

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/SB 2090

SPONSOR: Natural Resources Committee and Senator King

SUBJECT: Fuel Tax Collection Trust Fund

DATE: February 26, 2002 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Gee</u>	<u>Voigt</u>	<u>NR</u>	<u>Favorable/CS</u>
2.	<u> </u>	<u> </u>	<u>FT</u>	<u> </u>
3.	<u> </u>	<u> </u>	<u>AGG</u>	<u> </u>
4.	<u> </u>	<u> </u>	<u>AP</u>	<u> </u>
5.	<u> </u>	<u> </u>	<u> </u>	<u> </u>
6.	<u> </u>	<u> </u>	<u> </u>	<u> </u>

I. Summary:

This bill revises the distribution of certain tax proceeds that have been deposited in the Fuel Tax Collection Trust Fund. It increases the amount to be distributed to the State Game Trust Fund, provides funding for the Marine Resources Conservation Trust Fund, and establishes criteria for the use of such proceeds.

This bill amends ss. 206.606 and 206.608, F.S.

II. Present Situation:

Section 206.606, F.S., provides for the distribution of funds deposited into the Fuel Tax Collection Trust Fund (FTCTF). After deduction of service charges and administrative costs, the tax receipts are deposited into the State Transportation Trust Fund (STTF), except for:

- \$6.3 million that is annually transferred to the Department of Environmental Protection and used for aquatic plant management.
- \$2.5 million that is annually transferred to the State Game Trust Fund (SGTF) in the Fish and Wildlife Conservation Commission (FWC) and used for recreational boating activities and freshwater fisheries management and research. The FWC annually determines where unmet needs exist for boating-related activities, and may fund such activities in counties where, due to the number of vessel registrations, sufficient financial resources are unavailable. Of this funding, a minimum of \$1.25 million must be used to fund local projects to provide recreational channel marking, public launching facilities, aquatic plant control, and other local boating -related activities. In funding the projects, the FWC must give priority consideration to

unmet needs in counties having populations of 100,000 or less and in coastal counties having a high level of boating activities that involved individuals residing in other counties. The remaining \$1.25 million may be used for recreational boating activities and freshwater fisheries management and research.

- 0.65 percent of the funds collected from the tax on gasoline that is transferred to the Agricultural Emergency Eradication Trust Fund.

Section 206.608, F.S., provides for the distribution of the State Comprehensive Enhanced Transportation System Tax, which is deposited into the FTCTF. After deduction of service charges and administrative costs, 0.65 percent of the proceeds of the tax levied on gasoline is transferred to the Agricultural Emergency Eradication Trust Fund. The remaining proceeds of the taxes are transferred to the STTF.

The use of fuel taxes to support boating-related activities has been justified because motorboat operators pay fuel taxes on the fuel used in vessels, although the amount of such taxes paid is unknown.

The total fuel tax proceeds to be deposited into the STTF in FY 2002-2003 are estimated at \$1.58 billion.

Pursuant to s. 370.0603, F.S., the Marine Resources Conservation Trust Fund (MRCTF) is administered by the FWC. It is a broad-based depository for various marine-related activities and funds a variety of marine-related programs, including law enforcement.

III. Effect of Proposed Changes:

Section 1. Section 206.606(1), F.S., is amended to provide that beginning in FY 2007-2008 and continuing in each fiscal year thereafter, \$3.2 million will be transferred from the FTCTF to the SGTF to fund activities of the FWC, including coastal law enforcement efforts, recreational boating activities, and public boat launching facilities, as well as to fund local projects related to boating.

Section 2. Section 206.608, F.S., is amended to reallocate proceeds from the State Comprehensive Enhanced Transportation System Tax from the FTCTF to the MRCTF and the SGTF. Beginning in FY 2002-2003 and continuing through FY 2006-2007, \$1 million annually will be transferred to the MRCTF to fund the FWC's law enforcement efforts. In addition, beginning in FY 2007-2008 and continuing in each fiscal year thereafter, \$6.8 million will be transferred to the SGTF to fund activities of the FWC, including coastal law enforcement efforts, recreational boating activities, and public boat launching facilities, as well as to fund local projects related to boating activities.

Section 3. The act takes effect July 1, 2007.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Increased funding for recreational boating activities and freshwater fisheries management and research could result in undetermined benefits for those involved in businesses serving the recreational boating public and fishers.

C. Government Sector Impact:

For the period FY 2002-2003 through FY 2006-2007, the MRCTF will receive \$1 million annually to be used by the FWC for law enforcement. During this period, the DOT would receive \$1 million less annually for its transportation projects.

The FWC will also receive an additional \$10 million annually, beginning in FY 2007-2008, that will be transferred to the SGTF to be used to benefit recreational boating and coastal law enforcement. The DOT will receive \$10 million less annually in fuel taxes, beginning in FY 2007-2008; these funds are used for transportation projects.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
