

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** CS/HB 1123 Fee and Surcharge Reductions  
**SPONSOR(S):** Ways and Means Committee, Drake and others  
**TIED BILLS:** IDEN./SIM. **BILLS:** CS/SB 1442

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Ways & Means Committee	15 Y, 0 N, As CS	Dugan	Langston
2) Appropriations Committee			

### SUMMARY ANALYSIS

CS/HB 1123 reduces or eliminates numerous fees or surcharges imposed in the Florida Statutes. Specifically, the committee substitute:

- Eliminates a \$10 fee for commissions for elected officers;
- Eliminates the \$2 fee deducted from each motor fuel sales tax refund claim;
- Eliminates the \$5 registration fee for persons or businesses required to register with the Department of Revenue for collecting, reporting, and remitting sales and use tax;
- Exempts a surviving spouse of a deceased motor vehicle owner from the motor vehicle title transfer fees when transferring the title into the surviving spouse's name;
- Eliminates the \$1 and \$2 fees for a veteran to receive a "Veteran" designation on his or her driver license or identification card;
- Exempts a veteran from the fee for an original commercial driver license;
- Exempts a person who is 80 years of age or older from the \$25 identification card fees;
- Provides a flat \$25 delinquency fee for specified professional licensees, and removes current law requiring that the delinquency fee is set by each professional board at a rate not to exceed the biennial renewal fee for an active status license;
- Reduces the application and license fees for commercial driver schools by half; and
- Reduces the surcharge assessed on all building permit fees from 1.5 percent to one percent of the permit fee.

The Revenue Estimating Conference (REC) reviewed the committee substitute on March 10, 2017,<sup>1</sup> and estimated the bill's annual impact to be -\$2.0 million to General Revenue, -\$3.7 million to various state trust funds, and negative insignificant to local government.

The committee substitute is effective July 1, 2017, except for certain provisions that take effect January 1, 2018.

<sup>1</sup> EDR, REC, *Various State Fees – HB 1123 (SB 1442 identical)* (Mar. 10, 2017), available at [http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2017/\\_pdf/page319-332.pdf](http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2017/_pdf/page319-332.pdf) (last visited Mar. 24, 2017).

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

##### **Elected Officer's Fee for Commission (Sections 1 and 2)**

###### Current Situation

Section 113.01, F.S., prescribes a \$10 fee for the issuance of each commission issued by the Governor and attested by the Secretary of State for elected officers or a notary public. A commission to officers is a warrant or authority granted by government, which empowers the named individual to execute official acts. The commission cannot be issued or bear the state seal until the required fee is paid.<sup>2</sup> The \$10 fee is charged to persons elected or appointed to fill vacant positions, paid to the Chief Financial Officer, and deposited in the General Revenue Fund.<sup>3</sup>

The number of people charged the \$10 fee varies each year due to the number of elections and appointments. In Fiscal Year 2016-2017, there were 1,936 commissions issued, and 202 commissions that will be issued upon payment of the fee, totaling \$21,380 for the fiscal year.<sup>4</sup>

###### Proposed Changes

The committee substitute eliminates the \$10 fee for commissions for elected officers.

##### **Motor Fuel Tax Refund Claims (Section 3)**

###### Current Situation

Section 206.41, F.S., imposes the following state taxes on motor fuel:

- "Constitutional fuel tax" of two cents per net gallon;<sup>5</sup>
- "County fuel tax" of one cent per net gallon;<sup>6</sup>
- "Municipal fuel tax" of one cent per net gallon;<sup>7</sup>
- "Ninth-cent fuel tax" may be imposed by each county of one cent per net gallon;<sup>8</sup>
- "Local option fuel tax" may be imposed by each county of between one and eleven cents per net gallon;<sup>9</sup>
- State Comprehensive Enhanced Transportation System Tax, which is a motor fuel tax equal to two-thirds of the lesser of the sum of a county's ninth-cent fuel tax and the local option fuel tax or six cents, rounded to the nearest tenth of a cent;<sup>10</sup>

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<sup>2</sup> s. 113.02, F.S.

<sup>3</sup> s. 15.09(3), F.S.

<sup>4</sup> Office of Economic and Demographic Research (EDR), Revenue Estimating Conference (REC), *Elimination of \$10 Elected Officer's Commission Fee* (Mar. 10, 2017), available at p. 319 at

[http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2017/\\_pdf/page319-332.pdf](http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2017/_pdf/page319-332.pdf) (last visited Mar. 22, 2017).

<sup>5</sup> To be placed monthly in the state roads distribution fund in the state treasury and distributed as required by s. 9(c), art. XII of the State Constitution.

<sup>6</sup> To be used for public transportation purposes as required by s. 206.60, F.S.

<sup>7</sup> Which is transferred into the Revenue Sharing Trust Fund for Municipalities to be used for transportation purposes as authorized in s. 206.605, F.S.

<sup>8</sup> County and municipal governments may use the moneys received only for transportation expenditures; See s. 336.021, F.S.

<sup>9</sup> Section 336.025, F.S.; County and municipal governments may use the moneys received only for transportation expenditures needed: to meet the requirements of the capital improvements element of an adopted comprehensive plan; to meet immediate local transportation problems; and for building comprehensive roadway networks by local governmental, excluding routine road maintenance.

- “Fuel sales tax” of at least 6.9 cents per net gallon, which may be increased by a percentage change in the average of the Consumer Price Index issued by the U.S. Department of Labor for the most recent 12-month period ending September 30, compared to the base year average (the average for the 12-month period ending September 30, 1989);<sup>11</sup> and
- An additional 0.125 cents per net gallon to defray expenses related to inspecting, testing, and analyzing motor fuel in this state.

Section 206.41, F.S., exempts qualified entities from certain motor fuel taxes, and authorizes refunds for qualified entities that have purchased and used tax-paid fuel for an exempt purpose. For example, any person who uses motor fuel for the following purposes on which the local option fuel tax, State Comprehensive Enhanced Transportation System Tax, or fuel sales tax was imposed is entitled to a refund of such tax:

- *Agricultural purposes*: motor fuel used in any tractor, vehicle, or farm equipment used exclusively on a farm or for processing farm products on the farm; and motor fuel used for transporting bees by water and the operating of equipment used in the apiary of a beekeeper.
- *Commercial fishing and aquacultural purposes*: motor fuel used in the operation of boats, vessels, or equipment used exclusively for the taking of fish, crayfish, oysters, shrimp, or sponges from salt or fresh water under the jurisdiction of the state for resale to the public. This does not include any fuel used for sport or pleasure fishing, or for any fuel used in any vehicle or equipment operated upon Florida highways.
- *Commercial aviation purposes*: motor fuel used in the operation of aviation ground support vehicles or equipment, not used in any vehicle or equipment operated on Florida highways.<sup>12</sup>

A person must apply to receive a permit from the Department of Revenue (DOR) to be issued a refund. Such permits are in effect for a year and shall be continuous as long as the person files refund claims with the DOR each year. A person will need to apply for a new permit if he or she does not file a claim for any year.<sup>13</sup>

Refunds are issued quarterly, and no refund will be authorized unless the amount due is for at least \$5. Additionally, the DOR is authorized to deduct a fee of \$2 for each refund claim, which will be deposited into the General Revenue Fund.<sup>14</sup>

In Fiscal Year 2015-2016, the DOR withheld \$2,020 from fuel refunds.<sup>15</sup>

### Proposed Changes

Effective January 1, 2018, the committee substitute eliminates the \$2 fee deducted from each motor fuel sales tax refund claim.

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<sup>10</sup> Majority of the funds are deposited into and used from the State Transportation Trust Fund and may be used only for projects in the adopted work program in the district in which the tax proceeds are collected. See s. 206.608, F.S.

<sup>11</sup> Section 206.606, F.S., provides such proceeds are deposited in the Fuel Tax Collection Trust Fund to be distributed among the State Transportation Trust Fund, the Invasive Plant Control Trust Fund, the State Game Trust Fund, the Agricultural Emergency Eradication Trust Fund, and the Marine Resources Conservation Trust Fund.

<sup>12</sup> Additional entities entitled to certain motor fuel tax refunds are listed in s. 206.41(4), F.S., more information is available on the DOR website, *Fuel Tax Refunds*, [http://floridarevenue.com/dor/taxes/fuel/fuel\\_tax\\_refunds.html](http://floridarevenue.com/dor/taxes/fuel/fuel_tax_refunds.html) (last visited Mar. 24, 2017).

<sup>13</sup> s. 206.41(5)(a), F.S.

<sup>14</sup> s. 206.41(5)(c), F.S.

<sup>15</sup> EDR, REC, Elimination of the \$2 Deduction, *available at p. 320*

*at: http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2017/\_pdf/page319-332.pdf (last visited Mar. 22, 2017).*

## Registration Fee for Dealers and Businesses (Sections 4 and 5)

### Current Situation

Section 212.18, F.S., provides that every person desiring to engage in or conduct business in this state as a sales and use tax dealer, or to lease, rent, or let or grant license in transient lodgings or real property, and every person who receives money for admissions must register with the DOR to collect, report, and remit such taxes. A \$5 registration fee must accompany the application for a certificate of registration; however, the registration fee is not required to accompany an application to engage in or conduct business to make mail order sales. Additionally, the DOR may waive the registration fee for applications submitted through the DOR internet registration process.

A person who engages in activities that require registration but fails or refuses to do so is subject to a \$100 registration fee in lieu of the \$5 fee. However, the DOR may waive the increase in the fee if it finds that the failure to register was due to reasonable cause and not to willful negligence, willful neglect, or fraud.<sup>16</sup>

Section 212.0596, F.S., provides that the DOR may establish procedures to provide for the waiver of registration fees from unregistered persons who make mail order purchases for which tax is required to be remitted.

According to the DOR, in Fiscal Year 2015-2016, DOR collected \$130,766 of such fees.<sup>17</sup>

### Proposed Changes

Effective January 1, 2018, the committee substitute eliminates the \$5 registration fee for persons or businesses required to register with the DOR in order to collect, report, and remit sales and use tax.

## Motor Vehicle Title Transfer Fee (Sections 6 and 7)

### Current Situation

Florida law provides the fees, service charges, and disposition of funds for certificates of title. Specifically, s. 319.32(1), F.S., provides that the Department of Highway Safety and Motor Vehicles (DHSMV) charges a \$70 fee for each original and duplicate certificate of title, except for motor vehicles for hire,<sup>18</sup> which are \$49, and \$2 for each salvage certificate of title. The DHSMV also charges \$2 to note a lien on the certificate, \$1 to cover the cost of materials, and \$2.50 for shipping and handling. Additionally, s. 319.32(2), F.S., provides that there is a \$4.25 service charge for each certificate of title application, a \$10 additional fee for an original certificate of title issued for a vehicle registered outside of Florida, and a \$7 additional fee for each lien placed on a vehicle by the state child enforcement program.

The \$70 fee is distributed between the State Transportation Trust Fund and the General Revenue Fund, excluding \$1 that is deposited into the Highway Safety Operating Trust Fund to fund the DHSMV's efforts to prevent and detect odometer fraud.<sup>19</sup> The DHSMV or the tax collector who processes the application retains the \$4.25 service charge.<sup>20</sup>

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<sup>16</sup> s. 212.18(3)(c), F.S.

<sup>17</sup> EDR, REC, *Elimination of the \$5 Registration Fee for Certain Dealers or Businesses* available at p. 321 at:[http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2017/\\_pdf/page319-332.pdf](http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2017/_pdf/page319-332.pdf) (last visited Mar. 22, 2017).

<sup>18</sup> Vehicles registered under s. 320.08(6), F.S.

<sup>19</sup> ss. 319.32(5) and 319.324, F.S.; Section 319.32(5), F.S., provides that \$47 of each fee collected for an original or duplicate certificate of title is deposited into the State Transportation Trust Fund, which may receive up to \$200 million in any fiscal year. The remainder of the fee and any fees in excess of the \$200 million are deposited into the General Revenue Fund.

<sup>20</sup> s. 319.32(2)(b), F.S.

A surviving spouse who inherits the deceased spouse's motor vehicle may dispose of the vehicle without being required to obtain a certificate of title in his or her name.<sup>21</sup> If the married couple are co-owners of the vehicle with names appearing conjoined by an "or" on the title, it is not necessary for the surviving spouse to apply for a new title, as he or she already has absolute rights to the vehicle. However, if the names are conjoined by "and" or if the vehicle is not co-owned by the surviving spouse and he or she wishes to maintain ownership of the vehicle, the surviving spouse will be required to apply for an original certificate in his or her own name.

### Proposed Changes

The committee substitute exempts a surviving spouse from motor vehicle title transfer fees provided under s. 319.32(1), F.S., when the title is being transferred from the deceased motor vehicle owner to the surviving spouse. The fee exemption is for a surviving spouse regardless of whether he or she is named on the deceased motor vehicle owner's title.

### **"Veteran" Designation Fee (Sections 8 and 9)**

#### Current Situation

Florida provides the option for a veteran<sup>22</sup> designation to be placed on a veteran's driver license or identification card upon request from the veteran, payment of a fee, and the presentation of a copy of the veteran's DD Form 214<sup>23</sup> or other acceptable form specified by the Florida Department of Veterans' Affairs (FDVA).<sup>24</sup> The designation is added onto a driver license or identification card for a \$1 fee when the license or card is being issued or renewed, or a \$2 fee solely to replace a license or card in order to add on the designation, which is deposited in the Highway Safety Operating Trust Fund (HSOTF).<sup>25</sup>

#### Proposed Changes

The committee substitute eliminates the \$1 and \$2 fee to receive the "Veteran" designation on a driver license or ID card.

### **Commercial Driver License (CDL) for Veterans (Section 10)**

#### Current Situation

An original or renewal CDL is \$75; however, if an applicant for a CDL has completed training and is applying for employment or is currently employed in a public or nonpublic school system that requires a CDL, the CDL is \$48.<sup>26</sup> These fees are deposited in the General Revenue Fund.<sup>27</sup>

#### Proposed Changes

The committee substitute exempts a veteran from the fee for an original CDL upon presentation of his or her DD Form 214 or another acceptable form specified by the FDVA.

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<sup>21</sup> s. 319.28(1)(c), F.S.

<sup>22</sup> Section 1.01(14), F.S., defines a "veteran" as "a person who served in the active military, naval, or air service who was discharged or released under honorable conditions only or who later received an upgraded discharge under honorable conditions, notwithstanding any action by the U.S. Department of Veteran Affairs on individuals discharged or released with other than honorable discharges."

<sup>23</sup> The Department of Defense issues each veteran a DD-214. This form identifies the veteran's condition of discharge, and contains information commonly needed to verify military service for benefits, retirement, employment, and membership in veterans' organizations. See DD214 website, <http://www.dd214.us/> (last visited Mar. 23, 2017).

<sup>24</sup> See ss. 322.051(8)(b) and 322.14(1)(d), F.S.

<sup>25</sup> The current veteran designation is a "V" printed on the license or card; however, the designation will be changed to read "Veteran" upon implementation of new designs for the license and card by the DHSMV. See ss. 322.051(8)(b) and 322.14(1)(d), F.S.

<sup>26</sup> s. 322.21(1)(a), F.S.

<sup>27</sup> s. 322.21(5), F.S.

## **Free Identification (ID) Card for Persons 80 Years of Age and Older (Section 10)**

### Current Situation

Section 322.21(1)(f), F.S., provides that there is a \$25 fee for an original, renewal, or replacement ID card. The fee is deposited as follows:

- For an original ID card, the fee is deposited into the General Revenue Fund;
- For a replacement ID card, \$6 is deposited into the HSOTF and \$19 into the General Revenue Fund;
- For a renewal ID issued by the DHSMV, \$9 is deposited into the HSOTF and \$16 into the General Revenue Fund; and
- For a renewal ID issued by the tax collector, \$9 is retained by the tax collector and \$16 is deposited into the General Revenue Fund.

Currently, the fee for an ID card is waived for the following individuals:

- A person who is homeless;
- A person whose annual income is at or below 100 percent of the federal poverty level; and
- A juvenile offender in the custody or under the supervision of the Department of Juvenile Justice who is participating in transition-to-adulthood services under s. 985.461, F.S., and issued the ID card from a DHSMV mobile issuing unit.

### Proposed Changes

The committee substitute exempts a person who is 80 years of age or older from the \$25 fee for an original, renewal, or replacement ID card.

## **Delinquency Fee for Professional License (Section 11)**

### Current Situation

The Department of Business and Professional Regulation (DBPR) is the governmental agency responsible for licensing and regulating many businesses and professionals in the state of Florida.<sup>28</sup>

Chapter 455, F.S., provides the general powers of the DBPR and sets forth the procedural and administrative framework for all of the professional boards housed under the DBPR as well as the Divisions of Certified Public Accounting, Professions, Real Estate, and Regulation.<sup>29</sup>

When a person is authorized to engage in a profession or occupation in Florida, the DBPR issues a “permit, registration, certificate, or license” to the licensee.<sup>30</sup>

Sections 455.203 and 455.213, F.S., establish general licensing authority for the DBPR, including the authority to charge license fees and license renewal fees. Each board within the DBPR must determine by administrative rule<sup>31</sup> the amount of license fees for each profession, based on estimates of the required revenue to implement the regulatory laws affecting the profession.<sup>32</sup>

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<sup>28</sup> See Florida DBPR website, <http://www.myfloridalicense.com/dbpr/os/os-info.html> (last visited Mar. 23, 2017).

<sup>29</sup> See s. 455.203, F.S. The DBPR must also provide legal counsel for boards within the DBPR by contracting with the Department of Legal Affairs, by retaining private counsel, or by providing DBPR staff counsel. See s. 455.221(1), F.S.

<sup>30</sup> ss. 455.01(4) and (5), F.S.

<sup>31</sup> The administrative rules of the DBPR and of each Board are available through the DBPR’s website at <http://www.myfloridalicense.com/dbpr/divisions.html> (last visited Mar. 23, 2017).

<sup>32</sup> s. 455.219(1), F.S.

Licensees may practice a profession only if they have an active status license.<sup>33</sup> Generally, most licensees who practice a profession without an active status license<sup>34</sup> are subject to discipline, fines, or assessments as described in s. 455.227, F.S. At least 90 days before the end of a licensure cycle, the DBPR must provide a licensure renewal notification to an active or inactive licensee, and a notice of pending cancellation of licensure to a delinquent status licensee.<sup>35</sup>

Each board, or the DBPR when there is no board,<sup>36</sup> must permit a licensee to choose active or inactive status at the time of licensure renewal, and impose a fee for an inactive status license that does not exceed the fee for an active status license.<sup>37</sup> An inactive status licensee may change to active status at any time, if the licensee meets all requirements for active status, including payment of all required fees, and meeting all continuing education requirements. Failure of a licensee to renew a license before its expiration causes the license to become delinquent in the license cycle following expiration (delinquency cycle).<sup>38</sup>

A delinquent status licensee must re-apply for active or inactive status during the delinquency cycle. Failure by a delinquent status licensee to become active or inactive before the expiration of the delinquency cycle renders the license void, with no further action by the board.<sup>39</sup>

The DBPR may, at its discretion, reinstate a license that has become void (excepting those public accountancy licenses issued under ch. 473, F.S.) if the DBPR determines that the individual failed to comply because of illness or economic hardship. The individual must apply to the DBPR for reinstatement, pay all required fees, including a reinstatement fee, meet all continuing education requirements, and otherwise be eligible for renewal of licensure.<sup>40</sup>

Section 477.271(7), F.S., provides that each board must impose an additional delinquency fee, not to exceed the biennial renewal fee for an active status license, when a delinquent status licensee applies for active or inactive status. According to the DBPR, all boards have adopted delinquency fees, which vary by profession ranging from \$25 to \$260.<sup>41</sup> The fees collected are deposited into the Professional Regulation Trust Fund, which is used to carry out the provisions of ch. 455, F.S., as well as “provisions of law with respect to professions regulated by the department and any board within the department.”<sup>42</sup>

### Proposed Changes

The committee substitute provides a flat \$25 delinquency fee that is assessed against a licensee applying for active or inactive status while in delinquent status. The committee substitute removes current law that the delinquency fee is adopted by rule by each board at a rate not to exceed the biennial renewal fee for an active status license. This change provides consistency among all licensees regulated by the DBPR, and eliminates the needs for boards to engage in continued rulemaking regarding delinquency fees.

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<sup>33</sup> s. 455.271(1), F.S.

<sup>34</sup> Section 455.271, F.S., on inactive and delinquent status of licenses, does not apply to a business establishment registered, permitted, or licensed by the department to do business or to a person licensed, permitted, registered, or certified pursuant to ch. 310, F.S. on Pilots, Piloting, and Pilotage, or ch. 475, F.S., on Real Estate Brokers, Sales Associates, Schools, and Appraisers.

<sup>35</sup> See s. 455.273, F.S.

<sup>36</sup> Whenever a board for a profession does not exist, the DBPR is generally authorized by law to act instead. See e.g., ss. 455.219 and 455.271, F.S., for multiple references to actions of “the board, or the department when there is no board.”

<sup>37</sup> The status or a change in status of a licensee does not alter the board’s right to impose discipline or to enforce discipline previously imposed on a licensee for acts or omissions committed by the licensee while holding a license, whether active, inactive, or delinquent. See s. 455.271(11), F.S.

<sup>38</sup> See s. 455.271(11), F.S.

<sup>39</sup> See s. 455.271(11), F.S.

<sup>40</sup> See s. 455.271(11), F.S.

<sup>41</sup> DBPR, *2017 Agency Legislative Bill Analysis: SB 514* (identical language in SB 1442) (Feb. 28, 2017) (on file with the Senate Committee on Transportation).

<sup>42</sup> s. 455.219(3), F.S.

## Commercial Driver School License Fee (Section 12)

### Current Situation

The DHSMV is responsible for overseeing and licensing all commercial driver schools except commercial truck driving schools. A commercial driving school, also known as “traffic school,” educates individuals on driving skills, traffic laws, road safety, substance abuse, and other behind-the-wheel skills necessary for non-commercial vehicle drivers.<sup>43</sup>

To become a licensed commercial driving school, the applicant must submit an application to the DHSMV. The application must include:

- The business’s name and a certified copy of a certificate of Fictitious Name or Certificate of Incorporation from the Department of State;
- The business’s address with a certificate of occupancy or a lease agreement;
- The names of all owners and operators of the business;
- A list of instructors and agents employed by the school;
- A list of the school’s vehicles (including current certificates of insurance for each vehicle);
- Fingerprints for a background check of every owner, officer, or partner of the school; and
- A nonrefundable application fee of \$50.<sup>44</sup>

If the application is approved the school must pay a \$200 fee to receive the license. The license is valid for one year, and costs \$100 to renew. Additionally, the license is nontransferable. In the event that there is any change in ownership or interest in the business, the commercial driving school must surrender its current license and apply for a new license.<sup>45</sup>

Application and license fees, including the renewal fee, are deposited into the General Revenue Fund.<sup>46</sup>

### Proposed Changes

The committee substitute reduces the application and license fees, by half, for commercial driver schools. For commercial driver schools, the license application fee is \$25, instead of \$50; the license issuance fee is \$100, instead of \$200; and the annual license renewal fee is \$50, instead of \$100.

## Florida Building Code Permit Surcharge (Section 13)

### Current Situation

Section 553.721, F.S., provides that all local building departments are required to assess and collect a surcharge at the rate of 1.5 percent on building permit fees (with a minimum surcharge of \$2) for the purpose of administering and enforcing the Florida Building Code<sup>47</sup>.

The governmental authority responsible for collecting building permit fees in its local jurisdiction is authorized to retain 10 percent of the surcharge amount, which must be used to fund participation of

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<sup>43</sup> DHSMV website, *Commercial Driving Schools*, <https://www.flhsmv.gov/driver-licenses-id-cards/education-courses/commercial-driving-schools/> (last visited Mar. 23, 2017).

<sup>44</sup> DHSMV, *Form HSMV 77074S – CDS Application* (September 2010), available at <https://www.flhsmv.gov/pdf/forms/77074s.pdf> (last visited Mar. 23, 2017).

<sup>45</sup> s. 488.03, F.S.

<sup>46</sup> s. 488.08, F.S.

<sup>47</sup> Part IV of ch. 553, F.S., is cited as the “Florida Building Codes Act.”



building departments in the national and state building code adoption processes and to provide education related to enforcement of the Florida Building Code.

The remaining amount is remitted to the DBPR quarterly to be deposited into the Professional Regulation Trust Fund to fund the Florida Building Commission and the Florida Building Code Compliance and Mitigation Program.

From these funds, the Florida Building Code Compliance and Mitigation Program must be allocated \$925,000 each fiscal year, and the Program shall fund recommendations made by the Building Code System Uniform Implementation Evaluation Workgroup, dated April 8, 2013, from existing resources, not to exceed \$30,000 in Fiscal Year 2016-2017. Additionally, funds collected from the surcharge must be used to fund Florida Fire Prevention Code informal interpretations managed by the State Fire Marshall for each fiscal year; however, funds used for this purpose may not exceed \$15,000. Funds collected from the surcharge may not be used to fund research on techniques for mitigation of radon in existing buildings.

### Proposed Changes

The committee substitute reduces the surcharge assessed on all building permit fees from 1.5 percent of the permit fee to one percent of the permit fee.

#### B. SECTION DIRECTORY:

- Section 1.** Amends s. 15.09(3), F.S., to conform to changes made in section 2 of the committee substitute.
- Section 2.** Amends s. 113.01(3), F.S., to delete the fee for a commission of an elected officer by the Governor.
- Section 3.** Amends s. 206.41(5)(c), F.S., to delete the fee for a motor fuel tax refund.
- Section 4.** Amends s. 212.0596(7), F.S., to conform to changes made in section 5 of the committee substitute.
- Section 5.** Amends s. 212.18(3)(a), (c), F.S., to delete certain dealer registration fees.
- Section 6.** Amends s. 319.28(1)(a), F.S., to conform to changes made in section 7 of the committee substitute.
- Section 7.** Amends s. 319.32, F.S., to exempt a surviving spouse from the fee to transfer a motor vehicle title.
- Section 8.** Amends s. 322.051(8)(b), F.S., to delete "Veteran" identification card fees.
- Section 9.** Amends s. 322.14(1)(d), F.S., to delete "Veteran" driver license fees.
- Section 10.** Amends s. 322.21(1)(a), (f), F.S., to exempt veterans from commercial driver license fees.
- Section 11.** Amends s. 455.271(7), F.S., to revise delinquency fees for certain DBPR licenses.
- Section 12.** Amends s. 488.03, F.S., to reduce driver school operator license fees.
- Section 13.** Amends s. 553.721, F.S., to reduce the Florida Building Code permit fee surcharge.

**Section 14.** Provides an effective date of July 1, 2017, except sections 3-5 of the committee substitute are effective January 1, 2018.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

#### 1. Revenues:

The Revenue Estimating Conference (REC) reviewed the committee substitute on March 10, 2017,<sup>48</sup> and estimated the committee substitute's annual impact to be -\$2.0 million to General Revenue and -\$3.7 million to various state trust funds.

#### 2. Expenditures:

DOR indicates there will be insignificant administrative costs to implement the committee substitute.

### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

#### 1. Revenues:

The Revenue Estimating Conference determined the committee substitute would have a negative insignificant impact on local government revenues.

#### 2. Expenditures:

None.

### C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The committee substitute will have a positive fiscal impact on certain individuals due to the reduction of fees and surcharges.

### D. FISCAL COMMENTS:

None.

## III. COMMENTS

### A. CONSTITUTIONAL ISSUES:

#### 1. Applicability of Municipality/County Mandates Provision:

Not Applicable. The committee substitute does not appear to require counties or municipalities to spend funds or take action requiring the expenditure of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or reduce the percentage of state tax shared with counties or municipalities.

#### 2. Other:

None.

### B. RULE-MAKING AUTHORITY:

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<sup>48</sup> EDR, REC, *Various State Fees – HB 1123 (SB 1442 identical)* (Mar. 10, 2017), available at <http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2017/pdf/page319-332.pdf> (last visited Mar. 24, 2017).

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

**IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES**

On April 5, 2017, the Ways and Means Committee adopted an amendment and reported the bill favorably as a committee substitute. The committee substitute differs from the bill as filed by clarifying that a surviving spouse is eligible for the motor vehicle title transfer fee exemption regardless of whether he or she is named on the deceased motor vehicle owner's title.

The analysis is drafted to reflect the committee substitute as amended.