

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 Fiscal Policy

BILL: CS/SB 518

INTRODUCER: Transportation Committee and Senator Soto and others

SUBJECT: Special License Plates

DATE: January 19, 2016

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Jones	Eichin	TR	Fav/CS
2.	Sanders	Ryon	MS	Favorable
3.	Aldana	Hrdlicka	FP	Pre-meeting

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 518 creates a special military license plate for recipients of the Bronze Star Medal. Revenue generated from the sale of this license plate will be deposited into the Grants and Donations Trust Fund and the State Homes for Veterans Trust Fund.

The bill also redirects revenue generated from the sale of the Woman Veteran special license plate from the Operations and Maintenance Trust Fund to the Grants and Donations Trust Fund. The bill specifies that revenue from the sale of the Woman Veteran license plate must be expended solely for the purpose of creating and implementing programs that benefit women veterans.

The DHSMV estimates a total cost of \$8,402 for Fiscal Year 2015-2016 to implement the bill. See Section V. Government Sector Impact.

II. Present Situation:

Special License Plates

Current law provides for several types of license plates. In addition to plates issued for governmental or business purposes, the Florida Department of Highway Safety and Motor Vehicles (DHSMV) offers four basic types of plates to the general public:

- Standard plates;

- Specialty license plates;
- Personalized prestige license plates; and
- Special use license plates.

Certain members of the general public may be eligible to apply for special use license plates if they are able to document their eligibility pursuant to various sections of ch. 320, F.S. Special use license plates primarily include special military license plates as well as plates for the disabled.

Currently, there are 21 special military license plates authorized in s. 320.089, F.S., available to military service members or veterans for the following types of service:

- Veteran of the United States Armed Forces;
- Active or retired member of the Florida National Guard;
- Survivor of the attack on Pearl Harbor;
- Recipient of the Purple Heart Medal;
- Active or retired member of any branch of the United States Armed Forces Reserve;
- Recipient of the Combat Infantry Badge;
- Recipient of the Combat Medical Badge;
- Recipient of the Combat Action Badge;
- Recipient of the Combat Action Ribbon;
- Recipient of the Air Force Combat Medal;
- Recipient of the Distinguished Flying Cross;
- Former Prisoner of War;
- Veteran of the Korean War;
- Veteran of the Vietnam War;
- Service member or veteran of Operation Desert Shield;
- Service member or veteran of Operation Desert Storm;
- Service member or veteran of Operation Enduring Freedom;
- Service member or veteran of Operation Iraqi Freedom;
- Veteran of World War II;
- Navy Submariner; and
- Woman Veteran.

Special military license plates authorized under s. 320.089, F.S., are stamped with words consistent with the type of special plate issued. For example, a special plate issued to a current or former member of the Florida National Guard is stamped with the words “National Guard.” Additionally, a likeness of the related campaign medal or badge appears on the plate.¹

Applicants for special military license plates under s. 320.089, F.S., are required to pay the annual license tax in s. 320.08, F.S., with the exception of certain disabled veterans who qualify for the Pearl Harbor, Purple Heart, or Prisoner of War plate, to whom such plates are issued at no cost.² With the exception of Woman Veteran plates, the first \$100,000 of the general revenue

¹ For plate samples, see Department of Highway Safety and Motor Vehicles, *Military License Plates*, available at <http://www.flhsmv.gov/specialtytags/miltags.html> (last visited Dec. 18, 2015).

² Section 320.089(1)(c) and (2)(a), F.S.

generated annually from the sale of special use military plates is deposited into the Grants and Donations Trust Fund under the Veterans' Nursing Homes of Florida Act, as described in s. 296.38(2), F.S. Additional general revenue is deposited into the State Homes for Veterans Trust Fund and used to construct, operate, and maintain domiciliary and nursing homes for veterans.³

For Fiscal Year 2014-2015, the total revenue from special military license plates was \$2,711,574.⁴

Woman Veteran License Plate

During the 2015 Regular Session, the Legislature created the Woman Veteran special military license plate.⁵ Revenue generated from the sale of the Woman Veteran plate is deposited into the Operations and Maintenance Trust Fund administered by the Florida Department of Veterans' Affairs (FDVA) pursuant to s. 20.375(3), F.S.⁶ The moneys generated from the sale of the plate must be used solely for the creation and implementation of programs that benefit women veterans. The FDVA has since determined that the Grants and Donations Trust Fund is more appropriate to receive distribution of these revenues.⁷

Bronze Star Medal

The Bronze Star Medal was established on February 4, 1944, to recognize those who served after December 6, 1941, in any capacity in or with the Armed Forces of the United States or a friendly foreign nation. The Bronze Star Medal is awarded to a person who distinguished himself or herself by heroic or meritorious service, not involving participation in aerial flight, in connection with military operations against an armed enemy; or while engaged in military operations involving conflict with an opposing armed force in which the United States is not a belligerent party. Recipients of the Bronze Star Medal must be receiving imminent danger pay while serving in a geographic area authorized for special pay.⁸ In order of precedence, the Department of Defense (DoD) places the Bronze Star Medal seventh amongst DoD wide military decorations and awards following the Distinguished Fly Cross and preceding the Purple Heart.⁹

III. Effect of Proposed Changes:

The bill creates a special military license plate for recipients of the Bronze Star Medal. The plate will be stamped with the words "Bronze Star" and a likeness of the Bronze Star Medal. To receive a Bronze Star special military license plate the individual must submit an application for

³ Section 320.089(1)(b), F.S.

⁴ E-mail from Florida Department of Veterans' Affairs (Nov. 23, 2015) (on file with the Senate Committee on Military and Veterans Affairs, Space, and Domestic Security).

⁵ See ch. 2015-91, Laws of Fla.

⁶ Section 320.089(1)(c), F.S.

⁷ E-mail from Florida Department of Veterans' Affairs (Dec. 2, 2015) (on file with the Senate Committee on Military and Veterans Affairs, Space, and Domestic Security).

⁸ Department of the Army, *Military Awards*, Army Regulation 600-8-22 (June 25, 2015).

⁹ Department of Defense, *Manual of Military Decorations and Awards: DoD Service Awards – Campaign, Expeditionary, and Service Medals*, Manual No. 1348.33, Vol. 2 (May 15, 2015). The order of precedence for military awards varies by branch of service.

the plate to the DHSMV, provide proof that he or she is a Bronze Star Medal recipient, and pay the appropriate license tax as provided in s. 320.08, F.S. Revenue generated from the sale of the Bronze Star plate is deposited in the Grants and Donations Trust Fund and the State Home for Veterans Trust Fund.

The bill also redirects revenue from the sale of the Woman Veteran license plate from the Operations and Maintenance Trust Fund administered by the FDVA to the Grants and Donations Trust Fund administered by the FDVA. Additionally, the bill specifies in both the Veterans' Nursing Home of Florida Act¹⁰ and the Veterans' Domiciliary Home of Florida Act¹¹ that revenue received from the sale of the Woman Veteran license plate must be expended solely for the creation and implementation of programs that benefit women veterans.

The bill takes effect July 1, 2016.

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:

Individuals who choose to receive the Bronze Star license plate will pay the same tax and fees as if he or she were issued a standard license plate.¹²

There is a \$28 new license plate fee if the special license plate is replacing any plate prior to the 10-year forced replacement of the current license plate.¹³

¹⁰ Chapter 296, part II, F.S., and s. 296.38, F.S.

¹¹ Chapter 296, part I, F.S., and s. 296.11, F.S.

¹² License taxes vary based on type and weight of vehicle. *See* s. 320.08, F.S.

¹³ Section 320.0607(3), F.S.

C. Government Sector Impact:

The DHSMV estimates an initial startup cost of \$2,882 for the creation and manufacture of 1,000 Bronze Star license plates to be distributed to Tax Collector offices statewide to meet public demand.¹⁴ It is indeterminate how many individuals will be eligible and choose to receive a special license plate.

The DHSMV also estimates a nonrecurring cost of \$5,520 in FTE resources to the department for 138 programming hours required for implementation of the bill, exclusive of planning and testing time.

The bill could have a positive impact on the Grants and Donations Trust Fund and the State Homes for Veterans Trust Fund.

VI. Technical Deficiencies:

Sections 2 and 3 of the bill provide that the veterans' nursing homes and the veterans' domiciliary home shall deposit moneys generated from the sale of the Woman Veteran license plate into the Grants and Donations Trust Fund. However, the veterans' nursing homes and domiciliary home are not direct recipients of the revenue generated from the sale of the license plate because they do not sell license plates. Revenues generated from the sale of the Woman Veteran license plates are deposited directly from the point of sale to the designated trust fund administered by the FDVA.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill amends the following sections of the Florida Statutes: 320.089, 296.11, and 296.38.

IX. Additional Information:**A. Committee Substitute – Statement of Substantial Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Transportation on December 12, 2015:

The CS requires that funds received from the sale of Woman Veteran special license plates are to be deposited in the Grants and Donations Trust Fund administered by the FDVA, instead of the Operations and Maintenance Trust Fund. Additional language is added to ensure funds received from the sale of the Woman Veteran plate must be expended solely for the creation and implementation of programs that benefit women veterans.

¹⁴ Department of Highway Safety and Motor Vehicles, *SB 518 Agency Bill Analysis* (Oct. 20, 2015) (on file with the Senate Committee on Military and Veterans Affairs, Space, and Domestic Security).

B. Amendments:

None.

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