

STORAGE NAME: h0229.tr
DATE: February 7, 1997

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
TRANSPORTATION
BILL ANALYSIS & ECONOMIC IMPACT STATEMENT**

BILL #: HB 229

RELATING TO: Vessel Registration

SPONSOR(S): Rep. Fuller

STATUTE(S) AFFECTED: s. 327.25

COMPANION BILL(S): SB 150 (i)

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

- (1) TRANSPORTATION
- (2)
- (3)
- (4)
- (5)

I. SUMMARY:

This bill exempts vessels owned and operated by Safe Harbor Haven, Inc., from annual vessel registration fees and statewide law enforcement radio system surcharges. Safe Harbor is a non-profit organization located in Duval County that houses, educates, and supervises troubled boys ages 15-17. The boys live on the vessels, and their tasks include refurbishing and repairing donated vessels.

This bill has an insignificant fiscal impact.

II. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

Most vessels in Florida are subject to a uniform registration fee based on their length, with fees ranging from \$3.50 for vessels less than 12 feet in length, to \$122.50 for vessels in excess of 110 feet in length. Section 327.25(15), F.S., exempts from the registration fee any vessels owned and operated by the Sea Explorer or Sea Scout units of the Boy Scouts of America, the Girl Scouts of America, or the Associated Marine Institutes, Inc., and its affiliates. In addition to the vessel registration fee, these organizations are also exempt from the \$1 surcharge imposed on each vessel registration for the statewide law enforcement radio system. Vessels owned by these entities are issued certificates of registration and numbers upon application and payment of the service fees provided in s. 327.25(7), F.S.

Pursuant to s. 327.25, F.S., a portion of each vessel registration fee is retained by the tax collector of the county in which the vessel is registered, and the remainder is deposited into the Marine Resources Conservation Trust Fund. Monies in the Marine Resources Conservation Trust Fund are earmarked for several marine related purposes, including recreational channel marking, public launching facilities, law enforcement and quality control programs, and aquatic weed control.

Safe Harbor Haven, Inc. is an Internal Revenue Code section 501(c)(3) non-profit organization that houses, educates, and supervises troubled boys, ages 15-17. Specifically, Safe Harbor houses these boys in boats on the St. John's River. The Department of Highway Safety and Motor Vehicles' (DHS&MV) records indicate that Safe Harbor Haven currently has the following vessels registered:

Safe Harbor Haven, Inc. Vessels Registered with DHS&MV February 18, 1997			
Vessel Class	Number of Vessels	Annual Registration Fee	Total Registration Revenue
16' to less than 26'	7	\$18.50	\$129.50
26' to less than 40'	10	\$50.50	\$505.00
40' to less than 65'	1	\$82.50	\$82.50
Total	18		\$717.00

Note: Total registration revenue does not include \$18 in surcharges for the statewide law enforcement radio system.

B. EFFECT OF PROPOSED CHANGES:

This bill exempts vessels owned and operated by Safe Harbor Haven, Inc. from vessel registration fees and the statewide law enforcement radio system surcharges.

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?

No

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

Yes, the bill provides a specific exemption from vessel registration fees and surcharges, refer to Section III, Fiscal Analysis & Economic Impact Statement.

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?

Refer to Section III, Fiscal Analysis & Economic Impact Statement.

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

Not applicable

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

Not applicable

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?

Not applicable

4. Individual Freedom:

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

Yes, refer to Section III, Fiscal Analysis & Economic Impact Statement.

- 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:

Not applicable

(1) Who evaluates the family's needs?

(2) Who makes the decisions?

(3) Are private alternatives permitted?

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

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

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

No

- 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:

Not applicable

(1) parents and guardians?

(2) service providers?

(3) government employees/agencies?

D. SECTION-BY-SECTION ANALYSIS:

Not applicable

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

None

2. Recurring Effects:

<u>Revenues:</u>	<u>1997-98</u>	<u>1998-99</u>
Marine Resources Conservation Trust Fund (estimated)	(\$270)	(\$270)
State Agency Law Enforcement Radio System Trust Fund	(\$18)	(\$18)

This represents the 18 vessels owned by Safe Harbor Haven, Inc.

3. Long Run Effects Other Than Normal Growth:

None

4. Total Revenues and Expenditures:

Insignificant

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

None

2. Recurring Effects:

Section 327.25, F.S., provides that a portion of the collected vessel registration fees go to the county in which the vessel is registered. For vessels sized similarly to those owned and operated by Safe Harbor Haven, Inc., this portion equals approximately \$450 annually. Therefore, Duval County will lose approximately \$450 annually in vessel registration fees.

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:

Safe Harbor Haven, Inc., will save approximately \$750 if it is exempted from the registration fee and statewide law enforcement radio system surcharge.

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 cities to expend funds.

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

This bill does not affect the revenue raising authority of counties or cities.

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

Insignificant. Roughly half of every vessel registration fee is designated to the county. If the vessels owned and operated by Safe Harbor Haven, Inc., are exempted, Duval County would lose approximately \$450 annually. Even though this bill does reduce a county's share of a state tax, it is exempt from the mandates provision because it does not exceed the threshold requirements. The threshold for the mandates provision is \$1.4 million cumulatively throughout the state.

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V. COMMENTS:

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

VII. SIGNATURES:

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