HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 347 Commercial Parasailing

SPONSOR(S): Clarke-Reed and others

TIED BILLS: IDEN./SIM. BILLS: SB 320

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Business & Professional Regulation Subcommittee	12 Y, 0 N	Butler	Luczynski
Agriculture & Natural Resources Appropriations Subcommittee	12 Y, 0 N	Massengale	Massengale
3) Regulatory Affairs Committee			

SUMMARY ANALYSIS

According to the Florida Fish and Wildlife Conservation Commission (FWC), there have been 21 accidents involving parasailing, resulting in 23 injuries and 6 fatalities in the last 13 years. The primary causes of these accidents include high winds, wind gusts, equipment failure, and operator error.

The bill establishes minimum liability insurance requirements for owners or operators of commercial parasailing, requires each operator to use all available means to determine and record the weather conditions before embarking, and forbids commercial parasailing during severe weather conditions. The bill also requires United States Coast Guard licensure for each operator of a commercial parasailing vessel.

The bill provides for a criminal penalty for violations of the new commercial parasailing provisions.

The bill may have a small fiscal impact on FWC, which should be absorbed by existing resources. The bill is not anticipated to have a fiscal impact on local government. The fiscal impact on the private sector is indeterminate as the bill requires commercial parasailing operators to have liability insurance and certain communications and weather monitoring equipment that they may or may not already have in place.

The bill has an effective date of October 1, 2014.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives. STORAGE NAME: h0347c.ANRAS

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FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

Parasailing is a recreational activity where one or more persons are towed behind a boat while suspended under a canopy, chute, or parasail above the water. In Florida, commercial parasailing is generally conducted along the Atlantic Ocean and Gulf of Mexico coastlines, with one known exception at Walt Disney World where parasailing takes place on Bay Lake in Orange County.

There are over 200 commercial parasailing operators currently operating in the United States, over half operating in Florida. Approximately 3.8 million people participate in the parasailing industry each year. 2

Currently, the Florida Fish and Wildlife Conservation Commission (FWC) is charged with investigating parasailing accidents and cooperates with the United States Coast Guard and local law enforcement investigations. Data compiled by FWC indicates that:³

- From January 1, 2001, through October 30, 2013, 21 accidents involving parasail vessels have occurred in Florida, resulting in 23 injuries and 6 fatalities;
- High winds or sudden wind gusts were a contributing factor in 10 of the 21 accidents:
- Equipment failure due to the wind occurred in 6 of the 10 accidents where wind gusts were a contributing factor:
- Sudden thunderstorms caused many of the wind gusts that contributed to these accidents;
- Several factors, including equipment failure and operator error, were the cause of 11 of the 21 accidents: and.
- Equipment failure was a contributing factor in one fatality in 2012.4

The Parasail Safety Council, a trade association of parasailing companies, estimates approximately 73 fatalities and approximately 1,700 other injuries have occurred over the span of 30 years and approximately 130 million parasailing ventures throughout the United States.⁵

In Florida, the most recent incident occurred on July 1, 2013, and resulted in critical injuries to two teenage girls who were parasailing off Panama City Beach. 6 Weather conditions caused the vessel to lose connection to and control of the parasail, resulting in the parasail drifting out of control toward shore and hitting a building, power line, and several parked cars.⁷

Current Florida Regulations on Parasailing

Florida currently has few substantive regulations of parasailing.

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¹ See Parasail Safety Council Website, http://www.parasail.org/ (last visited Jan. 15, 2014) (estimating 138 Florida parasailing operators); Parasail Safety Council, Why are some Parasailing Accidents Fatal?, http://www.parasail.org/accident-statistics.html (last visited Jan. 15, 2014) (estimating over 200 parasailing operators nationwide); see also Florida Fish and Wildlife Conservation Commission, Agency Legislative Analysis for SB 320: Commercial Parasailing (Dec. 4, 2013) (on file with the Business & Professional Regulation Subcommittee) (estimating over 100 parasailing operators in Florida).

² Parasail Safety Council, Why are some Parasailing Accidents Fatal?, http://www.parasail.org/accident-statistics.html (last visited Jan.

Florida Fish and Wildlife Conservation Commission, Agency Legislative Analysis for SB 320: Commercial Parasailing.

⁴ Rafael Olmeda, Lawsuit filed in Pompano Beach parasailing death (June 12, 2013) available at http://articles.sun-sentinel.com/2013-06-12/news/fl-parasailing-death-lawsuit-20130612_1_stephen-miskell-negligence-lawsuit-sands-harbor-resort.

⁵ Parasail Safety Council, *Parasailing Accident Data (1982-2012)*, http://www.parasail.org/accident-statistics.html (last visited Jan. 15,

<sup>2014).

6</sup> United States Coast Guard, UPDATE: Coast Guard investigates parasail accident near the Commodore Condominiums in Panama City Beach (July 18, 2013), available at http://www.uscgnews.com/go/doc/4007/1855061/UPDATE-Coast-Guard-investigates-parasailaccident-near-the-Commodore-Condominiums-in-Panama-City-Beach (last visited Jan. 15, 2014).

Dennis Pillion, Second girl injured in Panama City Beach parasailing accident released from Indiana hospital, AL.com, http://blog.al.com/gulf-coast/2013/08/second_girl_injured_in_parasai.html (last visited Jan. 15, 2014).

Section 327.37, F.S., regulates parasailing to the degree that it regulates all vessels that tow persons on water skis, parasails, and aquaplanes. The requirements of s. 327.37, F.S., include:

- A person may not operate a vessel towing a person unless there is another person, in addition to the operator, in position to observe the person being towed;⁸
- Parasailing may not be conducted one-half hour before sunrise or one-half hour after sunset;⁹
- United States Coast Guard approved non-inflatable personal flotation devices must be worn by all persons engaged in parasailing;¹⁰ and,
- A person may not operate a vessel towing a parasail or engage in parasailing within 100 feet of the marked channel of the Florida Intercostal Waterway.¹¹

A violation of s. 327.37, F.S., is a noncriminal infraction and provides for a civil penalty of \$50 that may be imposed in county court.

<u>Current Federal Regulations Related to Parasailing</u>

Parasails impact the National Airspace System and meet the legal definition of any "kite" that weighs more than five pounds and is intended to be flown at the end of a rope or cable. ¹² Consequently, the Federal Aviation Administration (FAA) regulates parasailing to maintain a safe atmosphere for the flying public. ¹³

Specifically, the FAA regulation on "kites" states:

Except as provided . . . no person may operate a moored balloon or kite:

- (1) Less than 500 feet from the base of any cloud;
- (2) More than 500 feet above the surface of the earth;
- (3) From an area where the ground visibility is less than three miles; or
- (4) Within five miles of the boundary of any airport.¹⁴

Further, each parasail must have colored pennants or streamers every 50 feet that are visible for one mile, starting at 150 feet above the earth's surface. Departing at night is disallowed under the FAA regulations unless the entire mooring line is lit to give visual warning for air navigation; however, night operation is prohibited by Florida regulation except during the half hour directly after sunset and the half hour directly before sunrise.

Effect of the Bill

The act may be cited as the "White-Miskell Act." The act is named for two women who died from parasailing accidents in Pompano Beach. Amber White, 15, died in 2007 after windy conditions caused the line connecting the parasail she and her sister were riding to break free of its vessel and they collided with a hotel roof. Kathleen Miskell, 28, died in 2012 after a harness malfunction caused her to drop 200 feet into the water where she drowned.

The bill defines "commercial parasailing" as:

[P]roviding or offering to provide, for consideration, any activity involving the towing of a person by a motorboat if:

- (a) One or more persons are tethered to the towing vessel;
- (b) The person or persons ascend above the water; and

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⁸ Section 327.37(1)(b), F.S.

⁹ Section 327.37(2)(a), F.S.

¹⁰ Section 327.37(2)(b), F.S.

¹¹ Section 327.37(5), F.S.

¹² 14 C.F.R. §101.1 (2013).

¹³ Federal Aviation Administration, *Parasail Operations Regulated by the FAA*, Air Traffic Bulletin 2012-2, (April 2012), http://www.faa.gov/air_traffic/publications/media/ATB2012-2.pdf (last visited Jan. 23, 2014).

¹⁴ 14 C.F.R. §101.13 (2013).

¹⁵ 14 C.F.R. §101.17 (2013).

¹⁶ 14 C.F.R. §101.17 (2013); see also Section 327.37(2)(a), F.S.

(c) The person or persons remain suspended under a canopy, chute, or parasail above the water while the vessel is underway.

The bill specifically excludes ultralight glider towing as defined in 14 C.F.R. § 103 in its definition of commercial parasailing.

The bill defines "sustained wind speed" as:

[W]ind speed determined by averaging the observed wind speed rounded up to the nearest mile per hour over a 2-minute period.

Insurance Requirements

The bill requires that an owner or operator cannot engage in commercial parasailing unless the owner or operator first obtains and maintains liability insurance providing bodily liability coverage from an insurance carrier licensed in Florida, or approved by the Florida Office of Insurance Regulation, or an eligible surplus lines insurer. This liability insurance must provide bodily injury coverage amounts of at least \$1 million per occurrence and \$2 million annual aggregate.

Proof of insurance in compliance with the mandates for this bill must be available for inspection at the location where commercial parasailing is offered or provided for consideration. This proof of insurance must be available for each customer and FWC to inspect upon request.

Equipment Requirements

The bill requires that a commercial parasailing vessel must have both a functional VHF marine transceiver and a separate device capable of accessing the National Weather Service forecasts and current weather conditions.

The bill requires that the operator of a commercial parasailing vessel maintain a weather log. The operator must record all prevailing and forecasted weather conditions, and must use all available means to determine these conditions. The log must be used each time passengers are to be taken out on the water. The weather log must be available for inspection at all times at the operator's place of business.

Operational Requirements

The bill includes the following operational requirements:

- A current and valid license issued by the United States Coast Guard to the person operating the
 parasailing vessel which is appropriate for the number of passengers and the size of the vessel.
- Commercial parasailing is prohibited when the weather conditions include:
 - Sustained wind speeds over 20 mph;
 - Wind gusts 15 mph higher than sustained wind speeds;
 - Wind speeds during gusts exceed 25 mph;
 - o Rain or heavy fog results in visibility of less than 0.5 miles; or
 - A known lightning storm comes within 7 miles of the parasailing area.

Penalties

The bill provides that a violation of the commercial parasailing provisions in the bill is a second degree misdemeanor, punishable as provided in s. 775.082, F.S., or s. 775.083, F.S. Misdemeanors of the second degree are punishable by up to 60 days in jail and/or a fine of up to \$500, at the discretion of the Court.¹⁷

According to industry representatives, it is standard practice to have parasailing participants sign an assumption of risk, release of liability and indemnification agreement (waiver). Florida courts generally enforce such waiver agreements when they are unambiguous; however, Florida courts have held that such waivers may not serve as a release of liability in cases of *negligence per se*, that is, when the

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¹⁷ Sections 775.082, and 775.083, F.S. **STORAGE NAME**: h0347c.ANRAS

injury arises from a violation of a statute designed to protect the well-being of the person signing the waiver. 18

Thus, injuries sustained due to violation by a person or operator of those statutory provisions in the bill designed to safeguard participants potentially could result in liability even where the participant signed a waiver agreement.

B. SECTION DIRECTORY:

Section 1 provides that the title for the act is the "White-Miskall Act."

Section 2 amends s. 327.02, F.S., to define "Commercial parasailing" and "sustained wind speed."

Section 3 creates s. 327.375, F.S., relating to parasailing; provides an insurance mandate for the owner or operator of a commercial parasailing operation; requires a current and valid United States Coast Guard license for an operator; requires a VHF marine transceiver and weather radio; prohibits parasailing in certain wind conditions; requires maintenance of a weather log by the operator; and, provides for criminal penalties for noncompliance.

Sections 4 to 9 amends ss. 320.08, 327.391, 328.17, 342.07, 713.78, and 715.07 to conform and correct statutory cross-references.

Section 10 provides an effective date of October 1, 2014.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

According to the Florida Fish and Wildlife Conservation Commission staff, they anticipate using existing resources to implement the requirements of this bill. 19

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The fiscal impact on the private sector is indeterminate as the bill requires commercial parasailing operators to have liability insurance and certain communications and weather monitoring equipment that they may or may not already have in place. According to sources within the insurance and parasailing industries, the proposed insurance and operational requirements are equivalent to what

Florida Fish and Wildlife Conservation Commission, Agency Legislative Analysis for SB 320: Commercial Parasailing. STORAGE NAME: h0347c.ANRAS

¹⁸ See generally deJesus v. Seaboard Coast Line R. Co., 281 So. 2d 198, 201 (Fla. 1973) (stating "negligence per se is a violation of any other statute which establishes a duty to take precautions to protect a particular class of persons from a particular injury or type of injury"); Torres v. Offshore Prof'l Tour, Inc., 629 So. 2d 192, 194 (Fla. 3rd DCA 1993) (stating "[t]he enforcement of a release or waiver immunizing a [party] from liability for breach of a positive statutory duty designed to protect the well-being of the person executing the release, . . . would be contrary to public policy") [internal citations omitted].

they currently hold and should have no fiscal impact. Parasailing operators who do not hold insurance or do not currently have the required equipment will be required to obtain the necessary coverage and acquire the necessary equipment.²⁰

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None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision: Not Applicable. This bill does not appear to affect county or municipal governments.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

None.

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²⁰ *Id*. STORAGE NAME: h0347c.ANRAS