

1 A bill to be entitled
2 An act relating to vehicles and vessels;
3 amending s. 341.8203, F.S.; redefining the
4 terms "authority" and "high-speed rail system";
5 amending s. 341.840, F.S.; revising the tax
6 exemption of the authority and its agents and
7 contractors; providing for annual
8 redetermination of eligibility for exemption;
9 providing for recapture of taxes when an
10 exemption is used inappropriately; providing
11 for rules; amending s. 316.605, F.S.; revising
12 provisions for display of license plates;
13 creating s. 327.375, F.S.; providing
14 regulations for commercial parasailing;
15 defining "commercial parasailing"; providing
16 for regulation by the Fish and Wildlife
17 Conservation Commission; requiring licensing
18 and liability insurance; providing for rules
19 establishing minimum liability and maximum
20 deductible amounts; authorizing the commission
21 to adopt rules; providing commercial
22 parasailing operation requirements; providing
23 penalties; providing an effective date.

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25 Be It Enacted by the Legislature of the State of Florida:
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27 Section 1. Subsections (2) and (6) of section
28 341.8203, Florida Statutes, are amended to read:
29 341.8203 Definitions.--As used in this act, unless the
30 context clearly indicates otherwise, the term:
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1 (2) "Authority" means the Florida High-Speed Rail
 2 Authority and its agents. However, for purposes of s. 341.840,
 3 the term does not include any agent of the authority except as
 4 provided in that section.

5 (6) "High-speed rail system" means any high-speed
 6 fixed guideway system for transporting people or goods, which
 7 system is capable of operating at speeds in excess of 120
 8 miles per hour, including, but not limited to, a monorail
 9 system, dual track rail system, suspended rail system,
 10 magnetic levitation system, pneumatic repulsion system, or
 11 other system approved by the authority. The term includes a
 12 corridor and structures essential to the operation of the
 13 line, including the land, structures, improvements,
 14 rights-of-way, easements, rail lines, rail beds, guideway
 15 structures, ~~stations, platforms,~~ switches, yards, parking
 16 facilities, power relays, switching houses, and rail stations,
 17 ~~associated development,~~ and also includes any other facilities
 18 or equipment used exclusively ~~or useful~~ for the purposes of
 19 ~~high speed rail system~~ design, construction, operation,
 20 maintenance, or the financing of the high-speed rail system.

21 Section 2. Section 341.840, Florida Statutes, is
 22 amended to read:

23 341.840 Tax exemption.--

24 (1) The exercise of the powers granted by this act
 25 will be in all respects for the benefit of the people of this
 26 state, for the increase of their commerce, welfare, and
 27 prosperity, and for the improvement of their health and living
 28 conditions, ~~and as~~ The design, construction building,
 29 operation, maintenance, and financing of a high-speed rail
 30 system by the authority, ~~or~~ its agent, or the owner or lessee
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1 thereof, as herein authorized, constitutes the performance of
2 an essential public function.

3 (2)(a) For the purposes of this section, the term
4 "authority" does not include agents of the authority other
5 than contractors who qualify as such pursuant to subsection
6 (7).

7 (b) For the purposes of this section, any item or
8 property that is within the definition of "associated
9 development" in s. 341.8203(1) shall not be considered to be
10 part of the high-speed rail system as defined in s.
11 341.8203(6).

12 (3)(a) Purchases or leases of tangible personal
13 property or real property by the authority, excluding agents
14 of the authority, are exempt from taxes imposed by chapter 212
15 as provided in s. 212.08(6). Purchases or leases of tangible
16 personal property that is incorporated into the high-speed
17 rail system as a component part thereof, as determined by the
18 authority, by agents of the authority or the owner of the
19 high-speed rail system are exempt from sales or use taxes
20 imposed by chapter 212. Leases, rentals, or licenses to use
21 real property granted to agents of the authority or the owner
22 of the high-speed rail system are exempt from taxes imposed by
23 s. 212.031 if the real property becomes part of such system.
24 The exemptions granted in this subsection do not apply to
25 sales, leases, or licenses by the authority, agents of the
26 authority, or the owner of the high-speed rail system.

27 (b) The exemption granted in paragraph (a) to
28 purchases or leases of tangible personal property by agents of
29 the authority or by the owner of the high-speed rail system
30 applies only to property that becomes a component part of such
31 system. It does not apply to items, including, but not limited

1 to, cranes, bulldozers, forklifts, other machinery and
2 equipment, tools and supplies, or other items of tangible
3 personal property used in the construction, operation, or
4 maintenance of the high-speed rail system when such items are
5 not incorporated into the high-speed rail system as a
6 component part thereof.

7 (4) Any bonds or other, neither the authority, its
8 agent, nor the owner of such system shall be required to pay
9 any taxes or assessments upon or in respect to the system or
10 any property acquired or used by the authority, its agent, or
11 such owner under the provisions of this act or upon the income
12 therefrom, any security, and all notes, mortgages, security
13 agreements, letters of credit, or other instruments that arise
14 out of or are given to secure the repayment of bonds or other
15 security, issued by the authority, or on behalf of the
16 authority therefor, their transfer, and the income therefrom,
17 including any profit made on the sale thereof, shall at all
18 times be free from taxation of every kind by the state, the
19 counties, and the municipalities and other political
20 subdivisions in the state. This subsection, however, does not
21 exempt from taxation or assessment the leasehold interest of a
22 lessee in any project or any other property or interest owned
23 by the lessee. The exemption granted by this subsection is not
24 applicable to any tax imposed by chapter 220 on interest
25 income or profits on the sale of debt obligations owned by
26 corporations.

27 (5) When property of the authority is leased to
28 another person or entity, the property shall be exempt from ad
29 valorem taxation only if the use by the lessee qualifies the
30 property for exemption under s. 196.199.

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1 (6) A leasehold interest held by the authority is not
2 subject to intangible tax. However, if a leasehold interest
3 held by the authority is subleased to a nongovernmental
4 lessee, such subleasehold interest shall be deemed to be an
5 interest described in s. 199.023(1)(d), and is subject to the
6 intangible tax.

7 (7)(a) In order to be considered an agent of the
8 authority for purposes of the exemption from sales and use tax
9 granted by subsection (3) for tangible personal property
10 incorporated into the high-speed rail system, a contractor of
11 the authority that purchases or fabricates such tangible
12 personal property must be certified by the authority as
13 provided in this subsection.

14 (b)1. A contractor must apply for a renewal of the
15 exemption not later than December 1 of each calendar year.

16 2. A contractor must apply to the authority on the
17 application form adopted by the authority, which shall develop
18 the form in consultation with the Department of Revenue.

19 3. The authority shall review each submitted
20 application and determine whether it is complete. The
21 authority shall notify the applicant of any deficiencies in
22 the application within 30 days. Upon receipt of a completed
23 application, the authority shall evaluate the application for
24 exemption under this subsection and issue a certification that
25 the contractor is qualified to act as an agent of the
26 authority for purposes of this section or a denial of such
27 certification within 30 days. The authority shall provide the
28 Department of Revenue with a copy of each certification issued
29 upon approval of an application. Upon receipt of a
30 certification from the authority, the Department of Revenue
31 shall issue an exemption permit to the contractor.

1 (c)1. The contractor may extend a copy of its
2 exemption permit to its vendors in lieu of paying sales tax on
3 purchases of tangible personal property qualifying for
4 exemption under this section. Possession of a copy of the
5 exemption permit relieves the seller of the responsibility of
6 collecting tax on the sale, and the Department of Revenue
7 shall look solely to the contractor for recovery of tax upon a
8 determination that the contractor was not entitled to the
9 exemption.

10 2. The contractor may extend a copy of its exemption
11 permit to real property subcontractors supplying and
12 installing tangible personal property that is exempt under
13 subsection (3). Any such subcontractor is authorized to extend
14 a copy of the permit to the subcontractor's vendors in order
15 to purchase qualifying tangible personal property tax-exempt.
16 If the subcontractor uses the exemption permit to purchase
17 tangible personal property that is determined not to qualify
18 for exemption under subsection (3), the Department of Revenue
19 may assess and collect any tax, penalties, and interest that
20 are due from either the contractor holding the exemption
21 permit or the subcontractor that extended the exemption permit
22 to the seller.

23 (d) Any contractor authorized to act as an agent of
24 the authority under this section shall maintain the necessary
25 books and records to document the exempt status of purchases
26 and fabrication costs made or incurred under the permit. In
27 addition, an authorized contractor extending its exemption
28 permit to its subcontractors shall maintain a copy of the
29 subcontractor's books, records, and invoices indicating all
30 purchases made by the subcontractor under the authorized
31 contractor's permit. If, in an audit conducted by the

1 Department of Revenue, it is determined that tangible personal
2 property purchased or fabricated claiming exemption under this
3 section does not meet the criteria for exemption, the amount
4 of taxes not paid at the time of purchase or fabrication shall
5 be immediately due and payable to the Department of Revenue,
6 together with the appropriate interest and penalty, computed
7 from the date of purchase, in the manner prescribed by chapter
8 212.

9 (e) If a contractor fails to apply for a high-speed
10 rail system exemption permit, or if a contractor initially
11 determined by the authority to not qualify for exemption is
12 subsequently determined to be eligible, the contractor shall
13 receive the benefit of the exemption in this subsection
14 through a refund of previously paid taxes for transactions
15 that otherwise would have been exempt. A refund may not be
16 made for such taxes without the issuance of a certification by
17 the authority that the contractor was authorized to make
18 purchases tax-exempt and a determination by the Department of
19 Revenue that the purchases qualified for the exemption.

20 (f) The authority may adopt rules governing the
21 application process for exemption of a contractor as an
22 authorized agent of the authority.

23 (g) The Department of Revenue may adopt rules
24 governing the issuance and form of high-speed rail system
25 exemption permits, the audit of contractors and subcontractors
26 using such permits, the recapture of taxes on nonqualified
27 purchases, and the manner and form of refund applications.

28 Section 3. Subsection (1) of section 316.605, Florida
29 Statutes, is amended to read:

30 316.605 Licensing of vehicles.--
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1 (1) Every vehicle, at all times while driven, stopped,
2 or parked upon any highways, roads, or streets of this state,
3 shall be licensed in the name of the owner thereof in
4 accordance with the laws of this state unless such vehicle is
5 not required by the laws of this state to be licensed in this
6 state and shall, except as otherwise provided in s. 320.0706
7 for front-end registration license plates on truck tractors,
8 display the license plate or both of the license plates
9 assigned to it by the state, one on the rear and, if two, the
10 other on the front of the vehicle, each to be securely
11 fastened to the vehicle outside the main body of the vehicle
12 in such manner as to prevent the plates from swinging, with
13 all letters, numerals, printing, writing, and other
14 identification marks upon the plates regarding the word
15 "Florida," the registration decal, and the alphanumeric
16 designation shall be clear and distinct and free from
17 defacement, mutilation, grease, and other obscuring matter, so
18 that they will be plainly visible and legible at all times 100
19 feet from the rear or front. Nothing shall be placed upon the
20 face of a Florida plate except as permitted by law or by rule
21 or regulation of a governmental agency. No license plates
22 other than those furnished by the state shall be
23 used. However, if the vehicle is not required to be licensed
24 in this state, the license plates on such vehicle issued by
25 another state, by a territory, possession, or district of the
26 United States, or by a foreign country, substantially
27 complying with the provisions hereof, shall be considered as
28 complying with this chapter. A violation of this subsection is
29 a noncriminal traffic infraction, punishable as a nonmoving
30 violation as provided in chapter 318.

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1 Section 4. Section 327.375, Florida Statutes, is
2 created to read:

3 327.375 Commercial parasailing.--

4 (1) "Commercial parasailing" means any activity
5 involving the towing of a person by a motorboat for
6 consideration when:

7 (a) One or more persons are tethered to the towing
8 vessel.

9 (b) The person or persons ascend above the water.

10 (c) The person or persons remain suspended above the
11 water while the vessel is underway.

12 (2) The commission shall regulate the use of
13 commercial parasailing by requiring, at a minimum, the
14 licensing of persons engaged in commercial parasailing and by
15 requiring minimum liability insurance necessary for commercial
16 parasailing. In order to recover the associated costs of
17 regulating commercial parasailing, the commission may impose
18 an annual licensing fee to be established by rule not to
19 exceed \$100 and a \$10 registration fee for each county in
20 which the commercial parasailing enterprise intends to provide
21 service. The commission may establish the requirements for
22 minimum liability insurance and maximum deductible amounts for
23 that insurance by rule. The commission has authority to adopt
24 rules pursuant to ss. 120.536(1) and 120.54 to implement the
25 provisions of this section.

26 (3) Any person engaged in commercial parasailing
27 operations shall meet the following operation requirements:

28 (a) Vessels engaged in commercial parasailing
29 operations must be designed and equipped for towing a person
30 while parasailing and must be equipped with a rear launch
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1 platform and powered winch used to release and retrieve the
2 tow line.

3 (b) All commercial parasail operators are required to
4 have a license for carrying passengers for hire issued by the
5 United States Coast Guard.

6 (c) All commercial parasailing operations shall
7 include an observer 18 years of age or older who is present in
8 the vessel at all times to monitor the progress of any
9 airborne parasail rider and parachute.

10 (d) All commercial parasail riders shall wear a United
11 States Coast Guard approved type I, type II, or type III
12 personal flotation device of the proper size and must be
13 connected to the towline and secured in a seat harness
14 attached to an ascending type of parachute.

15 (e) Commercial parasailing conducted in the Atlantic
16 Ocean and the Gulf of Mexico shall be restricted to not less
17 than three-eighths nautical mile from the shore. This
18 restriction applies to the entire commercial parasailing
19 apparatus, including the vessel, towline, and rider.

20 (f) Commercial parasailing operations shall not be
21 conducted within 600 feet of any:

22 1. Anchored vessel;
23 2. Person in the water;
24 3. Shore or seawall; or
25 4. Structure, bridge, powerline, wharf, pier, dock,
26 buoy, platform, piling, channel marker, or other similar
27 object.

28 (g) Commercial parasailing shall not be permitted on
29 bodies of water less than 1,200 feet in width from shore to
30 shore.

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1 (h) All commercial parasailing towing vessels shall be
2 equipped with a functional VHF marine transceiver.

3 (i) Commercial parasailing shall be conducted only
4 from one-half hour after sunrise to one-half hour before
5 sunset and at no time during restricted visibility.

6 (j) Commercial parasailing is prohibited when there
7 are sustained winds of 20 knots or seas 5 feet or higher in
8 the area of operation.

9 (k) Towlines shall not exceed 800 feet in length.

10 (l) Commercial parasail operators shall only launch
11 riders from the flight deck of the vessels.

12 (m) No more than two persons shall be tethered to the
13 towing vessel and ascend above the water at any time.

14 (4) A person who violates this section commits a
15 misdemeanor of the second degree, punishable as provided in s.
16 775.082 or s. 775.083.

17 Section 5. Except as otherwise expressly provided in
18 this act, this act shall take effect October 1, 2004.

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