

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** HB 1319                      Vessel Licenses  
**SPONSOR(S):** Patterson  
**TIED BILLS:**                                  **IDEN./SIM. BILLS:** CS/SB 1714

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REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Natural Resources	_____	Camechis	Lotspeich
2) Finance & Tax	_____	_____	_____
3) Appropriations	_____	_____	_____
4) _____	_____	_____	_____
5) _____	_____	_____	_____

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### SUMMARY ANALYSIS

This bill requires the Fish & Wildlife Conservation Commission (FWCC) to create a 1-year, nonmandatory freshwater vessel license pilot program. The vessel license will be available to persons operating a vessel hired for the purpose of recreationally taking freshwater fish. Fees and categories for freshwater vessel licenses will be the same as those already established for saltwater vessel licenses. The bill also creates a Vessel License Task Force within the FWCC for the purpose of reviewing the commission's saltwater and freshwater vessel license programs.

The fiscal impact of the 1-year pilot program is indeterminate because participation is voluntary; however, if a future Legislature chooses to implement a mandatory program, an estimated \$500,031 annual loss in revenues may result. Nonrecurring expenditures related to administration of the task force are estimated to be \$140,000.

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

**STORAGE NAME:** h1319.nr.doc  
**DATE:** March 11, 2004

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. DOES THE BILL:

- |                                      |                              |                             |   |
|--------------------------------------|------------------------------|-----------------------------|---|
| 1. Reduce government?                | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. Lower taxes?                      | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. Expand individual freedom?        | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. Empower families?                 | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

#### B. EFFECT OF PROPOSED CHANGES:

##### CURRENT SITUATION

##### **Florida's Mandatory Vessel License Program<sup>1</sup>**

In 1989, the Florida Legislature enacted chapter 89-270, Laws of Florida, to create a mandatory vessel license program for vessels hired for the recreational purpose of taking or attempting to take marine fish. This program is commonly referred to as the "saltwater vessel license program" even though all vessels are not typically categorized as saltwater or freshwater vessels. The current fees for mandatory vessel licenses are set forth in s. 372.57(7), F.S., as follows:

- A vessel license for a *vessel* certified by the U.S. Coast Guard to carry more than 10 customers is \$800 per year and is nontransferable.
- A vessel license for a *person* licensed by the U.S. Coast Guard to operate a vessel certified by the U.S. Coast Guard to carry more than 10 customers is \$800 per year and may be transferred from vessel to vessel with the operator.
- A vessel license for a *vessel* certified by the U.S. Coast Guard to carry 10 or fewer customers is \$400 per year and is nontransferable.
- A vessel license for a *person* licensed by the U.S. Coast Guard to operate a vessel certified by the U.S. Coast Guard to carry no more than 10 customers is \$400 per year and may be transferred from vessel to vessel with the operator.
- A vessel license for a *vessel* for hire that carries no more than 6 customers is \$400 per year and is nontransferable.
- A vessel license for a *person* licensed by the U.S. Coast Guard to operate a vessel for hire that carries no more than 6 customers is \$400 per year and may be transferred from vessel to vessel with the operator.
- A vessel license for a *vessel* for hire that can carry no more than 6 customers but that actually carries no more than 4 customers is \$200 per year and is nontransferable.
- A vessel license for a *person* licensed by the U.S. Coast Guard to operate a vessel for hire that carries no more than 6 customers but who operates a vessel that carries no more than 4 customers is \$200 per year and may be transferred from vessel to vessel with the operator.
- A vessel license for a recreational, not for hire *vessel*, is \$2,000 per year and the license allows anyone to fish from the vessel without having to purchase an individual fishing license.

Persons paying to saltwater fish from licensed vessels are not required to purchase an individual saltwater fishing license.

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<sup>1</sup> s. 372.57 (7), F.S.

## **Florida's Freshwater Fishing Vessels**

At the time the Legislature created the mandatory licensing program for vessels chartered for recreational saltwater fishing, no similar program was established to license vessels chartered for the purpose of recreational freshwater fishing. Any individual that pays to charter a vessel to freshwater fish must purchase an individual freshwater fishing license. It is the responsibility of the vessel operator to ensure that every paying passenger is properly licensed.

This discrepancy in the vessel licensing program has generated concern from the freshwater fishing guides who have determined they lose business when potential customers realize they can go saltwater fishing without having to purchase an individual license. However, this discrepancy is not limited to the vessel license program. Non-resident saltwater anglers can purchase a \$5, 3-day license, while non-resident freshwater anglers must purchase a \$15, 7-day license.

### **EFFECT OF PROPOSED CHANGES**

**Section 1.** Section 372.09, F.S., is amended to provide that funds received from the sale of freshwater vessel licenses must be deposited into the State Game Trust Fund within the FWCC.

**Section 2.** Section s. 372.57(7), F.S., is amended to provide that saltwater vessel licenses must be identified as such on the license and may only be transferred to other saltwater vessels.

Subsection (16) of s. 372.57, F.S., is created to require the FWCC to establish a 1-year, nonmandatory freshwater vessel license program to be implemented by July 1, 2004. The fees and categories for the nonmandatory freshwater vessel license program are the same as those established for saltwater vessel licenses under 372.57(7), F.S.

A freshwater vessel license may be obtained by any person operating a vessel for hire for the purpose of taking freshwater fish for noncommercial purposes, and persons who pay to fish from a licensed freshwater vessel are not required to purchase an individual fishing license. Freshwater vessel licenses must be identified as such on the license and may only be transferred to other freshwater vessels. Each freshwater vessel license issued is nonrenewable and expires 1 year after issuance. Unless the Legislature establishes a new freshwater vessel license program, or extends the 1-year nonmandatory program, subsection (16) expires on July 1, 2005.

A person licensed by the US Coast Guard to operate any vessel licensed under any category can purchase a license in his or her own name, and that license can transfer to any vessel operated by the purchaser. The fees for operator licenses are the same as the fees for vessel licenses, and are based on the same categories.

In addition, the bill creates subsection (17) of s. 372.57, F.S., to establish the Vessel License Task Force for the purpose of reviewing the commission's saltwater and freshwater vessel license programs. The task force is placed within the FWCC and will cease to exist on July 1, 2005. Responsibilities of the task force include: determining if freshwater and saltwater vessel licenses should be mandatory or permissive; determining if the vessel license program should be repealed; and, determining if the sale of vessel licenses generates sufficient revenue to offset the revenue lost from reduced sales of individual fishing licenses. If the task force determines that such revenues are sufficient, the task force must determine the amount of a fair and equitable vessel license fee.

The bill provides that the Vessel License Task Force will be composed of the following seven members:

- 1 member representing the Florida Guides Association;
- 2 members licensed as captains by the US Coast Guard to represent full-time freshwater fishing guides;
- 1 member representing part-time freshwater fishing guides;

- 1 member licensed as a captain by the US Coast Guard to represent full-time saltwater fishing guides;
- 1 member representing part-time saltwater fishing guides; and,
- 1 FWCC representative, who is not a commissioner, with knowledge of the commission's vessel licensing program.

Members of the task force will serve without compensation and staff will be provided by the FWCC. By February 1, 2005, the task force must submit written recommendations to the FWCC so the agency may consider including those recommendations in its 2005 legislative packet. Copies of the recommendations must also be provided to staff of the natural resources and appropriations committees of the Florida House of Representatives and Florida Senate.

**Section 3.** Section 372.562, F.S., is amended to provide that persons fishing from a vessel that is licensed under the freshwater vessel licensing program, or persons fishing from a vessel operated by a person licensed under the freshwater vessel licensing program, are not required to purchase an individual freshwater fishing license.

C. SECTION DIRECTORY:

Section 1. Amends s. 372.09, F.S., requiring deposit of license fee revenues into the State Game Trust Fund.

Section 2. Amends s. 372.57, F.S., creating a Freshwater Vessel License Pilot Program and the Vessel License Task Force.

Section 3. Amends s. 372.562, F.S., providing exemptions from certain fees and requirements.

Section 4. Providing an effective date.

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

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

This bill establishes fees for a nonmandatory freshwater vessel license program that enables freshwater vessel captains to obtain vessel licenses but allows captains to retain current licensure without penalty if they do not choose to participate. If a captain chooses to participate in the pilot program, individuals who hire a vessel for purposes of recreational freshwater fishing will not be required to purchase individual fishing licenses. Due to the nonmandatory nature of the pilot program, the fiscal impact of the pilot program on license fee revenues is indeterminate.

As indicated below, the FWCC estimates that, if the legislature implements a mandatory freshwater vessel license, an annual recurring loss of \$500,000 in freshwater fishing license revenue may result.

**Estimated Impact of a Mandatory \$200 Freshwater Vessel License on FWCC Revenues<sup>2</sup>**

Estimated number of vessel licenses sold	480
Estimated number of resident anglers on vessel	17,664
Estimated number of nonresident anglers on vessel	59,136
Estimated revenue loss from sale of individual licenses	\$ 464,717
Estimated revenue loss from federal funds	\$ 131,604
Revenue generated from sale of vessel licenses	\$ 96,000

**TOTAL REVENUE LOSS \$ 500,321<sup>3</sup>**

<sup>2</sup>This information was provided by the FWCC Division of Freshwater Fisheries and is based on data contained in the "2003 Complete Florida Fishing Directory".

<sup>3</sup> (\$464,717 + \$131,604) - \$96,000= \$500,321

2. Expenditures:

**Estimated cost of surveys:** **\$120,000**

The FWCC indicates that, in order to provide the Freshwater Vessel License Task Force data upon which to base its recommendations, economic data must be generated that does not currently exist. The FWCC estimates that completion of the two surveys necessary to generate the data (saltwater and freshwater surveys) may cost up to \$120,000.

**Nonrecurring per diem and cost of task force:** **\$20,000**

The bill authorizes Task Force members to claim per diem expenses. The FWCC estimates that the fiscal impact of the per diem expenses will be \$20,000, including air fare, lodging, and meals for 5 meetings in Tallahassee for seven task force members.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues: None.

2. Expenditures: None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

This bill establishes fees for a nonmandatory freshwater vessel license program that enables freshwater vessel captains to obtain vessel licenses but allows captains to retain current licensure without penalty if they do not choose to participate. If a captain chooses to participate in the pilot program, individuals who hire a vessel for purposes of recreational freshwater fishing will not be required to purchase individual fishing licenses.

Captains operating freshwater fishing vessels licensed under this program may see an increase in business if more persons choose freshwater fishing over saltwater fishing because an individual fishing license is no longer required.

According to the FWCC, passage of the bill may assist freshwater fishing guides/captains in competing for customers who are interested in a guided fishing experience by exempting their customers from the current requirement for individual recreational licenses.

D. FISCAL COMMENTS: None.

**III. COMMENTS**

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

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

2. Other: None.

B. RULE-MAKING AUTHORITY: This bill does not appear to impact the FWCC's rulemaking authority.

C. DRAFTING ISSUES OR OTHER COMMENTS: None.

#### IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

N/A