

REVENUE ESTIMATING CONFERENCE

Revenue Source: Earnings on Investments

Issue: Moving Florida Forward

Bill Number(s): CS/CS/CS HB 1301, HB 5003, HB 5001

Entire Bill

Partial Bill: CS/CS/CS HB 1301 Section 11/HB 5003 Section 103/HB 5001 Section 255

Sponsor(s): Representative Abbot, Representative Leek

Month/Year Impact Begins: 07/01/2024 for CS/CS/CS HB 1301 Section 11 and HB 5003 Section 103, upon becoming law for HB 5001 Section 255

Date(s) Conference Reviewed: 05/22/2024

Section 1: Narrative

a. Current Law: Section 215 of Chapter 2023-239, Laws of Florida, states that the nonrecurring sum of \$4,000,000,000 is appropriated from the General Revenue Fund to the Department of Transportation for Fiscal Year 2022-23 for the Moving Florida Forward Plan. The funds were placed in reserve and ultimately reverted and re-appropriated for fiscal 2023-24. The Department submitted a budget amendment to the Legislative Budget Commission, which included a project list, implementation schedule, finance plan, and necessary budget authority to implement the Plan. Upon approval of the budget amendment by the Legislative Budget commission, the Chief Financial Officer transferred \$2,500,000,000 from the General Revenue Fund to the State Transportation Trust Fund and \$1,500,000,000 from the General Revenue Fund to the State Transportation Trust Fund. By the end of the month following each quarter, the Department of Transportation shall reconcile all disbursements, transfer interest earnings from the transferred funds to the General Revenue Fund, and provide an implementation progress report to the Executive Office of the Governor, the chair of the House Appropriations Committee and the chair of the Senate Committee on Appropriations.

b. Proposed Change: In CS/CS/CS HB 1301 and HB 5003, notwithstanding section 215 of Chapter 2023-239, Laws of Florida, the Department of Transportation is authorized to retain interest earnings on funds appropriated to implement the Moving Florida Forward Plan. In HB 5003, this section expires July 1, 2025. In CS/CS/CS HB 1301 there is no expiration date.

Section 255 of HB 5001 states that the Chief Financial Officer shall transfer \$370,000,000 from the General Revenue Fund to the State Transportation Trust Fund to implement the Moving Florida Forward Plan. The funds shall be held in reserve. Any interest earned on the transferred funds must be used by the Department to implement the plan.

Section 2: Description of Data and Sources

Contact with FDOT staff

FDOT internal calculation of Interest Earnings

Section 3: Methodology (Include Assumptions and Attach Details)

The Department of Transportation received \$4,000,000,000 for the Moving Florida Forward Plan during FY 2023-24. \$37.26 million in interest was earned through March 31, 2024 and has been transferred into the General Revenue Fund as of May 20, 2024. The requirement to transfer interest earnings on the \$4,000,000,000 transfer was contained within Chapter 2023-239, Laws of Florida, effectively limiting the transfer requirement to FY 2023-24. Therefore, there is no impact on General Revenue or State Trust Funds in regards to interest earnings on the \$4,000,000,000 transfer.

Section 255 of HB 5001 transfers \$370,000,000 from the General Revenue Fund to the State Transportation Trust Fund. In contrast to the \$4,000,000,000 transfer from the prior year, interest earned on the transferred funds is to be retained by the Department. Since the transfer is being treated as an expenditure, the subsequent interest earnings adjustments caused by the transfer will be addressed in the Summer Conference Season – just as all appropriations are taken into account.

Section 4: Proposed Fiscal Impact

| GR | High | | Middle | | Low | |
|---------|------|-----------|--------|-----------|------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | | | 0.0 | 0.0 | | |
| 2025-26 | | | 0.0 | 0.0 | | |
| 2026-27 | | | 0.0 | 0.0 | | |
| 2027-28 | | | 0.0 | 0.0 | | |
| 2028-29 | | | 0.0 | 0.0 | | |

REVENUE ESTIMATING CONFERENCE

Revenue Source: Earnings on Investments

Issue: Moving Florida Forward

Bill Number(s): CS/CS/CS HB 1301, HB 5003, HB 5001

| Trust | High | | Middle | | Low | |
|---------|------|-----------|--------|-----------|------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | | | 0.0 | 0.0 | | |
| 2025-26 | | | 0.0 | 0.0 | | |
| 2026-27 | | | 0.0 | 0.0 | | |
| 2027-28 | | | 0.0 | 0.0 | | |
| 2028-29 | | | 0.0 | 0.0 | | |

Revenue Distribution:

General Revenue, State Transportation Trust Fund

Section 5: Consensus Estimate (Adopted: 05/22/2024): The Conference adopted the proposed estimate.

| | GR | | Trust | | Local/Other | | Total | |
|---------|------|-----------|-------|-----------|-------------|-----------|-------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 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 |
| 2028-29 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

REVENUE ESTIMATING CONFERENCE

Revenue Source: Ad Valorem
Issue: Exemption Application
Bill Number(s): CS/CS/HB1285

Entire Bill

Partial Bill: Section 4

Sponsor(s): Representative Canady

Month/Year Impact Begins: Indeterminate

Date(s) Conference Reviewed: May 22, 2024

Section 1: Narrative

a. Current Law: Section 196.1983, F.S., indicates that any facility or portion thereof used to house a charter school is fully exempt from ad valorem taxes.

Section 196.011, F.S., indicates that, unless otherwise noted in statute, ad valorem exemptions shall be applied for each year on or before March 1.

b. Proposed Change: Section 196.011, F.S., is amended to indicate that properties exempt under 196.1983 need not reapply every year and are to continue to receive the exemption unless they are no longer eligible. The property owner or lessee is responsible for notifying the property appraiser if they are no longer eligible. An ineligible property receiving the exemption due to a failure to notify the property appraiser at any time within the prior 10 years results in a liability of the taxes exempted plus 15 percent interest per annum, as well as a penalty of 50 percent of the taxes exempted.

Section 2: Description of Data and Sources

2023 Millage and Taxes Levied Report, 2023 Final Data Book published by Property Tax Oversight
2011 through 2023 Final NAL Real Property Tax Roll
[2021 CS/CS/HB597 Impact Analysis from June 14, 2021](#)

Section 3: Methodology (Include Assumptions and Attach Details)

There exists a possibility for a negative fiscal impact in that, under current law, taxes would be due from a charter school that fails to apply for the exemption despite being eligible. Under the proposed change, those charter schools would continue to receive the exemption. The estimated impact of this is quantified in the table below for the most recent 11 years using the following methodology. If a property received the exemption (exmpt_17) in year 1, did not receive the exemption in year 2, and received it again in year 3 without changing ownership across the three-year period, it is assumed that they would have received the exemption in the middle year (year 2) under the proposed language. An impact is estimated each year by aggregating the school and non-school taxable values for each impacted property and multiplying by the respective 2023 aggregate millage rate. Note that this methodology simultaneously excludes the possibility that a property was legitimately ineligible in the middle year and the possibility of a property failing to apply for more than one year. Within the previous eleven years, the negative impact would have been between \$0 and \$185,474 depending on the year. Due to the high variance and unpredictable nature, the negative impact going forward is indeterminate.

| Middle Year – Did Not Apply | Impact If Identified Taxpayers Had Applied for Exemption |
|-----------------------------|--|
| 2012 | \$(22,283) |
| 2013 | \$(25,424) |
| 2014 | \$- |
| 2015 | \$(114,771) |
| 2016 | \$- |
| 2017 | \$(67,853) |
| 2018 | \$(81,164) |
| 2019 | \$(115,601) |
| 2020 | \$(185,474) |
| 2021 | \$- |
| 2022 | \$(40,096) |

Further, there exists a possibility for a positive fiscal impact in that, under current law, there is no mechanism for penalty and interest as an owner or lessee cannot fail to notify the property appraiser of ineligibility, as it is assumed by failure to apply.

REVENUE ESTIMATING CONFERENCE

Revenue Source: Ad Valorem
Issue: Exemption Application
Bill Number(s): CS/CS/HB1285

Estimating this would require a count of properties failing to notify of ineligibility, an average taxable value, and an average duration between failure to notify of ineligibility and the property appraiser’s realization of such failure. Due to the high variance and unpredictable nature, the positive impact is indeterminate.

[A similar bill was reviewed by the conference on June 14, 2021](#), in which low-income seniors applying for a specific exemption were no longer required to apply annually. At that time, the Conference adopted a +/- indeterminate impact. The same impact is generally proposed here.

The final complication with this analysis is that the bill goes into effect on July 1, 2024. This discussion of effective date scenarios is included to show that there is potentially a first-year impact, though its nature is different than the following years’ impacts. There exist two scenarios:

1. The property appraisers apply the new law to the 2024 tax roll as it will be law well before tax bills are sent.
2. The property appraisers apply the new law to the 2025 tax roll as it was not law at the time of 2024 valuations.

Under scenario 1 there exists the possibility that an uninformed taxpayer who no longer qualifies for the exemption does not reapply, as is correct procedure under current law, but is awarded the exemption, as is correct procedure under the proposed change. This would likely result in that taxpayer owing back taxes, interest, and penalties. In the first year under this scenario, the negative indeterminate impact exists, and the positive indeterminate impact may exist depending on the timing of when ineligibility for the 2024 exemption is discovered.

Under scenario 2 there exists the possibility that an otherwise eligible taxpayer fails to reapply, is stripped of their exemption, but knows of the law change and appeals to the VAB for their exemption. It is expected that the VAB appeal would be won by the taxpayer, in that, at the time of their appeal, statute will indicate that they should receive the exemption. In the first year under this scenario, the negative indeterminate impact exists, but there is no potential for a positive indeterminate impact as the potential for penalties would not exist until the 2025 tax roll and thus Fiscal Year 2025-26.

It is expected that scenario 2 will occur. It is also expected that any eligible charter school that previously received the exemption, did not apply for the exemption in 2024, and appeals to the VAB for the exemption will win their appeal because statute at the time of the appeal will indicate that they do not need to reapply. If no such appeals occur, the impact is zero in the first year.

Section 4: Proposed Fiscal Impact

| | High | | Middle | | Low | |
|---------|------|-----------|--------|-----------|------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | | | 0/**) | +/- | | |
| 2025-26 | | | +/- | +/- | | |
| 2026-27 | | | +/- | +/- | | |
| 2027-28 | | | +/- | +/- | | |
| 2028-29 | | | +/- | +/- | | |

Revenue Distribution: Ad Valorem

Section 5: Consensus Estimate (Adopted: 05/22/2024): The Conference adopted the proposed estimate.

| | GR | | Trust | | Local/Other | | Total | |
|---------|------|-----------|-------|-----------|-------------|-----------|-------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | 0.0 | 0.0 | 0.0 | 0.0 | 0/**) | +/- | 0/**) | +/- |
| 2025-26 | 0.0 | 0.0 | 0.0 | 0.0 | +/- | +/- | +/- | +/- |
| 2026-27 | 0.0 | 0.0 | 0.0 | 0.0 | +/- | +/- | +/- | +/- |
| 2027-28 | 0.0 | 0.0 | 0.0 | 0.0 | +/- | +/- | +/- | +/- |
| 2028-29 | 0.0 | 0.0 | 0.0 | 0.0 | +/- | +/- | +/- | +/- |

| | A | B | C | D | E | F | G |
|----|--|--------------|-----------------------------|---------------------------------|----------------------|--------------------------|---------------------|
| 1 | 2023 Aggregate Millage Rates | | | | | | |
| 2 | School | 5.99 | | | | | |
| 3 | Non-School | 10.38 | | | | | |
| 4 | | | | | | | |
| 5 | Middle Year - Failed to Reapply | Count | School Taxable Value | Non-School Taxable Value | School Impact | Non-School Impact | Total Impact |
| 6 | 2012 | 2 | 1,361,058 | 1,361,058 | (8,156) | (14,127) | \$ (22,283) |
| 7 | 2013 | 1 | 1,552,946 | 1,552,946 | (9,306) | (16,118) | \$ (25,424) |
| 8 | 2014 | 0 | - | - | - | - | \$ - |
| 9 | 2015 | 4 | 7,010,426 | 7,010,426 | (42,009) | (72,763) | \$ (114,771) |
| 10 | 2016 | 0 | - | - | - | - | \$ - |
| 11 | 2017 | 3 | 4,144,555 | 4,144,555 | (24,835) | (43,017) | \$ (67,853) |
| 12 | 2018 | 1 | 4,957,666 | 4,957,666 | (29,708) | (51,457) | \$ (81,164) |
| 13 | 2019 | 5 | 7,697,720 | 6,693,590 | (46,127) | (69,474) | \$ (115,601) |
| 14 | 2020 | 1 | 11,329,071 | 11,329,071 | (67,887) | (117,587) | \$ (185,474) |
| 15 | 2021 | 0 | - | - | - | - | \$ - |
| 16 | 2022 | 1 | 2,449,162 | 2,449,162 | (14,676) | (25,420) | \$ (40,096) |
| 35 | | | | | | | |
| 36 | Total Impact | | | | | | |
| 37 | | High | | Middle | | Low | |
| 38 | | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 39 | 2024-25 | | | (0/**) | +/- | | |
| 40 | 2025-26 | | | +/- | +/- | | |
| 41 | 2026-27 | | | +/- | +/- | | |
| 42 | 2027-28 | | | +/- | +/- | | |
| 43 | 2028-29 | | | +/- | +/- | | |

REVENUE ESTIMATING CONFERENCE

Revenue Source:

Issue: Nonresident Distant Learning Fee

Bill Number(s): CS/CS/HB 1285 (Chapter 2024-101, Laws of Florida)

Entire Bill

Partial Bill: Section 22

Sponsor(s): Representative Canady

Month/Year Impact Begins: July 1st 2024 (affecting the 2024-25 academic year)

Date(s) Conference Reviewed: May 22nd 2024

Section 1: Narrative

- a. Current Law:** Florida College System institutions may charge students that do not qualify for the in-state tuition rate an additional fee (s. 1009.01(2), F.S.). A Florida College System institution may also assess a per-credit-hour distance learning course user fee. "A distance learning course is a course in which at least 80 percent of the direct instruction of the course is delivered using some form of technology when the student and instructor are separated by time or space, or both. The amount of the distance learning course user fee may not exceed the additional costs of the services provided which are attributable to the development and delivery of the distance learning course. If a Florida College System institution assesses the distance learning course user fee, the institution may not assess any other fees to cover the additional costs" (s. 1009.23(16), F.S.).

Additionally, a Florida College System institution board of trustees may establish a differential out-of-state fee for a student who has been determined to be a nonresident for tuition purposes and is enrolled in a distance learning course offered by the institution. "A differential out-of-state fee established pursuant to this paragraph shall be applicable only to distance learning courses and must be established such that the sum of tuition and the differential out-of-state fee is sufficient to defray the full cost of instruction" (s. 1009.23(6)(b), F.S.).

- b. Proposed Change:** "Subsection (22) is added to section 1009.23, Florida Statutes...Beginning with the 2024-2025 academic year, Miami Dade College, Polk State College, and Tallahassee Community College are authorized to charge an amount not to exceed \$290 per credit hour for nonresident tuition and fees for distance learning. Such institutions may phase in this nonresident tuition rate by degree program." (Chapter 2024-101, Laws of Florida)

Section 2: Description of Data and Sources

- Florida College System Enrollment Education Estimating Conference, December 2023
 - <http://edr.state.fl.us/Content/conferences/communitycolleges/DOEMeetingPacket.pdf>
- Florida College System Residence and Distant Learning Credit Hours 2020-21 through 2022-23, DOE
- Student Fee Rates 2020-21 through 2023-24, DOE
 - <https://www.fldoe.org/schools/higher-ed/fl-college-system/about-us/finance/student-fees.stml>
- Emails between EDR and DOE (May 2024)

Section 3: Methodology (Include Assumptions and Attach Details)

Current Program

Currently all Florida College System institutions have the authority to assess a per credit hour distance learning fee to students¹. Additionally, all Florida College System institutions currently have the authority to establish a differential out-of-state fee that applies to distance learning courses². All Florida College System institutions charge a higher rate for instate vs out-of-state tuition per credit hour through an additional out-of-state fee. In addition, 11 Florida College System institutions charge a distance learning fee per credit hour to students. This fee ranges from \$8.00 (Valencia College) to \$15.00 (Daytona State College, Florida State College at Jacksonville, Lake Sumter State College, and Miami Dade College). In all 11 institutions the distance learning fee is applied equally to all students regardless of residency.

Of the three institutions in this pilot program, Polk State College does not currently charge a distance learning fee to students regardless of residency. Miami Dade College currently charges \$15.00 per credit hour and Tallahassee Community College charges \$10.00 per credit hour³.

¹ Florida Statute s. 1009.23(16), F.S.

² Florida Statute s. 1009.23(6) (b), F.S.

³ Florida College System Residence and Distant Learning Credit Hours 2020-21 through 2022-23, DOE

REVENUE ESTIMATING CONFERENCE

Revenue Source:

Issue: Nonresident Distant Learning Fee

Bill Number(s): CS/CS/HB 1285 (Chapter 2024-101, Laws of Florida)

Analysis

Section 22 of CS/CS/HB 1285 authorizes Miami Dade College, Polk State College, and Tallahassee Community College to charge up to \$290 per credit hour for nonresident tuition and fees for distance learning. These institutions are authorized to phase in this nonresident tuition rate by degree program. DOE is currently working with the three colleges to identify at least one degree program that can be offered by each institution at the maximum of the proposed rate by July 1st 2024. These programs will most likely be already in operation⁴.

The bill language caps all tuition and fees at \$290 per credit hour for nonresident distance learners. In total, all three institutions are above this level, meaning a reduction in all tuition and fees is needed to accommodate the new cap.

Model Explanation

Florida College System institutions do not create 5-year projections broken out by distance learning and residency. To create these projections, the ratio of non-Florida residents to total FTE for FY 2022-23 was applied to the adopted FTE projections from the December 4, 2023 Florida College System Enrollment Education Estimating Conference. The model is structured to allow this percentage to change. This projected FTE for non-Florida residents includes a portion of distance learning students whose residency is unknown. This portion was determined by the ratio of non-Florida resident distance learning FTE to the sum of the Florida and non-Florida resident distance learning FTE.

The next step in the model is the conversion of FTE to credit hours. For Florida College System institutions, 1 FTE is equivalent to 30 credit hours. To accurately assess the cost differential between the current cost and the \$290 maximum, the model then splits credit hours into upper and lower level using the FY 2022-23 history. With upper level referring to baccalaureate degree programs and lower level referring to credit programs.

Since the College System institutions plan on phasing in the \$290 per credit hour maximum for nonresident Florida students, a participation rate is applied to all projection years. After discussions with DOE, a first year participation rate of 5% for all institutions was chosen. The speed at which each institution plans to phase in the \$290 per credit rate over the next five years is unknown at this time. However, this analysis has the participation increasing to 25% by FY 2028-29.

The final step of the model is to determine the cost differential between the current cost per credit hour and the new \$290 maximum cost per credit hour for nonresident distance learning. The cost per credit hour has minimally changed for Florida College System institutions for the past nine years. To determine the differential the model assumes the cost would have stayed the same as FY 2023-24 in all projection years. The current cost per credit hour is then subtracted from the new \$290 per credit hour maximum. This cost differential is then multiplied by the projected credit hours of non-Florida resident distant learning students split by upper and lower level.

Impact

If Miami Dade College, Polk State College, and Tallahassee Community College implemented the new \$290 per credit hour maximum immediately, the total fiscal impact for FY 2024-25 would have been a loss of \$4,697,942.84. However, due to the tight turnaround between now and July 1st 2024 each institution plans on phasing in the pilot program by degree program. Currently each institution is deciding which degree program will be offered at the \$290 per credit hour rate. If it is assumed that 5% of non-Florida residents participate in the pilot program, the total fiscal impact for FY 2024-25 will be a reduction of \$234,897.18.

⁴ Emails between EDR and DOE

REVENUE ESTIMATING CONFERENCE

Revenue Source:

Issue: Nonresident Distant Learning Fee

Bill Number(s): CS/CS/HB 1285 (Chapter 2024-101, Laws of Florida)

Section 4: Proposed Fiscal Impact

| | High | | Middle | | Low | |
|---------|------|-----------|------------------|------------------|------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | | | \$(234,897.18) | \$(234,897.18) | | |
| 2025-26 | | | \$(478,710.16) | \$(478,710.16) | | |
| 2026-27 | | | \$(732,781.94) | \$(732,781.94) | | |
| 2027-28 | | | \$(994,751.21) | \$(994,751.21) | | |
| 2028-29 | | | \$(1,266,917.36) | \$(1,266,917.36) | | |

Revenue Distribution:

Section 5: Consensus Estimate (Adopted: 05/22/2024): The Conference adopted a negative indeterminate impact.

| | GR | | Trust | | Local/Other | | Total | |
|---------|------|-----------|-------|-----------|-------------|-----------|-------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | 0.0 | 0.0 | 0.0 | 0.0 | (**) | (**) | (**) | (**) |
| 2025-26 | 0.0 | 0.0 | 0.0 | 0.0 | (**) | (**) | (**) | (**) |
| 2026-27 | 0.0 | 0.0 | 0.0 | 0.0 | (**) | (**) | (**) | (**) |
| 2027-28 | 0.0 | 0.0 | 0.0 | 0.0 | (**) | (**) | (**) | (**) |
| 2028-29 | 0.0 | 0.0 | 0.0 | 0.0 | (**) | (**) | (**) | (**) |

Assumptions

Impact

Middle

| Fiscal Year | Adjustment Factors for Ratios of Distance Learning to Projections | Participation Rates for Non-Florida Resident Distance Learning Pool FTE |
|-------------|---|---|
| 2023-24 | 1.00 | |
| 2024-25 | 1.00 | 5.00% |
| 2025-26 | 1.00 | 10.00% |
| 2026-27 | 1.00 | 15.00% |
| 2027-28 | 1.00 | 20.00% |
| 2028-29 | 1.00 | 25.00% |

| Fiscal Year | Sum of all Colleges |
|-------------|---------------------|
| 2023-24 | |
| 2024-25 | \$ (234,897.18) |
| 2025-26 | \$ (478,710.16) |
| 2026-27 | \$ (732,781.94) |
| 2027-28 | \$ (994,751.21) |
| 2028-29 | \$ (1,266,917.36) |

Conference

| Fiscal Year | Adjustment Factors for Ratios of Distance Learning to Projections | Participation Rates for Non-Florida Resident Distance Learning Pool FTE |
|-------------|---|---|
| 2023-24 | 1.00 | |
| 2024-25 | 1.00 | 5.00% |
| 2025-26 | 1.00 | 10.00% |
| 2026-27 | 1.00 | 15.00% |
| 2027-28 | 1.00 | 20.00% |
| 2028-29 | 1.00 | 25.00% |

| Fiscal Year | Sum of all Colleges |
|-------------|---------------------|
| 2023-24 | |
| 2024-25 | \$ (234,897.18) |
| 2025-26 | \$ (478,710.16) |
| 2026-27 | \$ (732,781.94) |
| 2027-28 | \$ (994,751.21) |
| 2028-29 | \$ (1,266,917.36) |

Miami Dade College

Estimation of Non-Florida Distance Learning Pool FTE Projections

| | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 | DOE FTE Projections with College Adjustments | | | | |
|---|---|------------|------------|------------|--|------------|------------|------------|------------|
| | ACTUAL | ACTUAL | ACTUAL | FTE-1A | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Number of Total FTE Students | 41,112.60 | 40,272.80 | 39,745.20 | 39,945.00 | 40,344.00 | 40,950.00 | 41,769.00 | 42,604.00 | 43,454.00 |
| | FY 2020-21 | FY 2021-22 | FY 2022-23 | | | | | | |
| | ACTUAL | ACTUAL | ACTUAL | | | | | | |
| Florida Resident Distance Learning FTE | 19,965.73 | 17,600.47 | 13,889.73 | | | | | | |
| Non-Florida Resident Distance Learning FTE | 1,300.70 | 1,307.23 | 846.33 | | | | | | |
| Sum of Florida and Non-Florida Resident Distance Learning FTE | 21,266.43 | 18,907.70 | 14,736.07 | | | | | | |
| Unknown Distance Learning FTE | 1,251.93 | 1,219.17 | 1,054.53 | | | | | | |
| Ratio of Non-Florida Resident Distance Learning to Sum of Florida and Non-Florida FTE | 6.12% | 6.91% | 5.74% | | | | | | |
| Percentage of Unknown Distance Learning Assumed to be Non-Florida Residents | 6.12% | 6.91% | 5.74% | | | | | | |
| Unknown Distance Learning Assumed to be Non-Florida Residents FTE | 76.57 | 84.29 | 60.56 | | | | | | |
| Assumed Non-Florida Resident Distance Learning Pool | 1,377.27 | 1,391.52 | 906.89 | | | | | | |
| Ratio of Non-Florida Resident Distance Learning Pool to FTE Students | 3.35% | 3.46% | 2.28% | | | | | | |
| | Adjustment Factors for Ratios of Distance Learning to Projections | | | | | | | | |
| | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | | | |
| Adjustment Factors | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | | | |
| | Assumed Ratio for Projections | | | | | | | | |
| | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | | | |
| Non-Florida Resident Distance Learning Pool | 2.28% | 2.28% | 2.28% | 2.28% | 2.28% | 2.28% | | | |
| | Projected FTE | | | | | | | | |
| | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | | | |
| Non-Florida Resident Distance Learning Pool | 911.45 | 920.55 | 934.38 | 953.07 | 972.12 | 991.52 | | | |

Calculation of Credit Hours

| 1 FTE = 30 Credit Hours | Conversion of FTE to Credit Hours | | | | |
|---|-----------------------------------|------------|------------|------------|------------|
| | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Non-Florida Resident Distance Learning Pool | 27,616.50 | 28,031.40 | 28,592.10 | 29,163.60 | 29,745.60 |

Split of Credit Hours by Level

| | FY 2020-21 | FY 2021-22 | FY 2022-23 | | | |
|---|--|------------|------------|------------|------------|------------|
| | ACTUAL | ACTUAL | ACTUAL | | | |
| Percent of Lower Level Non-Florida Residents Distance Learning Pool | 94.15% | 95.10% | 93.10% | | | |
| Percent of Upper Level Non-Florida Residents Distance Learning Pool | 5.90% | 4.90% | 6.90% | | | |
| | Split of Credit Hours by Lower and Upper | | | | | |
| | | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Non-Florida Resident Distance Learning Pool | | 27,616.50 | 28,031.40 | 28,592.10 | 29,163.60 | 29,745.60 |
| Lower | | 25,710.08 | 26,096.34 | 26,618.33 | 27,150.38 | 27,692.20 |
| Upper | | 1,906.42 | 1,935.06 | 1,973.77 | 2,013.22 | 2,053.40 |

Estimation of FTE Participation

| | Participation Rates in Pilot Distance Learning Program by Lower and Upper | | | | | |
|--|---|------------|------------|------------|------------|------------|
| | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | |
| Lower | 5.0% | 10.0% | 15.0% | 20.0% | 25.0% | |
| Upper | 5.0% | 10.0% | 15.0% | 20.0% | 25.0% | |
| | Credit Hours in Pilot Distance Learning Program by Lower and Upper | | | | | |
| | | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Non-Florida Resident Distance Learning | | 1,380.82 | 2,803.14 | 4,288.82 | 5,832.72 | 7,436.40 |
| Lower | | 1,285.50 | 2,609.63 | 3,992.75 | 5,430.08 | 6,923.05 |
| Upper | | 95.32 | 193.51 | 296.07 | 402.64 | 513.35 |

Pilot Distance Learning Program Cost

| Lower Level Distance Learning Cost per Credit Hour | | | | | | |
|--|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 | | |
| | ACTUAL | ACTUAL | ACTUAL | ACTUAL | | |
| Tuition | \$ 82.78 | \$ 82.78 | \$ 82.78 | \$ 82.78 | | |
| Out of State Fee | \$ 248.33 | \$ 248.33 | \$ 248.33 | \$ 248.33 | | |
| Student Financial Aid Fee | \$ 16.56 | \$ 16.56 | \$ 16.56 | \$ 16.56 | | |
| Student Activity Fee | \$ 8.28 | \$ 8.28 | \$ 8.28 | \$ 8.28 | | |
| Capital Improvement Fee | \$ 27.00 | \$ 27.00 | \$ 27.00 | \$ 27.00 | | |
| Technology Fee | \$ 16.56 | \$ 16.56 | \$ 16.56 | \$ 16.56 | | |
| Distance Learning Fee | \$ 15.00 | \$ 15.00 | \$ 15.00 | \$ 15.00 | | |
| Total | \$ 414.51 | \$ 414.51 | \$ 414.51 | \$ 414.51 | | |
| Upper Level Distance Learning Cost per Credit Hour | | | | | | |
| | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 | | |
| | ACTUAL | ACTUAL | ACTUAL | ACTUAL | | |
| Tuition | \$ 91.79 | \$ 91.79 | \$ 91.79 | \$ 91.79 | | |
| Out of State Fee | \$ 357.00 | \$ 357.00 | \$ 357.00 | \$ 357.00 | | |
| Student Financial Aid Fee | \$ 22.44 | \$ 22.44 | \$ 22.44 | \$ 22.44 | | |
| Student Activity Fee | \$ 9.18 | \$ 9.18 | \$ 9.18 | \$ 9.18 | | |
| Capital Improvement Fee | \$ 30.12 | \$ 30.12 | \$ 30.12 | \$ 30.12 | | |
| Technology Fee | \$ 22.44 | \$ 22.44 | \$ 22.44 | \$ 22.44 | | |
| Distance Learning Fee | \$ 15.00 | \$ 15.00 | \$ 15.00 | \$ 15.00 | | |
| Total | \$ 547.97 | \$ 547.97 | \$ 547.97 | \$ 547.97 | | |
| | Distance Learning Cost per Credit Hour | | | | | |
| | | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Lower | | \$ 414.51 | \$ 414.51 | \$ 414.51 | \$ 414.51 | \$ 414.51 |
| Upper | | \$ 547.97 | \$ 547.97 | \$ 547.97 | \$ 547.97 | \$ 547.97 |
| Maximum Cost per Credit Hour of Non-Florida Resident Distance Learning = \$290 | Cost Differential of Distance Learning per Credit Hour and \$290 Maximum | | | | | |
| | | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Lower | | \$ (124.51) | \$ (124.51) | \$ (124.51) | \$ (124.51) | \$ (124.51) |
| Upper | | \$ (257.97) | \$ (257.97) | \$ (257.97) | \$ (257.97) | \$ (257.97) |
| | Impact of \$290 Maximum Cost per Credit Hours by Upper and Lower | | | | | |
| | | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Non-Florida Resident Distance Learning Pilot | | \$ (184,647.31) | \$ (374,844.80) | \$ (573,514.48) | \$ (779,968.30) | \$ (994,417.86) |
| Lower | | \$ (160,057.61) | \$ (324,925.03) | \$ (497,137.30) | \$ (676,099.26) | \$ (861,988.96) |
| Upper | | \$ (24,589.70) | \$ (49,919.77) | \$ (76,377.18) | \$ (103,869.04) | \$ (132,428.90) |

Polk State College

Estimation of Non-Florida Distance Learning Pool FTE Projections

| | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 | DOE FTE Projections with College Adjustments | | | | |
|---|---|------------|------------|------------|--|------------|------------|------------|------------|
| | ACTUAL | ACTUAL | ACTUAL | FTE-1A | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Number of Total FTE Students | 6,081.70 | 5,473.60 | 5,190.40 | 5,001.00 | 5,528.00 | 5,781.00 | 5,933.00 | 5,958.00 | 6,028.00 |
| | FY 2020-21 | FY 2021-22 | FY 2022-23 | | | | | | |
| | ACTUAL | ACTUAL | ACTUAL | | | | | | |
| Florida Resident Distance Learning FTE | 3,372.13 | 2,415.33 | 2,237.43 | | | | | | |
| Non-Florida Resident Distance Learning FTE | 93.63 | 114.27 | 99.97 | | | | | | |
| Sum of Florida and Non-Florida Resident Distance Learning FTE | 3,465.77 | 2,529.60 | 2,337.40 | | | | | | |
| Unknown Distance Learning FTE | 1,043.70 | 649.63 | 584.10 | | | | | | |
| Ratio of Non-Florida Resident Distance Learning to Sum of Florida and Non-Florida FTE | 2.70% | 4.52% | 4.28% | | | | | | |
| Percentage of Unknown Distance Learning Assumed to be Non-Florida Residents | 2.70% | 4.52% | 4.28% | | | | | | |
| Unknown Distance Learning Assumed to be Non-Florida Residents FTE | 28.20 | 29.35 | 24.98 | | | | | | |
| Assumed Non-Florida Resident Distance Learning Pool | 121.83 | 143.62 | 124.95 | | | | | | |
| Ratio of Non-Florida Resident Distance Learning Pool to FTE Students | 2.00% | 2.62% | 2.41% | | | | | | |
| | Adjustment Factors for Ratios of Distance Learning to Projections | | | | | | | | |
| | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | | | |
| Adjustment Factors | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | | | |
| | Assumed Ratio for Projections | | | | | | | | |
| | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | | | |
| Non-Florida Resident Distance Learning Pool | 2.41% | 2.41% | 2.41% | 2.41% | 2.41% | 2.41% | | | |
| | Projected FTE | | | | | | | | |
| | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | | | |
| Non-Florida Resident Distance Learning Pool | 120.39 | 133.08 | 139.17 | 142.83 | 143.43 | 145.11 | | | |

Calculation of Credit Hours

| 1 FTE = 30 Credit Hours | Conversion of FTE to Credit Hours | | | | |
|---|-----------------------------------|------------|------------|------------|------------|
| | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Non-Florida Resident Distance Learning Pool | 3,992.40 | 4,175.10 | 4,284.90 | 4,302.90 | 4,353.30 |

Split of Credit Hours by Level

| | FY 2020-21 | FY 2021-22 | FY 2022-23 | | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
|---|--|------------|------------|--|------------|------------|------------|------------|------------|
| | ACTUAL | ACTUAL | ACTUAL | | | | | | |
| Percent of Lower Level Non-Florida Residents Distance Learning Pool | 85.11% | 83.30% | 81.90% | | | | | | |
| Percent of Upper Level Non-Florida Residents Distance Learning Pool | 14.90% | 16.70% | 18.10% | | | | | | |
| | Split of Credit Hours by Lower and Upper | | | | | | | | |
| | | | | | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Non-Florida Resident Distance Learning Pool | | | | | 3,992.40 | 4,175.10 | 4,284.90 | 4,302.90 | 4,353.30 |
| Lower | | | | | 3,269.92 | 3,419.56 | 3,509.49 | 3,524.23 | 3,565.51 |
| Upper | | | | | 722.48 | 755.54 | 775.41 | 778.67 | 787.79 |

Estimation of FTE Participation

| | Participation Rates in Pilot Distance Learning Program by Lower and Upper | | | | | |
|--|---|------------|------------|------------|------------|----------|
| | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | |
| Lower | 5.0% | 10.0% | 15.0% | 20.0% | 25.0% | |
| Upper | 5.0% | 10.0% | 15.0% | 20.0% | 25.0% | |
| | Credit Hours in Pilot Distance Learning Program by Lower and Upper | | | | | |
| | | | | | | |
| Non-Florida Resident Distance Learning | | 199.62 | 417.51 | 642.73 | 860.58 | 1,088.33 |
| Lower | | 163.50 | 341.96 | 526.42 | 704.85 | 891.38 |
| Upper | | 36.12 | 75.55 | 116.31 | 155.73 | 196.95 |

Pilot Distance Learning Program Cost

| Lower Level Distance Learning Cost per Credit Hour | | | | | | |
|--|--|--|----------------|----------------|-----------------|-----------------|
| | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 | | |
| | ACTUAL | ACTUAL | ACTUAL | ACTUAL | | |
| Tuition | \$ 82.78 | \$ 82.78 | \$ 82.78 | \$ 82.78 | | |
| Out of State Fee | \$ 248.33 | \$ 248.33 | \$ 248.33 | \$ 248.33 | | |
| Student Financial Aid Fee | \$ 16.56 | \$ 16.56 | \$ 16.56 | \$ 16.56 | | |
| Student Activity Fee | \$ 8.28 | \$ 8.28 | \$ 8.28 | \$ 8.28 | | |
| Capital Improvement Fee | \$ 35.55 | \$ 35.55 | \$ 35.55 | \$ 35.55 | | |
| Technology Fee | \$ 16.56 | \$ 16.56 | \$ 16.56 | \$ 16.56 | | |
| Distance Learning Fee | \$ - | \$ - | \$ - | \$ - | | |
| Total | \$ 408.06 | \$ 408.06 | \$ 408.06 | \$ 408.06 | | |
| Upper Level Distance Learning Cost per Credit Hour | | | | | | |
| | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 | | |
| | ACTUAL | ACTUAL | ACTUAL | ACTUAL | | |
| Tuition | \$ 91.79 | \$ 91.79 | \$ 91.79 | \$ 91.79 | | |
| Out of State Fee | \$ 289.31 | \$ 289.31 | \$ 289.31 | \$ 289.31 | | |
| Student Financial Aid Fee | \$ 19.06 | \$ 19.06 | \$ 19.06 | \$ 19.06 | | |
| Student Activity Fee | \$ 9.18 | \$ 9.18 | \$ 9.18 | \$ 9.18 | | |
| Capital Improvement Fee | \$ 40.30 | \$ 40.30 | \$ 40.30 | \$ 40.30 | | |
| Technology Fee | \$ 19.06 | \$ 19.06 | \$ 19.06 | \$ 19.06 | | |
| Distance Learning Fee | \$ - | \$ - | \$ - | \$ - | | |
| Total | \$ 468.70 | \$ 468.70 | \$ 468.70 | \$ 468.70 | | |
| | Distance Learning Cost per Credit Hour | | | | | |
| | | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Lower | | \$ 408.06 | \$ 408.06 | \$ 408.06 | \$ 408.06 | \$ 408.06 |
| Upper | | \$ 468.70 | \$ 468.70 | \$ 468.70 | \$ 468.70 | \$ 468.70 |
| Maximum Cost per Credit Hour of Non-Florida Resident Distance Learning = \$290 | | Cost Differential of Distance Learning per Credit Hour and \$290 Maximum | | | | |
| | | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Lower | | \$ (118.06) | \$ (118.06) | \$ (118.06) | \$ (118.06) | \$ (118.06) |
| Upper | | \$ (178.70) | \$ (178.70) | \$ (178.70) | \$ (178.70) | \$ (178.70) |
| | Impact of \$290 Maximum Cost per Credit Hours by Upper and Lower | | | | | |
| | | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Non-Florida Resident Distance Learning Pilot | | \$ (25,757.45) | \$ (53,872.59) | \$ (82,933.75) | \$ (111,043.54) | \$ (140,431.29) |
| Lower | | \$ (19,302.81) | \$ (40,371.80) | \$ (62,149.15) | \$ (83,214.59) | \$ (105,236.32) |
| Upper | | \$ (6,454.64) | \$ (13,500.79) | \$ (20,784.60) | \$ (27,828.95) | \$ (35,194.97) |

Tallahassee Community College

Estimation of Non-Florida Distance Learning Pool FTE Projections

| | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 | DOE FTE Projections with College Adjustments | | | | |
|---|------------|------------|------------|------------|--|------------|------------|------------|------------|
| | ACTUAL | ACTUAL | ACTUAL | FTE-1A | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Number of Total FTE Students | 8,596.40 | 9,043.70 | 8,985.60 | 9,778.00 | 10,142.00 | 10,351.00 | 10,537.00 | 10,740.00 | 10,938.00 |
| | FY 2020-21 | FY 2021-22 | FY 2022-23 | | | | | | |
| | ACTUAL | ACTUAL | ACTUAL | | | | | | |
| Florida Resident Distance Learning FTE | 4,806.70 | 3,432.13 | 3,427.20 | | | | | | |
| Non-Florida Resident Distance Learning FTE | 274.03 | 182.50 | 126.53 | | | | | | |
| Sum of Florida and Non-Florida Resident Distance Learning FTE | 5,080.73 | 3,614.63 | 3,553.73 | | | | | | |
| Unknown Distance Learning FTE | 237.43 | 189.80 | 212.30 | | | | | | |
| Ratio of Non-Florida Resident Distance Learning to Sum of Florida and Non-Florida FTE | 5.39% | 5.05% | 3.56% | | | | | | |
| Percentage of Unknown Distance Learning Assumed to be Non-Florida Residents | 5.39% | 5.05% | 3.56% | | | | | | |
| Unknown Distance Learning Assumed to be Non-Florida Residents FTE | 12.81 | 9.58 | 7.56 | | | | | | |
| Assumed Non-Florida Resident Distance Learning Pool | 286.84 | 192.08 | 134.09 | | | | | | |
| Ratio of Non-Florida Resident Distance Learning Pool to FTE Students | 3.34% | 2.12% | 1.49% | | | | | | |
| Adjustment Factors for Ratios of Distance Learning to Projections | | | | | | | | | |
| | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | | | |
| Adjustment Factors | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | | | |
| Assumed Ratio for Projections | | | | | | | | | |
| | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | | | |
| Non-Florida Resident Distance Learning Pool | 1.49% | 1.49% | 1.49% | 1.49% | 1.49% | 1.49% | | | |
| Projected FTE | | | | | | | | | |
| | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | | | |
| Non-Florida Resident Distance Learning Pool | 145.91 | 151.35 | 154.47 | 157.24 | 160.27 | 163.23 | | | |

Calculation of Credit Hours

| 1 FTE = 30 Credit Hours | Conversion of FTE to Credit Hours | | | | |
|---|-----------------------------------|------------|------------|------------|------------|
| | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Non-Florida Resident Distance Learning Pool | 4,540.50 | 4,634.10 | 4,717.20 | 4,808.10 | 4,896.90 |

Split of Credit Hours by Level

| | FY 2020-21 | FY 2021-22 | FY 2022-23 | | | |
|---|------------|------------|------------|------------|------------|--|
| | ACTUAL | ACTUAL | ACTUAL | | | |
| Percent of Lower Level Non-Florida Residents Distance Learning Pool | 99.51% | 99.30% | 99.39% | | | |
| Percent of Upper Level Non-Florida Residents Distance Learning Pool | 0.50% | 0.70% | 0.61% | | | |
| Split of Credit Hours by Lower and Upper | | | | | | |
| | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | |
| Non-Florida Resident Distance Learning Pool | 4,540.50 | 4,634.10 | 4,717.20 | 4,808.10 | 4,896.90 | |
| Lower | 4,512.60 | 4,605.63 | 4,688.21 | 4,778.56 | 4,866.81 | |
| Upper | 27.90 | 28.47 | 28.99 | 29.54 | 30.09 | |

Estimation of FTE Participation

| Participation Rates in Pilot Distance Learning Program by Lower and Upper | | | | | |
|---|------------|------------|------------|------------|------------|
| | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Lower | 5.0% | 10.0% | 15.0% | 20.0% | 25.0% |
| Upper | 5.0% | 10.0% | 15.0% | 20.0% | 25.0% |
| Credit Hours in Pilot Distance Learning Program by Lower and Upper | | | | | |
| | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Non-Florida Resident Distance Learning | 227.03 | 463.41 | 707.58 | 961.62 | 1,224.22 |
| Lower | 225.63 | 460.56 | 703.23 | 955.71 | 1,216.70 |
| Upper | 1.40 | 2.85 | 4.35 | 5.91 | 7.52 |

Pilot Distance Learning Program Cost

| Lower Level Distance Learning Cost per Credit Hour | | | | | |
|--|----------------|----------------|----------------|-----------------|-----------------|
| | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 | |
| | ACTUAL | ACTUAL | ACTUAL | ACTUAL | |
| Tuition | \$ 76.80 | \$ 76.80 | \$ 76.80 | \$ 76.80 | |
| Out of State Fee | \$ 230.40 | \$ 230.40 | \$ 230.40 | \$ 230.40 | |
| Student Financial Aid Fee | \$ 15.36 | \$ 15.36 | \$ 15.36 | \$ 15.36 | |
| Student Activity Fee | \$ 5.35 | \$ 5.35 | \$ 5.35 | \$ 5.35 | |
| Capital Improvement Fee | \$ 44.00 | \$ 44.00 | \$ 44.00 | \$ 44.00 | |
| Technology Fee | \$ 15.36 | \$ 15.36 | \$ 15.36 | \$ 15.36 | |
| Distance Learning Fee | \$ 10.00 | \$ 10.00 | \$ 10.00 | \$ 10.00 | |
| Total | \$ 397.27 | \$ 397.27 | \$ 397.27 | \$ 397.27 | |
| Upper Level Distance Learning Cost per Credit Hour | | | | | |
| | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 | |
| | ACTUAL | ACTUAL | ACTUAL | ACTUAL | |
| Tuition | \$ 91.79 | \$ 91.79 | \$ 91.79 | \$ 91.79 | |
| Out of State Fee | \$ 275.37 | \$ 275.37 | \$ 275.37 | \$ 275.37 | |
| Student Financial Aid Fee | \$ 18.36 | \$ 18.36 | \$ 18.36 | \$ 18.36 | |
| Student Activity Fee | \$ 9.18 | \$ 9.18 | \$ 9.18 | \$ 9.18 | |
| Capital Improvement Fee | \$ 73.43 | \$ 73.43 | \$ 73.43 | \$ 73.43 | |
| Technology Fee | \$ 18.36 | \$ 18.36 | \$ 18.36 | \$ 18.36 | |
| Distance Learning Fee | \$ 10.00 | \$ 10.00 | \$ 10.00 | \$ 10.00 | |
| Total | \$ 496.49 | \$ 496.49 | \$ 496.49 | \$ 496.49 | |
| Distance Learning Cost per Credit Hour | | | | | |
| | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Lower | \$ 397.27 | \$ 397.27 | \$ 397.27 | \$ 397.27 | \$ 397.27 |
| Upper | \$ 496.49 | \$ 496.49 | \$ 496.49 | \$ 496.49 | \$ 496.49 |
| Maximum Cost per Credit Hour of Non-Florida Resident Distance Learning = \$290 | | | | | |
| Cost Differential of Distance Learning per Credit Hour and \$290 Maximum | | | | | |
| | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Lower | \$ (107.27) | \$ (107.27) | \$ (107.27) | \$ (107.27) | \$ (107.27) |
| Upper | \$ (206.49) | \$ (206.49) | \$ (206.49) | \$ (206.49) | \$ (206.49) |
| Impact of \$290 Maximum Cost per Credit Hours by Upper and Lower | | | | | |
| | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Non-Florida Resident Distance Learning Pilot | \$ (24,492.42) | \$ (49,992.77) | \$ (76,333.71) | \$ (103,739.37) | \$ (132,068.21) |
| Lower | \$ (24,203.33) | \$ (49,404.27) | \$ (75,435.48) | \$ (102,519.01) | \$ (130,515.41) |
| Upper | \$ (289.09) | \$ (588.50) | \$ (898.23) | \$ (1,220.36) | \$ (1,552.80) |

REVENUE ESTIMATING CONFERENCE

Revenue Source: Counties’ Medicaid Share

Issue: County Contributions to Medicaid

Bill Number(s): HB5003 - Section 30

Entire Bill

Partial Bill:

Sponsor(s): Representative Leek

Month/Year Impact Begins: July 1, 2024

Date(s) Conference Reviewed: 05/22/2024

Section 1: Narrative

- a. **Current Law:** Per s. 409.915 (1), F.S., the term “state Medicaid expenditures” means those expenditures used as matching funds for the federal Medicaid program. Section 27 of chapter 2023-240, Laws of Florida redefined "state Medicaid expenditures" to "not include funds specifically assessed by any local governmental entity and used as the nonfederal share for the hospital directed payment program after July 1, 2021. This paragraph expires July 1, 2024.
- b. **Proposed Change:** Section 30 of HB 5003 extends the expiration date of section 27 of chapter 2023-240, Laws of Florida by one year to July 1, 2025.

Section 2: Description of Data and Sources

January 8, 2024 Social Services Estimating Conference Long-term Medicaid Services and Expenditures Forecast
 January 16, 2024 Revenue Estimating Conference General revenue Fund: Table 24 Counties’ Medicaid Share
 FY 2021-2022 AHCA Medicaid Reconciliation-July 2021 - June 2022 INCLUDING CF as of 09312022 report
 FY 2022-2023 AHCA Medicaid Reconciliation - July 2022 - June 2023 Including CF - 10-26-2023

Section 3: Methodology (Include Assumptions and Attach Details)

By subtracting the FY 2021-22 and FY 2022-23 Hospital Direct Payment Program state expenditures in the AHCA Reconciliation report from the total state Medicaid expenditures for those fiscal years, the new FY 2024-25 Counties’ Medicaid Share is calculated using this revised state Medicaid expenditures definition under HB 5003 S. 30. (See attached)

Section 4: Proposed Fiscal Impact

| | High | | Middle | | Low | |
|---------|------|-----------|---------|-----------|------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | | | \$(0.5) | \$0 | | |
| 2025-26 | | | \$(0.6) | \$0 | | |
| 2026-27 | | | \$(0.6) | \$0 | | |
| 2027-28 | | | \$(0.6) | \$0 | | |
| 2028-29 | | | \$(0.6) | \$0 | | |

Revenue Distribution: General Revenue

Section 5: Consensus Estimate (Adopted: 05/22/2024): The Conference adopted the proposed cash estimate and a recurring impact that is equal to cash for each year.

| | GR | | Trust | | Local/Other | | Total | |
|---------|-------|-----------|-------|-----------|-------------|-----------|-------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | (0.5) | (0.5) | 0.0 | 0.0 | 0.0 | 0.0 | (0.5) | (0.5) |
| 2025-26 | (0.6) | (0.6) | 0.0 | 0.0 | 0.0 | 0.0 | (0.6) | (0.6) |
| 2026-27 | (0.6) | (0.6) | 0.0 | 0.0 | 0.0 | 0.0 | (0.6) | (0.6) |
| 2027-28 | (0.6) | (0.6) | 0.0 | 0.0 | 0.0 | 0.0 | (0.6) | (0.6) |
| 2028-29 | (0.6) | (0.6) | 0.0 | 0.0 | 0.0 | 0.0 | (0.6) | (0.6) |

| SOCIAL SERVICES ESTIMATING CONFERENCE OF January 18, 2024 | | | | | | | | | | | |
|---|----------|-------|--------------------|------------|--------------------|------------|--------------|---------|------------------|----------|-------|
| County Contributions to Medicaid per s. 409.915, F.S. | | | | | | | | | | | |
| | | | | | | | | | NEW FORECAST | | |
| August 2023 | | | Completed SFY 1 | | Completed SFY 2 | | | County | | | |
| REC | % Change | | State Medicaid Exp | | State Medicaid Exp | % Chg | Contribution | FY | January 2024 REC | % Change | |
| 2023-24 | \$ 311.9 | 9.2% | 2020-21 | \$9,589.7 | 2021-22* | \$10,474.4 | 9.2% | \$311.9 | 2023-24 | \$ 311.9 | 9.2% |
| 2024-25 | \$ 369.2 | 18.4% | 2021-22 | \$11,061.1 | 2022-23 | \$13,038.1 | 17.9% | \$367.7 | 2024-25 | \$ 367.7 | 17.9% |
| 2025-26 | \$ 413.2 | 11.9% | 2022-23 | \$13,038.1 | 2023-24 | \$14,675.2 | 12.6% | \$413.8 | 2025-26 | \$ 413.8 | 12.6% |
| 2026-27 | \$ 433.8 | 5.0% | 2023-24 | \$14,675.2 | 2024-25 | \$15,594.2 | 6.3% | \$439.7 | 2026-27 | \$ 439.7 | 6.3% |
| 2027-28 | \$ 445.7 | 2.7% | 2024-25 | \$15,594.2 | 2025-26 | \$16,248.3 | 4.2% | \$458.2 | 2027-28 | \$ 458.2 | 4.2% |
| 2028-29 | \$ 456.6 | 2.4% | 2025-26 | \$16,248.3 | 2026-27 | \$16,827.7 | 3.6% | \$474.5 | 2028-29 | \$ 474.5 | 3.6% |

409.915 County contributions to Medicaid

- (2)(a) For the 2013-2014 state fiscal year, the total amount of the counties' annual contribution is \$269.6 million.
- (b) For the 2014-2015 state fiscal year, the total amount of the counties' annual contribution is \$277 million.
- (c) By March 15, 2015, and each year thereafter, the Social Services Estimating Conference shall determine the percentage change in state Medicaid expenditures by comparing expenditures for the 2 most recent completed state fiscal years.
- (d) For the 2015-2016 state fiscal year through the 2019-2020 state fiscal year, the total amount of the counties' annual contribution shall be the total contribution for the prior fiscal year adjusted by 50 percent of the percentage change in the state Medicaid expenditures as determined by the SSEC.
- (e) For each fiscal year after the 2019-2020 state fiscal year, the total amount of the counties' annual contribution shall be the total contribution for the prior fiscal year adjusted by the percentage change in the state Medicaid expenditures as determined by the Social Services Estimating Conference.

* Section 27 of chapter 2023-240, Laws of Florida redefined "state Medicaid expenditures" to "not include funds specifically assessed by any local governmental entity and used as the nonfederal share for the hospital directed payment program after July 1, 2021. This paragraph expires July 1, 2024"

Agency for Health Care Administration
Fiscal Year 2021 - 2022 Monthly Medicaid Reconciliation
July 2021 - September 2022 Expenditures by Fund from FLAIR

| Budget Entity | Category Title | Sum of FY 20-21 Total FLAIR Expenditures including CF |
|----------------------|-----------------------------|--|
| | PREPAID HEALTH PLANS - HDPP | 586,637,349.44 |
| | | 1,168,474,273.00 |

Agency for Health Care Administration
Fiscal Year 2022 - 2023 Monthly Medicaid Reconciliation
July 2022 - September 2023 Expenditures by Fund from FLAIR Including CF

| Budget Entity | Category Title | Category | FID | FY 22-23 Total FLAIR Expenditures Including CF |
|---------------|-------------------|----------|--------|--|
| | PREPAID HP - HDPP | 102675 | 339094 | 708,105,942.35 |
| | | | 474001 | 1,346,918,699.63 |

Section 30 HB 5003 Change to County Contributions to Medicaid

SSEC Calculation January 2024

| | |
|----------------|-------------|
| FY 2021-22 | \$ 11,061.1 |
| FY 2022-23 | \$ 13,038.1 |
| Percent Change | 17.9% |

| | |
|--|----------|
| FY 2021-22 PREPAID HEALTH PLANS - HDPP (State Share) | \$ 586.6 |
| FY 2022-23 PREPAID HEALTH PLANS - HDPP (State Share) | \$ 708.1 |

Change per Section 27 SB 2502

| | |
|----------------|-------------|
| FY 2020-21 | \$ 10,474.4 |
| FY 2021-22 | \$ 12,330.0 |
| Percent Change | 17.7% |

| | |
|--|----------|
| FY 23-24 Contribution | \$ 311.9 |
| FY 24-25 Contribution | \$ 367.7 |
| FY 24-25 Revised Contribution per Section 30 SB 5003 | \$ 367.2 |
| Change | \$ (0.5) |

| SOCIAL SERVICES ESTIMATING CONFERENCE OF January 18, 2024 | | | | | | | | | | | | | | | |
|---|----------|-------|--------------------|--|--------------------|------------|-----------|--------------|--------|---------|--------------|----------|-------|-------|----------|
| County Contributions to Medicaid per s. 409.915, F.S. | | | | | | | | | | | | | | | |
| | | | | | S30.HB5003 | | | | IMPACT | | | | | | |
| January 2024 | | | Completed SFY 1 | | Completed SFY 2 | | County | FY | | | May 2024 REC | % Change | | | |
| REC | % Change | | State Medicaid Exp | | State Medicaid Exp | | % Chg | Contribution | | | | | | | |
| 2023-24 | \$ | 311.9 | 9.2% | | 2020-21 | \$9,589.7 | 2021-22* | \$10,474.4 | 9.2% | \$311.9 | 2023-24 | \$ | 311.9 | 9.2% | \$ - |
| 2024-25 | \$ | 367.7 | 10.5% | | 2021-22** | \$10,474.4 | 2022-23** | \$12,330.0 | 17.7% | \$367.2 | 2024-25 | \$ | 367.2 | 17.7% | \$ (0.5) |
| 2025-26 | \$ | 413.8 | 20.1% | | 2022-23 | \$13,038.1 | 2023-24 | \$14,675.2 | 12.6% | \$413.3 | 2025-26 | \$ | 413.3 | 12.6% | \$ (0.6) |
| 2026-27 | \$ | 439.7 | 6.3% | | 2023-24 | \$14,675.2 | 2024-25 | \$15,594.2 | 6.3% | \$439.1 | 2026-27 | \$ | 439.1 | 6.3% | \$ (0.6) |
| 2027-28 | \$ | 458.2 | 4.2% | | 2024-25 | \$15,594.2 | 2025-26 | \$16,248.3 | 4.2% | \$457.6 | 2027-28 | \$ | 457.6 | 4.2% | \$ (0.6) |
| 2028-29 | \$ | 474.5 | 3.6% | | 2025-26 | \$16,248.3 | 2026-27 | \$16,827.7 | 3.6% | \$473.9 | 2028-29 | \$ | 473.9 | 3.6% | \$ (0.6) |

409.915 County contributions to Medicaid

- (2)(a) For the 2013-2014 state fiscal year, the total amount of the counties' annual contribution is \$269.6 million.
- (b) For the 2014-2015 state fiscal year, the total amount of the counties' annual contribution is \$277 million.
- (c) By March 15, 2015, and each year thereafter, the Social Services Estimating Conference shall determine the percentage change in state Medicaid expenditures by comparing expenditures for the 2 most recent completed state fiscal years.
- (d) For the 2015-2016 state fiscal year through the 2019-2020 state fiscal year, the total amount of the counties' annual contribution shall be the total contribution for the prior fiscal year adjusted by 50 percent of the percentage change in the state Medicaid expenditures as determined by the SSEC.
- (e) For each fiscal year after the 2019-2020 state fiscal year, the total amount of the counties' annual contribution shall be the total contribution for the prior fiscal year adjusted by the percentage change in the state Medicaid expenditures as determined by the Social Services Estimating Conference.

* Section 27 of chapter 2023-240, Laws of Florida redefined "state Medicaid expenditures" to "not include funds specifically assessed by any local governmental entity and used as the nonfederal share for the hospital directed payment program after July 1, 2021. This paragraph expires July 1, 2024"

** Section 30 of HB 5003 extends the expiration date of section 27 of chapter 2023-240, Laws of Florida by one year to July 1, 2025.

REVENUE ESTIMATING CONFERENCE

Revenue Source: Discretionary Sales Surtax

Issue: Hillsborough County Local Option Surtax

Bill Number(s): CS/HB 7073; HB 5001; HB 5003

Entire Bill

Partial Bill: CS/HB 7073 Section 29; HB 5001 Sections 281-284; HB 5003 Section 102

Sponsor(s): Representative Leek, Representative McClain

Month/Year Impact Begins: 7/1/2024 for CS/HB 7073; upon becoming law for HB 5001 Sections 281-284 and HB 5003 Section 102

Date(s) Conference Reviewed: 05/22/2024

Section 1: Narrative

- a. Current Law:** In March 2021, the Florida Supreme Court held that a Hillsborough County voter-approved one-cent sales tax in a charter amendment under section 212.055(1), Florida Statutes, for a variety of specific transportation projects was unconstitutional.¹ No remedy was provided by the Court for the disposition of the previously collected surtax. Hillsborough County filed a motion for supplemental relief in Hillsborough County Circuit Court. The request was denied in March 2022, noting “avenues for distributing or using those funds is under consideration in the Legislature.”² Section 155 of Chapter 2022-156, Laws of Florida, specified that any funds associated with the lawsuit were to be transferred to Department of Revenue (DOR) to be deposited in a separate account in the Discretionary Sales Surtax Clearing Trust Fund. On July 7, 2022, the Hillsborough County Circuit Court issued a final judgement that ordered the Hillsborough County Clerk of the Court to collect and transfer all surtax revenues received under the invalid surtax to DOR.³ The Clerk of the Court for Hillsborough County transferred a total of \$569,782,843.94 to DOR by August 2022. A class action lawsuit was filed in Leon County shortly after the Supreme Court’s decision in 2021,⁴ which is pending final adjudication.
- b. Proposed Change:** Section 29 of CS/HB 7073 specifies that if a discretionary sales surtax has been collected, but not expended, any county, municipality, school board, or other entity that received funds from such surtax must transfer the surtax proceeds, along with any interest earned upon such proceeds, to DOR within 60 days from the date of the final adjudication. DOR must deposit all amounts received in a separate account in the Discretionary Sales Surtax Clearing Trust Fund to be held in reserve for appropriation in the General Appropriations Act that takes effect on the July 1 immediately following the transfer of such funds to DOR.

Contingent upon CS/HB 7073 becoming law and final approval of a settlement agreement by a court of competent jurisdiction, sections 281 through 284 of HB 5001 (Fiscal Year 2024-25 General Appropriations Act) specify a disposition of the funds held in reserve in the Discretionary Sales Surtax Clearing Trust Fund, along with any interest earned from such funds. Section 281 requires DOR to transfer \$256,402,280 to the State Transportation Trust Fund in Fiscal Year 2023-24 for the purposes of resurfacing the county road system or the city street system within Hillsborough County. Section 282 requires DOR to transfer \$170,934,853 to a Qualified Settlement Fund with a claims administrator specifically appointed by a court of competent jurisdiction 1) to reimburse for legal fees and expenses and other allowable costs; 2) to reimburse for costs related to providing notice of the settlement, including a website, to persons who paid the discretionary sales surtax that was found to be invalid; 3) for processing valid refund claims related to the discretionary sales surtax that was found to be invalid on or before December 31, 2024. Any unused funds remaining in the Qualified Settlement Fund after all authorized purposes are complete must be returned to DOR as provided in the settlement agreement. DOR shall deposit such funds in the separate account for Hillsborough County within the Discretionary Sales Surtax Clearing Trust Fund to implement the temporary suspension of surtaxes authorized in section 212.054(9)(b), Florida Statutes. Section 283 requires the Chief Financial Officer to transfer \$19,465,394 from the interest earnings in the General Revenue Fund associated with the Hillsborough County discretionary sales surtax proceeds to the separate account for Hillsborough County established within the Discretionary Sales Surtax Clearing Trust Fund. Section 284 provides an appropriation of \$161,911,105 in Fiscal Year 2024-25 for DOR to implement the temporary suspension of surtaxes authorized in section 212.054(9)(b), Florida Statutes.

To implement section 284 of HB 5001, section 102 of HB 5003 specifies that DOR shall retain interest earnings associated with

¹ *Robert Emerson, et al. vs. Hillsborough County, Florida, etc., et al.*, No. SC2019-1250 (Fla.) and *Stacy White vs. Hillsborough County, Florida, etc., et al.*, No. SC2019-1343 (Fla.).

² *Stacy White v. Hillsborough County*, Case No. 18-CA-011749 (13th Cir. 2018); Final Order Denying Defendants’ Post-Judgment Motion for Supplemental Relief; March 25, 2022.

³ *Stacy White v. Hillsborough County*, Case No. 18-CA-011749 (13th Cir. 2018); Final Judgment on Supplemental Relief Claim; July 7, 2022.

⁴ *Robert Emerson vs. Florida Department of Revenue and Hillsborough County* (2021 CA 000487, 2nd Cir. 2021).

REVENUE ESTIMATING CONFERENCE

Revenue Source: Discretionary Sales Surtax
Issue: Hillsborough County Local Option Surtax
Bill Number(s): CS/HB 7073; HB 5001; HB 5003

the funds held in the separate account for Hillsborough County established within the Discretionary Sales Surtax Clearing Trust Fund to be used to implement the temporary suspension of surtaxes authorized in s. 212.054(9)(b), Florida Statutes.

Section 2: Description of Data and Sources

CS/HB 7073 Staff Bill Analysis
 DFS Division of Treasury calculation of Interest Earnings

Section 3: Methodology (Include Assumptions and Attach Details)

Sections 281 through 284 of the Fiscal Year 2024-25 General Appropriations Act appropriate all \$589.2 million of the surtax revenues in the Discretionary Sales Surtax Clearing Trust Fund, including the \$19.5 million in interest earnings to be transferred from the unallocated General Revenue Fund, and as such, are considered to be expenditures rather than revenue adjustments.

Section 4: Proposed Fiscal Impact

| GR | High | | Middle | | Low | |
|---------|------|-----------|--------|-----------|------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | | | 0.0 | 0.0 | | |
| 2025-26 | | | 0.0 | 0.0 | | |
| 2026-27 | | | 0.0 | 0.0 | | |
| 2027-28 | | | 0.0 | 0.0 | | |
| 2028-29 | | | 0.0 | 0.0 | | |

| TFs | High | | Middle | | Low | |
|---------|------|-----------|--------|-----------|------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | | | 0.0 | 0.0 | | |
| 2025-26 | | | 0.0 | 0.0 | | |
| 2026-27 | | | 0.0 | 0.0 | | |
| 2027-28 | | | 0.0 | 0.0 | | |
| 2028-29 | | | 0.0 | 0.0 | | |

Revenue Distribution:

General Revenue Fund, State Transportation Trust Fund, Discretionary Sales Surtax Clearing Trust Fund

Section 5: Consensus Estimate (Adopted: 05/22/2024): The Conference adopted the proposed estimate.

| | GR | | Trust | | Local/Other | | Total | |
|---------|------|-----------|-------|-----------|-------------|-----------|-------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 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 |
| 2028-29 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

REVENUE ESTIMATING CONFERENCE

Revenue Source: Documentary Stamp Tax

Issue: Exemption for Alarm System Contractors

Bill Number(s): CS/HB7073, Sections 20 and 21

Entire Bill

Partial Bill: Sections 20 and 21

Sponsor(s): Representative McClain

Month/Year Impact Begins: July 1st, 2024

Date(s) Conference Reviewed: January 26th, 2024
May 22nd, 2024

Section 1: Narrative

- a. **Current Law:** Notes given as payment for alarm systems are taxable at the Documentary Stamp Notes Tax Rate of 35¢ per \$100
- b. **Proposed Change:** The proposed language exempts non-interest-bearing notes from the documentary stamp tax so long as they are less than \$3,500 and made as payment to an alarm systems contractor in connection with the sale of an alarm system, using the definitions of “alarm system contractor” and “alarm system” from s.489.505 F.S. This language repeals itself on June 30th, 2027 unless reenacted by the legislature.

Section 2: Description of Data and Sources

Department of Revenue Tax Return Data

Section 3: Methodology (Include Assumptions and Attach Details)

[The impact to this bill from the 2023](#) session incorrectly states the Documentary Stamp Notes Tax Rate as being 35¢ per \$1,000 instead of per \$100. Correcting for this necessitates some change in methodology, especially given the overall confidence in the adopted impact (based on confidential discussions with industry members).

Assumptions:

- NAICS 561621: Security System Services (except Locksmiths) will contain the bulk of eligible entities.
- NAICS 238210: Electrical and Other Wiring Installation Contractions will contain a small number of eligible entities.
- The \$3,500 cap is irrelevant as there is no limit to the number of such notes that can be used to finance a single alarm system project.
- This payment system is in effect in all the major industry players and is assumed to be mirrored by the smaller players.

For the Middle, the estimate begins by pulling all entities in the two *given NAICS* (561621 and 238210) from the DOR tax return database.

1. It then takes all entities (by business partner, a unique registration identifier) in that pool and include all their other locations from the sales tax data. This is how it estimates alarm system installation from “non-primary” entities.
2. Using this new expanded pool of businesses, it sums reported gross sales by pool section, one section for each given NAICS and one section for all the estimated non-primary activity.
3. It assigns *Qualification Rates* to each section, for each impact. Qualification Rates are the percent of sales in each section capable of being packaged into a note. For the 2023 impact, much discussion was given to the qualification rates. The overall sentiment was that they were too high but produced a reasonable estimate. After correcting for the erroneous rate, this estimate can lower the qualification rates while keeping the impact within the analyst’s expected range.
 - a. The qualification rate in the middle is derived in last years impact. Keeping the 2023 adopted impact constant, while correcting the tax rate, creates the proposed qualification rates.
4. Arriving at the impact from here is arithmetic:
 - a. Dividing by the \$3,500 cap gives up the number of notes equivalent to the qualifying gross sales.
 - b. \$12.25 is the Notes Tax due on a \$3,500 note.

$$\text{Year 1 Impact} = \frac{\text{FY23 Gross Sales} \times \text{Qualification Rate}}{\$3,500 \text{ Cap}} \times \$12.25$$

5. The year 1 impact is grown by the Forecasted Docstamp growth rate from the January 2024 GR Conference.
6. First year cash is $51/52$ recurring to account for the 1-week lag in collection.
7. The impact ends in FY2026-27 due to the repeal date in Section 21.
8. When this impact was discussed during session, alternative high and low estimates were presented. The conference adopted the middle without modification, so for simplicity of presentation, only that methodology is considered here.

REVENUE ESTIMATING CONFERENCE

Revenue Source: Documentary Stamp Tax

Issue: Exemption for Alarm System Contractors

Bill Number(s): CS/HB7073, Sections 20 and 21

Section 4: Proposed Fiscal Impact

| | High | | Middle | | Low | |
|---------|------|-----------|------------|-----------|------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | | | \$(1.72) M | | | |
| 2025-26 | | | \$(1.83) M | | | |
| 2026-27 | | | \$(1.89) M | | | |
| 2027-28 | | | | | | |
| 2028-29 | | | | | | |

Revenue Distribution: Documentary Stamp Tax

Section 5: Consensus Estimate (Adopted: 05/22/2024): The Conference adopted the proposed estimate.

| | GR | | Trust | | Local/Other | | Total | |
|---------|-------|-----------|-------|-----------|-------------|-----------|-------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2023-24 | (0.7) | 0.0 | (1.0) | 0.0 | 0.0 | 0.0 | (1.7) | 0.0 |
| 2024-25 | (1.0) | 0.0 | (0.8) | 0.0 | 0.0 | 0.0 | (1.8) | 0.0 |
| 2025-26 | (1.0) | 0.0 | (0.9) | 0.0 | 0.0 | 0.0 | (1.9) | 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 |

| | A | B | C | D | E | F | G | H |
|----|---|--|---|-------------------|----------------------|-------------------------|------------------------|---|
| 1 | Inputs From Sales Tax Data | | | | | | | |
| 2 | NAICS | Description | | | 2023 Entities | 2023 Gross Sales | | |
| 3 | 561621 | Security Systems Services (except Locksmiths) | | | 1,379 | \$ | 4,311,479,592 | |
| 4 | 238210 | Electrical and Other Wiring Installation Contractors | | | 1,192 | \$ | 2,659,268,503 | |
| 5 | Other | Other Associated NAICS Dragged into the Analysis | | | 81 | \$ | 1,308,135,815 | |
| 6 | | | | | | | | |
| 7 | Qualification Rate | | | | | | | |
| 8 | NAICS | | | | Middle | | | |
| 9 | 561621 | | | | 9.04% | | | |
| 10 | 238210 | | | | 0.70% | | | |
| 11 | Other | | | | 7.13% | | | |
| 12 | | | | | | | | |
| 13 | Sales Pulled in by Qualification Rates | | | | | | | |
| 14 | <i>2023 Gross Sales * Qualification Rates</i> | | | | | | | |
| 15 | NAICS | | | | Middle | | | |
| 16 | 561621 | | | | \$ 389,616,972.14 | | | |
| 17 | 238210 | | | | \$ 18,690,857.50 | | | |
| 18 | Other | | | | \$ 93,256,736.06 | | | |
| 19 | | | | | | | | |
| 20 | Number of Equivalent Notes | | | | | | | |
| 21 | <i>Sales Pulled in by Qualification Rates / \$3,500</i> | | | | | | | |
| 22 | NAICS | | | | Middle | | | |
| 23 | 561621 | | | | 111,319.13 | | | |
| 24 | 238210 | | | | 5,340.24 | | | |
| 25 | Other | | | | 26,644.78 | | | |
| 26 | | | | | | | | |
| 27 | Impact of one \$3,500 Note | | | | | | | |
| 28 | Rate: 35¢ per \$100 | | | 100's in 3500: 35 | | | Notes tax due: \$12.25 | |
| 29 | | | | | | | | |
| 30 | Year 1 Docstamp Impact | | | | | | | |
| 31 | <i>Number of Equivalent Notes * \$12.25</i> | | | | | | | |
| 32 | NAICS | | | | Middle | | | |
| 33 | 561621 | | | | \$ 1,363,659.40 | | | |
| 34 | 238210 | | | | \$ 65,418.00 | | | |
| 35 | Other | | | | \$ 326,398.58 | | | |
| 36 | | | | | \$ 1,755,475.98 | | | |
| 37 | | | | | | | | |
| 39 | <i>Jan GR Adopted</i> | | | | | Middle | | |
| 40 | <i>Docstamp Rates</i> | | | | | Cash | Recurring | |
| 41 | 2024-25 | 6.3% | | | \$ (1.72) | | | |
| 42 | 2025-26 | 4.3% | | | \$ (1.83) | | | |
| 43 | 2026-27 | 3.2% | | | \$ (1.89) | | | |
| 44 | 2027-28 | 3.1% | | | | | | |
| 45 | 2028-29 | 3.0% | | | | | | |

| | I | J | K | L | M | N | O | P |
|----|--|--|----------------|-----------|----------------------|-------------------------|---------------|---|
| 1 | <i>This section is necessary to correct an error in tax rate from last year's impact. After correcting the rate, the below qualification rates</i> | | | | | | | |
| 2 | <i>arrive at the adopted impact.</i> | | | | | | | |
| 3 | Inputs From Sales Tax Data | | | | | | | |
| 4 | NAICS | Description | | | 2021 Entities | 2021 Gross Sales | | |
| 5 | 561621 | Security Systems Services (except Locksmiths) | | | 1,286 | \$ | 3,551,748,306 | |
| 6 | 238210 | Electrical and Other Wiring Installation Contractors | | | 711 | \$ | 1,967,269,224 | |
| 7 | Other | Other Associated NAICS Dragged into the Analysis | | | 312 | \$ | 1,194,788,774 | |
| 8 | | | | | | | | |
| 9 | Qualification Rate | | | | | | | |
| 10 | NAICS | Adopted Equivalent | | | | | | |
| 11 | 561621 | 9.04% | | | | | | |
| 12 | 238210 | 0.70% | | | | | | |
| 13 | Other | 7.13% | | | | | | |
| 14 | | | | | | | | |
| 15 | Sales Pulled in by Qualification Rates | | | | | | | |
| 16 | <i>2021 Gross Sales * Qualification Rates</i> | | | | | | | |
| 17 | NAICS | Adopted Equivalent | | | | | | |
| 18 | 561621 | \$ | 320,962,071.43 | | | | | |
| 19 | 238210 | \$ | 13,827,091.43 | | | | | |
| 20 | Other | \$ | 85,176,248.57 | | | | | |
| 21 | | | | | | | | |
| 22 | Number of Equivalent Notes | | | | | | | |
| 23 | <i>Sales Pulled in by Qualification Rates / \$3,500</i> | | | | | | | |
| 24 | NAICS | Adopted Equivalent | | | | | | |
| 25 | 561621 | 91,703.45 | | | | | | |
| 26 | 238210 | 3,950.60 | | | | | | |
| 27 | Other | 24,336.07 | | | | | | |
| 28 | | | | | | | | |
| 29 | Year 1 Docstamp Impact | | | | | | | |
| 30 | <i>Number of Equivalent Notes * \$12.25</i> | | | | | | | |
| 31 | NAICS | Feb 2023 Adopted | | | | | | |
| 32 | 561621 | \$ | 1,123,367.25 | | | | | |
| 33 | 238210 | \$ | 48,394.82 | | | | | |
| 34 | Other | \$ | 298,116.87 | | | | | |
| 35 | | \$ | 1,469,878.94 | | | | | |
| 36 | | | | | | | | |
| 37 | | | | | | | | |
| 39 | Adopted First Year Feb 2023 | | | | | | | |
| 40 | | | Cash | Recurring | | | | |
| 41 | | \$ | (1.47) | \$ (1.47) | | | | |
| 42 | | | | | | | | |
| 43 | | | | | | | | |
| 44 | | | | | | | | |
| 45 | | | | | | | | |

REVENUE ESTIMATING CONFERENCE

Revenue Source: Highway Safety Fees

Issue: Salvaged Vessels

Bill Number(s): CS/SB 1350

Entire Bill

Partial Bill: Section 1

Sponsor(s): Senator DeCeglie

Month/Year Impact Begins: 07/01/2024

Date(s) Conference Reviewed: 05/22/2024

Section 1: Narrative

a. Current Law: Section 319.30, F.S. defines terms and sets rules for the salvage (dismantling or destruction) of motor vehicles and motor homes. Section 319.32, F.S. charges a \$2 fee for each salvage certificate of title to be deposited into the General Revenue Fund.

b. Proposed Change: Section 319.30, F.S. is revised to include vessels in definitions and rules for the salvage titles.

Section 2: Description of Data and Sources

Highway Safety Revenue Estimating Conference held 01/03/2024 and Conference History

Email contact with HSMV staff.

HSMV Revenue Report for FY 2021-22

HSMV Agency Bill Review for CS SB 1350 prepared 01/11/2024

Section 3: Methodology (Include Assumptions and Attach Details)

There will be a positive impact to GR from vessels now paying the \$2 salvage title fee. The FY 2022-23 \$2 salvage title fee on automobiles was emailed from HSMV staff. This amount was grown by the title fees growth rate from the most recent Highway Safety REC. The FY 2022-23 percent vessels represent of automobiles was then used to project the \$2 salvage title fee collections from vessels. The first year cash is adjusted for a half month lag.

Section 4: Proposed Fiscal Impact

| GR | High | | Middle | | Low | |
|---------|------|-----------|--------|-----------|------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | | | 0.6 | 0.6 | | |
| 2025-26 | | | 0.6 | 0.6 | | |
| 2026-27 | | | 0.6 | 0.6 | | |
| 2027-28 | | | 0.6 | 0.6 | | |
| 2028-29 | | | 0.6 | 0.6 | | |

Revenue Distribution:

GR

Section 5: Consensus Estimate (Adopted: 05/22/2024): The Conference adopted the proposed estimate.

| | GR | | Trust | | Local/Other | | Total | |
|---------|------|-----------|-------|-----------|-------------|-----------|-------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | 0.6 | 0.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.6 | 0.6 |
| 2025-26 | 0.6 | 0.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.6 | 0.6 |
| 2026-27 | 0.6 | 0.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.6 | 0.6 |
| 2027-28 | 0.6 | 0.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.6 | 0.6 |
| 2028-29 | 0.6 | 0.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.6 | 0.6 |

| | A | B | C | D | E |
|----|--|--------------------------------|-----------------------|---|-----------------|
| 1 | | | | | |
| 2 | FY 2022-23 Data (HSMV History File) | | | | |
| 3 | Private Autos | 13,114,136 | | | |
| 4 | Trucks , 10,000 lbs | 1,238,799 | | | |
| 5 | For-Hire Autos | 1,630,563 | | | |
| 6 | Other Less Vessels & Trailers | 1,192,414 | | | |
| 7 | Total Autos | 17,175,912 | | | |
| 8 | Vessels | 1,446,048 | | | |
| 9 | % Vessels of Autos | 8.4% | | | |
| 10 | | | | | |
| 11 | Impact Calcs | | | | |
| 12 | | \$2 Salvage Titles on Autos | Title Growth Rates | Projected \$2 Salvage Titles on Vessels | First Year Cash |
| 13 | 2022-2023 | \$ 6,849,749 | | | |
| 14 | 2023-2024 | \$ 6,875,457 | 0.4% | | |
| 15 | 2024-2025 | \$ 6,944,867 | 1.0% | \$ 584,692 | \$ 560,329 |
| 16 | 2025-2026 | \$ 7,015,562 | 1.0% | \$ 590,643 | |
| 17 | 2026-2027 | \$ 7,070,833 | 0.8% | \$ 595,297 | |
| 18 | 2027-2028 | \$ 7,110,680 | 0.6% | \$ 598,651 | |
| 19 | 2028-2029 | \$ 7,144,099 | 0.5% | \$ 601,465 | |

REVENUE ESTIMATING CONFERENCE

Revenue Source: Other Taxes and Fees

Issue: School Bus Traffic Violations

Bill Number(s): CS/CS SB994

Entire Bill

Partial Bill: Section 2

Sponsor(s): Senator Burgess

Month/Year Impact Begins: Upon Becoming Law

Date(s) Conference Reviewed: 05/22/2024

Section 1: Narrative

- a. **Current Law:** Section 318.18(5)(c), F.S. charges a \$65 penalty for a violation of section 316.172(1)(a) or (b), F.S. to be deposited into the Emergency Medical Services Trust Fund of the department of Health. If the violation is enforced by a school bus infraction detection system, the \$65 fine is reduced to \$25.
- b. **Proposed Change:** Section 318.18(5)(c), F.S. is revised so that if a violation of 316.172(1)(a) or (b), F.S. is enforced by a school bus infraction detection system, the \$25 fine is instead remitted to the participating school district.

Section 2: Description of Data and Sources

Email contact with staff from DOR

CS/CS SB 994 Staff Analysis prepared by Committee on Fiscal Policy on 02/20/2024

Clerks 2023 Distribution Schedule of Fees, Charges, Costs, and Fines

Section 3: Methodology (Include Assumptions and Attach Details)

The bill redirects a \$25 penalty from the DOH EMS Trust Fund to local school funds. The redirection only occurs when the violation of failure to stop for a school bus is enforced by a school bus infraction detection system. There is no explicit forecast of the \$25 penalty in any revenue estimating conference. According to DOR staff, at this time no fines have been collected via enforcement by a school bus infraction detection system. Therefore, the impact to state trust is zero/negative indeterminate while the impact to local fund is zero/positive indeterminate.

Section 4: Proposed Fiscal Impact

| Trust | High | | Middle | | Low | |
|---------|------|-----------|--------|-----------|------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | | | 0/(**) | 0/(**) | | |
| 2025-26 | | | 0/(**) | 0/(**) | | |
| 2026-27 | | | 0/(**) | 0/(**) | | |
| 2027-28 | | | 0/(**) | 0/(**) | | |
| 2028-29 | | | 0/(**) | 0/(**) | | |

| Local | High | | Middle | | Low | |
|---------|------|-----------|--------|-----------|------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | | | 0/** | 0/** | | |
| 2025-26 | | | 0/** | 0/** | | |
| 2026-27 | | | 0/** | 0/** | | |
| 2027-28 | | | 0/** | 0/** | | |
| 2028-29 | | | 0/** | 0/** | | |

Revenue Distribution:

Emergency Medical Services Trust Fund

Local School District Funds

REVENUE ESTIMATING CONFERENCE

Revenue Source: Other Taxes and Fees

Issue: School Bus Traffic Violations

Bill Number(s): CS/CS SB994

Section 5: Consensus Estimate (Adopted: 05/22/2024): The Conference adopted a negative indeterminate to state trust fund and positive indeterminate to local.

| | GR | | Trust | | Local/Other | | Total | |
|---------|------|-----------|-------|-----------|-------------|-----------|-------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | (**) | (**) | (**) | (**) | ** | ** | 0.0 | 0.0 |
| 2025-26 | (**) | (**) | (**) | (**) | ** | ** | 0.0 | 0.0 |
| 2026-27 | (**) | (**) | (**) | (**) | ** | ** | 0.0 | 0.0 |
| 2027-28 | (**) | (**) | (**) | (**) | ** | ** | 0.0 | 0.0 |
| 2028-29 | (**) | (**) | (**) | (**) | ** | ** | 0.0 | 0.0 |

REVENUE ESTIMATING CONFERENCE

Revenue Source: State School Trust Fund

Issue: Unclaimed Property – Virtual Currency

Bill Number(s): CS/CS/CS/HB 989

Entire Bill

Partial Bill: Sections 39, 40, 42

Sponsor(s): Representative Mooney

Month/Year Impact Begins: July 2024

Date(s) Conference Reviewed: 5/22/2024

Section 1: Narrative

a. **Current Law:** There is no definition of virtual currency in the unclaimed property chapter.

b. **Proposed Change:** (4) The bill adds a definition of virtual currency to unclaimed property law.

Defines virtual currency as digital units of exchange that:

1. Have a centralized repository or administrator;
2. Are decentralized and have no centralized repository or administrator; or
3. May be created or obtained by computing or manufacturing effort.

Does not include:

1. Digital units that:
 - a. Are used solely within online gaming platforms;
 - b. Have no market or application outside of the online gaming platforms mentioned above;
 - c. Can't be converted into or redeemed for fiat currency or virtual currency; and
 - d. Can't be redeemed for real-world goods, services, discounts, or purchases.
2. Digital units that can be redeemed for:
 - a. Real-world goods, services, discounts, or purchase as part of a customer affinity or rewards program with the issuer or other designated merchants; or
 - b. Digital units in another customer affinity or rewards program, but cannot be converted into, or redeemed for, fiat currency or virtual currency
3. Digital units used as part of prepaid cards.

All virtual currency reported under this chapter on the annual report filing required in s. 717.117 shall be remitted to the department with the report. The holder shall liquidate the virtual currency and remit the proceeds to the department. The liquidation must occur within 30 days before the filing of the report.

Section 2: Description of Data and Sources:

Unclaimed Property Department (Department) Data and Discussion

Section 3: Methodology (Include Assumptions and Attach Details)

CS/CS/CS/HB 989 changes several sections of s.717.117. Most of the section changes are administrative and cover how unclaimed property is reported, collected, enforced, and distributed. Examples: include the dollar amount that must be reported with identifying information, when a stock or other equity interest is deemed unclaimed, removing the paper option for reporting, etc. After discussion with the Department, it appears that the only impact will come from the inclusion of virtual currency as unclaimed and the requirement that now financial firms must report them to the department. Currently, some financial institutions, but not all, report virtual currency to the Department. In 2022, \$42,368 was reported to the Department. In 2023, \$474,448.97 was reported to the Department. One firm, Coinbase, was responsible for 99% of the reported unclaimed property. It is likely with the increasing popularity of virtual currency that the amount of reported will increase and be a significant. However, the exact amount is difficult to estimate due to the newness of virtual currency and the limited data from the Department.

REVENUE ESTIMATING CONFERENCE

Revenue Source: State School Trust Fund
Issue: Unclaimed Property – Virtual Currency
Bill Number(s): CS/CS/CS/HB 989

Section 4: Proposed Fiscal Impact

| | High | | Middle | | Low | |
|---------|------|-----------|--------|-----------|------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | | | | ** | | |
| 2025-26 | | | | ** | | |
| 2026-27 | | | | ** | | |
| 2027-28 | | | | ** | | |
| 2028-29 | | | | ** | | |

Revenue Distribution: State School Trust Fund

Section 5: Consensus Estimate (Adopted: 05/22/2024): The Conference adopted a positive indeterminate impact.

| | GR | | Trust | | Local/Other | | Total | |
|---------|------|-----------|-------|-----------|-------------|-----------|-------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | 0.0 | 0.0 | ** | ** | 0.0 | 0.0 | ** | ** |
| 2025-26 | 0.0 | 0.0 | ** | ** | 0.0 | 0.0 | ** | ** |
| 2026-27 | 0.0 | 0.0 | ** | ** | 0.0 | 0.0 | ** | ** |
| 2027-28 | 0.0 | 0.0 | ** | ** | 0.0 | 0.0 | ** | ** |
| 2028-29 | 0.0 | 0.0 | ** | ** | 0.0 | 0.0 | ** | ** |

REVENUE ESTIMATING CONFERENCE

Revenue Source: Juvenile Justice Cost of Care Fee

Issue: Cost of Care Fee

Bill Number(s): CS/HB 1425/Chapter No. 2024-133

Entire Bill

Partial Bill: Section 10

Sponsor(s): House Judiciary Committee and Representative Yarkosky

Month/Year Impact Begins: July 1, 2024

Date(s) Conference Reviewed:

Section 1: Narrative

a. Current Law: The Florida Department of Juvenile Justice (DJJ) has four restrictiveness levels for youth based on assessed risk to public safety. Three of the four levels result in a residential placement in a facility and fall under DJJ’s Residential Services unit. The fourth, called minimum-risk nonresidential, is the least restrictive and falls under DJJ’s Probation and Community Intervention unit.

The minimum-risk nonresidential level operates differently than the other three levels. While the three levels under the Residential Services unit result in a commitment to a facility, the minimum-risk nonresidential commitment level allows youth to stay at home in the community under supervision.

When a child is placed under minimum-risk nonresidential, the court must order the parent to pay a cost of care fee of \$1 per day. The \$1 fee also applies for other types of community supervision, including probation.

b. Proposed Change: The bill eliminates the minimum-risk nonresidential commitment level for youth.

Section 2: Description of Data and Sources:

- Email correspondence with the DJJ.
- DJJ, *Residential Services*, available at: <https://www.djj.state.fl.us/services/residential-services> (last visited May 6, 2024).
- DJJ, *Probation Services Comprehensive Accountability Report 2022-23*, available at: <https://www.djj.state.fl.us/research/reports-and-data/research-reports/comprehensive-accountability-report> (last visited May, 6, 2024).
- Florida Senate, *Bill Analysis and Impact Statement for CS/CS/SB 1352*, available at: <https://www.flsenate.gov/Session/Bill/2024/1352/?Tab=Analyses> (last visited May 21, 2024).

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

Each year, there is a small number of youth under minimum-risk nonresidential (see summary statistics below). DJJ reported that the courts will likely order probation in almost all cases for youth who would have previously been under minimum-risk nonresidential. Probation has the same \$1 fee as minimum-risk nonresidential, resulting in no anticipated revenue impact.

There is a possibility that courts may classify these youth under a residential setting in a facility, which has a \$5 fee per day. This could result in a positive insignificant impact.

Minimum Risk Commitment

| Fiscal Year | Youth Served | Days Served During FY | | | |
|-------------|--------------|-----------------------|-----|-------|--------|
| | | Min | Max | Mean | Median |
| FY 2020-21 | 61 | 1 | 349 | 98.6 | 83.5 |
| FY 2021-22 | 71 | 1 | 365 | 104.0 | 90.5 |
| FY 2022-23 | 54 | 1 | 365 | 107.9 | 79.0 |

REVENUE ESTIMATING CONFERENCE

Revenue Source: Juvenile Justice Cost of Care Fee

Issue: Cost of Care Fee

Bill Number(s): CS/HB 1425/Chapter No. 2024-133

Section 4: Proposed Fiscal Impact

| | High | | Middle | | Low | |
|---------|------|-----------|--------|-----------|------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | * | * | 0 | 0 | | |
| 2025-26 | * | * | 0 | 0 | | |
| 2026-27 | * | * | 0 | 0 | | |
| 2027-28 | * | * | 0 | 0 | | |
| 2028-29 | * | * | 0 | 0 | | |

Revenue Distribution:

Section 5: Consensus Estimate (Adopted: 05/22/2024): The Conference adopted the middle estimate.

| | GR | | Trust | | Local/Other | | Total | |
|---------|------|-----------|-------|-----------|-------------|-----------|-------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 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 |
| 2028-29 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

REVENUE ESTIMATING CONFERENCE

Revenue Source: Other Taxes and Fees

Issue: Reciprocal Insurer

Bill Number(s): CS/CS/HB 1611

Entire Bill

Partial Bill:

Sponsor(s): Rep. Stevenson

Month/Year Impact Begins: July 1, 2024

Date(s) Conference Reviewed: May 22, 2024

Section 1: Narrative

- a. **Current Law:** “Reciprocal insurance” by definition is that resulting from an interexchange among persons, known as “subscribers,” of reciprocal agreements of indemnity, the interexchange being effectuated through an “attorney in fact” common to all such persons.¹

In other words, reciprocal insurance is an unincorporated organizational structure owned by its subscribers (policyholders) and managed by a third-party known as an attorney in fact.² “The subscribers then assume one another’s risks by exchanging insurance contracts, so they are basically both the insurers and the insureds.”³ Common examples include Farmers Insurance and USAA.

Under Florida’s reciprocal insurance law, an “attorney” or “attorney in fact” may be an individual, corporation, or other person.⁴

Twenty-five or more persons domiciled in this state may organize a domestic reciprocal insurer and make application to the Office of Insurance Regulation for a certificate of authority to transact insurance.⁵ The application fee for a certificate of authority is \$1,500.⁶ In addition, there is an annual license fee of \$1,000 and a one-time permit fee of \$25.⁷

Florida law does not specifically address acquisitions of reciprocal insurers. However, since 2015 there have been 8 acquisitions.⁸ The application fee is \$1,500.

- b. **Proposed Change:** Sections 15, 16, and 19 of CS/CS/HB 1611 amend portions of Florida’s insurance code regarding reciprocal insurers.

Section 15, Organization of Reciprocal Insurers, amends section 629.081, F.S., to specify the process in which a prospective reciprocal insurer follows to organize. It codifies how a permit must be obtained prior to application for a certificate of authority as well as necessary information to accompany the application, including articles of incorporation and background checks, for example.

Section 16, Reciprocal Certificate of Authority, amends section 629.091, F.S., to specify what information must be submitted to the Office of Insurance Regulation by an attorney in fact as well as its subscribers during the application for a certificate of authority.

Section 19, Acquisitions, creates section 629.225, F.S, to codify a process in which a reciprocal insurer may be acquired in Florida.

Section 2: Description of Data and Sources

Data was provided during a conversation with representatives from the Office of Insurance Regulation.

¹ Section 629.011, F.S.

² Yates, Natalie Varnay, *Reciprocal Insurance Exchange*, U.S. News and World Report, Feb. 15, 2024, <https://www.usnews.com/insurance/glossary/reciprocal-insurance-exchange> (last visited May 9, 2024)

³ Id.

⁴ Section 629.061, F.S.

⁵ Section 629.081, F.S.

⁶ Section 624.501(1)(a), F.S.

⁷ Section 624.501(3), F.S.

⁸ Discussion with the Office of Insurance Regulation.

REVENUE ESTIMATING CONFERENCE

Revenue Source: Other Taxes and Fees

Issue: Reciprocal Insurer

Bill Number(s): CS/CS/HB 1611

Florida has experienced a significant increase in the reciprocal insurance market since 2021. Prior to 2021, there were 5 reciprocal insurers in Florida. Since 2021, that number more than doubled to 11.

Likewise, acquisitions of reciprocal insurers has substantially increased in recent years. There was one acquisition in 2015 and one in 2016. Since 2020, there have been 6.

Section 3: Methodology (Include Assumptions and Attach Details)

Based on discussions with the Office of Insurance Regulation changes made by the bill, including reference to fees (see line 723 or 919), are codifying current law/current administration.

Consequently, new entrants or entrants through acquisition will be subject to the same fees as those in effect prior to the law change. As a result, the proposed fiscal impact is zero.

Section 4: Proposed Fiscal Impact

| | High | | Middle | | Low | |
|---------|------|-----------|--------|-----------|------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | | | \$0 | \$0 | | |
| 2025-26 | | | \$0 | \$0 | | |
| 2026-27 | | | \$0 | \$0 | | |
| 2027-28 | | | \$0 | \$0 | | |
| 2028-29 | | | \$0 | \$0 | | |

Revenue Distribution: Insurance Regulatory Trust Fund

Section 5: Consensus Estimate (Adopted: 05/22/2024): The Conference adopted the proposed estimate.

| | GR | | Trust | | Local/Other | | Total | |
|---------|------|-----------|-------|-----------|-------------|-----------|-------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 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 |
| 2028-29 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

REVENUE ESTIMATING CONFERENCE

Revenue Source: Other Taxes and Fees
Issue: Water Well Contractor License Application
Bill Number(s): CS/CS/SB 1136

- Entire Bill**
- Partial Bill:**

Sponsor(s): Sen. Trumbull
Month/Year Impact Begins: July 1, 2024
Date(s) Conference Reviewed: May 22, 2024

Section 1: Narrative

a. Current Law:

Section 373.323, F.S., requires that every person engaged in the construction, repair, or abandonment of water wells in the state first obtain a water well contractor license from a water management district (WMD). The applicant must apply to the WMD in which he or she resides or in which his or her principal place of business is located. Included with the application must be proof that the aspiring contractor has at least 2 years’ experience, as evidenced by a list of at least 10 water wells that the applicant has constructed, repaired, or abandoned within the last 5 years. A \$150 fee must also be submitted with the initial licensure application.

b. Proposed Change:

SB 1136 will change the proof of experience requirement for initial licensure such that applicants must demonstrate their experience in working on wells permitted *in this state* by submitting with the application a list of at least 10 water wells permitted *in this state* that the applicant has constructed, repaired, or abandoned within the last 5 years.

Section 2: Description of Data and Sources

- Correspondence and data from the Department of Environmental Protection
- Correspondence and data from the Northwest WMD
- Correspondence and data from the Southwest WMD
- Correspondence and data from the Suwannee River WMD
- Correspondence and data from the South Florida WMD
- Correspondence and data from the St. John’s WMD

Section 3: Methodology (Include Assumptions and Attach Details)

Since a list of wells is only required upon application for initial licensure, those renewing their licensure will not be affected by the changes made by the bill. The impact from this bill therefore will come from initial applicants no longer being able to qualify because they are only able to demonstrate their experience based on out-of-state wells. It is unknown how many future applicants who would have relied on their out-of-state experience may now be able to gain, or may now seek, experience in working on Florida wells to meet the required qualification standards. Based on conversations with WMD staff, it appears that the districts may currently be experiencing an atypical increase in the number of applicants with only out-of-state experience seeking licensure before the statutory changes take effect.

The WMDs indicated that the number of applications vary slightly from year to year, without a distinct trend. Therefore, the proposed impact was calculated by averaging the number of licenses granted annually to applicants with out-of-state experience. Given the historical data (the highest number of licenses granted statewide based on out-of-state experience in any year within the last 3 years was 7), it is likely that the impact of applicants no longer being able to qualify will be negative insignificant.

Section 4: Proposed Fiscal Impact

| | High | | Middle | | Low | |
|---------|------|-----------|--------|-----------|------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | | | (*) | (*) | | |
| 2025-26 | | | (*) | (*) | | |
| 2026-27 | | | (*) | (*) | | |
| 2027-28 | | | (*) | (*) | | |
| 2028-29 | | | (*) | (*) | | |

REVENUE ESTIMATING CONFERENCE

Revenue Source: Other Taxes and Fees

Issue: Water Well Contractor License Application

Bill Number(s): CS/CS/SB 1136

Revenue Distribution:

Respective WMD general operating funds

Section 5: Consensus Estimate (Adopted: 05/22/2024): The Conference adopted

| | GR | | Trust | | Local/Other | | Total | |
|---------|------|-----------|-------|-----------|-------------|-----------|-------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | 0.0 | 0.0 | 0.0 | 0.0 | (*) | (*) | (*) | (*) |
| 2025-26 | 0.0 | 0.0 | 0.0 | 0.0 | (*) | (*) | (*) | (*) |
| 2026-27 | 0.0 | 0.0 | 0.0 | 0.0 | (*) | (*) | (*) | (*) |
| 2027-28 | 0.0 | 0.0 | 0.0 | 0.0 | (*) | (*) | (*) | (*) |
| 2028-29 | 0.0 | 0.0 | 0.0 | 0.0 | (*) | (*) | (*) | (*) |

| | |
|---------------------|-------|
| Initial license fee | \$150 |
|---------------------|-------|

| Northwest WMD | Applications submitted | Licenses granted | Licenses granted based on out of state wells |
|----------------------|------------------------|------------------|--|
| 2023 | 11 | 6 | 4 |
| 2022 | 3 | 2 | 1 |
| 2021 | 5 | 3 | 2 |

Southwest WMD (*data based on May 1 - April 30 cycle)

| | | | |
|------|----|----|---|
| 2023 | 6 | 10 | 0 |
| 2022 | 9 | 8 | 0 |
| 2021 | 12 | 9 | 0 |

Suwannee River WMD

| | | | |
|------|---|---|---|
| 2023 | 2 | 2 | 1 |
| 2022 | 4 | 4 | 0 |
| 2021 | 0 | 0 | 0 |

South Florida WMD

| | | | |
|------|----|----|---|
| 2023 | 8 | 8 | 1 |
| 2022 | 9 | 9 | 2 |
| 2021 | 12 | 11 | 1 |

St. John's WMD

| | | | |
|------|----|---|---|
| 2023 | 12 | 8 | 1 |
| 2022 | 3 | 3 | 0 |
| 2021 | 6 | 5 | 1 |

Total

| | | | |
|------|----|----|---|
| 2023 | 39 | 34 | 7 |
| 2022 | 28 | 26 | 3 |
| 2021 | 35 | 28 | 4 |

| | | | |
|----------------|----|----|---|
| <i>Average</i> | 34 | 29 | 5 |
|----------------|----|----|---|

| | |
|---|-------|
| Estimated fees lost annually from applicants with out-of-state experience | \$750 |
|---|-------|

REVENUE ESTIMATING CONFERENCE

Revenue Source: Other Taxes and Fees

Issue: Vendor Transaction Fee

Bill Number(s): HB 5003

Entire Bill

Partial Bill: Section 55

Sponsor(s): Representative Leek

Month/Year Impact Begins: July 2024

Date(s) Conference Reviewed: May 22, 2024

Section 1: Narrative

- a. **Current Law:** MyFloridaMarketplace is Florida’s online procurement system operated by Department of Management Services (DMS). At the Marketplace, a vendor can register, receive solicitations by customers (i.e. a state agency or eligible user¹), manage their offerings, access invoices, etc.

Florida’s law allows DMS to impose and collect a fee for the use of the system in an amount sufficient to cover the projected costs of the services, including administrative and project service costs in accordance with the policies of the DMS.² The fee established by rule is 1 percent.³

Payments to vendors by an agency are subject to the fee, unless otherwise exempted or excluded. An example of an exempt transaction is one where a law requires the commodity or service be provided by a sole provider. An example of an exclusion is when payment is made utilizing the State’s Purchasing Card program.

The legislature has regularly, as part of implementing an annual budget, reduced the transaction fee. In 8 of the last 9 years, the transaction fee was set to 0.7 percent. See the table below.

| FYE | Chapter Law | Section | Rate | Effective Period |
|------|-------------|-----------------|------|---------------------|
| 2024 | 2023-240 | 45 | 0.7 | 23-24 |
| 2023 | 2022-175 | 56 | 0.7 | 22-23 |
| 2022 | | N/A, Left at 1% | | |
| 2021 | 2020-101 | 125 | 0.7 | 20-21 |
| 2020 | 2019-101 | 66 | 0.7 | 19-20 |
| 2019 | 2018-25 | 48 | 0.7 | 18-19 |
| 2018 | 2017-75 | 27 | 0.7 | 17-18 |
| 2017 | 2016-51 | 73 | 0.7 | 16-17 |
| 2016 | 2015-225 | 44 | 0.7 | Nov. 2015-July 2016 |

- b. **Proposed Change:** The rate imposed on vendors is reduced from 1 percent to 0.7 percent for the 2024-2025 Fiscal Year.

Section 2: Description of Data and Sources

MyFloridaMarketPlace: https://www.dms.myflorida.com/business_operations/state_purchasing/myfloridamarketplace

DMS Schedule I; DMS Rules; Discussion with Senate Staff

¹ Chapter 60A-1.001, F.A.C. Eligible User means: United States government departments, commissions, agencies, and instrumentalities thereof, having a physical presence within the State of Florida; This state’s constitutional, judicial branch, and legislative branch entities, and instrumentalities thereof; Instrumentalities of this state’s executive branch agencies; State universities and colleges, their boards of trustees, and the board of governors, as described by Sections 1000.21, 1001.60 and 1001.71, F.S., and instrumentalities thereof. Political subdivisions, including counties, cities, towns, villages and districts, as described by Section 1.01(8), F.S., and instrumentalities thereof; School districts, as described by Section 1001.30, F.S., and instrumentalities thereof; Independent, nonprofit colleges or universities located within the State of Florida and accredited by the Southern Association of Colleges and Schools; For purposes of insurance contracts procured pursuant to Section 287.022, F.S., only state universities, as described by Section 1000.21, F.S., are eligible users.

² Section 287.057(24), F.S.

³ 60A-1.031

REVENUE ESTIMATING CONFERENCE

Revenue Source: Other Taxes and Fees

Issue: Vendor Transaction Fee

Bill Number(s): HB 5003

Section 3: Methodology (Include Assumptions and Attach Details)

To determine the amount of revenue at 1 percent, an estimate is derived from DMS' Schedule I where, for each year other than 2021-2022, the revenue presented is at 0.7 percent. The difference between 0.7 percent and 1 percent is the impact of the provision. The reduction is considered nonrecurring since the provision expires July 1, 2025.

| FYE | @1% | @0.7% | Difference | GR Service Charge |
|------|------------|------------|--------------|-------------------|
| 2025 | 38,090,699 | 26,663,489 | (11,427,210) | (914,177) |
| 2024 | 37,343,821 | 26,140,675 | (11,203,146) | (896,252) |
| 2023 | 28,311,876 | 19,818,313 | (8,493,563) | (679,485) |
| 2022 | 37,834,133 | 37,834,133 | - | - |
| 2021 | 45,459,709 | 31,821,796 | (13,637,913) | (1,091,033) |
| 2020 | 29,764,951 | 20,835,466 | (8,929,485) | (714,359) |
| 2019 | 25,538,954 | 17,877,268 | (7,661,686) | (612,935) |
| 2018 | 26,986,851 | 18,890,796 | (8,096,055) | (647,684) |
| 2017 | 26,856,669 | 18,799,668 | (8,057,001) | (644,560) |
| 2016 | 35,732,827 | 25,012,979 | (10,719,848) | (857,588) |

Section 4: Proposed Fiscal Impact

| | High | | Middle | | Low | |
|---------|------|-----------|----------|-----------|------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | | | \$(11.4) | \$0 | | |
| 2025-26 | | | \$0 | \$0 | | |
| 2026-27 | | | \$0 | \$0 | | |
| 2027-28 | | | \$0 | \$0 | | |
| 2028-29 | | | \$0 | \$0 | | |

Revenue Distribution:

DMS Operating Trust Fund

GR Service Charge

Section 5: Consensus Estimate (Adopted: 05/22/2024) The Conference adopted the proposed estimate.

| | GR | | Trust | | Local/Other | | Total | |
|---------|-------|-----------|--------|-----------|-------------|-----------|--------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | (0.9) | 0.0 | (10.5) | 0.0 | 0.0 | 0.0 | (11.4) | 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 |
| 2028-29 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

REVENUE ESTIMATING CONFERENCE

Revenue Source: Beverage, Corporate Income, Direct Sales, IPT and Severance

Issue: Strong Families Tax Credit Cap Increase

Bill Number(s): CS/HB7073-Sections 45 - 46

Entire Bill

Partial Bill: Sections 45-46

Sponsor(s): Representative McClain

Month/Year Impact Begins: July 1, 2024

Date(s) Conference Reviewed: May 22, 2024

Section 1: Narrative

a. Current Law:

The *Florida Tax Credit Scholarship Program* (FTC) was established in 2001 through the provision of tax credits to corporate income taxpayers that contribute money to nonprofit Scholarship-Funding Organizations (SFOs). The SFOs award scholarships to students, with the greatest benefit going to families with limited financial resources. In 2009, the program was expanded to provide credits against the insurance premium tax. In 2010, the program was expanded again to provide tax credits against severance taxes on oil and gas production, self-accrued sales tax liabilities of direct pay permit holders, and alcoholic beverage taxes on beer, wine, and spirits. The applicable authorizing statutes are:

- s. 211.0251, F.S., for Severance Taxes on oil and gas
- s. 212.1831, F.S., for Sales and Use Taxes due from direct pay permit holders
- s. 220.1875, F.S., for Corporate Income Tax
- s. 561.1211, F.S., for Beverage Taxes on malt, wine, and liquor
- s. 624.51055, F.S., for Insurance Premium Tax

More recently, CS/HB 7055 became law on March 12, 2018 (Ch. 2018-6, L.O.F.). Section 3 of the bill created s. 212.1832, Florida Statutes, entitled "Credit for Contributions to the Hope Scholarship Program." The program's intent is to give the purchaser of a motor vehicle "...a credit of 100 percent of an eligible contribution made to an eligible nonprofit scholarship-funding organization under s. 1002.40 against any tax imposed by the state and collected from the purchaser by a dealer, designated agent, or private tag agent as a result of the purchase or acquisition of a motor vehicle on or after October 1, 2018." The credit may not exceed the state tax that is actually imposed and is further limited to a maximum of \$105 per motor vehicle. On behalf of the purchaser, the dealer, designated agent, or private tag agent makes the actual contribution to the SFO and applies the credit as part of its submission of taxes to the state.

In addition, CS/HB 7055 established a second new program designated as the "Credit for Contributions to Eligible Nonprofit Scholarship Funding Organizations." Any tenant or person occupying, using, or entitled to the use of any property for which the rental or license fee is subject to taxation under s. 212.031, F.S., may receive a credit against the tax imposed under that section that is equal to his or her monetary contribution to an SFO. Total credits are capped at \$57.5 million per year on a first come, first-served basis. The tenant must apply to the Department of Revenue for the desired allocation of credits, by dealer if multiple locations and landlords are involved. The program has had low participation, with comments by interested parties indicating that the program is cumbersome to use.

Finally, the associated reduction in tax revenue caused by the application of any of the credits described above must be apportioned in its entirety to the General Revenue Fund.

In 2021, Ch. 2021-31, L.O.F. created the Strong Families Tax Credit, which provides a credit for 100% of an eligible contribution to an eligible charitable organization under s. 402.62, F.S., beginning January 1, 2022. The eligible organizations provide services focused on child welfare and well-being. It authorized tax credits dollar-for-dollar up to \$5 million annually against certain tax liabilities:

- s. 211.02 or s. 211.025 F.S., for Severance Taxes on oil and gas
- s. 212.183, F.S., for Sales and Use Taxes due from direct pay permit holders
- s. 220.13, F.S., for Corporate Income Tax
- s. 561.1211, F.S., for Beverage Taxes on malt, wine, and liquor
- s. 624.51055, F.S., for Insurance Premium Tax

REVENUE ESTIMATING CONFERENCE

Revenue Source: Beverage, Corporate Income, Direct Sales, IPT and Severance

Issue: Strong Families Tax Credit Cap Increase

Bill Number(s): CS/HB7073-Sections 45 - 46

Businesses applied to DOR beginning October 1, 2021, for an allocation of tax credit. The taxpayer must specify in the application each tax, a taxpayer may apply for a credit to be used for a prior taxable year before the date the taxpayer is required to file a return for that year pursuant to s. 220.222, F.S. For purposes of s. 624.51056, F.S., a taxpayer may apply for a credit to be used for a prior taxable year before the date the taxpayer is required to file a return for that year pursuant to s. 624.509, F.S., or s. 624.5092, F.S. The DOR is required to approve the tax credits on a first-come, first serve basis and must obtain the approval of the Division prior to approving an alcoholic beverage tax credit under s. 561.1212, F.S.

In 2022, Ch. 2022-97, L.O.F. increased the cap from \$5 million to \$10 million beginning in FY 2022-23.

In 2023, Ch. 2023-157, L.O.F. increased the cap from \$10 million to \$20 million beginning in FY 2023-24.

- b. Proposed Change:** Amends s.402.62 (5), F.S. The bill changes the requirements for an eligible charitable organization. The bill adds organizations who provide services to at-risk families, removes those who provide books to certain families, and prohibits those who receive more than 50% of their revenue from a federal, state or local governmental agency (previously this requirement was limited to funding from DCF). Finally, the bill increases the annual cap from \$20 million to \$40 million beginning in FY 2024-25.

Section 2: Description of Data and Sources

Scholarship Data from DOR – February 2024
January 2024 General Revenue Conference

Section 3: Methodology (Include Assumptions and Attach Details)

The current forecast for the program from the General Revenue Conference is:

Strong Families Credit (Child Welfare and Well-Being)--based on data through November 30, 2023

| | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
|-------------------|------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| New: January 2024 | | | | | | | | |
| Beverage | 5.0 | 6.0 | 15.7 | 15.7 | 15.7 | 15.7 | 15.7 | 15.7 |
| Direct Sales | 0.0 | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| IPT | 0.0 | 0.8 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |
| Severance | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| CIT | 0.0 | 3.2 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| Totals | 5.0 | 10.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 |

The program reached its allocation caps in January of 2024 for both FY 2023-24 and FY 2024-25. The analysis assumes the increased cap can be fully met within the first year of implementation.

Section 4: Proposed Fiscal Impact

| | High | | Middle | | Low | |
|---------|------|-----------|---------|-----------|------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | | | (\$20m) | (\$20m) | | |
| 2025-26 | | | (\$20m) | (\$20m) | | |
| 2026-27 | | | (\$20m) | (\$20m) | | |
| 2027-28 | | | (\$20m) | (\$20m) | | |
| 2028-29 | | | (\$20m) | (\$20m) | | |

Revenue Distribution: General Revenue only, with the same revenue forecast breakout as the January 2024 GR conference.

REVENUE ESTIMATING CONFERENCE

Revenue Source: Beverage, Corporate Income, Direct Sales, IPT and Severance

Issue: Strong Families Tax Credit Cap Increase

Bill Number(s): CS/HB7073-Sections 45 - 46

Section 5: Consensus Estimate (Adopted: 05/22/2024) The Conference adopted the proposed estimate.

| | GR | | Trust | | Local/Other | | Total | |
|---------|--------|-----------|-------|-----------|-------------|-----------|--------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | (20.0) | (20.0) | 0.0 | 0.0 | 0.0 | 0.0 | (20.0) | (20.0) |
| 2025-26 | (20.0) | (20.0) | 0.0 | 0.0 | 0.0 | 0.0 | (20.0) | (20.0) |
| 2026-27 | (20.0) | (20.0) | 0.0 | 0.0 | 0.0 | 0.0 | (20.0) | (20.0) |
| 2027-28 | (20.0) | (20.0) | 0.0 | 0.0 | 0.0 | 0.0 | (20.0) | (20.0) |
| 2028-29 | (20.0) | (20.0) | 0.0 | 0.0 | 0.0 | 0.0 | (20.0) | (20.0) |

REVENUE ESTIMATING CONFERENCE

Revenue Source: Pari-Mutuel Taxes and Daily License Fees

Issue: Gaming – Thoroughbred Permitholders

Bill Number(s): CS/CS SB804

Entire Bill

Partial Bill: Section 10

Sponsor(s): Senator Hutson

Month/Year Impact Begins: Section 10; 550.3551, F.S., effective Upon becoming law (with a one-month collection lag), Signed by governor 4/26/2024. The other sections within the bill effective July 1, 2024.

Date(s) Conference Reviewed: 5/22/2024

Section 1: Narrative

- a. **Current Law:** Section 550.3551(3), Florida Statutes (F.S.), authorizes that any horse track licensed under chapter 550 may receive broadcast of horseraces conducted at other horse racetracks located outside this state at the racetrack enclosure of the licensee during its racing meet.

Section 550.01215, F.S., authorizes that a harness horse racing permitholder that does not conduct live racing or games retains its permit and is eligible, but not required to be a host track for the purpose of intertrack and simulcast wagering pursuant to ss. 550.3551, 550.615, 550.625, and 550.6305, F.S.

Thoroughbred permitholders are required to pay taxes and daily license fees associated with live, intertrack, and simulcast, and intertrack simulcast handle.

Section 550.0951(1)(a), F.S., requires Thoroughbred permitholders to pay daily license fees of:

- \$100 per live race they conduct.
- \$100 per simulcast race, but not to exceed \$500 per day on such races.

Varies sections within Chapter 550, F.S., are associated with applicable tax rates that apply to Thoroughbred permitholder races. Applicable tax rates range from 0.5% to 2.4% depending on the handle type. These statutes include but are not limited to:

- Section 550.09515 (2)(a) – Live Handle taxed at 0.5%.
- Sections 550.0951, 550.09512, 550.09515, 550.3551(3), and 550.3551(3)(c) – Simulcast handle taxed at rates between 0.5% and 2.4%.
- Sections 550.0951 (3)(c)1., 550.09515(5) -Intertrack and Intertrack Simulcast handle taxed at rates between 0.5% and 2.4%.

Section 550.09516, F.S., authorized thoroughbred permitholders that conduct pari-mutuel meet to be eligible for a credit equal to the amount paid by such permitholders in the prior state fiscal year to the federal Horseracing Integrity and Safety Authority (HISA), applicable to state taxes and fees and inclusive of any true-up calculations or credits made, granted, or applied to the assessment. This credit reduces the payment of taxes and daily license fees due to the state.

- b. **Proposed Change:** Section 10- Amends Section 550.3551(3), F.S., removing the requirement that a licensed horsetrack may only receive broadcast during their racing meet. Section 550.3551(3), F.S., now authorizes any horse track licensed under chapter 550, to receive broadcast of horseraces conducted at other horse racetracks located outside this state at the race track enclosure of the licensee, if the horse track conducted a full schedule of live racing during the preceding state fiscal year. Those horse tracks that do not conduct live racing authorized under s. 550.01215, F.S., continue to be eligible to receive broadcast of horseraces conducted outside this state.

Section 2: Description of Data and Sources

Chapter 550

Pari-mutuel Revenue Estimating Conference adopted forecast January 2024

REVENUE ESTIMATING CONFERENCE

Revenue Source: Pari-Mutuel Taxes and Daily License Fees

Issue: Gaming – Thoroughbred Permitholders

Bill Number(s): CS/CS SB804

Section 3: Methodology (Include Assumptions and Attach Details)

Section 10:

Currently, both Gulfstream and Tampa Bay Downs horse tracks are licensed to conduct race meets July 1 – June 30, therefore both racetracks currently receive broadcast on horseraces conducted at other horse racetracks located outside the state throughout the entire fiscal year. Both horse tracks are also currently conducting more performances than a full schedule of live racing. Additionally, those licensed horse track that are not required to conduct live racing under s. 550.01215, F.S., are already authorized to receive broadcast of horseraces outside this state without conducting a racing meet.

It is assumed that Gulfstream and Tampa Bay Downs licensed horse tracks will continue to conduct more than a full schedule of live racing and continue to receive broadcast on horseraces conducted at other horse racetracks located outside this state, and that those authorized under s. 550.01215, F.S., that are not required to conduct a race meet, will continue to act as a host for the purpose of intertrack and simulcast wagering. Current estimates adopted by the conference incorporate those assumptions, therefore there is no fiscal impact associated with this bill.

Section 4: Proposed Fiscal Impact

| | High | | Middle | | Low | |
|---------|------|-----------|--------|-----------|------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 2024-25 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2025-26 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2026-27 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2027-28 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2028-29 | 0 | 0 | 0 | 0 | 0 | 0 |

Revenue Distribution:

N/A – no revenue impact

Section 5: Consensus Estimate (Adopted: 05/22/2024) The Conference adopted the middle estimate.

| | GR | | Trust | | Local/Other | | Total | |
|---------|------|-----------|-------|-----------|-------------|-----------|-------|-----------|
| | Cash | Recurring | Cash | Recurring | Cash | Recurring | Cash | Recurring |
| 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 |
| 2028-29 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |