation								
70			High	Middle	Low				
71		per year	4	2	0				
72		2022	10	10	10				
73		2023	13	11	10				
74		2024	17	13	10				
75		2025	21	15	10				
76		2026	25	17	10				
77		2027	29	19	10				
78		2028	32	21	10				
79									
80	Taxable Value Growth Rates								
81			TV_SD	TV_NSD					
82		2022	20.07%	14.67%					
83		2023	12.03%	13.33%					
84		2024	3.32%	6.88%					
85		2025	6.67%	7.36%					
86		2026	6.16%	6.78%					
87		2027	5.52%	6.12%					
88		2028	5.39%	5.79%					
89		March 2023 AV Conference							
90									
91									
92	School Impact								
93			High	Middle	Low				
94	Year	Cash	Recurring	Cash	Recurring	Cash	Recurring		
95	2023-24	\$0	\$(0.0 M)	\$0	\$(0.0 M)	\$0	\$(0.0 M)		
96	2024-25	\$(0.0 M)	\$(0.0 M)	\$(0.0 M)	\$(0.0 M)	\$(0.0 M)	\$(0.0 M)		
97	2025-26	\$(0.0 M)	\$(0.0 M)	\$(0.0 M)	\$(0.0 M)	\$(0.0 M)	\$(0.0 M)		
98	2026-27	\$(0.0 M)	\$(0.0 M)	\$(0.0 M)	\$(0.0 M)	\$(0.0 M)	\$(0.0 M)		
99	2027-28	\$(0.1 M)	\$(0.1 M)	\$(0.0 M)	\$(0.0 M)	\$(0.0 M)	\$(0.0 M)		
100									
101	Non-School Impact								
102			High	Middle	Low				
103	Year	Cash	Recurring	Cash	Recurring	Cash	Recurring		
104	2023-24	\$0	\$(0.0 M)	\$0	\$(0.0 M)	\$0	\$(0.0 M)		
105	2024-25	\$(0.1 M)	\$(0.1 M)	\$(0.0 M)	\$(0.0 M)	\$(0.0 M)	\$(0.0 M)		
106	2025-26	\$(0.1 M)	\$(0.1 M)	\$(0.0 M)	\$(0.0 M)	\$(0.0 M)	\$(0.0 M)		
107	2026-27	\$(0.1 M)	\$(0.1 M)	\$(0.1 M)	\$(0.1 M)	\$(0.0 M)	\$(0.0 M)		
108	2027-28	\$(0.1 M)	\$(0.1 M)	\$(0.1 M)	\$(0.1 M)	\$(0.0 M)	\$(0.0 M)		
109									
110	Total Impact								
111			High	Middle	Low				
112	Year	Cash	Recurring	Cash	Recurring	Cash	Recurring		
113	2023-24	\$0	\$(0.1 M)	\$0	\$(0.0 M)	\$0	\$(0.0 M)		
114	2024-25	\$(0.1 M)	\$(0.1 M)	\$(0.1 M)	\$(0.1 M)	\$(0.0 M)	\$(0.0 M)		
115	2025-26	\$(0.1 M)	\$(0.1 M)	\$(0.1 M)	\$(0.1 M)	\$(0.0 M)	\$(0.0 M)		
116	2026-27	\$(0.1 M)	\$(0.1 M)	\$(0.1 M)	\$(0.1 M)	\$(0.1 M)	\$(0.1 M)		
117	2027-28	\$(0.2 M)	\$(0.2 M)	\$(0.1 M)	\$(0.1 M)	\$(0.1 M)	\$(0.1 M)		
118									

REVENUE ESTIMATING CONFERENCE

Revenue Source: Article V Fees

Issue: Clerks of Court

Bill Number(s): CS HB 977

☒ **Entire Bill**

☐ **Partial Bill:**

Sponsor(s): Justice Appropriations Subcommittee

Month/Year Impact Begins: 07/01/2023

Date(s) Conference Reviewed: 06/13/2023, 06/29/2023

Section 1: Narrative

a. Current Law: Section 28.101, F.S. charges a \$37.50 fee when a party petitions for a dissolution of marriage to be deposited into the General Revenue Fund (GR). Section 28.2401, F.S. charges numerous services charges and filings fees in relation to probate matters and assigns a portion of those fees to be deposited into GR. Section 28.241, F.S. requires that by the 10th of each month, each clerk shall submit the portion of filing fees collected during the previous month in excess of one twelfth of the clerk's total budget to the Department of Revenue for deposit into the Clerks of Court Trust Fund. Section 28.241, F.S. also sets the filing fees for a party instituting a civil action in circuit court related to real property or mortgage foreclosure. When the claim value is more than \$50,000 but less than \$250,000, the filing fee is \$900, \$705 of which is deposited into GR. Section 28.241, F.S. also requires the clerk to collect a \$10 service charge for issuing an original, certified copy, or electronic copy of a summons, which is deposited into GR. Section 28.37, F.S. requires that the portion of all fines, fees, service charges, and cost collected by the clerks of the court for the previous month which is in excess of one twelfth of the clerk's total budget for the performance of court-related functions must be remitted to the Department of Revenue for deposit into the Clerks of Court Trust Fund.

Proposed Change: Section 28.101, F.S. is revised so that the \$37.50 fee when a party petitions for a dissolution of marriage is deposited into the Clerk's Fine and Forfeiture Funds (F&FF) instead of GR. Section 28.2401, F.S. is revised so that various services charges and filings fees in relation to probate matters are deposited into the Clerk's F&FF instead of GR. Section 28.241, F.S. is revised to remove obsolete language. Section 28.241, F.S. is also revised so that half of the amount from foreclosure filings fees when the claim value is more than \$50,000 but less than \$250,000 currently deposited into the General Revenue Fund is instead deposited into the Clerk's F&FF. The \$10 service charge for issuing an original, certified copy, or electronic copy of a summons is also deposited into the Clerk's F&FF instead of GR. Section 28.37, F.S. is revised so that the portion of all fines, fees, service charges, and cost collected by the clerks of the court for the previous quarter which is in excess of one fourth of the clerk's total budget for the performance of court-related functions must be remitted to the Department of Revenue for deposit into the Clerks of Court Trust Fund.

Section 2: Description of Data and Sources

02/20/2023 Article V REC

CCOC Survey and Research with partner clerks

Section 3: Methodology (Include Assumptions and Attach Details)

Revisions to sections 28.101, 28.2401, and 28.241 F.S. in the bill would redirect fees from the General Revenue Fund to the Clerk's Fine and Forfeiture Funds, resulting in negative impacts to General Revenue and positive impacts to local trust funds. The fees being redirected are derived directly from the most recent Article V REC. The exceptions are probate related fees in section 28.2401, F.S. and the \$10 service charge to copy a summons in section 28.241, F.S. These fees are forecasted as part of Chapter 2008-111 fees in the Article V REC. To derive a forecast, information provided by CCOC staff was used to calculate a state fiscal year 2021-22 total which was grown by the Chapter 2008-111 fees growth rates. The General Revenue portion and Clerk's portion of all redirected fees was calculated according to current law and the proposed changes. The first year's cash impact was reduced for the one month lag from activity to fund distribution and the Clerk's to GR overage transfer for local fiscal year 2022-23.

REVENUE ESTIMATING CONFERENCE

Revenue Source: Article V Fees

Issue: Clerks of Court

Bill Number(s): CS HB 977

Section 4: Proposed Fiscal Impact

GR	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24			(13.3)	(15.7)		
2024-25			(16.7)	(16.7)		
2025-26			(17.2)	(17.2)		
2026-27			(17.6)	(17.6)		
2027-28			(18.0)	(18.0)		

Local	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24			13.3	15.7		
2024-25			16.7	16.7		
2025-26			17.2	17.2		
2026-27			17.6	17.6		
2027-28			18.0	18.0		

Revenue Distribution:

GR, Clerk's F&FF, PRMTF

Section 5: Consensus Estimate (Adopted: 06/29/2023): The Conference adopted the proposed estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	(13.3)	(15.7)	0.0	0.0	13.3	15.7	0.0	0.0
2024-25	(16.7)	(16.7)	0.0	0.0	16.7	16.7	0.0	0.0
2025-26	(17.2)	(17.2)	0.0	0.0	17.2	17.2	0.0	0.0
2026-27	(17.6)	(17.6)	0.0	0.0	17.6	17.6	0.0	0.0
2027-28	(18.0)	(18.0)	0.0	0.0	18.0	18.0	0.0	0.0

	A	B	C	D	E	F	G	H
1	Ch. 2008-111 Probate and Summons Estimates							
2		2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
3	Total Ch. 2008-111	\$ 58.1	\$ 60.3	\$ 60.8	\$ 61.2	\$ 61.7	\$ 62.1	\$ 62.6
4	Growth Rate		3.9%	0.8%	0.8%	0.8%	0.8%	0.8%
5	Probate	\$ 1.9	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.1	\$ 2.1
6	Summons	\$ 3.7	\$ 3.9	\$ 3.9	\$ 3.9	\$ 4.0	\$ 4.0	\$ 4.0
7								
8	Summons - Based on CCOC Survey							
9	CFY 2020-21	\$ 12.4						
10	CFY 2021-22	\$ 11.5						
11	County vs Civil Adjustment per CCOC	\$ (8.0)						
12	SFY 2021-22 Estimate	\$ 3.7						
13								
14	Ch. 2008-11 Probate Fees for CFY 2020-21 - Based on CCOC Estimates							
15	Probate s. 28.2401 Paragraphs	GR Fee	Statewide Cases	Estimated Amount				
16	(a) Opening Fee	\$ 15.00	344	\$ 0.01				
17	(b) Caveat	\$ 5.00	8,969	\$ 0.04				
18	(c) Foreign wills, copies, transcripts	\$ 15.00	242	\$ 0.00				
19	(d) Disposition of property without administration	\$ 15.00	4,361	\$ 0.07				
20	(e) Summary administration > or = \$1,000	\$ 25.00	64,377	\$ 1.61				
21	(f) Summary administration < \$1,000	\$ 15.00	3,018	\$ 0.05				
22	(g) Formal proceedings	\$ 30.00	7,724	\$ 0.23				
23	(h) Guardianship proceedings	\$ 15.00	102	\$ 0.00				
24	(i) Veterans guardianship	\$ 15.00	-	\$ -				
25	(j) Exemplified certificates	\$ 1.00	1,588	\$ 0.00				
26	(k) Determination of incompetency	\$ 15.00	1,722	\$ 0.03				
27								
28		Total CFY 2020-21		\$ 2.03				
29		Total SFY 2021-22 Estimate		\$ 1.93				
30								
31								

	A	B	C	D	E	F
1	Current Forecast					
2		2023-24	2024-25	2025-26	2026-27	2027-28
3	\$37.50 Dissolution of Marriage to GR	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5
4	Probate Fees to GR	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.1	\$ 2.1
5	\$700 of \$900 FCLR Filing Fee to GR	\$ 14.6	\$ 16.4	\$ 17.3	\$ 18.0	\$ 18.7
6	Summons to GR	\$ 3.9	\$ 3.9	\$ 4.0	\$ 4.0	\$ 4.0
7						
8	GR	\$ 23.0	\$ 24.9	\$ 25.9	\$ 26.6	\$ 27.4
9	Clerks F&FF	\$ -	\$ -	\$ -	\$ -	\$ -
10	Clerks PRMTF	\$ -	\$ -	\$ -	\$ -	\$ -
11						
12	New Forecast					
13		2023-24	2024-25	2025-26	2026-27	2027-28
14	\$37.50 Dissolution of Marriage to Clerks	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5
15	Probate Fees to Clerks	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.1	\$ 2.1
16	\$350 of \$900 FCLR Filing Fee to GR	\$ 7.3	\$ 8.2	\$ 8.7	\$ 9.0	\$ 9.4
17	\$350 of \$900 FCLR Filing Fee to Clerk	\$ 7.3	\$ 8.2	\$ 8.7	\$ 9.0	\$ 9.4
18	Summons to Clerks	\$ 3.9	\$ 3.9	\$ 4.0	\$ 4.0	\$ 4.0
19						
20	GR	\$ 7.3	\$ 8.2	\$ 8.7	\$ 9.0	\$ 9.4
21	Clerks F&FF	\$ 15.7	\$ 16.7	\$ 17.2	\$ 17.6	\$ 18.0
22						
23	Change					
24		2023-24	2024-25	2025-26	2026-27	2027-28
25	GR	\$ (15.7)	\$ (16.7)	\$ (17.2)	\$ (17.6)	\$ (18.0)
26	Clerks F&FF	\$ 15.7	\$ 16.7	\$ 17.2	\$ 17.6	\$ 18.0
27						
28	Check	\$ -	\$ -	\$ -	\$ -	\$ -

REVENUE ESTIMATING CONFERENCE

Revenue Source: Other Taxes and Fees

Issue: Consumer Finance Loans

Bill Number(s): CS/CS/HB 1267

☒ **Entire Bill**

☐ **Partial Bill:**

Sponsor(s): Commerce Committee, Insurance & Banking Subcommittee, Fernandez-Barquin

Month/Year Impact Begins: July 1, 2023

Date(s) Conference Reviewed: June 29, 2023

Section 1: Narrative

a. Current Law:

The Florida Office of Financial Regulation (OFR) is responsible for all activities of the Financial Services Commission relating to the regulation of banks, credit unions, other financial institutions, finance companies, and the securities industry. OFR's Division of Consumer Finance licenses and regulates non-depository financial service industries and individuals, and conducts examinations and complaint investigations for licensed entities to determine compliance with Florida law.

Under current law, individuals and entities may not engage in the business of making consumer finance loans unless first authorized to do so. Applicants must pay a nonrefundable biennial license fee of \$625 to OFR and the initial applications must be accompanied by a nonrefundable investigation fee of \$200. The investigation fee is used to run background checks on officers and directors of the financial institutions. Currently, there is no "branch" license application process.

b. Proposed Change:

The bill creates a "branch" license application process. Under this process, each applicant will continue to pay the nonrefundable biennial license fee of \$625 for the principal place of business and for each branch application filed. However, the bill provides that the nonrefundable investigation fee of \$200 must only be paid by the principal place of business.

Section 2: Description of Data and Sources

Office of Financial Regulations staff

Insurance & Banking Subcommittee – Final Bill Analysis

Section 3: Methodology (Include Assumptions and Attach Details)

The Office of Financial Regulations estimates that on any given year there are about 25 financial entities, which will now be considered a "branch", that pay the \$200 nonrefundable investigation fee. The loss of this fee will result in a negative insignificant annual impact of -\$5,000.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24			(*)	(*)		
2024-25			(*)	(*)		
2025-26			(*)	(*)		
2026-27			(*)	(*)		
2027-28			(*)	(*)		

Revenue Distribution: Regulatory Trust Fund

Section 5: Consensus Estimate (Adopted: 06/29/2023): The Conference adopted the proposed estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	0.0	0.0	(Insignificant)	(Insignificant)
2024-25	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	0.0	0.0	(Insignificant)	(Insignificant)
2025-26	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	0.0	0.0	(Insignificant)	(Insignificant)
2026-27	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	0.0	0.0	(Insignificant)	(Insignificant)
2027-28	(Insignificant)	(Insignificant)	(Insignificant)	(Insignificant)	0.0	0.0	(Insignificant)	(Insignificant)

REVENUE ESTIMATING CONFERENCE

Revenue Source: Other Taxes and Fees

Issue: DOH License Fees

Bill Number(s): CS/CS/HB387

☒ **Entire Bill**

☐ **Partial Bill:**

Sponsor(s): Health & Human Services Committee and Healthcare Regulations Subcommittee, Roach and others

Month/Year Impact Begins: Upon becoming law

Date(s) Conference Reviewed: 6/29/2023

Section 1: Narrative

- a. Current Law:** Section 381.986(8)(a)1. F.S. requires the Department of Health (DOH) to grant MMTC licenses to dispensing organizations previously licensed under the Compassionate Medical Cannabis Act (CMCA) by July 3, 2017. Section 381.986(8)(a)2. F.S. requires DOH to grant ten additional MMTC licenses. Among these, licenses were to be awarded by August 1, 2017, to any dispensing organization applicant denied under the CMCA whose application was scored by DOH and had one or more administrative or legal challenges pending as of January 1, 2017, or had a final ranking within one point of the highest final ranking applicant in its region, and proves to DOH that it has the infrastructure and ability to begin cultivating marijuana within 30 days after registration as a MMTC (s.381.986(8)(a)2.a. F.S.).

According to DOH, there are currently 45 MMTC licenses either in operation or available (per Section 381.986(8), F.S.). Twenty-two are currently issued and in operation. Of the remaining 23, one is a recognized class member of *Pigford v. Glickman*, 185 F.R.D. 82 (D.D.C. 1999), or *In Re Black Farmers Litig.*, 856 F. Supp. 2d 1 (D.D.C. 2011) and has been awarded a license under DOH Rule 64ER21-19, F.A.C. (Section 381.986(8)(a)2.b. F.S.). There were 12 applicants for this license and, in September 2022, DOH issued its notice of intent to award. The 11 unsuccessful applicants, who were denied for reasons varying from simply not have the highest score to submitting incomplete applications, challenged the notice of intent. The other 22 were awarded licenses during the April 2023 application window (DOH Rules 64ER22-9 and 64ER23-1, F.A.C.). While these 23 licenses have been awarded, DOH has not issued any due to various legal and administrative impediments.

Current MMTC Licenses	
Issued	22
Not Issued	23
P/BFL	1
April 2023 Window	22
Total	45

Per Section 381.986(8)(a)4, F.S., DOH is required to issue four additional licenses within six months of the medical marijuana registry reaching 100,00 active qualified patients. The number of active qualified patients crossed another 100,000 threshold on March 17, 2023 (800,356). Within six months from that date, DOH is required to make another four licenses available. This will increase the number of total licenses to 49 and the number of licenses not issued to 26. As of June 23, 2023, there are 828,560 active qualified patients. When the number of patients exceeds 900,000, four additional licenses will be made available.

- b. Proposed Change:** The bill creates subsection (1) that states the Department of Health shall license all applicants that applied for licensure during the application window created by the department to accept applications of licensure pursuant to s. 381.986(8)(a)2.b., F.S. and received:
- a) A notice from the department regarding the applicant's application for licensure indicating the department's intent to approve or deny the application which did not cite any deficiencies with the application, regardless of the applicant's final score; or
 - b) A final determination from the department as a result of a challenge to the application process, initiated pursuant to s. 120.569, F.S., determining that the applicant met all requirements for licensure pursuant to s. 381.986(8)(a)2.b., F.S., and applicable rules, regardless of the applicant's final score.

The department shall grant each applicant referenced in subsection (1) 90 days to cure, pursuant to the errors and omissions process established in department Form DH8035-OMMU-10/2021 as incorporated by the department in Rule 64ER21-16, F.A.C., any deficiencies cited in a notice referenced in paragraph (1)(a). If such applicant cures the deficiencies within that 90-day timeframe, the department shall issue a license to the applicant. If an applicant who was alive at the time he or she received the notice referred to in paragraph (1)(a) dies during the challenge referred to in paragraph (1)(b), the death of the applicant may

REVENUE ESTIMATING CONFERENCE

Revenue Source: Other Taxes and Fees

Issue: DOH License Fees

Bill Number(s): CS/CS/HB387

not be a reason to deny the challenge. In such a case and in the event of a successful challenge pursuant to paragraph (1)(b), the department must issue the license to the estate of the applicant. The section also states, the number of licenses made available for issuance under s. 381.986(8)(a)4., F.S., must be reduced by the number of licenses awarded under this section, except that the number of licenses awarded under this section may not be deducted from the number of licenses available for the application window held between April 24, 2023, and April 28, 2023.

Section 2: Description of Data and Sources

Department of Health's Emergency Rule 64ER21-16: Application for Pigford/BFL MMTC Licensure

Department of Health's Emergency Rule 64ER22-10: Renewal Application Requirements for MMTCs

2022 Pigford/Black Farmers Litigation MMTC Application Process, Florida Department of Health, Office of Medical Marijuana Use, available at <https://knowthefactsmmj.com/mmtc/2022-pigford-bfl-mmtc-application-process/>

2023 Health and Human Services Committee Staff Analysis prepared 5/23/2023

Florida Department of Health—Office of Medical Marijuana Use—Petition Initiative 22-05 FIEC Presentation 6/26/23.

Section 3: Methodology (Include Assumptions and Attach Details)

There are 11 *Pigford/In Re Black Farmers litigants* who were denied licenses for reasons varying from simply not have the highest score to submitting incomplete applications that challenged the notice of intent. If any applicants are able to cure the deficiencies in their applications and are granted licenses, they will be required to pay a biennial renewal fee of \$1,332,124.42 to be deposited in the Department of Health's Grants and Donations Trust Fund.

Licenses awarded under this bill's provisions do not affect the number of licenses currently available (22) but will reduce the number of licenses available when the active qualified patient population crosses the additional 100,000 patient threshold in the future. For example, there will be an additional 12 licenses available when the patient population reaches 1.1 million. If all 11 unsuccessful applicants are awarded licenses then there would only be 1 additional license available when patient population reaches 1.1 million. For more short-term example, DOH would be issuing four additional licenses based on crossing the 800,000 active qualified patient threshold in March 2023. Those four would theoretically be issued in FY 2023-24 and begin paying their two-year license renewal fee in FY 2024-25. If the number of active qualified patients exceeded 900,000 in FY 2024-25, DOH would have six months to issue four more MMTC licenses and those new MMTCs would presumably begin paying their fees either in FY 2025-26 or FY 2026-27 depending on where in the fiscal year the threshold was crossed and where within the six month period DOH awarded the new licenses.

Future MMTC Licenses		
FY Threshold	Active Qualified Patients	MMTCs
2023-24*	800,356	4
2024-25	900,000	4
2025-26	1,000,000	4
2026-27	1,100,000	4

*Actual

Regardless of the timing, this bill would hasten that future licensing and fee-paying activity by issuing these 11 P/BFL. There is also a possibility that DOH does not issue any of the P/BFL licenses. The bill gives these litigants the opportunity to fix their applications, but does not guarantee the issuance of new licenses. There is an implication that the P/BFL would stop their litigation regarding these licenses, as these individuals will likely qualify for a license under the bill's provisions. There is also the possibility of future litigious activity with respect to the denial of future MMTC licenses should the 11 P/BFL licenses be issued.

Due to the short-term uncertainty and presumably dynamic nature of the industry's future activity, the estimated effect of this bill is a zero or positive indeterminate cash impact every other year beginning in FY 2024-25. There is fiscal year ambiguity related to the future of active qualified patients and the issuance of MMTC licenses prohibit accurately attributing expedited activity in any given fiscal year. It is also unclear how many of the 11 P/BFL licenses will be issued. This analysis also assumes continued growth of the active patients, which is not necessarily a cogent assumption. Because this bill accelerates future revenues into the short-term, the estimated recurring impact is zero for all years.

REVENUE ESTIMATING CONFERENCE

Revenue Source: Other Taxes and Fees

Issue: DOH License Fees

Bill Number(s): CS/CS/HB387

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24			0	0		
2024-25			0/**	0		
2025-26			0	0		
2026-27			0/**	0		
2027-28			0	0		

Revenue Distribution: Trust Fund, GR Service Charge

Section 5: Consensus Estimate (Adopted: 06/29/2023): The Conference adopted zero/positive indeterminate for cash for every year.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	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
2025-26	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
2027-28	0/**	0.0	0/**	0.0	0.0	0.0	0/**	0.0

REVENUE ESTIMATING CONFERENCE

Revenue Source: Other Taxes and Fees

Issue: License Renewal/Late Fees

Bill Number(s): CS/HB1307

☐ **Entire Bill**

☒ **Partial Bill:** Section 2

Sponsor(s): Criminal Justice Subcommittee, McClure

Month/Year Impact Begins: July 1, 2023

Date(s) Conference Reviewed: June 29, 2023

Section 1: Narrative

a. Current Law:

The Division of Licensing within the Department of Agriculture and Consumer Services administers Florida's concealed weapon licensing program and oversees Florida's private investigative, private security, and recovery services industries. The DOL's regulatory oversight of those services includes licensing, enforcing compliance standards, and ensuring public protection from unethical business practices and unlicensed activity.

Training Waivers

Class "G" Statewide Firearm License

A Class "G" Statewide Firearm License is a supplemental license that permits specific licensees to carry a firearm during the course of their licensed, employment-related activity. A Class "G" Statewide Firearm License is available only to individuals who currently hold private investigator (Class "C"), private investigator intern (Class "CC"), security officer (Class "D"), private investigative or security agency manager (Class "M"), private investigative agency manager (Class "MA"), or security agency manager Class "G" (Class "MB") license.

An initial applicant for a Class "G" Statewide Firearm License must complete firearm training, which must include at least 28 hours of range and classroom training either by in-person instruction, or via live instruction through a secure website, with no more than eight hours consisting of in-person range training, which must include safe handling and storage of firearms. The training must be administered and taught by a Class "K" Firearms Instructor Licensee who verifies the identity and attendance of the applicant.

The Class "G" Statewide Firearm License applicant must submit a training certificate to DACS upon completion of the training. Additionally, the Class "K" Firearms Instructor Licensee who provides the training must submit results directly to the DOL and provide a copy of the training results to the trainee. An applicant who was discharged from service as a military officer within the last 12 months, and who has completed specific military courses is deemed to have completed a substantially similar training, and is exempt from the 28 hours of range and classroom training required for an initial Class "G" Statewide Firearm License.

The "Class G" Statewide Firearm License must be renewed every two years. Class "G" Statewide Firearm Licensees must annually complete four hours of firearms requalification training for each caliber of firearm that he or she carries in the course of his or her duties. DACS is authorized to waive the firearms training requirement if:

- The applicant provides proof showing he or she is currently certified as a law enforcement officer or correctional officer under the Criminal Justice Standards and Training Commission and has completed law enforcement firearms requalification training annually during the previous two years of the licensure period;
- The applicant provides proof that he or she is currently certified as a federal law enforcement officer and has received law enforcement firearms training administered by a federal law enforcement agency annually during the previous two years of the licensure period; or
- The applicant submits one of the valid firearm certificates required for a Class "K" Firearms Instructor initial license and provides proof of having completed requalification training during the previous two years of the licensure period.

Class "K" Firearms Instructor Licensees

Class "K" Firearms Instructor Licensees provide classroom or range instruction to applicants for a Class "G" Statewide Firearm License. Applicants for an initial Class "K" Firearms Instructor License must submit one of the following certificates to demonstrate continued firearms qualifications:

- The Florida Criminal Justice Standards and Training Commission Instructor Certificate and written confirmation by the commission that the applicant possesses an active firearms certificate.

REVENUE ESTIMATING CONFERENCE

Revenue Source: Other Taxes and Fees

Issue: License Renewal/Late Fees

Bill Number(s): CS/HB1307

- A valid National Rifle Association Private Security Firearm Instructor Certificate issued not more than three years before the submission of the application.
- A valid firearms instructor certificate issued by a federal law enforcement agency issued not more than three years before the submission of the application.

The initial applicant must also pay the fee and pass an examination administered by DACS.

Class “K” Firearms Instructor Licensees must renew their license every three years and submit one of the firearms qualification certificates, required for initial licensure, as proof that he or she remains certified to provide firearms instruction. A Class “K” Firearms Instructor Licensee who fails to file a renewal application on or before its expiration must renew the license by fulfilling all renewal application requirements and pay a late fee equal to the amount of the Class “K” Firearms Instructor fee.

License Renewal Late Fee

Failure of a private investigative, private security, or recovery services licensee to renew a license on or before its expiration requires the licensee to:

- Renew his or her license by fulfilling the applicable renewal requirements; and
- Pay a late fee equal to the amount of the license fee.

b. Proposed Change:

Training Waivers

The bill authorizes former military firearms instructors to use their experience in the military to satisfy a training requirement when applying for a Class “K” Firearms Instructor License. Specifically, the bill allows applicants for a Class “K” Firearms Instructor License to submit a valid DD Form 214 issued by the U.S. Department of Defense not more than three years before the submission of the applicant's Class “K” application, indicating that the applicant has been honorably discharged and served no less than three years in the military as a firearms instructor.

The bill authorizes DACS to waive the four-hour annual firearms training requirement for a Class “G” Statewide Firearms License renewal if the applicant provides proof that he or she has completed annual firearms training in accordance with the requirements of the federal Law Enforcement Officers Safety Act.

The bill authorizes a Class “K” Firearms Instructor Licensee who is renewing their license to provide proof of having taught at least six 28-hour firearms instruction courses to Class “G” applicants during the previous 3-year license period in lieu of having to provide proof of certification by the Florida Criminal Justice Standards and Training Commission, the NRA, or a federal law enforcement agency.

License Renewal Late Fee

The bill makes the automatic late fee for late filed private investigative, security, or recovery services license renewal applications discretionary instead of mandatory.

Section 2: Description of Data and Sources

Department of Agriculture and Consumer Services staff

House Regulatory Reform & Economic Development Subcommittee – Final Bill Analysis

Section 3: Methodology (Include Assumptions and Attach Details)

Training Waivers

Currently, training requirements do not generate revenue. The new waivers are expected to have a \$0 impact.

License Renewal Late Fee

Late fees are currently equal to the licensing fee and have generated \$305,706 annually over the last 7 fiscal years. The Division of Licensing only intends to waive late fees in circumstances where the application is late due to an error or omission on the part of the

REVENUE ESTIMATING CONFERENCE

Revenue Source: Other Taxes and Fees

Issue: License Renewal/Late Fees

Bill Number(s): CS/HB1307

division. Based on past performance, the division states that this does not happen often and thus the fiscal impact of a fee waiver is expected to be negative insignificant.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24			(*)	(*)		
2024-25			(*)	(*)		
2025-26			(*)	(*)		
2026-27			(*)	(*)		
2027-28			(*)	(*)		

Revenue Distribution:

Division of Licensing Trust Fund

Section 5: Consensus Estimate (Adopted: 06/29/2023) The Conference adopted the proposed estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	(*)	(*)	(*)	(*)	0.0	0.0	(*)	(*)
2024-25	(*)	(*)	(*)	(*)	0.0	0.0	(*)	(*)
2025-26	(*)	(*)	(*)	(*)	0.0	0.0	(*)	(*)
2026-27	(*)	(*)	(*)	(*)	0.0	0.0	(*)	(*)
2027-28	(*)	(*)	(*)	(*)	0.0	0.0	(*)	(*)

REVENUE ESTIMATING CONFERENCE

Revenue Source: Other Taxes and Fees

Issue: Charitable Organization Fees

Bill Number(s): CS/HB 1307

☐ **Entire Bill**

☒ **Partial Bill:** Sections 6 and 7

Sponsor(s): Criminal Justice Subcommittee, McClure

Month/Year Impact Begins: July 1, 2023

Date(s) Conference Reviewed: June 29, 2023

Section 1: Narrative

a. Current Law:

The Division of Consumer Services within the Department of Agriculture and Consumer Services (DACS) regulates various businesses, such as charitable organizations and telemarketers.

Charitable Organization Fees

Organizations that intend to solicit donations in Florida are required to register with DACS pursuant to the Solicitation of Contributions Act (Act). The Act contains basic registration, financial disclosures, and notification requirements for charitable organizations and sponsors, fundraising consultants, and solicitors. Every charitable organization, sponsor, or parent organization must pay a single registration fee as follows:

- Ten dollars if the contributions:
 - Received for the last fiscal year were less than \$5,000; or
 - Actually raised or received from the public during the immediately preceding fiscal year are no more than \$25,000 and the fundraising activities are carried on by certain entities who are not compensated.
- Seventy-five dollars if the contributions received for the last fiscal year were \$5,000 or more, but less than \$100,000.
- One hundred twenty-five dollars if the contributions received for the last fiscal year were \$100,000 or more but less than \$200,000.
- Two hundred dollars if the contributions received for the last fiscal year were \$200,000 or more but less than \$500,000.
- Three hundred dollars if the contributions received for the last fiscal year were \$500,000 or more but less than \$1 million.
- Three hundred fifty dollars if the contributions received for the last fiscal year were \$1 million or more but less than \$10 million.
- Four hundred dollars if the contributions received for the last fiscal year were \$10 million or more.

Certain persons and organizations are exempt from the registration fee requirements including a charitable organization that has less than \$25,000 in total revenue so long as they did not employ professional solicitors or have paid employees.

b. Proposed Change:

The bill increases the contribution thresholds that are used to determine the assessment and exemption of registration fees for charitable organizations, sponsors, or parent organizations. Specifically, the bill:

- Raises the \$25,000 maximum contribution threshold to \$50,000 for organizations that are required to pay a \$10 registration fee. Currently, organizations with maximum contributions between \$25,000 and \$100,000 are required to pay a \$75 registration fee.
- Raises the \$25,000 total revenue threshold to \$50,000 for charitable organizations and sponsors that are exempt from registration requirements.

Section 2: Description of Data and Sources

Department of Agriculture and Consumer Services staff

House Regulatory Reform & Economic Development Subcommittee – Final Bill Analysis

Section 3: Methodology (Include Assumptions and Attach Details)

Currently there are 1,970 registered charities reporting receipt of contributions between \$25,001 and \$50,000 that could be exempt from registration fees. This would result in a reduction of \$75.00 each or \$147,750 per year.

Section 4: Proposed Fiscal Impact

REVENUE ESTIMATING CONFERENCE

Revenue Source: Other Taxes and Fees

Issue: Charitable Organization Fees

Bill Number(s): CS/HB 1307

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24			(0.1)	(0.1)		
2024-25			(0.1)	(0.1)		
2025-26			(0.1)	(0.1)		
2026-27			(0.1)	(0.1)		
2027-28			(0.1)	(0.1)		

Revenue Distribution:

Division of Licensing Trust Fund

Section 5: Consensus Estimate (Adopted: 06/29/2023) The Conference adopted the proposed estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	(Insignificant)	(Insignificant)	(0.1)	(0.1)	0.0	0.0	(0.1)	(0.1)
2024-25	(Insignificant)	(Insignificant)	(0.1)	(0.1)	0.0	0.0	(0.1)	(0.1)
2025-26	(Insignificant)	(Insignificant)	(0.1)	(0.1)	0.0	0.0	(0.1)	(0.1)
2026-27	(Insignificant)	(Insignificant)	(0.1)	(0.1)	0.0	0.0	(0.1)	(0.1)
2027-28	(Insignificant)	(Insignificant)	(0.1)	(0.1)	0.0	0.0	(0.1)	(0.1)

REVENUE ESTIMATING CONFERENCE

Revenue Source: Trust Funds

Issue: Economic Development Trust Fund

Bill Number(s): CS/CS/HB 5, Sections 1 and 44

☐ **Entire Bill**

☒ **Partial Bill:** Sections 1 and 44

Sponsor(s): Representative Esposito

Month/Year Impact Begins: July 1, 2023

Date(s) Conference Reviewed: June 29, 2023

Section 1: Narrative

- a. Current Law:** Enterprise Florida, Inc. (EFI) has created an escrow account in a commercial bank to hold Quick Action Closing Funds (QACF) that are obligated to businesses via contract. The contracts include specific dates at which time the business's performance will be measured. Typically, the business provides data in support of meeting performance requirements within a few months after the expected performance date. A third-party auditor verifies the data. The payment to the company is typically made in the fiscal year following the performance date (e.g., a December 2022 performance date would result in a Fiscal Year 2023-24 payment).

As of March 24, 2023, the total funds held in the escrow account are approximately \$21.2 million. The funds are deposited outside of the State Treasury. EFI returns escrow funds to the Department of Economic Opportunity (DEO) when incentive recipients do not meet contract deliverables—in the fund from which the appropriation originated. On a quarterly basis, EFI also remits interest payments earned on escrow funds to DEO again based on the source of the original appropriation.

- b. Proposed Change:** Section 1 of the bill requires a type two transfer of EFI's duties, functions, records, pending issues, existing contracts, administrative authority, administrative rules, and unexpended balances of appropriations, allocations, and other public funds to the Department of Commerce (renamed from the Department of Economic Opportunity). The bill directs Commerce and EFI to coordinate in the development and implementation of a transition plan that supports the implementation of this act within 30 days of the effective date. Under the bill, EFI may continue with any powers, duties, functions, records, offices, personnel, property, pending issues, and existing contracts as provided in Florida Statutes 2022 until December 1, 2023. The president of EFI must continue the operations of EFI until full implementation of the transition plan, or until December 1, 2023, whichever comes first.

Section 44 requires Commerce to create a separate account in the Economic Development Trust Fund for the funds transferred from the former EFI held for payments for agreements under the repealed QACF or the repealed Innovation Incentive Program. However, Commerce must transfer to the General Revenue Fund any payments returned to the state, either by the recipient or through action by Commerce to administratively or otherwise legally obtain repayment of funds, and any funds associated with terminated contracts.

Section 2: Description of Data and Sources

- DEO's May 2023 Escrow Activity Monthly Status Report dated June 14, 2023 (required by Specific Appropriation 2229 of the 2022-23 General Appropriations Act).
- Escrow balance and anticipated payments provided by DEO staff (as of June 13, 2023).
- DEO staff email dated June 20, 2023

Section 3: Methodology (Include Assumptions and Attach Details)

According to DEO staff, there are no funds for the Innovation Incentive Program to be paid out. There is only one remaining active contract and DEO does not expect any funds to be returned for transfer to the General Revenue Fund.

The table below shows the anticipated payments from the QACF escrow account, assuming all of the companies meet the required performance expectations and subsequent data validation by external auditors. If no more payments are made to eligible companies by December 1, 2023, approximately \$15.5 million would be available for transfer to Commerce for deposit into the Economic Development Trust Fund.

It is unknown at this time if any QACF funds will be returned to be transferred to the General Revenue Fund as this will be dependent on future performance audits or terminated contracts.

REVENUE ESTIMATING CONFERENCE

Revenue Source: Trust Funds

Issue: Economic Development Trust Fund

Bill Number(s): CS/CS/HB 5, Sections 1 and 44

Escrow Balance and Anticipated Payments (balance as of June 13, 2023)

Performance Date	Payment Year	Amount	GR	SEED TF
2021 December	2022-23	\$503,445	\$337,622	\$165,823
2022 December	2023-24	\$2,665,000	\$665,000	\$2,000,000
2023 December	2024-25	\$5,450,000	\$2,750,000	\$2,700,000
2024 December	2025-26	\$2,550,000	\$0	\$2,550,000
2025 December	2026-27	\$2,100,000	\$0	\$2,100,000
2026 December	2027-28	\$0	\$0	\$0
2027 December	2028-29	\$2,250,000	\$2,250,000	\$0
TOTAL		\$15,518,445	\$6,002,622	\$9,515,823

Section 4: Proposed Fiscal Impact

EDTF	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24			\$15.5M			
2024-25						
2025-26						
2026-27						
2027-28						

Revenue Distribution:

Economic Development Trust Fund

Section 5: Consensus Estimate (Adopted: 06/29/2023): The Conference adopted the proposed estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2023-24	0.0	0.0	15.5	0.0	0.0	0.0	15.5	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
2027-28	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0