

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** General Revenue Outlook/Indian Gaming

**Issue:** Distribution of Indian Gaming Revenue

**Bill Number(s):** CS/SB 1638

**Entire Bill**

**Partial Bill:**

**Sponsor(s):** Senator Hutson

**Month/Year Impact Begins:** 4/4/2024 (upon becoming law)

**Date(s) Conference Reviewed:** 6/27/2024

**Section 1: Narrative**

**a. Current Law:** The State of Florida began receiving payments under the 2021 Compact in October of 2021. The Seminole Tribe continued revenue sharing with the state through February 2022, after which time they discontinued all payments. Section 285.710, Florida Statutes, requires that the moneys paid by the Tribe under the Compact be deposited into the General Revenue Fund.

During the January 2024 Revenue Estimating Conference for General Revenue, the forecast for Indian Gaming Revenues was set to zero throughout the forecast period. The Tribe resumed revenue sharing with the state a few days after the meeting. Subsequently, the Conference adopted a new forecast for Indian Gaming revenues on February 20, 2024. Those projections were added to the General Revenue Financial Outlook Statement as an item separate from the estimated revenues adopted in January.

**b. Proposed Change:** CS/SB 1638 creates section 380.095, Florida Statutes, requiring the Department of Revenue to, upon receipt, deposit 96 percent of any revenue share payment received under the 2021 Compact into the Indian Gaming Revenue Clearing Trust Fund within the Department of Financial Services (created in SB 7080) to provide dedicated funding for conservation lands, resiliency, and clean water infrastructure.

The bill also provides a distribution of the 96 percent from the Indian Gaming Revenue Clearing Trust Fund to various state trust funds for land acquisition to support the Wildlife Corridor, for land management of uplands and the removal of invasive species, for the Statewide Flooding and Sea Level Rise Resiliency Plan, and for the Water Quality Improvement Grant Program. The remaining 4 percent continues to be deposited into the General Revenue Fund.

**Section 2: Description of Data and Sources**

Revenue Estimating Conference—Indian Gaming Revenues Forecast, Adopted February 20, 2024

Indian Gaming Revenue Distribution Worksheet

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

CS/SB 1638 was effective upon becoming law; the Governor approved the bill on April 4, 2024. Consequently, the April and subsequent payments received from the Tribe are affected by the revised distribution. Based on the February 20, 2024 Indian Gaming Revenue Estimating Conference, the fiscal impact to Fiscal Year 2023-24 is a reduction of \$-161.2 million to the General Revenue Fund and an increase of \$161.2 million to various state trust funds. The fiscal impact to Fiscal Years 2024-25 through 2028-29 are as proposed in Section 4.

SB 7080 (s. 17.71(2), F.S.) exempts the revenues into and out of the Indian Gaming Revenue Clearing Trust Fund from the General Revenue Service Charge so there is no adjustment to state trust funds.

**Section 4: Proposed Fiscal Impact**

GR Outlook	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2024-25			\$(719.3)	\$(719.3)		
2025-26			\$(749.4)	\$(749.4)		
2026-27			\$(782.0)	\$(782.0)		
2027-28			\$(817.4)	\$(817.4)		
2028-29			\$(854.0)	\$(854.0)		

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** General Revenue Outlook/Indian Gaming

**Issue:** Distribution of Indian Gaming Revenue

**Bill Number(s):** CS/SB 1638

State TFs	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2024-25			\$719.3	\$719.3		
2025-26			\$749.4	\$749.4		
2026-27			\$782.0	\$782.0		
2027-28			\$817.4	\$817.4		
2028-29			\$854.0	\$854.0		

**Revenue Distribution:**

General Revenue Fund, Indian Gaming Revenue Clearing TF, Incidental TF, Internal Improvement TF, Resilient Florida TF, State Game TF, State Park TF, Water Protection and Sustainability Program TF

**Section 5: Consensus Estimate (Adopted: 06/27/2024):** The Conference adopted the proposed cash estimate and zero for the recurring impact. There is a current fiscal year impact for FY 2023-24 of \$-161.2m for General Revenue and an offsetting \$161.2 positive impact to State Trust Funds.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2024-25	(719.3)	0.0	719.3	0.0	0.0	0.0	0.0	0.0
2025-26	(749.4)	0.0	749.4	0.0	0.0	0.0	0.0	0.0
2026-27	(782.0)	0.0	782.0	0.0	0.0	0.0	0.0	0.0
2027-28	(817.4)	0.0	817.4	0.0	0.0	0.0	0.0	0.0
2028-29	(854.0)	0.0	854.0	0.0	0.0	0.0	0.0	0.0

**Distribution of Indian Gaming Revenue**

<b>Fund</b>	<b>Description</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>	<b>2028-29</b>
General Revenue	February 20, 2024 Revenue Estimating Conference	343.9	749.3	780.6	814.6	851.5	889.6

**CS/SB 1638 (Ch. 2024-58, L.O.F.)**

<b>Fund</b>	<b>Description</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>	<b>2028-29</b>
General Revenue	January - March 2024 Forecast	176.0	-	-	-	-	-
General Revenue	Forecast Adjustment Effective April 4, 2024 - 4%	6.7	30.0	31.2	32.6	34.1	35.6
General Revenue	Difference	(161.2)	(719.3)	(749.4)	(782.0)	(817.4)	(854.0)
State Trust Funds	Forecast Adjustment Effective April 4, 2024 - 96%	161.2	719.3	749.4	782.0	817.4	854.0

## REVENUE ESTIMATING CONFERENCE

**Revenue Source:** Insurance Taxes

**Issue:** Property Insurance Discount to Policyholders

**Bill Number(s):** CS/HB 7073, Section 56

**Entire Bill**

**Partial Bill:** Section 56

**Sponsor(s):**

**Month/Year Impact Begins:** July 2024

**Date(s) Conference Reviewed:** March 6<sup>th</sup>, 2024  
June 27<sup>th</sup>, 2024

### Section 1: Narrative

a. **Current Law:** Currently exists no mandatory premium deductions for insurers.

b. **Proposed Change:** Creates a mandatory deduction equal to the value of the Premium Tax and the State Fire Marshal Assessment on coverage for a residential dwelling. Another 1.75% deduction is for flood or excess flood coverage, both personal and commercial. The total value of deductions is allowed to be claimed as a credit with excess credit generating a refund to be paid from the General Revenue Fund. The credit can only be generated by deductions to policies with effective dates between October 1, 2024, and September 30, 2025.

The language also includes a provision providing for the event that an insurer refunds some or all of a written policy on which the insurer received a credit. In this event, the insurer would repay a prorated amount of the credit claimed to the Department of Revenue for deposit into the general revenue fund.

### Section 2: Description of Data and Sources

National Flood Insurance Program – Policy Info by State

[[https://nfipservices.floodsmart.gov/sites/default/files/nfip\\_policy-information-by-state\\_20231130.xlsx](https://nfipservices.floodsmart.gov/sites/default/files/nfip_policy-information-by-state_20231130.xlsx)]

National Flood Insurance Program – 2020 Report

[<https://cdn.nar.realtor/sites/default/files/documents/2020-flood-reports-florida-11-04-2020.pdf>]

Miami Herald/The Insurance Information Institute

[<https://www.miamiherald.com/news/business/real-estate-news/article269946847.html>]

Florida Market Data available on the Florida Surplus – [<https://www.fslso.com/Florida/MarketData/home>]

Write Your Own Flood Insurance Company List – [<https://nfipservices.floodsmart.gov/wyo-program-list>]

DOR Return Data

Results of the January 2024 General Revenue Estimating Conference

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

#### Part 1: Universal Drivers

Certain data elements are reused across multiple sections of this impact. The consistent base for these sections is the taxable premiums from the DR-908's Schedule X, lines 1, 7, and 9. These lines represent premium volume in Fire Residential, Residential Allied Lines, and Homeowners Multiple Peril, respectively. The Fire Marshal's assessment on these premiums is also pre-calculated here based on the tax rate of 1% and the percent of premium volumes treated as taxable for the Fire Marshal's tax.

Also included in this section is the Share Up (Down) factor used to align DOR-Return data to Florida OIR data. While DOR Return data is necessary to drive the impact on the State Fire Marshall Assessment, the lines provided in Schedule X do not directly translate to OIR provided categories. As such, it is assumed the selected lines from Schedule X (1, 7, & 9) are entirely qualified and some amount within other lines qualify, though no one individual line can account for the entire difference. Thus, a Share Up factor of 108.3% is proposed. In previous impacts a \$750,000 coverage cap was included as a limitation to qualified premiums. Analysis of the property tax roll showed 73.86% of residential parcels had a dwelling value of less than \$750,000. The conference increased this share to 80%, which is a 108.3% increase in qualification.

Finally, the Schedule X growth rates used to drive previous IPT Impacts are presented here. These rates underly the adopted IPT forecast from the January 2024 General Revenue Estimating Conference.

Across this impact, it is assumed that the credits taken would only affect the March 1<sup>st</sup> payment with return, and not be felt through the quarterly installment payments. Therefore, the full impact from the CYx tax year is placed in FYx+1.

#### Part 2: 1.75% Deduction

The 1.75% deduction on under-cap coverage of a residential dwelling is first calculated for Calendar Year 2022.

$(\text{Line 1 Volume} + \text{Line 7 Volume} + \text{Line 9 Volume}) \times 108.3\% \times 1.75\% = \text{CY22 Value of 1.75\% Reduction}$

## REVENUE ESTIMATING CONFERENCE

**Revenue Source:** Insurance Taxes

**Issue:** Property Insurance Discount to Policyholders

**Bill Number(s):** CS/HB 7073, Section 56

This value is then grown to CY25 levels by the Schedule X growth rates. To account for the split effective window (Oct-1-24 to Sep-30-25) 25% of the CY24 value and 75% of the CY25 value are taken as the direct impact. Holding the assumptions made in Part 1 unchanged, the total impact for Part 2 is \$308.5 M.

### Part 3: Deduction for State Fire Marshal Assessment

The total value of the CY22 assessments is first multiplied by the 108.3% qualification rate, then grown through CY25 by the assumed Schedule X growth rates. To account for the split effective window (Oct-1-24 to Sep-30-25) 25% of the CY24 value and 75% of the CY25 value are taken as the direct impact. Holding the assumptions made in Part 1 unchanged, the total impact for Part 3 is \$40.1 M.

### Part 5: Deduction for Flood and Excess Flood Coverage

This impact cannot be deduced from DR-908 data and therefore rests on 3<sup>rd</sup> party data and assumptions. The impact process described below has been seen and adopted by conference before, most recently on February 23<sup>rd</sup>, 2023.

There are 3 methods of acquiring flood insurance in Florida. The first method, under which most policies are written, is the National Flood Insurance Program's (NFIP) "Write Your Own Program," a cooperative of private insurance companies and FEMA. Applying the 1.75% tax rate that would be exempt under the proposed change, the impact of the NFIP policies alone would be - \$22,533,422.

The second method is through Surplus Lines. These policies are subject to a different and higher tax rate than the other 2 methods and would not be exempt under this change. The Florida Surplus Lines Service Office has data available on the number of properties and the premium values for flood insurance.

The third method is private insurers writing their own flood policies. There is no data available for this method, and an estimate for the number of policies and cost per policy must be produced. According to a 2020 NFIP report, there are 4,110,395 properties at high risk of flooding and 4,832,882 at high or moderate risk of flooding. For the impact, the displayed impact uses exclusively high-risk properties. It is assumed that 50% of these properties go without Flood Insurance. Applying this percentage to the at-risk properties arrives at an estimate of the total number of flood policies in the state, and subtracting the known NFIP and Surplus Lines policies from it arrives at an estimate of policies written by private insurers. Multiplying the estimated number of policies under private insurers by the estimated average cost per policy for private insurers arrives and an estimate of premiums for private insurers. Adding this to the NFIP premiums and multiplying by the 1.75% tax rate arrives at an impact for the first year.

The first-year impact is grown through CY25 by the adopted total P&C growth rates driving the overall premium tax growth rates adopted at the January 2024 General Revenue Estimating Conference. To account for the split effective window (Oct-1-24 to Sep-30-25) 25% of the CY24 value and 75% of the CY25 value are taken as the direct impact. Holding the assumptions made above unchanged, the total impact for Part 5 is \$29.9 M.

### Part 6: Refunds and Impact

The refund math is driven by a return-based simulation, applying the changes made by this language to returns submitted for the 2022 Tax Year. Via this approach, each return can be evaluated individually to see if it would have generated enough credit to overwhelm its premium tax due after other credits, and thus generate a refund. The sticking point here is the credit generated from Flood Insurance deductions. As Flood Insurance is not separately itemized on the DR-908, there is no way to measure the potential flood credit generated on a single return. Instead, a new set of assumptions must be made.

First, it assumed that the only flood insurance in the state is obtained through FEMA's Write Your Own program. The companies named as servicers for the program are identified on FEMA's website and can be identified in the return data. Next, the Flood Insurance first-year impact is split among the WYO-servicers by the proportion of P&C premiums among the service group. For example, if *Freedonia Flood Funding LLC* services the WYO program and they have 15% of the P&C premiums among all WYO-servicers, then they'll receive 15% of the Part 5 first-year impact as "flood credit". This flood credit is then added to other credits generated to evaluate the refund potential. Insurers not identified on the WYO company list receive "flood credit" of \$0.

The refund value is calculated with 25% of the annual credit and 75% of the annual credit (called 3mo and 9mo respectively) to allow for evaluation of refund magnitude in the two affected tax years. The 25%/3mo carryforward is grown to CY24 and the 75%/9mo carryforward is grown to CY25.

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Insurance Taxes

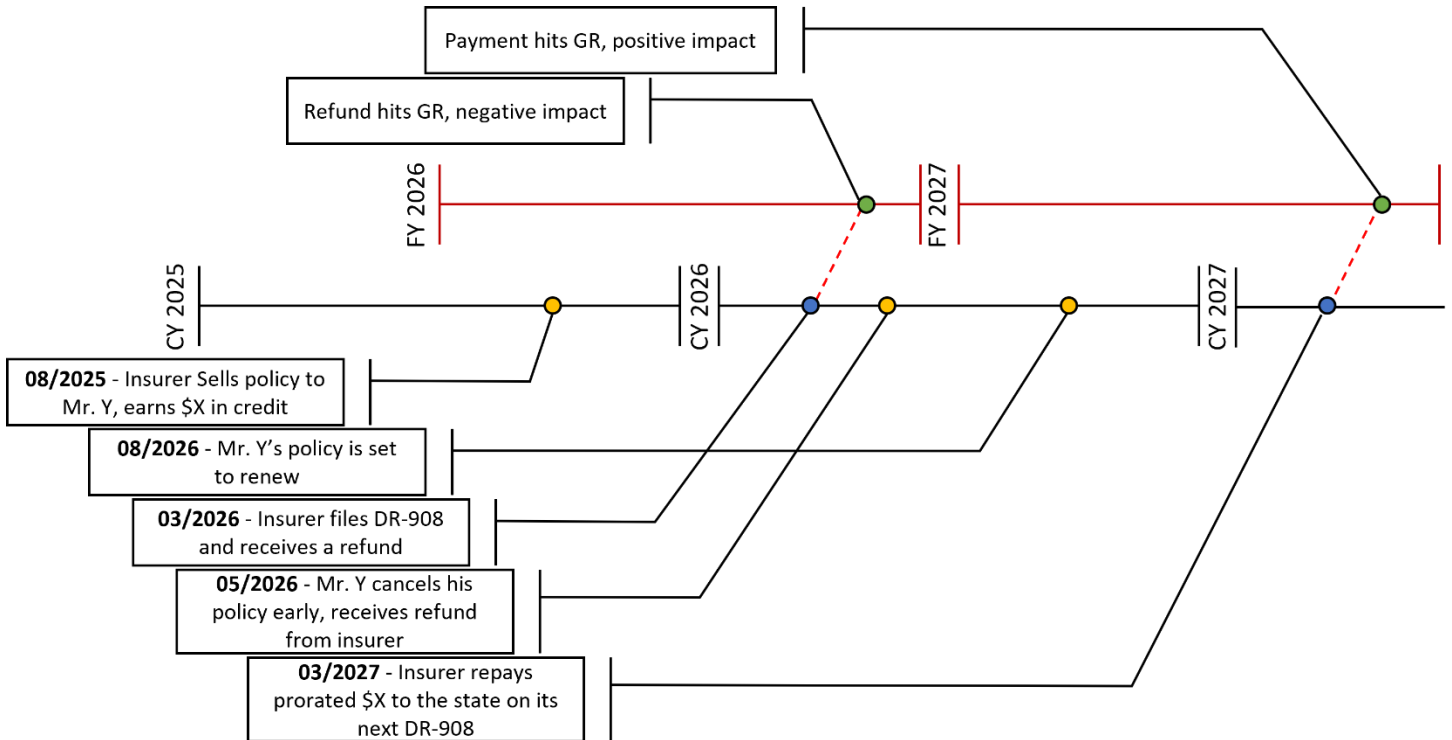
**Issue:** Property Insurance Discount to Policyholders

**Bill Number(s):** CS/HB 7073, Section 56

Final Notes:

While it does not have an impact on state revenues, the 1.75% deduction evaluated in Part A and the Flood Deduction evaluated in Part 5 may apply to surplus lines. The credit can only be taken against Premium Tax liability, and no surplus lines providers pay Premium Tax, therefore it would be impossible for them to claim any credit.

In accordance with the provision in which an insurer issues a refund to a policyholder for a policy on which it claimed a credit, a repayment to GR is mandated. For this reason, a positive indeterminate is included in FY2026-27.



The issues evaluated in this impact have been presented to the conference before.

Parts 2 & 6 - <http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2024/pdf/page456-458.pdf>

Parts 2 & 3 - <http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2024/pdf/page161-163.pdf>

Part 5 - <http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2024/pdf/page440-442.pdf>

With Credit Carryforward - <http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2024/pdf/page476-484.pdf>

**Section 4: Proposed Fiscal Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2024-25			(\$120.8) M			
2025-26			(\$381.0) M			
2026-27			**			
2027-28						
2028-29						

**Revenue Distribution:** Insurance Taxes

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Insurance Taxes

**Issue:** Property Insurance Discount to Policyholders

**Bill Number(s):** CS/HB 7073, Section 56

**Section 5: Consensus Estimate (Adopted: 06/27/2024):** The Conference adopted the proposed estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2024-25	(120.8)	0.0	0.0	0.0	0.0	0.0	(120.8)	0.0
2025-26	(381.0)	0.0	0.0	0.0	0.0	0.0	(381.0)	0.0
2026-27	(**)	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:** Sales and Use Tax/Tourist Development Taxes

**Issue:** Vacation Rentals

**Bill Number(s):** CS/SB 280

**Entire Bill**

**Partial Bill:** Sections 1, 2, and 5

**Sponsor(s):** Senator DiCeglie

**Month/Year Impact Begins:** January 2025

**Date(s) Conference Reviewed:** June 17, 2024; June 27, 2024

### Section 1: Narrative

**a. Current Law:** Section 509.013 does not include a definition of an “Advertising Platform”.

Subsections 212.03 (1) and (2) indicate that the rental of living quarters for less than 6 months is an exercise of taxable privilege and, as such, all sales and transient rental taxes are due. It further indicates that the owner, lessor, or person receiving the rent shall remit the tax to the Department of Revenue.

There is no Section 509.243 in Florida Statutes.

**b. Proposed Change:** Section 2 of the bill adds a definition of “Advertising Platform” to section 509.013. Such platforms provide a publicly available online marketplace in which vacation rentals available for transient occupancy in Florida can be viewed and the platform must provide either a reservation system or a payment system that facilitates the rental transaction. The definition does not require that payments be processed by the Advertising Platform.

Section 1 of the bill clarifies who is responsible to remit the taxes owed in 202.03 when a vacation rental guest uses a payment system through an Advertising Platform. Paragraph (b) indicates that if payment is made through an Advertising Platform, the Advertising Platform, or operator, must collect and remit taxes. Subparagraph 1. indicates that if the Advertising Platform owns the vacation rental, the Advertising Platform must collect and remit. Subparagraph 2. indicates that, in all scenarios under which subparagraph 1. does not apply but payment is made through an Advertising Platform, the Advertising Platform must collect and remit, and, can further charge untaxed reservation and payment fees.

Section 5 of the bill creates Section 509.243 and duplicates the language of section 1 paragraph (b), indicating that if payment is made through an Advertising Platform, the Advertising Platform, or operator, must collect and remit taxes. This section does not include the language of section 1 Subparagraphs 1. and 2.

### Section 2: Description of Data and Sources

Staff Discussion - Department of Revenue

Impact Analysis Presented on June 17, 2024 - EDR

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

Sections 2 and 5 of the bill have no stand-alone potential for impact, but are relevant to the discussion of section 1.

Section 1 adds paragraph (b) to clarify who is to collect and remit the relevant taxes when guests of a vacation rental use a payment system through an Advertising Platform. The subparagraphs to paragraph (b) make it clear that in all such scenarios, the Advertising Platform is to remit the taxes. This makes clear from an audit perspective which entity to pursue for the tax. The paragraph does include the language “or the operator” despite the subparagraphs leaving no room for the operator to remit. This is understood to be granting the auditors authority to pursue the taxes owed from the operator, which is the registered dealer, in the instance that an Advertising Platform indicates that the tax was collected by the operator and never provided to the Advertising Platform for remittance. This same logic applies to the inclusion of “or the operator” in section 5 of the bill.

The language does not change the requirement that that the tax be collected, the tax base, nor the tax rate. As such, there is no impact. It is likely that some tax dollars remitted today directly by operators will be remitted after the bill by Advertising Platforms. This is changing the duty to remit from one registered dealer to another. As such, no impact is expected, and this is represented in the middle.

It is possible that some amount of additional collection occurs simply by the expectation that Advertising Platforms may be more sophisticated in the business sense than the average operator and more likely to remit. This would lead to a positive



**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Sales and Use Tax/Tourist Development Taxes

**Issue:** Vacation Rentals

**Bill Number(s):** CS/SB 280

indeterminate impact starting in Fiscal Year 2025-26 as this section of the bill goes into effect January 1, 2025. A positive indeterminate impact would require an assumption that some amount of illegal activity is occurring today and would be attempting to quantify that theoretical but conceivable activity. As such, this is not presented as a proposed impact.

**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:** Sales and Use Tax, Tourist Development Taxes

**Section 5: Consensus Estimate (Adopted: 06/27/2024): 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:** Local Taxes and Fees

**Issue:** Local Registration of Vacation Rentals

**Bill Number(s):** CS/SB 280

**Entire Bill**

**Partial Bill:** Section 3 only

**Sponsor(s):** Senate Fiscal Policy Committee and Senator DiCeglie

**Month/Year Impact Begins:** July 1, 2024

**Date(s) Conference Reviewed:** June 27, 2024

### Section 1: Narrative

#### a. Current Law:

##### Administration and Definitions

The Division of Hotels and Restaurants (Division) within the Department of Business and Professional Regulation (DBPR) is the state agency charged with enforcing the provisions of Chapter 509, F.S., relating to the regulation of public lodging establishments and public food service establishments for the purpose of protecting the public health, safety, and welfare. As defined in s. 509.013(4)(a), F.S., the term *public lodging establishments* includes transient and non-transient public lodging establishments. The principal differences between transient and non-transient public lodging establishments are the number of times that the establishments are rented in a calendar year and the duration of the rentals.

As defined in s. 509.013(4), F.S., the term *transient public lodging establishment* means any unit, group of units, dwelling, building, or group of buildings within a single complex of buildings which is rented to guests more than three times in a calendar year for periods of less than 30 days or 1 calendar month, whichever is less, or which is advertised or held out to the public as a place regularly rented to guests. A *non-transient public lodging establishment* differs only that it is rented to guests for periods of at least 30 days or 1 calendar month, whichever is less.

Section 509.241, F.S., requires each public lodging establishment to obtain a license from the Division. Section 509.242, F.S., classifies a public lodging establishment as a hotel, motel, vacation rental, non-transient apartment, transient apartment, bed and breakfast inn, or timeshare project if the establishment satisfies specified criteria. This section defines a *vacation rental* as any unit or group of units in a condominium or cooperative or any individually or collectively owned single-family, two-family, three-family, or four-family house or dwelling unit that is also a transient public lodging establishment but that is not a timeshare project.

Section 509.013(2), F.S., defines the term *operator* to mean the owner, licensee, proprietor, lessee, manager, assistant manager, or appointed agent of a public lodging establishment or public food service establishment.

##### Licensing, Preemption Authority, and Legislative History

Section 509.241, F.S., requires each public lodging establishment, which includes vacation rentals, to obtain a license from the Division. The Division licenses vacation rentals as condominiums, dwellings, or timeshare projects, and classifies a vacation rental license as a single, group, or collective license. A single license may include one single-family house or townhouse, or a unit or group of units within a single building that are owned and operated by the same individual person or entity. A group license is a license issued by the Division to a licensed agent to cover all units within a building or group of buildings in a single complex. A collective license is a license issued by the division to a licensed agent who represents a collective group of houses or units found on separate locations not to exceed 75 houses or units per license.

Section 509.032(7), F.S., provides that the regulation of public lodging establishments is preempted to the State. However, current law does not preempt the authority of a local government or a local enforcement district to conduct inspections of public lodging establishments for compliance with the Florida Building Code and the Florida Fire Prevention Code, pursuant to ss. 553.80 and 633.206, F.S., respectively. Furthermore, a local law, ordinance, or regulation may not prohibit vacation rentals or regulate the duration or frequency of rental of vacation rentals. However, this prohibition does not apply to any local law, ordinance, or regulation adopted on or before June 1, 2011.

Chapter 2011-119, L.O.F., preempted certain vacation rental regulation to the State and grandfathered any local law, ordinance, or regulation that was enacted by a local government on or before June 1, 2011. Chapter 2014-71, L.O.F., revised the preemption to its current form with an effective date of July 1, 2014.

## REVENUE ESTIMATING CONFERENCE

**Revenue Source:** Local Taxes and Fees

**Issue:** Local Registration of Vacation Rentals

**Bill Number(s):** CS/SB 280

### b. Proposed Change:

#### **Preemption Authority**

Section 3 of the bill amends s. 509.032(7)(a), F.S., to preempt the licensing of vacation rentals to the State.

The grandfather provisions in s. 509.032(7)(b), F.S., which does not allow local laws, ordinances, or regulations prohibiting vacation rentals or regulating the duration or frequency of rental of vacation rentals, are unaffected by the bill. However, the grandfathered local law, ordinance, or regulation adopted on or before June 1, 2011, may be amended to be less restrictive or to comply with the proposed local vacation rental registration program requirements in s. 509.032(8), F.S., as discussed below. Additionally, the bill permits a local government that had a grandfathered regulation in effect on June 1, 2011, to pass a new, less restrictive ordinance that would be grandfathered as well.

The bill also grandfathers any county law, ordinance, or regulation initially adopted on or before January 1, 2016, that established county registration requirements for rental of vacation rentals, and any amendments thereto adopted before January 1, 2024. However, such county law, ordinance, or regulation may not be amended or altered except to be less restrictive or to adopt the proposed local vacation rental registration program requirements in s. 509.032(8), F.S., as discussed below.

#### **Local Registration of Vacation Rentals**

Section 3 of the bill also creates s. 509.032(8), F.S., to authorize local governments, notwithstanding the preemption provisions of s. 509.032(7)(a), F.S., to adopt a vacation rental registration program and impose several fees and fines. Prior to the enactment of a proposed ordinance to implementing any vacation rental registration program, the local government must prepare a business impact estimate in accordance with s. 125.66(3), F.S., for county governments, or s. 166.041(4), F.S., for municipal governments. Such a business impact estimate must include all of the following:

- A summary of the proposed ordinance, including a statement of the public purpose to be served by the proposed ordinance.
- An estimate of the direct economic impact of the proposed ordinance on private, for-profit businesses in the county, including the following, if any:
  1. An estimate of direct compliance costs that businesses may reasonably incur if the ordinance is enacted;
  2. Identification of any new charge or fee on businesses subject to the proposed ordinance or for which businesses will be financially responsible; and
  3. An estimate of the local government's regulatory costs, including an estimate of revenues from any new charges or fees that will be imposed on businesses to cover such costs.
- A good faith estimate of the number of businesses likely to be impacted by the ordinance.
- Any additional information the governing body determines may be useful.

A local government may charge a reasonable fee per unit for processing a registration application. A local law, ordinance, or regulation may require annual renewal of a registration and may charge a reasonable renewal fee per unit for processing of a registration renewal. However, if there is a change of ownership, the new owner may be required to submit a new application for registration. Subsequent to the registration of a vacation rental, a local government may charge a reasonable fee to inspect a vacation rental after registration for compliance with the Florida Building Code and the Florida Fire Prevention Code, described in ss. 553.80 and 633.206, F.S., respectively.

As a condition of registration or renewal of a vacation rental, a local vacation rental registration program may require the vacation rental operator to pay in full all recorded municipal or county code liens against the subject vacation rental premises.

A local government may fine a vacation rental operator up to \$500 if he or she:

- Fails to continue to meet the registration requirements in s. 509.032(8)(b), F.S., or
- Is operating a vacation rental without registering it with the local government as a vacation rental.

Before issuing a fine to a vacation rental operator for a program violation, the local government shall issue written notice of such violation and provide a vacation rental operator 15 days to cure the violation. If the vacation rental operator has not cured the violation within the 15 days, the local government may issue a fine.

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Local Taxes and Fees

**Issue:** Local Registration of Vacation Rentals

**Bill Number(s):** CS/SB 280

**Section 2: Description of Data and Sources**

Pursuant to 61C-1.002(4)(a), F.A.C., vacation rentals and timeshare project licenses have three different classifications.<sup>1</sup> The *Single License* includes one single home or townhome, or a unit or group of units within a single building that are operated by the owner. The *Group License* covers all units within a building or group of buildings in a single complex that are licensed to a licensed agent. Multiple group licenses may be issued to different licensed agents for units located on the same property. The *Collective License* is issued to a group of houses or units found in separate locations that are represented by the same licensed agent. A collective license may have a maximum of 75 houses or units per license and is restricted to counties within one district.

According to the Division’s most recent annual report, the following number of vacation rental license accounts existing at the end of the fiscal year.<sup>2</sup>

Vacation Rentals - Condos

Single:	10,458
Group:	1,387
Collective:	1,589
Total:	13,434

Vacation Rentals – Dwellings

Single:	27,496
Group:	597
Collective:	3,610
Total:	31,703

EDR staff contacted representatives of the Florida Association of Counties (FAC) and Florida League of Cities (FLC) to request any available information regarding the potential impacts of this bill. FAC did not furnish any information regarding potential local revenue impacts. FLC provided a list of cities that it believes are subject to the ‘on or before June 1, 2011’ grandfather provision in current law. According to FLC, the following 69 municipalities self-reported that they had either adopted an ordinance zoning short-term rentals into one specific area or barred them altogether.

Apalachicola	Fort Myers Beach	Lake Worth Beach	North Miami Beach	Sewall’s Point
Atlantic Beach	Golf	Lantana	North Redington Beach	South Pasadena
Atlantis	Grant-Valkaria	Lauderdale-by-the-Sea	Ocean Ridge	St. Augustine
Belleair Beach	Haines City	Layton	Oldsmar	St. Augustine Beach
Belleair Bluffs	Holmes Beach	Longboat Key	Ormond Beach	St. Cloud
Belleair Shore	Hypoluxo	Madeira Beach	Palm Beach Shores	St. Lucie Village
Boca Raton	Indialantic	Manalapan	Palm Coast	St. Pete Beach
Cape Canaveral	Indian Creek	Marathon	Polk City	Surfside
Clearwater	Islamorada	Miami	Ponce Inlet	Titusville
Dania Beach	Jupiter Inlet Colony	Miami Beach	Redington Shores	Treasure Island
Daytona Beach	Key Colony Beach	Naples	Safety Harbor	Venice
Delray Beach	Key West	Neptune Beach	Sarasota	Vero Beach
Fellsmere	Kissimmee	New Smyrna Beach	Satellite Beach	Winter Park
Flagler Beach	Lake Park	North Miami	Seminole	

<sup>1</sup> Department of Business and Professional Regulation, Division of Hotels and Restaurants, *Guide to Vacation Rentals and Timeshare Projects for Florida’s Public Lodging Establishments*, available at [https://www2.myfloridalicense.com/hr/forms/documents/5025\\_753.pdf](https://www2.myfloridalicense.com/hr/forms/documents/5025_753.pdf) (last visited June 26, 2024).

<sup>2</sup> Department of Business and Professional Regulation, Division of Hotels and Restaurants, *Annual Report for FY 2022-2023* at page 8, available at [https://www2.myfloridalicense.com/hr/reports/annualreports/documents/ar2022\\_23.pdf](https://www2.myfloridalicense.com/hr/reports/annualreports/documents/ar2022_23.pdf) (last visited June 26, 2024). The total number of vacation rental licenses for each classification type: single, group, and collective licenses.

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Local Taxes and Fees

**Issue:** Local Registration of Vacation Rentals

**Bill Number(s):** CS/SB 280

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

Sixty-nine of 411 municipalities self-reported to FLC that they are subject to the grandfather provision in current law. How many of the remaining 342 municipalities, which would also be grandfathered, is unknown. Also, it is not known how many counties might be grandfathered by the bill’s new ‘adopted on or before January 1, 2016’ provisions. Furthermore, the authority of local governments to create registration programs, charge fees, and/or issue fines is permissive rather than mandatory. For these reasons, EDR staff recommends a zero/positive indeterminate fiscal impact.

**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:** Local funds only.

**Section 5: Consensus Estimate (Adopted: 06/27/2024): 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/**
2025-26	0.0	0.0	0.0	0.0	0/**	0/**	0/**	0/**
2026-27	0.0	0.0	0.0	0.0	0/**	0/**	0/**	0/**
2027-28	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/**

## REVENUE ESTIMATING CONFERENCE

**Revenue Source:** Other Taxes and Fees

**Issue:** Consumer Finance Loans

**Bill Number(s):** CS/HB 1347

**Entire Bill**

**Partial Bill:**

**Sponsor(s):** Representative Brackett

**Month/Year Impact Begins:** July 1, 2024

**Date(s) Conference Reviewed:** June 27, 2024; June 17, 2024

### Section 1: Narrative

#### a. Current Law:

A “consumer finance loan” is a loan of money, credit, goods, or choses in action, including, except as otherwise specifically indicated, provision of a line of credit, in an amount or to a value of \$25,000 or less for which the lender charges, contracts for, collects, or receives interest at a rate greater than 18 percent per annum.<sup>1</sup>

A person must not engage in the business of making consumer finance loans unless she or he is authorized to do so under this chapter or other statutes and unless the person first obtains a license from the Office of Financial Regulation.<sup>2</sup> A “license” is defined as a permit issued under [chapter 516] to make and collect loans in accordance with [chapter 516] at a single place of business.<sup>3</sup>

At the time of application, the applicant must pay a nonrefundable biennial license fee of \$625. Applications, except for applications to renew or reactivate a license, must also be accompanied by a nonrefundable investigation fee of \$200.<sup>4</sup> Investigation of the applicant’s background is made at the first application.<sup>5</sup>

#### b. Proposed Change:

The bill amends various statutes related to consumer finance loans. In part, it defines the term “branch,” makes conforming changes to incorporate the newly established “branch” model, and it amends which application is required to pay the nonrefundable license fee and the accompanying investigation fee.

Specifically, section 3 of the bill:

- Requires the nonrefundable license fee of \$625 to be paid for the principle place of business and for each branch application.
- Limits the nonrefundable investigation fee to applications for a license for the principal place of business.
- Strikes an exception to when the investigation fee applies.

### Section 2: Description of Data and Sources

2024 Agency Legislative Bill Analysis, Florida Office of Financial Regulation, HB 1347, Jan. 19, 2024.

Discussion with and data provided by a representative from the Office of Financial Regulation

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

Under current law, a license must be granted for each location, whether it be a principle place of business or otherwise. The law change requiring licensure of the principle place of business and branch locations does not affect revenue. The definition of license explicitly limits a license to “a single place of business.”

To strike the clause that restricts the investigation fee from accompanying applications made to renew or reactive a license, likewise, does not affect revenue. An investigation occurs when initial application is made.

Limitation of the nonrefundable investigation fee was determined by the Office of Financial Regulation to reduce revenue by approximately \$5,000 per fiscal year.

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<sup>1</sup> Section 516.01, F.S.

<sup>2</sup> Section 516.02(1), F.S.

<sup>3</sup> Section 516.01, F.S.

<sup>4</sup> Section 516.03, F.S.

<sup>5</sup> Section 516.05(1), F.S.

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Other Taxes and Fees

**Issue:** Consumer Finance Loans

**Bill Number(s):** CS/HB 1347

Example. Entrant applies for two locations:

<i>Fee Type</i>	<i>Current Law</i>	<i>Post Law Change</i>
<i>Principle Place of Business</i>	\$625	\$625
<i>Other Location</i>	\$625	\$625
<i>Investigation</i>	\$400 [\$200*2]	\$200
<i>Total</i>	\$1,650	\$1,450

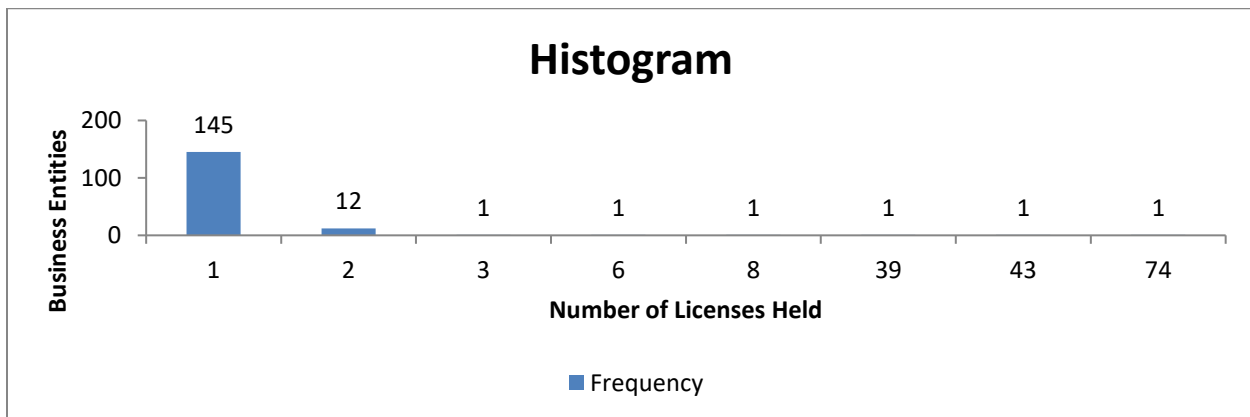
After the law change, the investigation fee will be limited to only the principle place of business, which results in a revenue loss of \$200.

**June 27 Update**

**Current Distribution of Licenses**

There are 342 active consumer financial loan licenses held by 163 unique business entities as of June 24, 2024. On average, one unique business entity holds approximately 1.99 licenses. In reality, 156 licenses (46%) are held by 3 business entities while the remaining 186 licenses (54%) are held by 160 business entities. Over 88 percent of businesses operate from a single licensed location while more than 96 percent of businesses operate through licensed locations of 2 or less.

<i>Number of Business Entities Holding "X" Licenses</i>	<i>Number of Licenses Held</i>	<i>Total Licenses</i>	<i>Cumulative % of Entities</i>	<i>% of Total Licenses</i>
145	1	145	88.96%	42%
12	2	24	96.32%	7%
1	3	3	96.93%	1%
1	6	6	97.55%	2%
1	8	8	98.16%	2%
1	39	39	98.77%	11%
1	43	43	99.39%	13%
1	74	74	100.00%	22%
163		342		



**Analyzing 15 years of Licensing**

From July of 2008 there have been 1,271 applications made which were accompanied by a \$200 nonrefundable investigation fee. The 1,271 applications were submitted by 700 unique business entities.

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Other Taxes and Fees

**Issue:** Consumer Finance Loans

**Bill Number(s):** CS/HB 1347

The difference between 1,271 and 700 represents the number of additional “branch” locations. These applicants remitted 571 investigation fees totaling \$114,200. (571\*\$200.)

Assuming an even distribution across the time period under revenue, collections of an investigation fee on locations which could be described as “branch” locations averaged \$7,613.

It’s clear from the current distribution of licenses that a great number of licenses are concentrated in just 3 companies. In fact, one of the companies restructured their business over the course of a few years within the time period under revenue, which necessitated filing new applications and remitting associated fees just as though this was an entirely new business with establishments. Large entities restructuring their business on such a scale does not occur elsewhere in the data and so an additional analysis was performed to understand the effect of the law change if treating this business entity as an outlier. The resulting annual revenue collections drop to \$4,960.

**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:**

Office of Financial Regulation Regulatory Trust Fund (subject to GR Service Charge)

**Section 5: Consensus Estimate (Adopted: 06/27/2024): 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	(*)	(*)
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:** Other Taxes and Fees/Local Taxes and Fees

**Issue:** Tax collector convenience fees & charitable organization fees

**Bill Number(s):** CS/CS/SB 1084

**Entire Bill:**

**Partial Bill:**

**Sponsor(s):** Senator Collins

**Month/Year Impact Begins:** July 1, 2024

**Date(s) Conference Reviewed:**

### Section 1: Narrative

#### a. Current Law:

##### Sections 13 & 36

The Division of Licensing (DOL) within the Department of Agriculture & Consumer Services (DACS) administers Florida's concealed weapon licensing program and licenses Florida's private investigative, private security, and repossession services industries. Currently, DOL offers 22 different types of private investigative, private security, and recovery services licenses and 4 different types of concealed weapon or firearm licenses.

DACS is authorized under statute to appoint county tax collectors to collect applications and fees on behalf of DACS for concealed weapon or firearm licenses. The county tax collectors can charge the applicant and retain a convenience fee of \$22 for each new license and \$12 for each renewal application. DACS is currently not authorized to appoint tax collectors to collect private investigative, private security, and repossession services license applications.

#### Section 15

Charitable organizations that intend to solicit donations in Florida are required to register with the Division of Consumer Services within DACS. These organizations are required to pay an initial registration fee to DACS and an annual renewal fee every year after registration. The fee schedule is as follows:

1. \$10 – contributions received for the fiscal year were less than \$5,000;
2. \$10 – contributions received were no more than \$50,000 and the fundraising activities of such organization are carried on by volunteers, members, officers, or permanent employees, who are not compensated, provided no part of the assets or income of such organization inures to the benefit of any officer or to any hired professional for fundraising
3. \$75 – contributions received for the fiscal year were \$5,000 or more, but less than \$100,000
4. \$125 – contributions received for the fiscal year were \$100,000 or more, but less than \$200,000
5. \$200 – contributions received for the fiscal year were \$200,000 or more, but less than \$500,000
6. \$300 – contributions received for last fiscal year were \$500,000 or more, but less than \$1 million
7. \$350 – contributions received for the fiscal year were \$1 million or more, but less than \$10 million
8. \$400 – contributions received for the fiscal year were \$10 million or more

#### b. Proposed Change:

##### Sections 13 & 36

The bill authorizes DACS to appoint county tax collectors to accept new, renewal, and replacement license applications on behalf of DACS for private investigative, private security, and repossession services licenses. The bill allows an appointed tax collector to collect and retain the following convenience fees:

- \$22 for each new application.
- \$12 for each renewal application.
- \$12 for each replacement license.
- \$9 for fingerprinting services associated with the completion of an application submitted online or by mail.
- \$9 for photographing services associated with the completion of an application submitted online or by mail.

The bill also allows the tax collectors to charge three new convenience fees associated with the collection of concealed weapon or firearm license applications. These fees are: \$12 for each replacement license; \$9 for fingerprinting services associated with the completion of an application submitted online or by mail; and \$9 for photographing services associated with the completion of an application submitted online or by mail.

## REVENUE ESTIMATING CONFERENCE

**Revenue Source:** Other Taxes and Fees/Local Taxes and Fees

**Issue:** Tax collector convenience fees & charitable organization fees

**Bill Number(s):** CS/CS/SB 1084

### **Section 15**

The bill removes category 2 on the fee schedule, which carries a \$10 fee for certain organizations receiving no more than \$50,000 in contributions for the fiscal year and having unpaid employees and no benefit inuring to certain parties. Organizations in that category will now pay either the \$10 fee in category 1 or the \$75 fee in category 3, depending on how much they receive in contributions in a fiscal year.

### **Section 2: Description of Data and Sources**

Contact with staff at DACS

Contact with a representative from the Florida Tax Collectors Association

DACS Division of Licensing Statistical Reports – *Applications & Dispositions: July 1, 2023-June 30, 2024*, available at

<https://www.fdacs.gov/Divisions-Offices/Licensing/Statistical-Reports>.

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

#### **Sections 13 & 36**

##### Investigative, Security, and Repossession Services Licenses

In FY 2022-23, DACS received the following applications for private investigative, private security, and repossession services licenses:

New license applications – 49,412

Renewal applications – 55,529

Replacement applications – 5,633

All of these applications can be mailed into DACS or completed at one of DACS's 9 field offices. Renewal applications can also be completed on DACS's website. DACS is currently unable to estimate how many license applications will be transitioning to county tax collectors or which collectors will be appointed under the bill.

16 of the 22 investigative, security, and repossession license types require fingerprinting and photos as part of the application.

##### Concealed Weapon or Firearm Licenses

For FY 2023-24, DACS received 92,768 new applications for a concealed weapon or firearm, and 196,214 renewal applications.

In addition to visiting 1 of 83 participating county tax collector locations, applications for initial and renewal licenses can be made in person at one of DACS's 9 field offices, online, or by mail. Applications for a replacement license can be completed at a field office or by mail, it appears that no county tax collector currently assists in replacements.

There is no data available regarding how many applications or the amount of convenience fees tax collectors are currently collecting because the tax collectors enter the application data into a DACS database that can only be viewed by DACS. Therefore, the amount of convenience fees that will be changed by tax collectors now that there are an additional 3 convenience fees cannot be estimated.

##### Conclusion

Since DACS does not know how many investigative, security, and repossession services applications they will be transitioning to tax collectors, coupled with the fact that applicants can use DACS's field offices, online applications, and mail to apply rather than visiting a tax collector, it is uncertain how much money in convenience fees will be collected by tax collectors. It would take 4,546 new applicants (about 11% of new applicants in FY 2022-23) to pay the \$22 convenience fee to tax collectors to meet the \$100,000 significance threshold.

For concealed weapons and firearms, the tax collectors have not tracked how much money they have received in convenience fees. While total applicant data for FY 2023-34 is available, it's unclear how many applicants applied directly to DACS rather than through a tax collector. Therefore, it is uncertain how many new convenience fees will be paid to tax collectors.

For these reasons, the proposed high estimate is positive indeterminate and the proposed low estimate is positive insignificant.

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Other Taxes and Fees/Local Taxes and Fees

**Issue:** Tax collector convenience fees & charitable organization fees

**Bill Number(s):** CS/CS/SB 1084

**Section 15**

There are 876 organizations in the removed category 2. DACS does not have data regarding which of these 876 organization will now be paying the \$75 fee under category 3 and which will pay the \$10 fee under category 1.

Also, there will likely be some new registrants now paying the \$75 fee when they would have paid the category 2 \$10 fee under previous law. DACS received 3106 new organization registrations in 2023, but they do not have data regarding how many registrants paid which fee.

For a positive indeterminate outcome, it would take 1,538 organizations (new and/or from removed category 2) who would have paid the \$10 fee under previous law, to pay the \$75 fee under the bill.

For these reasons, the proposed high estimate is positive indeterminate and the proposed low estimate is positive insignificant.

**Section 4: Proposed Fiscal Impact**

**Sections 13 & 36**

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

**Revenue Distribution:** Local funds only

**Section 15**

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

**Revenue Distribution:** DACS General Inspection Trust Fund

**Section 5: Consensus Estimate (Adopted: 06/27/2024):** The conference adopted a positive indeterminate impact for the Tax Collection Convenience Fees (sections 13 & 36) and a positive insignificant impact for the Charitable Organization Fees (section 15).

**Sections 13 & 36: Tax Collector Convenience Fees**

	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:** Other Taxes and Fees/Local Taxes and Fees

**Issue:** Tax collector convenience fees & charitable organization fees

**Bill Number(s):** CS/CS/SB 1084

**Section 15: Charitable Organization Fees**

	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:** Other Taxes and Fees

**Issue:** Background screening for certain healthcare professions

**Bill Number(s):** CS/CS/HB 975

**Entire Bill**

**Partial Bill:**

**Sponsor(s):** Representative Trabulsy

**Month/Year Impact Begins:** July 1, 2025

**Date(s) Conference Reviewed:** June 27, 2024

### Section 1: Narrative

#### a. Current Law:

The Department of Health (DOH) must review the criminal history of licensure applicants and current licensees for certain health care professions. According to DOH, there are currently 22 “screened” professions that fall under the background screening requirements of s. 456.0135, F.S. New and renewing applicants for these professions must submit to a state and national criminal history check and submit fingerprints. According to FDLE, the initial fingerprinting cost is \$61.25, of which \$48 is remitted to the Florida Department of Law Enforcement’s Operating Trust Fund for the state level criminal record check (\$24) and for retention of the fingerprints for five years (\$24), and the remainder is remitted to the federal government for the national criminal history record check. Applicants for these screened professions must also pay \$43.25 into the FDLE Operating Trust Fund to renew their fingerprint retention every five years.

All fingerprints received as part of the initial licensure process are entered into the Care Provider Background Screening Clearinghouse, which is administered by the Agency for Health Care Administration. Licensure applications received before January 1, 2013, are stored within FDLE’s SHIELD system, outside of the Clearinghouse.

There are also “non-screened” professions. These applicants do not have to submit to fingerprinting or Clearinghouse fingerprint retention.

#### b. Proposed Change:

Beginning July 1, 2025, the bill requires almost all of the currently non-screened professions licensed by DOH to undergo the initial fingerprinting and Clearinghouse retention requirements of screened professions under s. 456.0135, F.S., and to pay the \$61.25 (\$48 to FDLE), when applying for licensure.

Further, current licensees in non-screened professions who were licensed before July 1, 2025, must submit to the fingerprinting requirements at their next licensure renewal and pay the same \$61.25 (\$48 to FDLE). This is a one-time requirement.

There is no change to requirements for further renewal of these licenses, so it does not appear these professionals will need to pay the fee to retain their fingerprints in the Clearinghouse at five-year intervals after the initial screening required by the bill.

### Section 2: Description of Data and Sources

Florida Department of Health – *Annual Report & Long-Range Plan*, available at: [MQA Annual Report 2022-2023 \(floridahealth.gov\)](https://www.floridahealth.gov/about/annual-reports/2022-2023-annual-report)

Florida Department of Health Agency Analysis for HB 975

Florida Department of Law Enforcement Agency Analysis for HB 975

Contact with staff at DOH (unresponsive)

Contact with staff at AHCA

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

#### New Application Fees

For FY 2022-23, DOH received 134,362 applications for initial health care practitioner licensing. Of those applicants, 91,895 were for screened professions and 42,467 were for non-screened professions. Based on those numbers, DOH estimates that between 40,000 and 45,000 additional applicants for initial licensure will need to be screened annually under this bill.

For every initial licensure application under s. 456.0135, F.S., \$48 in revenue is remitted to FDLE’s Operating Trust Fund (\$24 for background check and \$24 for fingerprint retention for an initial five-year period).

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Other Taxes and Fees

**Issue:** Background screening for certain healthcare professions

**Bill Number(s):** CS/CS/HB 975

Assuming roughly 40,000 new applicants each year are required to remit the \$48 to FDLE, that represents an increase of almost \$2 million per year:

	Cash	Recurring
2024-25	0	0
2025-26	1.9	1.9
2026-27	1.9	1.9
2027-28	1.9	1.9

Existing Applications Subject to Renewal

For FY 2022-23, DOH had a total of 404,673 non-screened active licenses. These licenses are generally renewed biennially.<sup>1</sup> The bill requires licensees who were initially licensed before July 1, 2025, to submit to the same background check as a new licensee as part of the next renewal that occurs after July 1, 2025.

Assuming the 404,673 existing non-screened licensees are on roughly even renewal schedules, that reflects approximately 200,000 licensees paying the \$48 to FDLE in FY 2025-26 and in FY 2026-27:

	Cash	Recurring
2024-25	0	0
2025-26	9.6	0
2026-27	9.6	0
2027-28	0	0
2028-29	0	0

Once those existing licensees have been screened, there will not be ongoing impacts from this law change.

Conclusion

The numbers provided by DOH in their agency analysis reflect only a single year’s activity, and no further information was provided by the agency when requested. As such, the numbers in any given year may vary significantly from the estimated numbers in this analysis. Using the best available information, the combined impact of new applicants and existing applicants who will be required to pay FDLE the \$48 fee under the bill is the proposed low impact:

	Cash	Recurring
2024-25	0	0
2025-26	11.5	1.9
2026-27	11.5	1.9
2027-28	1.9	1.9
2028-29	1.9	1.9

The level of confidence in these numbers is low, however, so the proposed high estimate is positive indeterminate to reflect the uncertainty of the impact in any given year. All proposed impacts begin in the 2025-26 fiscal year, as the law first applies beginning July 1, 2025.

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<sup>1</sup> See, e.g., ss. 457.107, 483.817, 491.007, 463.007, 463.008, 486.085, and 490.007, F.S.

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Other Taxes and Fees

**Issue:** Background screening for certain healthcare professions

**Bill Number(s):** CS/CS/HB 975

**Section 4: Proposed Fiscal Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2024-25	0	0			0	0
2025-26	**	**			11.5	1.9
2026-27	**	**			11.5	1.9
2027-28	**	**			1.9	1.9
2028-29	**	**			1.9	1.9

**Revenue Distribution:** FDLE’s Operating Trust Fund

**Section 5: Consensus Estimate (Adopted: 06/27/2024):** The Conference adopted the high estimate, except for a positive indeterminate impact for the FY 2024-25 recurring impact.

	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	**	**
2026-27	**	**	**	**	0.0	0.0	**	**
2027-28	**	**	**	**	0.0	0.0	**	**
2028-29	**	**	**	**	0.0	0.0	**	**

## REVENUE ESTIMATING CONFERENCE

**Revenue Source:** Other Taxes and Fees

**Issue:** Teacher Certification Fees

**Bill Number(s):** CS/SB 7002 (Chapter 2024-159, Laws of Florida)

**Entire Bill**

**Partial Bill:** Section 26

**Sponsor(s):** Fiscal Policy; Education Pre-K -12; (Co-Introducers) Hutson; Osgood; Calatayud

**Month/Year Impact Begins:** July 1, 2024

**Date(s) Conference Reviewed:** June 27, 2024

### Section 1: Narrative

- a. Current Law:** The State Board of Education establishes a schedule of non-refundable fees for applications, examinations, certification, certification renewal, late renewal, etc. and may establish procedures for scheduling and administering an examination upon an applicant's request. Each fee shall be based on Department of Education (DOE) estimates of the revenue required to implement the law with respect to certification of school personnel.

The proceeds from the collection of certification fees, fines, penalties, and costs levied pursuant to this chapter shall be remitted by DOE to the Chief Financial Officer for deposit into a separate fund to be known as the "Educational Certification and Service Trust Fund" and disbursed for the payment of expenses incurred by the Educational Practices Commission and in the printing of forms and bulletins and the issuing of certificates, upon vouchers approved by the department.

The State Board of Education waives initial general knowledge, professional education, and subject area examination fees and certification fees for:

- A member of the United States Armed Forces or a reserve component thereof who is serving or has served on active duty or the spouse of such a member.
- The surviving spouse of a member of the United States Armed Forces or a reserve component thereof who was serving on active duty at the time of death.
- An honorably discharged veteran of the United States Armed Forces or a veteran of a reserve component thereof and the spouse or surviving spouse of such a veteran.
- A retired first responder, which includes a law enforcement officer, a firefighter, or an emergency medical technician or paramedic.

**Proposed Change:** Section 26 of CS/SB 7002 (Chapter 2024-159, Laws of Florida) amends s. 1012.59, F.S., as follows:  
1012.59 Certification fees.—

"(4) The State Board of Education shall waive initial subject area examination fees and certification fees for a teacher who holds a temporary or professional certificate in:

- (a) Exceptional Student Education K–12 and who applies to add a subject coverage in Elementary Education K–6.  
(b) Elementary Education K–6 and who applies to add a subject coverage in Exceptional Student Education K–12."

### Section 2: Description of Data and Sources

- Fee and Payment Information (Effective April 22, 2019), DOE
  - <https://www.fldoe.org/accountability/assessments/postsecondary-assessment/ftce/registration-information/fees-payment.stml>
- Certification Application Fee Schedule, DOE
  - <https://www.fldoe.org/teaching/certification/steps-to-certification/certification-application-fee-schedule.stml>
- Emails between EDR and DOE (June 2024)

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

#### Current Program

Currently all educators remit fees to DOE for subject area examinations and certifications. The only educators exempt from these fees are certain military and first responders. Subject area examination and certification fees for Elementary Education K-6 and Exceptional Student Education K-12 are outlined in Table 1.



**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Other Taxes and Fees

**Issue:** Teacher Certification Fees

**Bill Number(s):** CS/SB 7002 (Chapter 2024-159, Laws of Florida)

**Table 1. Addition of Subject Examination and Certification Fee Schedule**

	Examination Fee	Addition of Subject Certification Fee
Elementary Education K-6 (Full Battery)	\$150.00	\$75.00
Exceptional Student Education K-12	\$150.00	\$75.00

*Source: DOE*

Analysis

To estimate the magnitude of fees to be waived across the forecast horizon, examination and certification fees collected by DOE for educators that will now be eligible for the new waiver were requested (Table 2).

**Table 2. Fees Collected for Addition of Subject Area, FY 2022-FY 2024**

	FY 2022 (July 2021-June 2022)	FY 2023 (July 2022-June 2023)	Partial FY 2024 (July 2023-June 20, 2024)
<b>ESE K-12 Teachers adding on Elementary Ed K-6</b>			
K-6 Examination Fees Collected	\$1,261,500.00	\$1,151,775.00	\$1,099,013.00
Certification Fees Collected	\$87,675.00	\$54,375.00	\$53,475.00
Total Fees Collected	\$1,349,175.00	\$1,206,150.00	\$1,152,488.00
<b>Elementary Ed K-6 Teachers adding on ESE K-12</b>			
ESE Examination Fees Collected	\$763,350.00	\$823,800.00	\$858,150.00
Certification Fees Collected	\$137,175.00	\$92,925.00	\$99,225.00
Total Fees Collected	\$900,525.00	\$916,725.00	\$957,375.00
<b>Fees Collected Annually</b>	<b>\$2,249,700.00</b>	<b>\$2,122,875.00</b>	<b>\$2,109,863.00</b>

*Source: Emails between DOE and EDR (June 2024)*

Between FY 2022 and FY 2024 fees collected by DOE for this subset of teachers has declined an average 3.1% annually.

Providing additional waivers increases the pool of educators that are exempt from paying fees associated with examination and certification for additional subject areas. Any increase in exemptions will result in a decrease in fees collected.

Model Explanation

To forecast fees that would have been collected for this subset of educators through FY 2029, the model uses the average annual decline of 3.1% per year. The results are below in Table 3.

**Table 3. Forecast of Fees Collected by DOE**

	FY 2025 (July 2024-June 2025)	FY 2026 (July 2025-June 2026)	FY 2027 (July 2026-June 2027)	FY 2028 (July 2027-June 2028)	FY 2029 (July 2028-June 2029)
<b>Forecasted Fees, Collected Annually</b>	\$2,043,925.98	\$1,980,049.60	\$1,918,169.48	\$1,858,223.23	\$1,800,150.40

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Other Taxes and Fees

**Issue:** Teacher Certification Fees

**Bill Number(s):** CS/SB 7002 (Chapter 2024-159, Laws of Florida)

**Section 4: Proposed Fiscal Impact**

State Trust	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2024-25			(2.0)	(2.0)		
2025-26			(2.0)	(2.0)		
2026-27			(1.9)	(1.9)		
2027-28			(1.9)	(1.9)		
2028-29			(1.8)	(1.8)		

**Revenue Distribution:**

The “Educational Certification and Service Trust Fund” is subject the General Revenue Service Charge.

**Section 5: Consensus Estimate (Adopted: 06/27/2024): The Conference adopted the proposed estimate.**

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2024-25	(1.8)	(1.8)	(0.2)	(0.2)	0.0	0.0	(2.0)	(2.0)
2025-26	(1.8)	(1.8)	(0.2)	(0.2)	0.0	0.0	(2.0)	(2.0)
2026-27	(1.7)	(1.7)	(0.2)	(0.2)	0.0	0.0	(1.9)	(1.9)
2027-28	(1.7)	(1.7)	(0.2)	(0.2)	0.0	0.0	(1.9)	(1.9)
2028-29	(1.7)	(1.7)	(0.1)	(0.1)	0.0	0.0	(1.8)	(1.8)

	FY 2022 (July 2021-June 2022)	FY 2023 (July 2022-June 2023)	FY 2024 (July 2023-June 20, 2024)
<b>ESE K-12 Teachers adding on Elementary Ed K-6</b>			
K-6 Examination Fees Collected	\$ 1,261,500	\$ 1,151,775	\$ 1,099,013
Certification Fees Collected	\$ 87,675	\$ 54,375	\$ 53,475
Total Fees Collected	\$ 1,349,175	\$ 1,206,150	\$ 1,152,488
<b>Elementary Ed K-6 Teachers adding on ESE K-12</b>			
ESE Examination Fees Collected	\$ 763,350	\$ 823,800	\$ 858,150
Certification Fees Collected	\$ 137,175	\$ 92,925	\$ 99,225
Total Fees Collected	\$ 900,525	\$ 916,725	\$ 957,375
<b>Fees Collected Annually</b>	<b>\$ 2,249,700</b>	<b>\$ 2,122,875</b>	<b>\$ 2,109,863</b>

Percent Change		-5.6%	-0.6%
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Average Annual Change -3.1%

FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
(July 2024-June 2025)	(July 2025-June 2026)	(July 2026-June 2027)	(July 2027-June 2028)	(July 2028-June 2029)
\$ 2,043,925.98	\$ 1,980,049.60	\$ 1,918,169.48	\$ 1,858,223.23	\$ 1,800,150.40
<b>(2.0)</b>	<b>(2.0)</b>	<b>(1.9)</b>	<b>(1.9)</b>	<b>(1.8)</b>

## REVENUE ESTIMATING CONFERENCE

**Revenue Source:** Other Taxes and Fees/Local Taxes and Fees

**Issue:** Building Permit Fees and Surcharges

**Bill Number(s):** CS/CS/CS/HB 267

**Entire Bill**

**Partial Bill:**

**Sponsor(s):** Representative Esposito

**Month/Year Impact Begins:** January 1, 2025

**Date(s) Conference Reviewed:** June 27, 2024

### Section 1: Narrative

#### a. Current Law:

##### Local Building Permits

A local government may charge reasonable fees as set forth in a schedule of fees adopted by the enforcing agency for the issuance of a building permit.<sup>1</sup> Current law requires local governments to review certain building permit applications within a specified period of receiving the applications. If a local government fails to meet these deadlines it must reduce the building permit fee by 10% for each **business day** that it fails to meet the deadline. However, these time limitations do not apply when a law, agency rule, or local ordinance specifies different timeframes for review of local building permit applications, for permits for wireless communication facilities, or when both parties agree to an extension.

##### DBPR Surcharges

Current law requires all local governments to assess and collect two surcharges calculated on the building permit fees. The surcharges are on any building permit issued by their enforcement agency for the purpose of enforcing the Building Code:

1. A 1% surcharge that is remitted to the Department of Business and Professional Regulation (DBPR) to fund the activities of the Florida Building Commission, DBPR's Building Code Compliance and Mitigation Program, and the Florida Fire Prevention Code informal interpretations.<sup>2</sup>
2. A 1.5% surcharge remitted to DBPR, where it is divided equally to fund the activities of the Building Code Administrators and Inspectors Board and the Florida Homeowners' Construction Recovery Fund.<sup>3</sup>

Local government building departments are permitted to retain 10% of the amount of the surcharges they collect to fund participation by their agencies in the national and state building code adoption processes and to provide education related to enforcement of the Building Code.<sup>4</sup>

If any permit fees are refunded because a local government fails to meet an established deadline for reviewing a building permit application, the DBPR surcharges must be recalculated based on the amount of the permit fees after the refund.<sup>5</sup>

#### b. Proposed Change:

The bill makes two primary changes that may affect local building permit fees and the related DBPR surcharges:

1. The bill reduces current timelines and revises procedures for applying for and obtaining a building permit, which may increase the number of cases in which the building permit fee reduction provisions apply.
2. The mandatory reduction in building permit fees will not apply if the delay in issuing the permit is caused by the applicant or if there is a natural disaster or other force majeure which causes the delay, which may decrease the number of cases in which the building permit fee reduction provisions apply.

### Section 2: Description of Data and Sources

Department of Business and Professional Regulation Agency Analysis for HB 267 dated April 26, 2024

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<sup>1</sup> S. 553.80 F.S.

<sup>2</sup> S. 553.721, F.S.

<sup>3</sup> S. 468.631, F.S.; The Florida Homeowners' Construction Recovery Fund is used to compensate homeowners who have suffered a covered financial loss at the hands of state-licensed general, building and residential contractors. Claims are filed with the DBPR, who reviews for completeness and statutory eligibility. The DBPR then presents the claim to the Construction Industry Licensing Board for review. s. 489.1401(2), F.S.

<sup>4</sup> Ss. 468.631, and 553.721, F.S.

<sup>5</sup> S. 553.79(16)(d), F.S.

## REVENUE ESTIMATING CONFERENCE

**Revenue Source:** Other Taxes and Fees/Local Taxes and Fees

**Issue:** Building Permit Fees and Surcharges

**Bill Number(s):** CS/CS/CS/HB 267

Contact with DBPR Staff

Communication with Florida League of Cities and Florida Association of Counties

House Final Bill Analysis of HB 267

EDR Local Government Reports on Building Permit Fees: [County Revenues: LFY 1993-2022](#); [Municipal Revenues: LFY 1993-2022](#)

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

#### Local Building Permits

Per data from EDR, the most recent five-year average of total municipal and county local building permit revenue is \$941 million per year, with growth in each year except 2020:

FYE	Municipalities	Counties	Total
2018	\$ 551,087,846	\$ 315,074,704	\$ 866,162,550
2019	\$ 582,070,773	\$ 324,670,767	\$ 906,741,540
2020	\$ 507,236,855	\$ 320,513,313	\$ 827,750,168
2021	\$ 602,799,781	\$ 385,620,585	\$ 988,420,366
2022	\$ 714,661,979	\$ 399,574,753	\$ 1,114,236,732
Average	\$ 591,571,447	\$ 349,090,824	\$ 940,662,271

Assuming modest growth moving forward, the average total statewide local building permit fee revenue is likely to be more than \$1 billion per year. As such, even a very small impact from this bill would likely have an impact that exceeds the threshold for significance.

The two possible impacts from this bill work in opposite directions.

1. The first impact potentially **decreases revenue** by making the required permit fee reduction more likely. This would occur if a local government is unable to issue a permit within the narrower timelines provided by the bill. Contact with the Association of Counties indicates this is likely to impact their members, but they do not know to what extent. Contact with the League of Cities indicates they believe most cities can likely comply with these timelines within existing resources, so the impact to their members is likely to be smaller, if any.
2. The second impact would not raise revenue above allowable existing building permit fee revenue, but could potentially **increase the amount of building permit fees retained**. Under existing law, the building permit fee must be reduced by 10% per day if the statutory timeline for issuing the permit is not met, unless a local ordinance provides for a different timeline or both parties agree to an extension. The new law also exempts the local government from the fee reduction if the delay is caused by the applicant or is caused by a force majeure outside the control of the local government. As such, fee revenue could increase if most of the current reductions are caused by delay of the applicants or natural disasters. Contact with the Association indicates this may happen, but they are not sure as to scope. The League of Cities indicated they believe most cities are already issuing permits within current timelines. As such, there would be no change to permit fees collected by cities as the fee reductions are not currently occurring in large numbers.

The possible impacts here depend on which of these scenarios is more likely, and which change has a larger impact in any given year. Given the size of the total base (\$1 billion), a significant impact (more than \$100,000) in one direction or the other is likely, but directionality is unknown.

- The low assumes the changes to the application timeline will cause local governments to miss deadlines to issue permits and therefore impose the 10% daily fee reduction and consequently reduce the total collected building permit fees. This also assumes that the reduction in fees due to this change will outweigh any increase from local governments that previously had to reduce building permit fees significantly due to natural disasters or delays of the applicant and will instead be able to charge the full fee moving forward.
- The middle assumes in any given year the impact could be negative or positive.

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Other Taxes and Fees/Local Taxes and Fees

**Issue:** Building Permit Fees and Surcharges

**Bill Number(s):** CS/CS/CS/HB 267

- The high assumes local governments that have had to reduce building permit fees significantly due to natural disasters or delays of the applicant will instead be able to charge the full fee moving forward, and that those increases outweigh any new fee reductions under the revised building permit timelines.

**DBPR Surcharges**

There are two surcharges remitted to DBPR by local governments related to local building permit fees. Per DBPR, collections in the last three years have been as follows:

Surcharge Collection	2021-2022	2022-2023	2023-2024	3-Year Average
Building Code Administrators & Inspectors Board (468.631, F.S.)	\$ 10,494,556	\$ 13,166,194	\$ 13,050,225	\$12,236,992
Florida Building Commission (553.721, F.S.)	\$ 6,981,826	\$ 9,451,188	\$ 9,807,940	\$8,746,985
Total Surcharge Per Fiscal Year	\$ 17,476,382	\$ 22,617,381	\$ 22,858,164	\$20,983,976

A shift in the surcharges of just half a percent would exceed the threshold for significance (\$20,983,976\*0.005= \$104,920). Because the surcharges are calculated based on the building permit fees, the proposed impact to state trust funds aligns with the proposed impact to local governments, and ranges from negative indeterminate (low) to positive indeterminate (high).

**Section 4: Proposed Fiscal Impact**

Local Gov.	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2024-25	**	**	+/-	+/-	(**)	(**)
2025-26	**	**	+/-	+/-	(**)	(**)
2026-27	**	**	+/-	+/-	(**)	(**)
2027-28	**	**	+/-	+/-	(**)	(**)
2028-29	**	**	+/-	+/-	(**)	(**)

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

**Revenue Distribution:**

Local Government (Building Permit Fees)

Building Code Administrators and Inspectors Fund (s. 468.631, F.S., surcharge)

Professional Regulation Trust Fund (s. 553.721, F.S., surcharge)

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Other Taxes and Fees/Local Taxes and Fees

**Issue:** Building Permit Fees and Surcharges

**Bill Number(s):** CS/CS/CS/HB 267

**Section 5: Consensus Estimate (Adopted: 06/27/2024): The Conference adopted a +/- indeterminate impact.**

	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 – Toll Roads

**Bill Number(s):** CS/CS/CS/HB 1301

**Entire Bill**

**Partial Bill:** Section 6

**Sponsor(s):** Representative Abbott

**Month/Year Impact Begins:** July 2024

**Date(s) Conference Reviewed:** 6/27/2024

**Section 1: Narrative**

- a. **Current Law:** Per Section 338.231, F.S., any prepaid toll account of any kind which has remained inactive for 3 years shall be presumed unclaimed and its disposition shall be handled by the Department of Financial Services.
- b. **Proposed Change:** The bill changes the number of inactive years which causes a prepaid toll account to be presumed as unclaimed property from 3 to 10.

**Section 2: Description of Data and Sources:**

Unclaimed Property Department (Department) Data and Discussion

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

The Unclaimed Property Department provided the analysis with last 10 years of unclaimed prepaid tolls collected by the department (see below). The analysis assumed that the Department will not be able to collect any unclaimed prepaid tolls for the next 7 years due to the law change. The middle methodology is a 3-year average of the last 3 years and applied to our fiscal window. The high methodology applies the last year amount (2022) to our fiscal window.

Year	Amount
2022	\$5,591,092.55
2021	\$3,088,536.21
2020	\$3,173,997.62
2019	\$2,978,268.42
2018	\$3,074,473.01

**Section 4: Proposed Fiscal Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2024-25	(\$5,591,092)	(\$5,591,092)	(\$3,951,209)	(\$3,951,209)		
2025-26	(\$5,591,092)	(\$5,591,092)	(\$3,951,209)	(\$3,951,209)		
2026-27	(\$5,591,092)	(\$5,591,092)	(\$3,951,209)	(\$3,951,209)		
2027-28	(\$5,591,092)	(\$5,591,092)	(\$3,951,209)	(\$3,951,209)		
2028-29	(\$5,591,092)	(\$5,591,092)	(\$3,951,209)	(\$3,951,209)		

**Revenue Distribution:** State School Trust Fund

**Section 5: Consensus Estimate (Adopted: 06/27/2024):** The Conference adopted (\$3.05), the average of four years excluding 2022.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2024-25	0.0	0.0	(3.1)	(3.1)	0.0	0.0	(3.1)	(3.1)
2025-26	0.0	0.0	(3.1)	(3.1)	0.0	0.0	(3.1)	(3.1)
2026-27	0.0	0.0	(3.1)	(3.1)	0.0	0.0	(3.1)	(3.1)
2027-28	0.0	0.0	(3.1)	(3.1)	0.0	0.0	(3.1)	(3.1)
2028-29	0.0	0.0	(3.1)	(3.1)	0.0	0.0	(3.1)	(3.1)



**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Other Taxes and Fees/Local Taxes and Fees

**Issue:** Hunting and Fishing License Fee Exemption for Disabled Veterans

**Bill Number(s):** CS/CS/HB 1329

**Entire Bill**

**Partial Bill:** Section 4

**Sponsor(s):** House State Affairs Committee, House Local Administration, Federal Affairs & Special Districts Subcommittee, and Representatives Redondo and Alvarez

**Month/Year Impact Begins:** July 1, 2024

**Date(s) Conference Reviewed:** June 27, 2024

**Section 1: Narrative**

**a. Current Law:**

The Florida Fish and Wildlife Conservation Commission (FWC) issues hunting, freshwater fishing, and saltwater fishing licenses and permits (hereinafter referred to as licenses). License fees are exempt, under section 379.353(1), F.S., for certain Florida residents who are disabled. In order to qualify for the fee exemption, a person must be determined to be:

- totally and permanently disabled for purposes of workers' compensation,
- totally and permanently disabled by the Railroad Retirement Board, by the United States Department of Veterans Affairs, or by any branch of the United States Armed Forces, or
- disabled by the United States Social Security Administration.

FWC reported that there were 22,770 active exemptions under section 379.353(1), F.S., in Fiscal Year 2023. Additionally, section 379.353(2), F.S., does not require licenses for Florida residents who are 65 years of age or older.

FWC provided the tables below that show fees that are currently exempt under s. 379.353(1), F.S. (see gray highlighted columns). The Military Gold Sportsman’s License has an annual cost of \$18.50 for Florida residents who are active duty or retired military members and covers hunting, freshwater fishing, and saltwater fishing. The tables below also show units sold and sales to non-exempt persons (see blue highlighted columns).

License ID	License Type	RESIDENCY	Term	Category	Fee	2023 Units Sold as of 7/01/2023	2023 Sales	2023 Freshwater Sales	2023 Saltwater Sales	2023 Hunting Sales
163	Freshwater Fishing	Resident	1 year	Freshwater	\$ 15.50	245,662	\$3,807,761.00	\$3,807,761.00	\$0.00	\$0.00
164	Saltwater Fishing	Resident	1 year	Saltwater	\$ 15.50	464,750	\$7,203,625.00	\$0.00	\$7,203,625.00	\$0.00
30	Snook Permit	Resident	1 year	Saltwater	\$ 10.00	217,296	\$2,172,960.00	\$0.00	\$2,172,960.00	\$0.00
31	Lobster Permit	Resident	1 year	Saltwater	\$ 5.00	220,004	\$1,100,020.00	\$0.00	\$1,100,020.00	\$0.00
165	Hunting	Resident	1 year	Hunting	\$ 15.50	54,488	\$844,564.00	\$0.00	\$0.00	\$844,564.00
32	Management Area Permit	Resident	1 year	Hunting	\$ 25.00	35,637	\$890,925.00	\$0.00	\$0.00	\$890,925.00
33	Archery Season Permit	Resident	1 year	Hunting	\$ 5.00	12,515	\$62,575.00	\$0.00	\$0.00	\$62,575.00
34	Muzzleloading Season Permit	Resident	1 year	Hunting	\$ 5.00	8,267	\$41,335.00	\$0.00	\$0.00	\$41,335.00
35	Waterfowl Permit	Resident	1 year	Hunting	\$ 5.00	10,477	\$52,385.00	\$0.00	\$0.00	\$52,385.00
36	Turkey Permit	Resident	1 year	Hunting	\$ 10.00	15,588	\$155,880.00	\$0.00	\$0.00	\$155,880.00
96	Deer Permit	Resident	1 year	Hunting	\$ 5.00	40,570	\$202,850.00	\$0.00	\$0.00	\$202,850.00
241	Crossbow Season Permit	Resident	1 year	Hunting	\$ 5.00	6,220	\$31,100.00	\$0.00	\$0.00	\$31,100.00
					\$ 121.50	1,331,474	\$16,565,980.00	\$3,807,761.00	\$10,476,605.00	\$2,281,614.00

License ID	License Type	RESIDENCY	Term	Category	Fee	2023 Units Sold as of 7/01/2023	2023 Sales	2023 Freshwater Sales	2023 Saltwater Sales	2023 Hunting Sales
17	Sportsman 64+(Fresh/Hunt)	Resident	1 year	Freshwater, Hunting	\$ 13.50	6,293	\$75,516.00	\$12,860.37	\$0.00	\$62,655.63
166	Hunting & Freshwater Fishing	Resident	1 year	Freshwater, Hunting	\$ 31.00	4,357	\$135,067.00	\$67,533.50	\$0.00	\$67,533.50
169	Sportsman (Freshwater Only)	Resident	1 year	Freshwater, Hunting	\$ 79.00	1,367	\$107,993.00	\$18,391.21	\$0.00	\$89,601.79
167	Freshwater/Saltwater Fishing	Resident	1 year	Freshwater, Saltwater	\$ 31.00	170,281	\$5,278,711.00	\$2,639,355.50	\$2,639,355.50	\$0.00
168	Freshwater/Saltwater/Hunting	Resident	1 year	Freshwater, Saltwater, Hunting	\$ 46.50	13,369	\$621,658.50	\$207,012.28	\$207,012.28	\$207,633.94
170	Gold Sportsman	Resident	1 year	Freshwater, Saltwater, Hunting	\$ 98.50	5,641	\$5,086,638.50	\$649,055.07	\$1,276,746.26	\$3,160,837.16
229	Military Gold Sportsman's License	Resident	1 year	Freshwater, Saltwater, Hunting	\$ 18.50	23,640	\$437,340.00	\$55,804.58	\$109,772.34	\$271,763.08
						270,948	\$11,742,924.00	\$3,650,012.52	\$4,232,886.38	\$3,860,025.10

An additional license charge provides funding for tax collectors to cover the cost of issuing licenses. Section 379.352, F.S., requires that the amount of \$1.50 must be charged for each new license in addition to any other license fee. The \$1.50 charge is added to the fees in the tables above. For example, the Military Gold Sportsman’s License would be a total of \$20 per license. After the tax collector retains their share of the \$1.50 charge, any remaining revenue must be deposited in the State Game Trust Fund. The tax collector may retain:

- \$1 for each hunting license and freshwater fishing license sold by a tax collector, including the combination freshwater fishing and hunting license, the sportsman’s license, and the gold sportsman’s license.
- \$1.50 for each saltwater fishing tag and saltwater fishing license sold by a tax collector, including the combination saltwater fishing and freshwater fishing license and the combination saltwater fishing, freshwater fishing, and hunting license.
- \$0.50 from other license proceeds otherwise due the commission to cover the cost of issuing shoreline fishing licenses. (The \$1.50 charge does not apply to shoreline fishing licenses.)

**REVENUE ESTIMATING CONFERENCE**

**Revenue Source:** Other Taxes and Fees/Local Taxes and Fees

**Issue:** Hunting and Fishing License Fee Exemption for Disabled Veterans

**Bill Number(s):** CS/CS/HB 1329

Finally, the federal government uses the number of paid licenses in each state to distribute revenue from the Wildlife Restoration Act (WR) and the Sport Fish Restoration Act (SFR). States must annually certify the number of hunting and fishing licenses sold. Licenses only count in the certification and distribution formula if the state fish and wildlife agency receives at least \$2 in gross revenue for either the privilege to hunt or fish, or \$4 for the privilege to both hunt and fish.

- b. Proposed Change:** Section 4 expands the fee exemption for licenses to additional veterans who are disabled. In order to qualify for the exemption under the bill, a veteran must be a Florida resident, honorably discharged, and certified by the United States Department of Veterans Affairs or by any branch of the United States Armed Forces as having a service-connected disability percentage rating of 50 percent or greater. Any license issued under this expanded fee exemption expires after five years and must be reissued, upon request, every five years thereafter.

**Section 2: Description of Data and Sources:**

- FWC, 2024 Agency Legislative Bill Analysis for SB 1666.
- Email and phone call correspondence with FWC.
- Email correspondence with Florida Department of Veterans Affairs.

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

The Florida Department of Veterans’ Affairs estimates that 92,820 Florida veterans would qualify for the fee exemption under the bill. This is out of 714,000 Florida veterans under 65 years of age as of Fiscal Year 2023. The estimate excludes veterans who are 100% disabled because they are already exempt from license fees. Due to data limitations, it does not take into account if a veteran received an honorable discharge. Assuming that veterans take advantage of the Military Gold Sportsman’s License at a cost of \$18.50, it would take 5,406 (5.8%) veterans to reach a significant negative effect on state trust funds. For the additional \$1.50 or \$1 charge to cover the cost of issuance by tax collectors, it would take 66,667 (71.8%) or 100,000 (108%) veterans to reach a significant negative effect.

FWC provided an estimated annual loss of \$136,000 in federal SFR funding and \$1.36 million in WR funding. FWC arrived at these numbers by estimating a potential pool of 116,000 eligible veterans (higher than the 92,820 pool in the above analysis). Then estimated that 23,000 (almost 20%) of the eligible pool of veterans would hunt or fish and ran a hypothetical scenario to reduce their 2023 license certification by 23,000 licenses to estimate the funding decrease. FWC noted that the actual amount would depend on license certifications in other states, how much federal funding is available to all states, and the actual number of Florida veterans who use the fee exemption under the bill.

The proposed impact is indeterminate negative for trust funds and insignificant negative for local funds due to the uncertainty about the number of eligible veterans and how many would hunt or fish.

**Section 4: Proposed Fiscal Impact**

Trust Funds

	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/Local Taxes and Fees

**Issue:** Hunting and Fishing License Fee Exemption for Disabled Veterans

**Bill Number(s):** CS/CS/HB 1329

Local

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

**Revenue Distribution:**

State Game Trust Fund for hunting and freshwater fishing license fees.

Marine Resources Conservation Trust Fund for saltwater fishing license fees.

Federal Grants Trust Fund for federal funding from WR and SFR.

Local funds for tax collectors.

**Section 5: Consensus Estimate (Adopted: 06/27/2024) The Conference adopted the proposed estimate.**

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