

**STORAGE NAME:** h0103s1.ted

**DATE:** April 15, 1997

**HOUSE OF REPRESENTATIVES  
AS FURTHER REVISED BY THE COMMITTEE ON  
TRANSPORTATION & ECONOMIC DEVELOPMENT APPROPRIATIONS  
BILL RESEARCH & ECONOMIC IMPACT STATEMENT**

**BILL #:** CS/HB 103

**RELATING TO:** Tax on Sales, Use, and Other Transactions

**SPONSOR(S):** Committee on Transportation & Economic Development Appropriations and Representative Jones

**STATUTE(S) AFFECTED:** Section 212.0607, Florida Statutes

**COMPANION BILL(S):** SB 234 (S)

**ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:**

- (1) TOURISM YEAS 9 NAYS 0
- (2) FINANCE & TAXATION (W/D)
- (3) TRANSPORTATION & ECON. DEV. APPROPRIATIONS YEAS 10 NAYS 0
- (4)
- (5)

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**I. SUMMARY:**

The Committee Substitute for HB 103 provides whereas clauses identifying the importance of repairing and restoring Florida's eroding beaches and the need to substantially fund such activities. The bill then amends a current statutory provision (s. 161.091, F.S., 1996 Supplement) which authorizes the use of funds in the Florida Permit Fee Trust Fund for this purpose by requiring the Department of Environmental Protection to make a concerted effort to identify an additional dedicated funding source to fund its beach management program.

The bill also requires that concurrent with any increased funding for beach management, the department must develop a multi-year repair and maintenance strategy. Further, the bill specifies that certain elements designed to maximize the long range efficiency and effectiveness of beach renourishment efforts be included in the plan.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

**Beach Restoration**

Chapter 161, F.S., 1996 Supplement, provides for the development and maintenance of a long-term management plan for the restoration of the state's critically eroding beaches by the Department of Environmental Protection (DEP). The following is a partial description of the program provided in a brochure distributed by DEP:

*The Florida Beach Erosion Control Assistance Program is a grant-in-aid program established for the purpose of working in concert with local, state and federal governmental entities to achieve the protection, preservation and restoration of the coastal sandy beach resources of the state. The program is authorized by Section 161.101, Florida Statutes, and is administered under the provisions of Chapter 62B-36, Florida Administrative Code, by the Department of Environmental Protection. Eligible governmental agencies include federal, state, county and municipal governments, or special taxing districts having legal authority and responsibility for preserving and protecting sandy beach resources. Proposed projects that are approved by the Department are recommended to the Florida Legislature for funding. Projects are funded by line item legislative appropriation. The Department is authorized to pay up to 75 percent of the non-federal cost of approved projects. Funding for beach restoration and dune protection projects, and related studies, is based upon the amount of public access and parking established by Department standards. All other projects are eligible for a 75 percent state funding match.*

In 1995, the Committee on Tourism and Cultural Affairs provided a report on the *Promotion and Protection of Florida's Natural Tourism Resources*. This report includes more extensive information on the history of Florida's beach erosion problems and the status of the State's beach management plan, including some local government comment on the implementation of that plan. Excerpts from the report are attached to this analysis.

Currently, s. 161.091, F.S., 1996 Supplement, provides that subject to legislative appropriation, funds from the Permit Fee Trust Fund may be used by DEP to implement the beach management plan; however, this fund is projected to have deficit income for FY 1997/98.

In FY 1996/97, the department requested approximately \$30 million for implementation of the plan through its grant-in-aid program and the State appropriated \$15.1 million from General Revenue. An additional \$31.8 million was appropriated from General Revenue for beach and dune recovery in the Panhandle due to Hurricane Opal. For FY 1997/98, the department has requested \$25.1 million to fund 27 approved projects under the beach management plan. As noted in the explanation of the plan, these funds are used to match Federal Government dollars provided through Army Corps of Engineers approved projects, and locally raised funding. The total of funds from all of these sources to be used in 1997/98 for the 27 projects is estimated to be \$89 million.

**B. EFFECT OF PROPOSED CHANGES:**

The Committee Substitute for HB 103 provides whereas clauses identifying the importance of repairing and restoring Florida's eroding beaches and the need to substantially fund such activities. The bill then amends a current statutory provision (s. 161.091, F.S., 1996 Supplement) which authorizes the use of funds in the Florida Permit Fee Trust Fund for this purpose by requiring the Department of Environmental Protection to make a concerted effort to identify an additional dedicated funding source to fund its beach management program.

The bill also requires that concurrent with any increased funding for beach management, the department must develop a multi-year repair and maintenance strategy. Further, the bill provides that certain elements designed to maximize the long range efficiency and effectiveness of beach renourishment efforts be included in the plan. Specifically, these elements include:

1. Geographic coordination and sequencing of prioritized projects.
2. Reduction of equipment mobilization and demobilization.
3. Maximized infusion of beach-quality sand into the existing system.
4. Extension of beach nourishment project life and reduction of renourishment frequency.
5. Promotion of inlet sand bypassing.

Identification of a continuing, dedicated revenue source and development of a beach maintenance plan which includes the elements required by this bill should have the effect of allowing the department to implement a comprehensive approach to sustaining the health of Florida's beaches.

**C. APPLICATION OF PRINCIPLES:**

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

No.

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

Yes. The bill requires the Department of Environmental Protection to identify a dedicated revenue source for its beach management plan and to develop a long-range comprehensive approach for such a plan.

(3) any entitlement to a government service or benefit?

No.

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

No.

b. Does the bill require or authorize an increase in any fees?

No.

c. Does the bill reduce total taxes, both rates and revenues?

No.

d. Does the bill reduce total fees, both rates and revenues?

No.

e. Does the bill authorize any fee or tax increase by any local government?

No.

3. Personal Responsibility:

- a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

No.

- b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

No.

4. Individual Freedom:

- a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

No.

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

No.

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

- (1) Who evaluates the family's needs?

N/A

- (2) Who makes the decisions?

N/A

- (3) Are private alternatives permitted?

N/A

- (4) Are families required to participate in a program?

N/A

(5) Are families penalized for not participating in a program?

N/A

b. Does the bill directly affect the legal rights and obligations between family members?

N/A

c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

**D. SECTION-BY-SECTION RESEARCH:**

Not required.

**III. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:**

**A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:**

1. Non-recurring Effects:

None.

2. Recurring Effects:

None

3. Long Run Effects Other Than Normal Growth:

None.

4. Total Revenues and Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

None.

2. Recurring Effects:

None.

3. Long Run Effects Other Than Normal Growth:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

None.

2. Direct Private Sector Benefits:

None.

3. Effects on Competition, Private Enterprise and Employment Markets:

None.

D. FISCAL COMMENTS:

None.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to expend funds.

**B. REDUCTION OF REVENUE RAISING AUTHORITY:**

This bill does not reduce the authority of counties or municipalities to raise revenue.

**C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:**

This bill does not reduce the percentage of a state tax shared with counties and municipalities.

**V. COMMENTS:**

**VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:**

The Committee Substitute deletes all references to a surcharge on cruise ship tickets and admissions and amends s. 161.091, F.S., 1996 Supplement, to require the Department of Environmental Protection to identify an additional dedicated funding source to fund the beach management program. Additionally, the bill requires the Department of Environmental Protection to develop a multi-year plan for repair and maintenance of beaches.

**VII. SIGNATURES:**

COMMITTEE ON TOURISM:

Prepared by:

Legislative Research Director:

Susan F. Cutchins

Judy C. McDonald

AS FURTHER REVISED BY THE COMMITTEE ON TRANSPORTATION & ECONOMIC DEVELOPMENT APPROPRIATIONS:

Prepared by:

Legislative Research Director:

Barry G. Brooks

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