

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 Policy and Steering Committee on Ways and Means

BILL: CS/SB 1744

INTRODUCER: General Government Appropriations Committee and Senator Baker

SUBJECT: Department of Agriculture and Consumer Services

DATE: April 6, 2009 **REVISED:** _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Blizzard	DeLoach	GA	Fav/CS
2.	Blizzard	Kelly	WPSC	Favorable
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

Please see Section VIII. for Additional Information:

A. COMMITTEE SUBSTITUTE..... Statement of Substantial Changes

B. AMENDMENTS..... Technical amendments were recommended

Amendments were recommended

Significant amendments were recommended

I. Summary:

This bill establishes a permitting and testing program for commercially operated weights and measures instruments to be administered by the Department of Agriculture and Consumer Services (department). The bill gives the department rulemaking authority to implement the program and to set fees not to exceed the maximum amount set forth. Fees must be deposited into the General Inspection Trust Fund and used to support this program.

This bill amends distributions of the gross receipts from transactions relating to state forests. Currently, the Division of Forestry within the department is required to distribute 15 percent of the gross receipts from the sale of state forest products to counties in which the forests are located. The bill restricts the distribution to fiscally constrained counties as defined in section 218.67(1), Florida Statutes.

For Fiscal Year 2009-2010, the department estimates a \$2.2 million increase in recurring revenue to the General Inspection Trust Fund for the operation of the Weights and Measures Program. Approximately \$400,000 in additional revenue will be realized in the Incidental Trust Fund due to the revised forestry receipt distributions.

This bill creates the following sections of the Florida Statutes: 531.60, 531.61, 531.62, 531.63, 531.64, 531.65, and 531.66; and it amends sections 589.08 and 589.081 of the Florida Statutes.

II. Present Situation:

Weights and Measures

The Bureau of Weights and Measures within the department inspects all commercial weighing and measuring devices in the state, but does not have authority to impose fees for the inspections. Currently, the weights and measures program is primarily funded from general revenue. In addition, calibration of mass and metrology laboratory testing is conducted by the Bureau of Weights and Measures, which generates fees of \$50,000 annually. Presently, there are 65,000 commercial weighing and measuring devices in the state that are inspected by the Bureau of Weights and Measures.

State Forests

Currently, the Division of Forestry is required to distribute 15 percent of the gross receipts from the proceeds derived from the sale of products of state forests to the county or counties in which the state forest is located. The distribution of funds is proportionately allocated according to the acreage of the state forest located within each county. The distributed funds are to be used by the counties for school purposes, except that for counties in which the Withlacoochee State Forest and Goethe State Forest are located, the funds are equally divided between the school board and the board of county commissioners of each county.

III. Effect of Proposed Changes:

Section 1 creates s. 531.60, F.S., to require that a use permit be obtained for all commercial weights and measures devices. A permit can be transferred to a new owner as long as it stays in the same location. A new permit is required if the device is moved to a new location. The department will test only devices that have been properly permitted and for which the fee has been paid.

Section 2 creates s. 531.61, F.S., to exempt taxi meters, railroad weighing devices, and petroleum measuring devices, which are tested by other regulatory or authorized private entities monitoring those devices.

Section 3 creates s. 531.62, F.S., to require that an application for a permit under this section must be submitted on a form prescribed by the department and accompanied by a fee not to exceed a maximum established fee. A permit is valid for one year and must be renewed annually or be subject to a late fee up to \$100. All permit fees collected shall be deposited into the General Inspection Trust Fund and used by the department to administer this program.

Section 4 creates s. 531.63, F.S., to direct that fees be set at an amount to cover the cost of administering the program but not to exceed the maximum amount set forth in the bill. Maximum fees for weighing devices are based upon number of devices and weighing capacity and vary from \$75, for a scale rated up to a 100-pound capacity, to \$1,000, for a railroad track

scale. Maximum fees for measuring devices are based upon flow rate or capacity and vary from \$50 to \$500. The maximum fee for other miscellaneous devices does not exceed \$100.

Section 5 creates s. 531.64, F.S., to provide for revocation or suspension of a permit for violation of this chapter or adopted rules.

Section 6 creates s. 531.65, F.S., to provide sanctions for commercial use of a weighing or measuring device without a valid permit.

Section 7 creates s. 531.66, F.S., to direct the department to prescribe documents and adopt rules necessary to carry out the permitting provisions of this chapter.

Section 8 amends s. 589.08, F.S., to restrict the 15 percent distribution of gross receipts from transactions relating to state forests. The bill provides that the distribution be made to fiscally constrained counties only. As a result, revenues to the Incidental Trust Fund within the department will increase by \$400,000 annually.

Section 9 amends s. 589.081, F.S., to restrict the presently required 15 percent distribution of gross receipts from Withlacoochee State Forest and Goethe State Forest to fiscally constrained counties, as defined in s. 218.67(1), F.S., in which the forests are located.

The division estimates the distribution of forestry receipts to fiscally constrained local counties from the Incidental Trust Fund for the 2009-2010 fiscal year to be approximately \$300,000.

Section 10 provides that the bill shall take effect on July 1, 2009.

Other Potential Implications:

The department has estimated the amount of fees that will be required to offset General Revenue Funds now appropriated for the weights and measures testing program. That calculation is shown in the table below along with the related maximum fee.

Device	Maximum Fee	Proposed Fee	Locations/ Devices	Estimated Revenue
Retail scales				
1 to 5 scales	\$75.00	\$30.00	6,000	\$180,000.00
6 to 10 scales	\$175.00	\$125.00	3060	\$382,500.00
11 to 30 scales	\$250.00	\$175.00	1320	\$231,000.00
31+ scales	\$500.00	\$225.00	70	\$15,750.00
Taximeters	\$50.00	\$35.00	3500	\$122,500.00
Industrial scales				
Under 5,000 lb scale	\$200.00	\$75.00	9800	\$735,000.00
5-20,000 lb scale	\$300.00	\$150.00	350	\$52,500.00
Vehicles scale				
Over 20,000 lb scale	\$400.00	\$200.00	2100	\$420,000.00
Wheel load (D.O.T.)	\$35.00	\$15.00	925	\$13,875.00

Other measuring				
Special devices		\$100.00	100	\$10,000.00
Total Revenue				\$2,163,125.00

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:

The bill establishes a permit and testing program for weighing and measuring devices and sets a maximum fee to be paid by the device owner. The department estimates that the fees will generate \$2.2 million in annual revenue.

B. Private Sector Impact:

Owners of weighing and measuring devices used for commercial purposes will be required to obtain a permit for use of the device and pay a fee. It is estimated that this program will cost device owners \$2.2 million annually.

C. Government Sector Impact:

Weights and Measures

The department estimates the following fiscal impact for the commercial weighing and measuring regulatory program.

	Fiscal Year 2009-2010	Fiscal Year 2010-2011	Fiscal Year 2011-2012
Revenues - Recurring	\$2,223,125	\$2,223,125	\$2,223,125
Recurring Expenditures			
Admin Assistant	38,488	38,488	38,488
Sr. Word Proc Sys Opr	69,828	69,828	69,828
Total salaries	108,316	108,316	108,316
Support staff-exp package	16,278	16,278	16,278
Human Resources Services	17,481	17,481	17,481

Total recurring costs	\$125,797	\$125,797	\$125,797
Non-recurring costs			
Expense support staff	8,913		
OCO support staff	3,000		
Total non-recurring costs	\$11,913		
Total costs	\$137,710	\$125,797	\$125,797
Administrative/indirect costs	756	756	756
General Revenue Service Charge	162,288	162,288	162,288
Total Program non-operating costs	\$163,044	\$163,044	\$163,044

State Forests

The Division of Forestry estimates that, for Fiscal Year 2009-2010, \$300,000 will be distributed to fiscally constrained counties and \$400,000, which would have otherwise been distributed to non-fiscally constrained counties, will be retained in the Incidental Trust Fund.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Additional Information:

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

CS by General Government Appropriations Committee on April 1, 2009:

This committee substitute:

- Requires that a use permit be obtained for all commercial weights and measures devices.
- Exempts from the permit requirement, taxi meters, railroad weighing devices, and petroleum measuring devices, which are tested by other regulatory or authorized private entities monitoring those devices.
- Requires that an application for a permit under this section must be submitted on a form prescribed by the department and accompanied by a fee not to exceed a maximum established fee.
- Directs that fees be set at an amount to cover the cost of administering the program but not to exceed the maximum amount set forth in the bill.
- Provides terms for revocation or suspension of a permit for violation of this chapter or adopted rules.
- Provides sanctions for commercial use of a weighing or measuring device without a valid permit.

- Directs the department to prescribe documents and adopt rules necessary to carry out the permitting provisions of this chapter.
- Restricts the 15 percent distribution of gross receipts from transactions relating to state forests.
- Restricts the presently required 15 percent distribution of gross receipts from Withlacoochee State Forest and Goethe State Forest to fiscally constrained counties, as defined in s. 218.67(1), F.S., in which the forests are located.

For Fiscal Year 2009-2010, the department estimates a \$2.2 million increase in recurring revenue to the General Inspection Trust Fund for the operation of the Weights and Measures Program. Approximately \$400,000 in additional revenue will be realized in the Incidental Trust Fund due to the revised forestry receipt distributions.

B. Amendments:

None.