

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1147

Saltwater Products Licenses

SPONSOR(S): Bembry

TIED BILLS:

IDEN./SIM. BILLS:

| | REFERENCE | ACTION | ANALYST | STAFF DIRECTOR |
|----|--|---------------|----------------|-----------------------|
| 1) | Agriculture & Natural Resources Policy Committee | 10 Y, 0 N | Deslatte | Reese |
| 2) | Natural Resources Appropriations Committee | | | |
| 3) | General Government Policy Council | | | |
| 4) | | | | |
| 5) | | | | |

SUMMARY ANALYSIS

The bill provides that a resident 65 years of age or older, who has held a valid saltwater products license for the previous three years, is not required to pay the annual individual saltwater products license fee, which is required to commercially harvest or sell any saltwater products in Florida.

If the bill is enacted, the Florida Fish and Wildlife Conservation Commission (FWCC) will receive 8% less in revenues generated by salt water products licenses, which are deposited into the Marine Resource Conservation Trust Fund for administration of the license program and management of marine fisheries. Pursuant to s. 328.76, F.S., the Department of Agriculture and Consumer Services (DACS) receives 25% of revenues generated by the sale of saltwater products licenses. The DACS will receive an estimated \$15,662 fewer dollars annually. See Fiscal Comments section.

The bill has an effective date of July 1, 2010.

HOUSE PRINCIPLES

Members are encouraged to evaluate proposed legislation in light of the following guiding principles of the House of Representatives

- Balance the state budget.
- Create a legal and regulatory environment that fosters economic growth and job creation.
- Lower the tax burden on families and businesses.
- Reverse or restrain the growth of government.
- Promote public safety.
- Promote educational accountability, excellence, and choice.
- Foster respect for the family and for innocent human life.
- Protect Florida's natural beauty.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

Section 379.361, F.S., provides that every person, firm, or corporation that sells, offers for sale, barter, or exchanges for merchandise any saltwater products, or which harvests saltwater products with certain gear or equipment as specified by law, must have a valid saltwater products license (SPL). A saltwater product is defined as any marine fish, shellfish, clam, invertebrate, sponge, jellyfish, coral, crustacean, lobster, crab, shrimp, snail, marine plant, echinoderm, sea star, brittle star or urchin, except non-living shells and salted, cured, canned or smoked seafood¹. SPL holders can only sell to a licensed Florida saltwater products wholesale dealer.

Currently, the fee for a license issued in the name of a resident commercial saltwater fisher is \$50 (individual SPL); \$100 fee for a license issued to a specific registration number of a vessel (vessel SPL); and \$150 fee for a license issued in a resident's name that authorizes him/her and crew to fish from any vessel (crew SPL).

Commercial fishers must also purchase endorsements to harvest certain species and the endorsements range anywhere from \$25 to \$250, depending on the fishery.

According to the FWCC's analysis, in 2008-09, FWCC issued 10,981 SPLs to Florida residents: 6,359 were individual SPLs. Of the 6,359 individual SPLs, 1,253 were to fishers who will be age 65 or older by June 30, 2010.

SPL fees are deposited into the Marine Resources Conservation Trust Fund. The trust fund is used by FWCC to support marine research, fishery enhancement, statistics development, artificial reefs, law enforcement, license administration, fishery management, manatee rehabilitation, and marine turtle conservation.

There has been a decrease in sales for SPLs, down 30% over a 10-year period.

¹ Florida Fish and Wildlife Conservation Commission analysis (on file)

Effect of Proposed Changes

The bill provides that a resident 65 years of age or older, who has held a valid license for the previous three years, is not required to pay the annual individual SPL fee.

B. SECTION DIRECTORY:

Section 1. Amends s. 379.361, F.S., providing that specified residents are exempt from the annual fee for a saltwater products license.

Section 2. Provides an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

See Fiscal Comments below

2. Expenditures:

See Fiscal comments below

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Resident commercial saltwater fishers who are 65 years of age or older and who have had held a valid license for the previous three years, will be exempt from paying the \$50 individual fee. However, they will still have to pay fees for various endorsements that are required.

D. FISCAL COMMENTS:

FWCC

Total revenues generated by sales of SPLs to resident commercial fishers in 2008-09 were \$788,450, of which \$62,660 (8%) was from sales of individual SPLs to fishers age 65 or older. FWCC will have an 8% decrease in revenues to be deposited into the Marine Resource Conservation Trust Fund.

Department of Agriculture and Consumer Services (DACS)

The DACS receives 25% of revenues generated by the sale of SPLs pursuant to s. 328.76, F.S., for purposes of providing marketing and extension services, including industry education and information. If revenues were to decrease by \$62,660, DACS would receive an estimated \$15,662 less annually.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not appear to require counties or municipalities to take an action requiring the expenditure of funds, reduce the authority that counties or municipalities have to raise revenue in the aggregate, nor reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None

B. RULE-MAKING AUTHORITY:

None

C. DRAFTING ISSUES OR OTHER COMMENTS:

None

IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES