

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 287 Vessel Registration Requirements
SPONSOR(S): Jordan
TIED BILLS: **IDEN./SIM. BILLS:** SB 276 (i)

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Transportation Systems (Sub)</u>	<u>7 Y, 0 N</u>	<u>Pugh</u>	<u>Miller</u>
2) <u>Transportation</u>	<u>21 Y, 0 N</u>	<u>Pugh</u>	<u>Miller</u>
3) <u>Finance & Tax</u>	_____	_____	_____
4) <u>Transportation & Eco. Devel. Approps. (Sub)</u>	_____	_____	_____
5) <u>Appropriations</u>	_____	_____	_____

SUMMARY ANALYSIS

The State of Florida requires the registration of most water-borne vessels, subject to fees ranging from \$3.50 to \$122.50, based on vessel length. Exempted from registration fees are vessels certified as antique by the Florida Department of Highway Safety and Motor Vehicles, and vessels owned by several charitable or not-for-profit organizations.

HB 287 seeks to reinstate the vessel registration-fee exemption for Safe Harbor Haven, Inc., a Jacksonville-based organization that includes among its programs a residential education and counseling program for troubled teenaged boys. The exemption was repealed in 2001 and replaced with one for the group that accredits the boys' home operated by Safe Harbor Haven. That action resulted in Safe Harbor Haven losing its exemption status for other vessels it owns but which are not directly affiliated with the boys home, thus having to pay about \$2,500 in registration fees for those vessels.

The executive director of Safe Harbor Haven, Inc., said passage of HB 287 will not cost the state any revenue, because her organization will register other vessels it owns and wanted to use, but couldn't afford to pay the registration fees. These vessels include boats donated to the organization that could be used as floating classrooms or that could be repaired and sold.

HB 287 raises no apparent constitutional or other legal issues.

The bill takes effect upon becoming a law.

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

STORAGE NAME: h0287b.tr.doc
DATE: March 9, 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:

Background

State vessel registration fees

Pursuant to s. 328.72, F.S., all Florida-based watercraft, except non-motorized canoes, must be registered with the Florida Department of Highway Safety and Motor Vehicles (DHS&MV). With few exceptions, all watercraft must pay an annual registration fee, typically based on vessel length. The fee ranges from \$3.50 for all watercraft less than 12 feet long and for all motorized canoes, to \$122.50 for vessels that are at least 110 feet long.

Additionally, other fees and charges may be assessed, including a \$1 surcharge on all registrations to help pay for law enforcement radio equipment, and a \$2.25 service fee collected by the county tax collectors.

Exempt from paying vessel registration fees, pursuant to s.328.72(14), F.S., are: Vessels owned and operated by Sea Explorer or Sea Scout units of the Boy Scouts of America, the Girl Scouts of America, the Florida Association of Christian Child Caring Agencies, Inc., or the Associated Marine Institutes, Inc., and its affiliates, or which are certified as "antique vessels." Such vessels are issued certificates of registration and numbers upon application and payment of the \$2.25 service fee.

According to DHSMV's most current registration records (fiscal year 01-02), there are 886,351 recreational and commercial vessels registered in Florida. Registration fee revenues were nearly \$5.5 million. Some 2,314 vessels were exempted from having to pay registration fees: 2,032 designated as antique vessels; 183 owned by the Associated Marine Institutes; 62 owned by the Boy Scouts and three owned by the Girl Scouts; and 34 owned by the Florida Association of Christian Child Care charities.

Safe Harbor Haven, Inc.

Safe Harbor Haven, Inc., was founded in 1984 as a not-for-profit operation. The organization receives no public funds. Instead, it accepts private donations to defray its operating costs. Its land-based facilities are on property leased from the Jacksonville Port Authority and the Jacksonville Electric Authority.

The organization operates the Safe Harbor Boy's Home, a residential facility for 15 teenage boys who receive schooling, vocational education, and mental health counseling. Safe Harbor admits boys aged 15 to 17 who are fatherless or who have lost one or more parents to death, and those who are experiencing behavior problems in home and at school. Referrals are accepted from the professional mental health community, the court system, pastors, relatives, and friends.

The boys live aboard former U.S. Navy and U.S. Coast Guard vessels anchored in the St. Johns River, learning seamanship skills. All boys must be able to pass a swimming exam as a condition of admission. According to the organization's website, the boys receive vocational training, and training in other life skills, such as driver education, job application skills, how to establish and maintain banking accounts and credit, and basic cooking, grocery-shopping, laundry, and housekeeping skills. Some of the boys graduate from the organization's Safe Harbor Academy, a registered private high school, while others attend the organization's GED preparatory programs.

According to Safe Harbor Haven's executive director, over the 20 years of its existence, about 90 percent of the teenagers have successfully turned their lives around.

Besides the boys home and the academy, Safe Harbor Haven's not-for-profit activities include sailboat and power-boat training courses.

Safe Harbor Haven is one of about two dozen youth group home organizations accredited by the Florida Association of Christian Child Caring Agencies Inc., a nonprofit organization created in 1982 that oversees the provisions of s. 409.176, F.S. That section of law provides for registration of faith-based residential child-care agencies and family foster homes.

History of organization's exemption

The Legislature in 1997 amended state law to add Safe Harbor Haven to the list of organizations exempt from paying vessel-registration fees. In 1999, Safe Harbor Haven was removed and the Florida Association of Christian Child Caring Agencies, Inc., was added. Safe Harbor Haven representatives say they were unaware of this until after the legislation became law. They surmise that Safe Harbor Haven was removed because it was believed adding Christian Child Caring Agencies, its accrediting agency, would cover all of Safe Harbor Haven's boats. In fact, only the vessels directly used for the boys' housing and schooling remained exempt.

Effect of HB 287

The bill restores Safe Harbor Haven to the list of organizations that are exempt from having to pay vessel-registration fees on all of the vessels in all of its not-for-profit programs. The organization still will pay registration fees, primarily, for donated vessels that it is repairing to either use in its programs, or will sell to raise funds for its programs.

C. SECTION DIRECTORY:

Section 1: Amends s. 328.72(14), F.S., to add "Safe Harbor Haven, Inc." to the entities exempt from having to pay registration fees on their vessels.

Section 2: Specifies this act shall take effect upon becoming a law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

Indeterminate, but likely minimal. Based on comments from Safe Harbor Haven's executive director, the loss of revenue from the exemption granted in HB 287 would be mostly offset if the organization pays registration fees on other vessels it owns but which are not part of its not-for-profit activities.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

HB 287 will have an indeterminate, but likely minimal, positive financial impact on Safe Harbor Haven.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This mandates provision is not applicable to HB 287 because the bill does not require counties or municipalities to expend local funds or to raise local funds, nor does it reduce their state revenue-sharing.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

DHSMV does not require additional rule-making authority to implement HB 287.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES