

The Florida Senate
COMMITTEE MEETING EXPANDED AGENDA

REGULATED INDUSTRIES
Senator Stargel, Chair
Senator Braynon, Vice Chair

MEETING DATE: Thursday, November 7, 2013
TIME: 9:00 —11:00 a.m.
PLACE: 301 Senate Office Building

MEMBERS: Senator Stargel, Chair; Senator Braynon, Vice Chair; Senators Detert, Flores, Galvano, Gibson, Legg, Sachs, Sobel, and Thrasher

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
1	SB 224 Benacquisto (Identical H 169, Compare H 153)	Alternative Nicotine Products; Prohibiting the gift of sample alternative nicotine products to persons younger than 18 years of age; prohibiting the sale, delivery, bartering, furnishing, or giving of alternative nicotine products to persons younger than 18 years of age; prohibiting a person who is younger than 18 years of age from buying, possessing, or misrepresenting his or her age in order to buy alternative nicotine products; revising the contents of signs that must be displayed at locations where alternative nicotine products are available for purchase, etc.	
		RI 11/07/2013 CJ ACJ AP	

Presentation by the Department of Business and Professional Regulation (DBPR) on Florida State Boxing Commission -- Financial and Operations Update

Presentation by the Department of Business and Professional Regulation (DBPR) on the Florida Mobile Home Relocation Trust Fund and the implementation of the 2013 legislation

Other Related Meeting Documents

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Committee on Regulated Industries

BILL: SB 224

INTRODUCER: Senator Benacquisto

SUBJECT: Alternative Nicotine Products

DATE: October 31, 2013

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Oxamendi	Imhof	RI	Pre-meeting
2.			CJ	
3.			ACJ	
4.			AP	
5.				
6.				

I. Summary:

SB 224 extends the current prohibitions related to tobacco products for persons under the age of 18, to prohibit the sale, possession, or use of alternative nicotine products, which includes electronic cigarettes (e-cigarettes), to and by persons under the age of 18.

The bill defines the term “alternative nicotine product” to mean a product that consists of or contains nicotine that can be ingested into the body by any means, including, but not limited to, chewing, smoking, absorbing, dissolving, and inhaling. The bill includes e-cigarettes within the meaning of the term, but excludes:

- Tobacco products;
- A product that is a drug, as defined in 21 U.S.C. s. 37 321(g)(1);
- A product that is a device as defined in 21 U.S.C. s. 39 321(h); and
- A combination product that is a device regulated under 21 U.S.C. s. 353(g).

The bill also defines the term “electronic cigarette” to mean a device or product that produces a vapor that delivers nicotine or other substances to a person inhaling from the device to simulate smoking and that is offered to or purchased by consumers as an electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe, or other similar device or product.

The bill provides an effective date of July 1, 2014.

This bill substantially amends the following sections of the Florida Statutes: 569.002, 569.0075, 569.101, 569.11, and 569.14. The bill reenacts section 322.056, Florida Statutes.

II. Present Situation:

Electronic Cigarettes

Electronic cigarettes, also known as e-cigarettes, are electronic products that permit users to inhale vaporized nicotine, flavor, and other chemicals, without fire, smoke, ash, or carbon dioxide. Electronic cigarettes are manufactured to resemble cigarettes, cigars, or pipes, but some are manufactured to resemble pens and USB memory sticks.¹

Tobacco Regulation in Florida

The Division of Alcoholic Beverage and Tobacco (division) within the Department of Business and Professional Regulation (department) is the state agency responsible for the enforcement of the tobacco product regulation provisions in ch. 569, F.S.

Section 569.002(6), F.S., defines the term “tobacco products” to include:

loose tobacco leaves, and products made from tobacco leaves, in whole or in part, and cigarette wrappers, which can be used for smoking, sniffing, or chewing.

Section 210.25(11), F.S., relating to the tax on tobacco products other than cigarettes or cigars, defines the term “tobacco products” to mean:

loose tobacco suitable for smoking; snuff; snuff flour; cavendish; plug and twist tobacco; fine cuts and other chewing tobaccos; shorts; refuse scraps; clippings, cuttings, and sweepings of tobacco, and other kinds and forms of tobacco prepared in such manner as to be suitable for chewing; but “tobacco products” does not include cigarettes, as defined by s. 210.01(1), or cigars.

Section 569.0075, F.S., prohibits the giving of sample tobacco products to persons under the age of 18.

Section 569.101, F.S., prohibits the sale, delivery, bartering, furnishing or giving of tobacco products to persons under the age of 18. A violation of this prohibition is a second degree misdemeanor.² A second or subsequent violation within one year of the first violation is a first degree misdemeanor.³

Section 569.101(3), provides a complete defense to a person charged with a violation of this section if the buyer or recipient falsely evidenced that he or she was 18 years of age or older, a

¹ What are Electronic Cigarette, Food and Drug Administration, at: <http://www.fda.gov/newsevents/publichealthfocus/ucm172906.htm> (Last visited October 27, 2013), and *Sottera, Inc. v. Food and Drug Administration*, 627 F.3d 891, 893 (D.C. Cir. 2010).

² Section 775.082, F.S., provides that the penalty for misdemeanor of the second degree is punishable by a term of imprisonment not exceeding 60 days. Section 775.083, F.S. provides that the penalty for misdemeanor of the second degree is punishable by a fine not to exceed \$500.

³ Section 775.082, F.S., provides that the penalty for misdemeanor of the first degree is punishable by a term of imprisonment not exceeding one year. Section 775.083, F.S. provides that the penalty for misdemeanor of the first degree is punishable by a fine not to exceed \$1,000.

prudent person would believe the buyer or recipient to be 18 years of age or older, and the buyer or recipient presented false identification⁴ upon which the person relied upon in good faith.

Section 569.11, F.S., prohibits persons under the age of 18 from possessing, directly or indirectly, any tobacco products. A first violation of this prohibition is a non-criminal violation with a penalty of 16 hours of community service or a \$25 fine, and attendance at a school-approved anti-tobacco program, if locally available. A second violation within 12 weeks of the first violation is punishable with a \$25 fine. A third or subsequent violation within 12 weeks of the first violation requires that the person must be punished with the suspension or revocation of his or her driver's license or driving privilege, as provided in s. 322.056, F.S.

In FY 2012-13, the Department of Highway Safety and Motor Vehicles revoked the driver's license for one person and suspended the driver's license for 561 persons for underage possession of tobacco products, and suspended the driver's license for one underage person for misrepresenting the age to purchase tobacco products.⁵

Section 569.14, F.S., requires that tobacco retailers must post a clear and conspicuous sign that the sale of tobacco products is prohibited to persons under the age of 18 and that proof of age is required for purchase. The division is required to make the signs available to retail tobacco dealers. Retail tobacco dealers must also have instructional material in the form of a calendar or similar format to assist in determining the age of the person attempting to purchase a tobacco product.

It is not clear whether the tobacco prohibitions for minors in current law include e-cigarettes as tobacco products. In an attempt to restrict minors' access to e-cigarettes, the division's Internet site advises tobacco retailers that e-cigarettes containing nicotine from tobacco leaves are tobacco products regulated in the state, and that it is unlawful to sell tobacco products, including electronic cigarettes, to a person under 18 years of age.⁶ According to the division, this statement reflects the consensus among tobacco retailers that e-cigarettes should not be sold to persons under the age of 18. The division further states that the law should be amended to clarify the legal status of e-cigarettes.

Currently, the division's sworn law enforcement officers, as well as the non-sworn inspectors, routinely inspect retail tobacco permit holders for compliance with the ch. 569, F.S. The division's sworn law enforcement officers also perform what is termed "surveys," which are undercover operations with underage operatives, as a means of enforcing the prohibitions on the sale of tobacco products to persons less than 18 years of age; and the prohibition on possession of tobacco products by persons less than 18 years of age.⁷

⁴ Identification includes carefully checking "driver's license or an identification card issued by this state or another state of the United States, a passport, or a United States armed services identification card presented by the buyer or recipient and acted in good faith and in reliance upon the representation and appearance of the buyer or recipient in the belief that the buyer or recipient was 18 years of age or older. (See s. 569.101(2)(c), F.S.).

⁵ 2014 Agency Legislative Bill Analysis for SB 224, Department of Highway Safety and Motor Vehicles, October 30, 2013.

⁶ See <http://www.myfloridalicense.com/dbpr/abt/index.html> (Last visited October 31, 2013).

⁷ 2014 Agency Legislative Bill Analysis for SB 224, Department of Business and Professional Regulation, October 30, 2013.

According to the department, for the period of January 1, 2012 through December 28, 2012, the division performed 2,805 visits of retail tobacco dealers to determine compliance with ch. 569, F.S. These inspections resulted in 270 arrests for selling, delivering, furnishing, or giving tobacco products to persons under the age of 18. These visits also found 3 violations for failure to hold a valid retail tobacco permit.

According to the division, 29 administrative cases were initiated against licensees for selling tobacco products to underage persons and 28 civil penalties were collected. Section 569.008(5), F.S., requires a pattern of three or more violations by the employees of the tobacco dealer permit before a permit holder can be sanctioned for sales made by his or her employee. During this same period, the division also cited 136 persons under the age of 18 for possession of tobacco products.

Federal Regulation of E-Cigarettes

The federal U.S. Food and Drug Administration (FDA) is a federal agency within the Department of Health and Human Services. The FDA's organization consists of the Office of the Commissioner and four directorates overseeing the core functions of the agency: Medical Products and Tobacco, Foods, Global Regulatory Operations and Policy, and Operations.⁸ The Office of Medical Products and Tobacco provides advice and regulatory oversight to the FDA Commissioner through the centers for drug, biologics, medical devices, and tobacco products. The office also oversees the agency's special medical programs.⁹

Electronic cigarettes that are marketed for therapeutic purposes are regulated by the FDA Center for Drug Evaluation and Research (CDER).¹⁰ The FDA Center for Tobacco Products regulates cigarettes, cigarette tobacco, roll-your-own tobacco, and smokeless tobacco.

The authority of the FDA to regulate e-cigarettes is based on the Family Smoking Prevention and Tobacco Control Act of 2009 (Tobacco Control Act).¹¹ Enacted on June 22, 2009, this act amended the Federal Food, Drug, and Cosmetic Act (FDCA) to authorize the FDA to regulate "tobacco products." The Tobacco Control Act defines the term "tobacco product," in part, as any product "made or derived from tobacco" that is not a "drug," "device," or combination product under the FDCA.

The Food and Drug Administration initially determined that certain e-cigarettes were both a drug and a device under the FDCA.¹² Products that fall under the authority of the FDCA as drugs or devices must go through a preapproval process before they can be marketed or sold to consumer. Tobacco products do not have to go through a pre-approval process.

⁸ See <http://www.fda.gov/AboutFDA/CentersOffices/default.htm>. (Last visited November 4, 2013).

⁹ See <http://www.fda.gov/AboutFDA/CentersOffices/OfficeofMedicalProductsandTobacco/default.htm>. (Last visited November 4, 2013).

¹⁰ See <http://www.fda.gov/NewsEvents/PublicHealthFocus/ucm172906.htm>. (Last visited November 4, 2013).

¹¹ Federal Food, Drug, and Cosmetic Act, 21 USC s. 351 et seq.

¹² See Department of Health & Human Service, Food and Drug Administration, Letter to Matt Salmon, President of Electronic Cigarette Association, dated September 8, 2010, available at: <http://www.fda.gov/downloads/Drugs/GuidanceComplianceRegulatoryInformation/UCM225263.pdf> (Last visited October 10, 2013).

The regulatory classification of e-cigarettes as tobacco products was resolved by the United States Court of Appeals for the District of Columbia Circuit, in *Sottera, Inc. v. Food & Drug Administration*.¹³ The court determined whether the FDA has the authority to regulate e-cigarettes as “tobacco products” under the Family Smoking and Tobacco Control Act of 2009¹⁴ or whether they could be regulated by the FDA as drugs/devices under the FDCA.

The case involved Sottera, Inc., an importer and distributor of e-cigarettes, whose shipment of e-cigarettes had been denied entry by the FDA because, the FDA asserted, they appeared to be adulterated, misbranded, or unapproved drug-device combinations under the FDCA. The company sought an injunction to bar the FDA from denying their e-cigarettes entry into the United States and from regulating e-cigarettes under the drug-device combinations under the FDCA. The United States District Court for the District of Columbia granted the injunction and agreed that e-cigarettes were subject to regulation as tobacco products and were not subject to regulation as drugs/devices under FDCA.¹⁵

On appeal, the United States Court of Appeals for the District of Columbia Circuit held that e-cigarettes and other products made or derived from tobacco should be regulated as “tobacco products,” and not regulated as drugs/devices unless they are marketed for therapeutic purposes.

The FDA did not appeal this decision. The FDA has stated its intent to issue a proposed rule that would extend FDA’s tobacco product regulatory authority to products that meet the statutory definition of “tobacco product.”¹⁶

The National Association of Attorneys General (NAAG) issued a letter to the commissioner of the FDA urging the FDA to immediately regulate the sale and advertising of e-cigarettes as “tobacco products.” The letter was signed by 42 attorneys general, including Florida Attorney General Pam Bondi. The letter noted that, according to the U.S. Centers for Disease Control and Prevention, 1.8 million middle and high school students have said that they had tried e-cigarettes in 2012, which is double the amount for the previous year. The letter noted that e-cigarettes with fruit and candy flavors that appeal to youth and advertising have led consumers to believe that e-cigarettes are a safe alternative to cigarettes. The letter asserted that e-cigarettes are addictive, and regulatory oversight was needed to ensure the safety of e-cigarette ingredients.¹⁷

Some e-cigarettes specifically note in their marketing that e-cigarettes have not been evaluated by the Food and Drug Administration, are not intended to help people to stop smoking, and are

¹³ *Sottera, Inc. v. Food & Drug Administration*, 627 F.3d 891 (D.C. Cir. 2010).

¹⁴ The Family Smoking and Tobacco Control Act of 2009, Pub.L. 111-31, 123 Stat. 1776.

¹⁵ Another importer of e-cigarettes, Smoking Everywhere, Inc., had sought an injunction to bar the FDA from denying their e-cigarettes entry into the United States and from regulating e-cigarettes under the drug-device combinations under the FDCA. Sottera, Inc., then joined as an intervener-plaintiff and also sought an injunction. Smoking Everywhere, Inc., dismissed its complaint against the FDA while the appeal was pending.

¹⁶ See: Unified Agenda entry describing this rulemaking, Office of Information and Regulatory Affairs, Office of Management and Budget: <http://www.reginfo.gov/public/do/eAgendaViewRule?pubId=201210&RIN=0910-AG38> (Last visited October 31, 2013).

¹⁷ Letter from the National Association of Attorneys General to Margaret Hamburg, Commissioner of the U.S. Food and Drug Administration, October 23, 2013. A copy of the letter is available at: <http://www.naag.org/assets/files/pdf/signons/E%20Cigarette%20Final%20Letter%20w%20Florida.pdf> (Last visited November 1, 2013).

not intended to treat, prevent or cure any disease or condition. Some retailers and retailers also assert that they voluntarily restrict sales to persons who are 18 years of age or older.

As noted above, the Centers for Disease Control and Prevention reported that the number of middle school and high school students in the United States who used electronic cigarettes doubled in 2012 compared to the previous year. According to the report, nearly 1.78 million students tried e-cigarettes in 2012 nationwide.¹⁸ In Florida, 4.3 percent of middle school students and 12.1 percent of high school students have tried e-cigarettes in 2013. The number of Florida high school students who have tried e-cigarettes has increased from 6 percent in 2011 to 12.1 percent in 2013.¹⁹

III. Effect of Proposed Changes:

The bill extends the current prohibitions related to tobacco products for persons under the age of 18, to prohibit the sale, possession, or use of alternative nicotine products, which include electronic cigarettes (e-cigarettes), to and by persons under the age of 18.

The bill creates s. 569.002(1)(a), F.S., to define the term “alternative nicotine product” to mean a product that consists of or contains nicotine that can be ingested into the body by any means, including, but not limited to, chewing, smoking, absorbing, dissolving, and inhaling. The bill includes e-cigarettes within the meaning of the term, but specifies that the term does not include:

- Tobacco products;
- A product that is a drug, as defined in 21 U.S.C. s. 37 321(g)(1);
- A product that is a device as defined in 21 U.S.C. s. 39 321(h); and
- A combination product that is a device regulated under 21 U.S.C. s. 353(g).

The bill defines alternative nicotine products as a product that consists of, or contain, nicotine but it also excludes “tobacco products” from the definition. This may create overlapping definitions because the term “tobacco products” includes “products made from tobacco leaves, in whole or in part.” The department has expressed the concerned that these two definitions when read together could cause confusion in the industry, and potentially allow a person to avoid taxes and other regulations by asserting that a product that is currently considered to be a tobacco product is an alternative nicotine product that is not subject to the current tobacco taxes and regulations.

The bill also creates s. 569.002(1)(c), F.S., to define the term “electronic cigarette” to mean a device or product that produces a vapor that delivers nicotine or other substances to a person inhaling from the device to simulate smoking and that is offered to or purchased by consumers as an electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe, or other similar device or product.

¹⁸ See <http://www.cdc.gov/media/releases/2013/p0905-ecigarettes-use.html>. (Last visited November 4, 2013).

¹⁹ See <http://newsroom.doh.state.fl.us/wp-content/uploads/newsroom/2013/05/090613-E-Cigarette-Use-Among-Teens-Doubles.pdf> (Last visited November 5, 2013).

The bill amends s. 569.0075, F.S., to include alternative nicotine products in the prohibition against giving a sample of tobacco products to persons under the age of 18.

The bill amends s. 569.101, F.S., to include alternative nicotine products in the prohibition against the sale, delivery, bartering, furnishing or giving of tobacco products to persons under the age of 18.

The bill amends s. 569.11, F.S., to include alternative nicotine products in the prohibition against persons under the age of 18 from possessing, directly or indirectly, any tobacco products.

The bill amends s. 569.14, F.S., to include alternative nicotine products in the signage requirements.

The bill reenacts s. 322.056, F.S., to incorporate the amendments in the bill to s. 569.11, F.S.

The bill provides an effective date of July 1, 2014.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Tobacco permit holders would be required to replace their point of sale calendars that indicate the date that a person is of legal age to purchase tobacco products to new calendars that reference alternative nicotine products, unless the permit holders are using readers, scanners, or other electronic or automated systems. They would also be required to replace signage that gives notice that the sale of tobacco products to persons under the age of 18 is prohibited with signage that also references alternative nicotine products. The cost for this requirement is indeterminate.

C. Government Sector Impact:

The Department of Business and Professional Regulation has indicated that if additional surveys are required for electronic cigarettes, then funds for an additional survey team would be required. The department estimates that a new survey team, which consists of two law enforcement officers and one underage operative, can complete an average of 3 tobacco surveys in a 4-hour time period or the equivalent of 1,191.75 surveys per year. The total cost would be \$273,559.00 for FY 2014-2015 and \$176,415.00 for subsequent years.

VI. Technical Deficiencies:

None.

VII. Related Issues:

According to the National Conference of State Legislatures there are 27 states that have banned the sale of electronic cigarettes to minors.²⁰

VIII. Additional Information:**A. Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

²⁰ Those states are: AK (products containing nicotine other than cigs), AL (age 19), AZ, AR, CA, CO, HI, ID, IL (signed August 2013) IN, KS, MD, MN, MS, NV (definition includes "or derived from tobacco"), NH, NJ (age 19), NY, NC, OR (All sales banned, ordered by DOJ), SC, TN, UT (age 19), VT, WA, WI, WY.



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LEGISLATIVE ACTION

Senate

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House

The Committee on Regulated Industries (Galvano) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Subsection (8) is added to section 569.002,
Florida Statutes, to read:

569.002 Definitions.—As used in this chapter, the term:

(8) "Nicotine dispensing devices" mean any product that can
be used to deliver nicotine to an individual by inhaling
vaporized nicotine from the product, including, but not limited



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11 to, an electronic cigarette, electronic cigar, electronic
12 cigarillo, electronic pipe, or other similar device or product
13 and any replacement nicotine cartridge for the device or
14 product.

15 Section 2. Section 569.0075, Florida Statutes, is amended
16 to read:

17 569.0075 Gift of sample tobacco products or sample nicotine
18 dispensing devices prohibited.—The gift of sample tobacco
19 products or sample nicotine dispensing devices to any person
20 under the age of 18 by an entity licensed or permitted under the
21 provisions of chapter 210 or this chapter, or by an employee of
22 such entity, is prohibited and is punishable as provided in s.
23 569.101.

24 Section 3. Subsections (1) and (3) of section 569.101,
25 Florida Statutes, are amended to read:

26 569.101 Selling, delivering, bartering, furnishing, or
27 giving tobacco products or nicotine dispensing devices to
28 persons under 18 years of age; criminal penalties; defense.—

29 (1) It is unlawful to sell, deliver, barter, furnish, or
30 give, directly or indirectly, to any person who is under 18
31 years of age, any tobacco product or nicotine dispensing device.

32 (3) A person charged with a violation of subsection (1) has
33 a complete defense if, at the time the tobacco product or
34 nicotine dispensing device was sold, delivered, bartered,
35 furnished, or given:

36 (a) The buyer or recipient falsely evidenced that she or he
37 was 18 years of age or older;

38 (b) The appearance of the buyer or recipient was such that
39 a prudent person would believe the buyer or recipient to be 18



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40 years of age or older; and

41 (c) Such person carefully checked a driver's license or an
42 identification card issued by this state or another state of the
43 United States, a passport, or a United States armed services
44 identification card presented by the buyer or recipient and
45 acted in good faith and in reliance upon the representation and
46 appearance of the buyer or recipient in the belief that the
47 buyer or recipient was 18 years of age or older.

48 Section 4. Subsections (1), (2), and (6) of section 569.11,
49 Florida Statutes, are amended to read:

50 569.11 Possession, misrepresenting age or military service
51 to purchase, and purchase of tobacco products or nicotine
52 dispensing devices by persons under 18 years of age prohibited;
53 penalties; jurisdiction; disposition of fines.—

54 (1) It is unlawful for any person under 18 years of age to
55 knowingly possess any tobacco product or nicotine dispensing
56 device. Any person under 18 years of age who violates the
57 provisions of this subsection commits a noncriminal violation as
58 provided in s. 775.08(3), punishable by:

59 (a) For a first violation, 16 hours of community service
60 or, instead of community service, a \$25 fine. In addition, the
61 person must attend a school-approved anti-tobacco and nicotine
62 program, if locally available;

63 (b) For a second violation within 12 weeks of the first
64 violation, a \$25 fine; or

65 (c) For a third or subsequent violation within 12 weeks of
66 the first violation, the court must direct the Department of
67 Highway Safety and Motor Vehicles to withhold issuance of or
68 suspend or revoke the person's driver's license or driving



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69 privilege, as provided in s. 322.056.

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71 Any second or subsequent violation not within the 12-week time
72 period after the first violation is punishable as provided for a
73 first violation.

74 (2) It is unlawful for any person under 18 years of age to
75 misrepresent his or her age or military service for the purpose
76 of inducing a dealer or an agent or employee of the dealer to
77 sell, give, barter, furnish, or deliver any tobacco product or
78 nicotine dispensing device, or to purchase, or attempt to
79 purchase, any tobacco product or nicotine dispensing device from
80 a person or a vending machine. Any person under 18 years of age
81 who violates a provision of this subsection commits a
82 noncriminal violation as provided in s. 775.08(3), punishable
83 by:

84 (a) For a first violation, 16 hours of community service
85 or, instead of community service, a \$25 fine and, in addition,
86 the person must attend a school-approved anti-tobacco and
87 nicotine program, if available;

88 (b) For a second violation within 12 weeks of the first
89 violation, a \$25 fine; or

90 (c) For a third or subsequent violation within 12 weeks of
91 the first violation, the court must direct the Department of
92 Highway Safety and Motor Vehicles to withhold issuance of or
93 suspend or revoke the person's driver's license or driving
94 privilege, as provided in s. 322.056.

95

96 Any second or subsequent violation not within the 12-week time
97 period after the first violation is punishable as provided for a



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98 first violation.

99 (6) Eighty percent of all civil penalties received by a
100 county court pursuant to this section shall be remitted by the
101 clerk of the court to the Department of Revenue for transfer to
102 the Department of Education to provide for teacher training and
103 for research and evaluation to reduce and prevent the use of
104 tobacco products or nicotine dispensing devices by children. The
105 remaining 20 percent of civil penalties received by a county
106 court pursuant to this section shall remain with the clerk of
107 the county court to cover administrative costs.

108 Section 5. Subsections (1), (2), and (3) of section 569.14,
109 Florida Statutes, are amended to read:

110 569.14 Posting of a sign stating that the sale of tobacco
111 products or nicotine dispensing devices to persons under 18
112 years of age is unlawful; enforcement; penalty.—

113 (1) Any dealer that sells tobacco products or nicotine
114 dispensing devices shall post a clear and conspicuous sign in
115 each place of business where such products are sold which
116 substantially states the following:

117 THE SALE OF TOBACCO PRODUCTS OR NICOTINE DISPENSING DEVICES TO
118 PERSONS UNDER THE AGE OF 18 IS AGAINST FLORIDA LAW. PROOF OF AGE
119 IS REQUIRED FOR PURCHASE.

120 (2) The division shall make available to dealers of tobacco
121 products or nicotine dispensing devices signs that meet the
122 requirements of subsection (1).

123 (3) Any dealer that sells tobacco products or nicotine
124 dispensing devices shall provide at the checkout counter in a
125 location clearly visible to the dealer, the dealer's agent or
126 employee, instructional material in a calendar format or similar



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127 format to assist in determining whether a person is of legal age
128 to purchase tobacco products or nicotine dispensing devices.
129 This point of sale material must contain substantially the
130 following language:

131 IF YOU WERE NOT BORN BEFORE THIS DATE

132 (insert date and applicable year)

133 YOU CANNOT BUY TOBACCO PRODUCTS OR NICOTINE DISPENSING DEVICES.

134 Upon approval by the division, in lieu of a calendar a dealer
135 may use card readers, scanners, or other electronic or automated
136 systems that can verify whether a person is of legal age to
137 purchase tobacco products or nicotine dispensing devices.

138 Failure to comply with the provisions contained in this
139 subsection shall result in imposition of administrative
140 penalties as provided in s. 569.006.

141 Section 6. Subsection (3) of section 569.19, Florida
142 Statutes, is amended to read:

143 569.19 Annual report.—The division shall report annually
144 with written findings to the Legislature and the Governor by
145 December 31, on the progress of implementing the enforcement
146 provisions of this chapter. This must include, but is not
147 limited to:

148 (3) The number of violations for selling tobacco products
149 or nicotine dispensing devices to persons under age 18, and the
150 results of administrative hearings on the above and related
151 issues.

152 Section 7. This act shall take effect July 1, 2014.

153
154 ===== T I T L E A M E N D M E N T =====

155 And the title is amended as follows:



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156 Delete everything before the enacting clause
157 and insert:

158 A bill to be entitled
159 An act relating to nicotine dispensing devices;
160 amending s. 569.002, F.S.; providing a definition;
161 amending s. 569.0075, F.S.; prohibiting the gift of
162 sample nicotine dispensing devices to persons under 18
163 years of age; amending s. 569.101, F.S.; prohibiting
164 the selling, delivering, bartering, furnishing, or
165 giving of nicotine dispensing devices to persons under
166 18 years of age, to which penalties apply; amending s.
167 569.11, F.S.; prohibiting persons under 18 years of
168 age from possessing, purchasing, or misrepresenting
169 their age or military service to purchase nicotine
170 dispensing devices; providing civil penalties;
171 amending s. 569.14, F.S.; requiring certain signage
172 where a dealer sells nicotine dispensing devices;
173 amending s. 569.19, F.S.; requiring the Division of
174 Alcoholic Beverages and Tobacco of the Department of
175 Business and Professional Regulation to submit the
176 number of violations for selling nicotine dispensing
177 devices in its annual report; providing an effective
178 date.

By Senator Benacquisto

30-00133A-14

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1 A bill to be entitled
 2 An act relating to alternative nicotine products;
 3 amending s. 569.002, F.S.; providing and revising
 4 definitions; amending s. 569.0075, F.S.; prohibiting
 5 the gift of sample alternative nicotine products to
 6 persons younger than 18 years of age; amending s.
 7 569.101, F.S.; prohibiting the sale, delivery,
 8 bartering, furnishing, or giving of alternative
 9 nicotine products to persons younger than 18 years of
 10 age; amending s. 569.11, F.S.; prohibiting a person
 11 who is younger than 18 years of age from buying,
 12 possessing, or misrepresenting his or her age in order
 13 to buy alternative nicotine products; amending s.
 14 569.14, F.S.; revising the contents of signs that must
 15 be displayed at locations where alternative nicotine
 16 products are available for purchase; reenacting s.
 17 322.056(2) and (3), F.S., relating to mandatory driver
 18 license revocation or suspension for persons younger
 19 than 18 years of age who commit certain offenses, to
 20 incorporate changes made by the act to s. 569.11,
 21 F.S., in a reference thereto; providing an effective
 22 date.

23
 24 Be It Enacted by the Legislature of the State of Florida:

25
 26 Section 1. Section 569.002, Florida Statutes, is amended to
 27 read:
 28 569.002 Definitions.—
 29 (1) As used in this chapter, the term:

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30 (a) "Alternative nicotine product" means a product that
 31 consists of or contains nicotine that can be ingested into the
 32 body by any means, including, but not limited to, chewing,
 33 smoking, absorbing, dissolving, and inhaling. The term includes
 34 an electronic cigarette, but does not include any of the
 35 following:
 36 1. Tobacco products.
 37 2. A product that is a drug as defined in 21 U.S.C. s.
 38 321(g) (1).
 39 3. A product that is a device as defined in 21 U.S.C. s.
 40 321(h).
 41 4. A combination product that is a device regulated under
 42 21 U.S.C. s. 353(g).
 43 ~~(1) "Dealer" is synonymous with the term "retail tobacco~~
 44 ~~products dealer."~~
 45 (b)(2) "Division" means the Division of Alcoholic Beverages
 46 and Tobacco of the Department of Business and Professional
 47 Regulation.
 48 (c) "Electronic cigarette" means a device or product that
 49 produces a vapor that delivers nicotine or other substances to a
 50 person inhaling from the device to simulate smoking and that is
 51 offered to or purchased by consumers as an electronic cigarette,
 52 electronic cigar, electronic cigarillo, electronic pipe, or
 53 other similar device or product.
 54 ~~(3) "Permit" is synonymous with the term "retail tobacco~~
 55 ~~products dealer permit."~~
 56 (d)(4) "Retail tobacco products dealer" or "dealer" means
 57 the holder of a retail tobacco products dealer permit.
 58 (e)(5) "Retail tobacco products dealer permit" or "permit"

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59 means a permit issued by the division pursuant to s. 569.003.

60 ~~(f)(6)~~ "Tobacco products" includes loose tobacco leaves,
61 and products made from tobacco leaves, in whole or in part, and
62 cigarette wrappers, which can be used for smoking, sniffing, or
63 chewing.

64 ~~(2)(7)~~ The term "~~Any~~ person under the age of 18" does not
65 include a any person under the age of 18 who:

66 (a) Has had his or her disability of nonage removed under
67 chapter 743;

68 (b) Is in the military reserve or on active duty in the
69 Armed Forces of the United States;

70 (c) Is otherwise emancipated by a court of competent
71 jurisdiction and released from parental care and responsibility;
72 or

73 (d) Is acting in his or her scope of lawful employment with
74 an entity licensed under the provisions of chapter 210 or this
75 chapter.

76 Section 2. Section 569.0075, Florida Statutes, is amended
77 to read:

78 569.0075 Sample gifts of ~~Gift of sample~~ tobacco products or
79 alternative nicotine products prohibited.—The gift of sample
80 tobacco products or alternative nicotine products to a any
81 person under the age of 18 by an entity licensed or permitted
82 under ~~the provisions of~~ chapter 210 or this chapter, or by an
83 employee of such entity, is prohibited and is punishable as
84 provided in s. 569.101.

85 Section 3. Section 569.101, Florida Statutes, is amended to
86 read:

87 569.101 Selling, delivering, bartering, furnishing, or

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88 giving tobacco products or alternative nicotine products to
89 persons under 18 years of age; criminal penalties; defense.—

90 (1) It is unlawful to sell, deliver, barter, furnish, or
91 give, directly or indirectly, to a any person who is under 18
92 years of age, any tobacco product or alternative nicotine
93 product.

94 (2) A Any person who violates subsection (1) commits a
95 misdemeanor of the second degree, punishable as provided in s.
96 775.082 or s. 775.083. However, a any person who violates
97 subsection (1) for a second or subsequent time within 1 year of
98 the first violation, commits a misdemeanor of the first degree,
99 punishable as provided in s. 775.082 or s. 775.083.

100 (3) A person charged with a violation of subsection (1) has
101 a complete defense if, at the time the tobacco product or
102 alternative nicotine product was sold, delivered, bartered,
103 furnished, or given:

104 (a) The buyer or recipient falsely evidenced that she or he
105 was 18 years of age or older;

106 (b) The appearance of the buyer or recipient was such that
107 a prudent person would believe the buyer or recipient to be 18
108 years of age or older; and

109 (c) Such person carefully checked a driver ~~driver's~~ license
110 or an identification card issued by this state or another state
111 of the United States, a passport, or a United States armed
112 services identification card presented by the buyer or recipient
113 and acted in good faith and in reliance upon the representation
114 and appearance of the buyer or recipient in the belief that the
115 buyer or recipient was 18 years of age or older.

116 Section 4. Section 569.11, Florida Statutes, is amended to

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117 read:

118 569.11 Possession, misrepresenting age or military service
 119 to purchase, and purchase of tobacco products or alternative
 120 nicotine products by persons under 18 years of age prohibited;
 121 ~~penalties, jurisdiction, disposition of fines.-~~

122 (1) It is unlawful for a any person under 18 years of age
 123 to knowingly possess any tobacco product or alternative nicotine
 124 product. A Any person under 18 years of age who violates the
 125 ~~provisions of~~ this subsection commits a noncriminal violation as
 126 provided in s. 775.08(3), punishable by:

127 (a) For a first violation, 16 hours of community service
 128 ~~or, instead of community service,~~ a \$25 fine. ~~In addition,~~ The
 129 person must also attend a school-approved anti-tobacco program,
 130 if locally available;

131 (b) For a second violation within 12 weeks of the first
 132 violation, a \$25 fine; or

133 (c) For a third or subsequent violation within 12 weeks of
 134 the first violation, the court must direct the Department of
 135 Highway Safety and Motor Vehicles to withhold issuance of or
 136 suspend or revoke the person's driver driver's license or
 137 driving privilege, as provided in s. 322.056.

138
 139 A Any second or subsequent violation not within the 12-week time
 140 period after the first violation is punishable as provided for a
 141 first violation.

142 (2) It is unlawful for a any person under 18 years of age
 143 to misrepresent his or her age or military service for the
 144 purpose of inducing a dealer or an agent or employee of the
 145 dealer to sell, give, barter, furnish, or deliver any tobacco

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146 product or alternative nicotine product, or to purchase, or
 147 attempt to purchase, any tobacco product or alternative nicotine
 148 product from a person or a vending machine. ~~A Any~~ person under
 149 18 years of age who violates ~~a provision of~~ this subsection
 150 commits a noncriminal violation as provided in s. 775.08(3),
 151 punishable by:

152 (a) For a first violation, 16 hours of community service
 153 ~~or, instead of community service,~~ a \$25 fine. ~~and, in addition,~~
 154 The person must also attend a school-approved anti-tobacco
 155 program, if available;

156 (b) For a second violation within 12 weeks of the first
 157 violation, a \$25 fine; or

158 (c) For a third or subsequent violation within 12 weeks of
 159 the first violation, the court must direct the Department of
 160 Highway Safety and Motor Vehicles to withhold issuance of or
 161 suspend or revoke the person's driver driver's license or
 162 driving privilege, as provided in s. 322.056.

163
 164 A Any second or subsequent violation not within the 12-week time
 165 period after the first violation is punishable as provided for a
 166 first violation.

167 (3) A Any person ~~under 18 years of age~~ cited for committing
 168 a noncriminal violation under this section must sign and accept
 169 a civil citation indicating a promise to appear before the
 170 county court or pay ~~comply with the requirement for paying~~ the
 171 fine and must attend a school-approved anti-tobacco program, if
 172 locally available. If a fine is assessed for a violation of this
 173 section, the fine must be paid within 30 days after the date of
 174 the citation or, if a court appearance is mandatory, within 30

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175 days after the date of the hearing.

176 (4) A person charged with a noncriminal violation under
177 this section must appear before the county court or pay ~~comply~~
178 ~~with the requirement for paying~~ the fine. The court, after a
179 hearing, shall ~~determine~~ ~~make a determination as to~~ whether the
180 noncriminal violation was committed. If the court finds the
181 violation was committed, it shall impose an appropriate penalty
182 as specified in subsection (1) or subsection (2). A person who
183 participates in community service is ~~shall be~~ considered an
184 employee of the state for the purpose of chapter 440, for the
185 duration of such service.

186 (5) ~~(a)~~ If a person ~~under 18 years of age~~ is found by the
187 court to have committed a noncriminal violation under this
188 section and that person has failed to:

189 (a) Complete community service, pay the fine as required by
190 paragraph (1) (a) or paragraph (2) (a), or attend a school-
191 approved anti-tobacco program, if locally available, the court
192 must direct the Department of Highway Safety and Motor Vehicles
193 to withhold issuance of or suspend the driver ~~driver's~~ license
194 or driving privilege of that person for ~~a period of~~ 30
195 consecutive days.

196 (b) ~~If a person under 18 years of age is found by the court~~
197 ~~to have committed a noncriminal violation under this section and~~
198 ~~that person has failed to~~ Pay the applicable fine as required by
199 paragraph (1) (b) or paragraph (2) (b), the court must direct the
200 Department of Highway Safety and Motor Vehicles to withhold
201 issuance of or suspend the driver ~~driver's~~ license or driving
202 privilege of that person for ~~a period of~~ 45 consecutive days.

203 (6) Eighty percent of all civil penalties received by a

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204 county court pursuant to this section shall be remitted by the
205 clerk of the court to the Department of Revenue for transfer to
206 the Department of Education to provide for teacher training and
207 for research and evaluation to reduce and prevent the use of
208 tobacco products by minors ~~children~~. The remaining 20 percent ~~of~~
209 ~~civil penalties received by a county court pursuant to this~~
210 ~~section~~ shall remain with the clerk of the county court to cover
211 administrative costs.

212 Section 5. Section 569.14, Florida Statutes, is amended to
213 read:

214 569.14 Posting of a sign stating that the sale of tobacco
215 products or alternative nicotine products to persons under 18
216 years of age is unlawful; enforcement; penalty.—

217 (1) A ~~Any~~ dealer that sells tobacco products or alternative
218 nicotine products shall post a clear and conspicuous sign in
219 each place of business where such products are sold which
220 substantially states the following:

221
222 THE SALE OF TOBACCO PRODUCTS OR ALTERNATIVE NICOTINE
223 PRODUCTS TO PERSONS UNDER THE AGE OF 18 IS AGAINST
224 FLORIDA LAW. PROOF OF AGE IS REQUIRED FOR PURCHASE.

225
226 (2) The division shall make signs available to dealers of
227 tobacco products or alternative nicotine products ~~which signs~~
228 ~~that~~ meet the requirements of subsection (1).

229 (3) A ~~Any~~ dealer that sells tobacco products or alternative
230 nicotine products shall provide at the checkout counter in a
231 location clearly visible to the dealer, the dealer's agent, or
232 employee, instructional material in a calendar format or similar

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 233 format to assist in determining whether a person is of legal age
 234 to purchase tobacco products or alternative nicotine products.
 235 This point of sale material must contain substantially the
 236 following language:

IF YOU WERE NOT BORN BEFORE THIS DATE

(insert date and applicable year)

YOU CANNOT BUY TOBACCO PRODUCTS OR ALTERNATIVE NICOTINE
PRODUCTS.

237
 238
 239
 240
 241
 242
 243 Upon approval by the division, in lieu of a calendar, a dealer
 244 may use card readers, scanners, or other electronic or automated
 245 systems that can verify whether a person is of legal age to
 246 purchase tobacco products or alternative nicotine products.
 247 Failure to comply with ~~the provisions contained in this~~
 248 subsection shall result in ~~imposition of~~ administrative
 249 penalties as provided in s. 569.006.

250 (4) The division, ~~through its agents and inspectors,~~ shall
 251 enforce this section through its agents and inspectors.

252 (5) A ~~Any~~ person who fails to comply with subsection (1)
 253 ~~commits is guilty of~~ a misdemeanor of the second degree,
 254 punishable as provided in s. 775.082 or s. 775.083.

255 Section 6. For the purpose of incorporating the amendments
 256 made by this act to section 569.11, Florida Statutes, in a
 257 reference thereto, subsections (2) and (3) of section 322.056,
 258 Florida Statutes, are reenacted to read:

259 322.056 Mandatory revocation or suspension of, or delay of
 260 eligibility for, driver's license for persons under age 18 found
 261 guilty of certain alcohol, drug, or tobacco offenses;

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 262 prohibition.-

263 (2) If a person under 18 years of age is found by the court
 264 to have committed a noncriminal violation under s. 569.11 and
 265 that person has failed to comply with the procedures established
 266 in that section by failing to fulfill community service
 267 requirements, failing to pay the applicable fine, or failing to
 268 attend a locally available school-approved anti-tobacco program,
 269 and:

270 (a) The person is eligible by reason of age for a driver's
 271 license or driving privilege, the court shall direct the
 272 department to revoke or to withhold issuance of his or her
 273 driver's license or driving privilege as follows:

274 1. For the first violation, for 30 days.

275 2. For the second violation within 12 weeks of the first
 276 violation, for 45 days.

277 (b) The person's driver's license or driving privilege is
 278 under suspension or revocation for any reason, the court shall
 279 direct the department to extend the period of suspension or
 280 revocation by an additional period as follows:

281 1. For the first violation, for 30 days.

282 2. For the second violation within 12 weeks of the first
 283 violation, for 45 days.

284 (c) The person is ineligible by reason of age for a
 285 driver's license or driving privilege, the court shall direct
 286 the department to withhold issuance of his or her driver's
 287 license or driving privilege as follows:

288 1. For the first violation, for 30 days.

289 2. For the second violation within 12 weeks of the first
 290 violation, for 45 days.

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291

292 Any second violation of s. 569.11 not within the 12-week period
293 after the first violation will be treated as a first violation
294 and in the same manner as provided in this subsection.

295 (3) If a person under 18 years of age is found by the court
296 to have committed a third violation of s. 569.11 within 12 weeks
297 of the first violation, the court must direct the Department of
298 Highway Safety and Motor Vehicles to suspend or withhold
299 issuance of his or her driver's license or driving privilege for
300 60 consecutive days. Any third violation of s. 569.11 not within
301 the 12-week period after the first violation will be treated as
302 a first violation and in the same manner as provided in
303 subsection (2).

304 Section 7. This act shall take effect July 1, 2014.

KOON.LYNN

From: IMHOF.BOOTER
Sent: Tuesday, October 08, 2013 10:02 AM
To: OXAMENDI.MIGUEL
Subject: FW: SB 224- Nicotine Products
Attachments: Letter to Regulated.docx

Booter

From: HUNTER.MATTHEW
Sent: Tuesday, October 08, 2013 10:01 AM
To: BARNES.RACHEL; DOWDY.CHRIS; HARTMAN.SAMANTHA
Cc: IMHOF.BOOTER; KOON.LYNN
Subject: SB 224- Nicotine Products

Please allow the attached letter to serve as Senator Benacquisto's request to hear SB 224- Relating to Nicotine Products at the Chair's earliest convenience.

Thank you in advance and please let me know if you have any questions in regards to the bill.

Matthew Hunter
Legislative Aide
Senator Lizbeth Benacquisto
239.338.2570 Fort Myers Office
850.487.5030 Tallahassee Office
850.519.2265 Cell



Florida Department of
Business
Professional
Regulation



License efficiently. Regulate fairly.

Ken Lawson
Secretary

Florida State Boxing Commission

Cynthia Hefren,
Executive Director
November 7, 2013

Mission

To provide customer-focused services to the combat sports industry in order to protect the health and safety of participants and maintain the integrity of combat sports.

Statutory Authority and Rules

- Chapter 548, Florida Statutes
- Rule Chapter 61-K1, Florida Administrative Code

Duties and Responsibilities

- License and regulate professional boxing, kickboxing and mixed martial arts participants and activities.
- Approve and monitor amateur sanctioning organizations.

Health and Safety

- **Professional**

- Review and approve all proposed bouts to ensure competitiveness
- Ensure participants are physically able to compete
 - Pre-match physicals at the weigh-in
 - Post-match examinations immediately after the fight
 - Technical Knockouts require 30-day suspension
 - Knockouts require 60-day suspension
 - Additional medical clearance may be required
 - Suspensions are posted and must be cleared before fighters may compete

Health and Safety

Amateur sanctioning organizations are **licensed** to do for the amateur program what the Commission does for professionals.

The Commission does **not** directly oversee or sanction amateur events.

Florida State Boxing Commission

- Five members
- Appointed by the Governor, confirmed by the Senate
- Responsibilities include:
 - Disciplinary matters
 - Informal hearings
 - Rulemaking
 - Approval of Amateur Sanctioning Organizations

Commission Structure

- Headquarters (Tallahassee)
 - Three FTE
 - Perform day-to-day operations
 - Licensing, approval and issuance of live event permits, compiling event data, collection of revenue and facilitation of Commission meetings
- Field Staff
 - One FTE and 30+ OPS
 - Oversee professional weigh-ins and events
 - Approval of bout cards, assignment of officials and inspectors, venue inspection, direct supervision of participants

Historical Information

- Repeal of s. 548.061, Florida Statutes
 - Provided \$200,000 in General Revenue in 2012
 - Pay-per-view collections averaged \$215,000 per year, which is approximately one-third of the FSBC budget
- Workgroup
- OIG Audit
 - Requested by Deputy Secretary to closely examine business processes.
 - Findings:
 - Collection of Revenue, particularly post event taxes
 - Licensing
 - Policies and Procedures

Improvements and Initiatives

- Compliance with post event tax requirements
- Controls over licensing process strengthened through greater oversight and implementation of on-line applications (expected rollout in late 2013)
- Policies and procedures refined to address re-engineered business processes

FY 2013-14 Budget

- FY 2012-13 ended with a fund deficit of (\$392,924)
 - Contributing Factors
 - Loss of pay-per-view revenue and cumulative impact of under-reported post event taxes
 - Reduced number of sanctioned events

FY 2013-14

Appropriations

- The Commission was appropriated a total operating budget of \$1,098,393.
 - \$582,569 in the Professional Regulation Trust Fund
 - \$515,824 in General Revenue (\$200,000 recurring/\$315,824 non-recurring)

Assumptions

- FY 2013-14 post event taxes projected at \$250,000
- License fee collections remain consistent with FY 2012-13 collections
- Forty-one sanctioned events in FY 2013-14

Budget Projection

The Commission is projected to end
FY 2013-14 with a fund deficit of
(\$142,627).

Moving Forward

- Refinement of Business Processes
 - On-line application deployment in late 2013
 - More efficient weigh-in activities
- Continued reduction of expenses
 - Hire Panhandle OPS employees
 - Broaden overall pool of OPS staff to reduce travel costs
- Continued excellent customer service
 - Attract high-caliber events
 - Repeat business

Questions

Cynthia B. Hefren,
Executive Director
850.488.8500

Cynthia.Hefren@myfloridalicense.com

Florida Department of
Business
Professional
Regulation



License efficiently. Regulate fairly.

Ken Lawson
Secretary

Florida Mobile Home Relocation Corporation

Senate Committee on Regulated
Industries

November 7, 2013

Florida Mobile Home Relocation Corporation

- The Florida Mobile Home Relocation Corporation (FMHRC), established by the Legislature in 2001, is tasked with providing payments to mobile home owners displaced when a mobile park is closed due to a change in land use.
- Pursuant to s. 723.06115, F.S., the Florida Mobile Home Relocation Trust Fund (FMHRTF) is funded from:
 - \$1 surcharge collected by the Department of Highway Safety and Motor Vehicles
 - \$1 surcharge collected by the Department of Business and Professional Regulation
 - Funds collected from mobile home park owners for change of use payouts
 - \$2,750 per single section mobile home
 - \$3,750 per multi-section mobile home
- The relocation of FMHRC from Tallahassee to Clearwater is complete.

HB 573 Implementation

- In 2012, an agency audit noted that FMHRC had \$2,094,860 of cash in various accounts earning very little, if any, investment income.
- Funds were collected into the FMHRTF; the trust fund paid the surcharge to the General Revenue Fund (8%), and the balance of the funds were transferred to the FMHRC.
- Funds were used to pay for any claims filed and approved as well as FMHRC's day-to-day operations.
- HB 573 implemented policy and operational changes to better align the FMHRC's operations with its financial needs.
- FMHRC continues to process all claims and submits requests to the department for transfer of funds to make payments to mobile home owners under the relocation program.
- Funds are processed by the department within 5 business days after receipt of request.
- To implement HB 573, FMHRC transferred \$1,100,000 to the MHRTF.

Funding

- FMHRC's budget is submitted to the department by June 30th of each year and distributed on a quarterly basis.
- Annual operational budget of \$236,250.00 was approved on June 26, 2013, by the Mobile Home Relocation Corporation and submitted to DBPR on June 28, 2013.
- First quarter of FY 2013- 14:
 - \$59,062.50 was distributed to the Mobile Home Relocation Corporation on July 1, 2013.
 - FMHTF paid out \$49,750 to the FMHRC for claims.
- Second quarter of FY 2013-14 (to date):
 - \$59,062 was distributed to the Mobile Home Relocation Corporation on October 4, 2013.
 - FMHTF has paid out \$30,875 to the FMHRC for claims.
 - \$23,051 was transferred to General Revenue for the 1st quarter 8% service charge.

Anticipated Payouts for FY 2013 – 2014

- Seminole Estates
 - 429 potential lots
- Whitehaven Mobile Home Park
 - 84 potential lots
- Alafia Village Mobile Home park
 - 20 potential lots
- Ideal Trailer Park
 - 38 potential lots

Revenues and Expenditures

	FY 2012-13	FY 2013-14	FY 2014-15
Revenues			
Park Owner Fees	70,125	329,074	
Surcharge HSMV	409,808	409,808	409,808
Surcharge FLSCMH	291,030	291,030	291,030
Transfer From Mobile Home Relocation Corp		1,100,000	
Interest		10,000	5,000
Total Revenues	770,963	2,139,912	705,838
Expenditures			
Service Charge to GR	61,667	83,193	56,467
Transfer to Mobile Home Relocation Corp	677,821	2,083,050	236,250
Total Expenditures	739,488	2,166,243	292,717
Fund Balance	31,475	5,143	418,264

Contact Information

Matilde Miller

Legislative Affairs Director

matilde.miller@myfloridalicense.com

850-717-1580