

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** HB 997 CS

State Agency Law Enforcement Radio System

**SPONSOR(S):** Benson

**TIED BILLS:**

**IDEN./SIM. BILLS:**

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REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Transportation Committee</u>	<u>14 Y, 1 N, w/CS</u>	<u>Pugh</u>	<u>Miller</u>
2) <u>Finance &amp; Tax Committee</u>	<u></u>	<u></u>	<u></u>
3) <u>State Infrastructure Council</u>	<u></u>	<u></u>	<u></u>
4) <u></u>	<u></u>	<u></u>	<u></u>
5) <u></u>	<u></u>	<u></u>	<u></u>

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### SUMMARY ANALYSIS

In 1988, the Legislature passed a bill creating a statewide radio communications system to serve law enforcement units of state agencies, and to serve local law enforcement agencies through mutual-aid agreements, pursuant to s. 282.195, F.S. The network is referred to as the Statewide Law Enforcement Radio System (SLERS). Created the same year was s. 320.0802, F.S., which imposed a \$1 annual surcharge on initial and renewal registrations required for motor vehicles, for the purpose of financing a coordinated radio system for state law enforcement agencies.

The 800 megahertz (MHz) radio system serves more than 6,500 officers in 17 state law-enforcement agencies or units. It has purchased approximately 14,000 radios for patrol cars, boats, motorcycles, and aircraft. The system will be completed in May 2006.

Last year, the advisory Task Force on State Agency Law Enforcement Communications (the Task Force) developed a list of recommended enhancements to SLERS, including new transmission towers, additional communications base stations and consoles, and creating a backup network. The list was published as part of the Senate Transportation and Economic Development Appropriations Committee Interim Project Report #2006-149.<sup>1</sup> The enhancements were estimated to cost between \$7 million and \$9 million from FY 2006-FY2011. The Task Force did not include an ongoing system of radio replacements on the list of enhancements, which would have added an estimated \$8.6 million annual cost. Nor did the Task Force identify a specific funding source to pay for the enhancements, although Senate committee staff listed three funding options in their report.

HB 997 CS proposes levying a \$4 surcharge on all criminal traffic-related offenses listed in s. 318.17, F.S., and on all noncriminal moving traffic violations listed in chapter 316, F.S. The surcharge is estimated to raise \$8.7 million annually, and its revenues will be deposited into the State Agency Law Enforcement Radio System Trust Fund to pay for the radio system.

HB 997 CS raises no apparent constitutional or other legal issues.

The bill takes effect October 1, 2006.

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<sup>1</sup> Report available at [http://www.flsenate.gov/data/Publications/2006/Senate/reports/interim\\_reports/pdf/2006-149ta.pdf](http://www.flsenate.gov/data/Publications/2006/Senate/reports/interim_reports/pdf/2006-149ta.pdf).

**This document does not reflect the intent or official position of the bill sponsor or House of Representatives.**

**STORAGE NAME:** h0997a.TR.doc

**DATE:** 4/3/2006

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. HOUSE PRINCIPLES ANALYSIS:

Ensure Lower Taxes: HB 997 CS imposes a \$4 surcharge on all criminal traffic-related violations listed in s. 318.17, F.S., and all noncriminal moving violations listed in chapter 316, F.S. The surcharge will raise an estimated minimum of \$8.7 million annually, which will be used to fund the state agency law enforcement radio system.

Maintain Public Security: HB 997 CS increases the public resources devoted to public security. The additional revenues are intended to maintain and enhance the current law enforcement radio system, which has proven to be reliable during public emergencies.

#### B. EFFECT OF PROPOSED CHANGES:

##### Background

In 1988, the Legislature created the State Technology Office (STO) and directed it to "acquire and implement a statewide radio communications system to serve law enforcement units of state agencies, and to serve local law enforcement agencies through mutual aid channels," pursuant to s. 282.195, F.S.

Created the same year was s. 320.0802, F.S., which imposed a \$1 annual surcharge on initial and renewal registrations required for motor vehicles, for the purpose of financing a coordinated radio system for state law enforcement agencies. In FY 2005-2006, the surcharge raised about \$18.5 million. The revenues are deposited in the State Agency Law Enforcement Radio System Trust Fund.

The STO is now known as the Florida Enterprise Information Technology Services (EITS) and is housed within the Department of Management Services, but a key mission remains the same: to complete the Statewide Law Enforcement Radio System (SLERS). Assisting EITS in developing the SLERS is the advisory Task Force on State Agency Law Enforcement Communications (the Task Force). EITS is the project manager for SLERS and the contract manager for the state's contract with M/A-COM, the company responsible for the day-to-day operations of the SLERS. M/A-COM's contract expires June 30, 2021. The contract is paid with the revenues generated by the current \$1 surcharge on vehicle registrations and renewals.

The 800 MHz radio system serves more than 6,500 officers in 17 state law-enforcement agencies or entities, and has purchased approximately 14,000 radios for patrol cars, boats, motorcycles, and aircraft. Developed in five phases regionally in Florida, SLERS will provide full coverage to state law enforcement officers by May 2006, according to EITS staff. SLERS is considered one of the best law enforcement communications systems in the nation.

In 2005, the law enforcement Task Force developed a list of recommended enhancements to SLERS, including new transmission towers, additional communications base stations and consoles, more training programs, and creation of a backup network in Tallahassee. Not included among the enhancement proposals were discussions on how to systematically pay for replacing radios that break, wear out, or become obsolete because of improved technology. Typically, radio replacement is funded through the budgets of individual state agencies each year. Law enforcement radios generally have to be replaced every six to eight years.

The Task Force's list of enhancements was published as part of the Senate Transportation and Economic Development Appropriations Committee Interim Project Report #2006-149. The enhancements were estimated to cost between \$7 million and \$9 million from FY 2006-FY2011. No specific funding source was identified by the Task Force to pay for the enhancements, but the Senate report lists three options:

- Option 1 – Provide \$6.6 million in General Revenue to supplement the \$1 surcharge revenues in the trust fund in order to fund the SLERS enhancements.
- Option 2 -- Increase the current statutory fee to \$1.10 specifically to fund the enhancements to SLERS.
- Option 3 – Increase the current statutory fee by an additional 45 cents, effective in FY 2009-2010 to provide an annual revenue increase of \$8.6 million to be used for radio replacement costs for state agencies.

Effect of Proposed Changes

HB 997 CS amends s. 318.18, F.S., to add a \$4 surcharge on all criminal traffic-related offenses listed in s. 318.17, F.S., and all noncriminal moving violations listed in chapter 316, F.S. DUI, leaving the scene of an accident, and reckless driving are examples of criminal traffic offenses. Speeding, failure to pay tolls, and failure to yield are examples of noncriminal moving violations.

The revenues generated by the surcharge will be used to pay for the SLERS, which could include the system enhancements to the SLERS that were identified by the Task Force in 2005 and listed in the Florida Senate Interim Project Report #2006-149.

According to the state Revenue Estimating Conference, the new surcharge will generate an estimated \$8.7 million annually, to be deposited into the State Agency Law Enforcement Radio System Trust Fund. The state economists based their estimate in part on Florida Department of Highway Safety and Motor Vehicles' 2004 records that indicated 332,587 criminal traffic violations and 1.8 million noncriminal moving violations resulted in dispositions of "guilty" and with civil penalties being paid. Only \$4.3 million in surcharge revenues is expected to be generated in FY 2006-2007 because of the bill's delayed effective date.

HB 997 CS takes effect October 1, 2006.

C. SECTION DIRECTORY:

Section 1: Amends s. 318.18, F.S., to levy an additional \$4 surcharge certain traffic violations. Provides use of funds. Names trust fund that is the repository for the revenues.

Section 2: Amends s. 318.21, F.S., to specify that the \$4 surcharge is to be distributed pursuant to s. 318.18(16), F.S.

Section 3: Specifies an effective date of October 1, 2006.

**II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

At its impact conference on March 31, 2006, the state's Revenue Estimating Conference estimated the \$4 surcharge may generate \$8.7 million in recurring revenue for the State Agency Law Enforcement Radio System Trust Fund, beginning in FY 2007-2008. Because of the bill's delayed effective date, an estimated \$4.3 million will be generated by the surcharge in FY 2006-2007.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Motorists who violate traffic laws in Florida will pay a \$4 surcharge for each criminal or noncriminal moving violation they commit, in addition to all the other penalties and fines.

D. FISCAL COMMENTS:

The funds generated by the surcharge appears to be sufficient to cover the costs of enhancements to the SLERS and to systematically purchase new radios, if the revenues are allowed to build up in the trust fund and be carried forward each year.

### III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable because HB 997 CS does not appear to: require the counties or cities to spend funds or take an action requiring the expenditure of funds; reduce the authority that cities or counties have to raise revenues in the aggregate; or reduce the percentage of a state tax shared with cities or counties.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The agencies involved in implementing HB 997 CS have sufficient rulemaking authority.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

### IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES

#### Transportation Committee

At its March 28, 2006, meeting, the Transportation Committee adopted a strike-everything-after-the-enacting clause amendment to the original bill that changed the type and amount of the surcharge and halved the amount of estimated revenues. Rather than a \$1 surcharge on most annual vehicle registrations, the strike-all amendment replaced that with a \$4 surcharge on all criminal traffic offenses and all noncriminal moving violations. The strike-all amendment, offered by the bill's sponsor, also deleted the provisions limiting the use of the funds to SLERS enhancements only, and extended the bill's effective date from July 1, 2006, to October 1, 2006.

The committee adopted the strike-all amendment without objection, then voted 14-1 to report the bill as favorable with a CS.