

STORAGE NAME: h1091a.tr.doc

DATE: March 29, 2001

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
TRANSPORTATION
ANALYSIS**

BILL #: HB 1091

RELATING TO: Florida Golf License Plate

SPONSOR(S): Representative(s) Wishner

TIED BILL(S):

ORIGINATING COMMITTEE(S)/COUNCIL(S)/COMMITTEE(S) OF REFERENCE:

- (1) TRANSPORTATION YEAS 14 NAYS 0
 - (2) TRANSPORTATION & ECONOMIC DEVELOPMENT APPROPRIATIONS
 - (3) COUNCIL FOR READY INFRASTRUCTURE
 - (4)
 - (5)
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I. SUMMARY:

The bill requires the Department of Highway Safety and Motor Vehicles (DHSMV) to issue a Florida Golf license plate. In addition to the usual specialty license plate fees, a \$25 annual use fee will be charged for this new specialty license plate.

Annual use fees for the license plate are to be distributed to the Tee Off For Opportunity Trust Fund of the Dade Amateur Golf Association. The Tee Off For Opportunity Trust Fund shall utilize the fees to fund amateur and junior golf programs at public and/or private golf courses and other municipal, county, civic, or school programs in communities across the state.

Current law provides for a requesting organization to meet specified application requirements prior to legislative authorization of a specialty license plate. According to DHSMV, the applicant for the Florida Golf license plate has complied with the application requirements. A \$60,000 application fee has been collected by DHSMV to help defray administrative and license plate design costs.

The bill has an indeterminate recurring revenue and expenditure impact to the state. These impacts are offset by DHSMV charging an application fee and annually retaining the first proceeds to recover its costs.

Note: The Transportation Committee adopted an amendment which is traveling with the bill which provides that the annual use fee will be distributed to the Florida Childrens' Golf Fund instead of the Tee Off For Opportunity Trust Fund.

SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- | | | | |
|-----------------------------------|------------------------------|-----------------------------|---|
| 1. <u>Less Government</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. <u>Lower Taxes</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u> | 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. PRESENT SITUATION:

The Florida specialty license plate program began in 1986 with legislation authorizing the DHSMV to issue a specialty license plate commemorating the Challenger space shuttle and for each university within the State University System. Specialty license plates must be specifically authorized by the Legislature. The State of Florida has 50 types of specialty license plates. For calendar year 2000, specialty license plates revenues were approximately \$20 million. Proceeds from specialty license plate annual use fees have been used to fund an astronaut memorial, space technology research, scholarships, university academic enhancements and numerous other programs and projects.

Section 320.08053, F.S., establishes requirements that organizations or agencies must meet in order to create a new specialty license plate. Current law requires that specified information and an application fee be submitted to DHS&MV prior to requesting legislative approval for a specialty plate. Information required to be submitted includes:

- The results of a scientific sample survey indicating that at least 15,000 motor vehicle owners intend to purchase the proposed specialty license plate at the increased cost.
- A marketing plan and financial analysis of anticipated revenues and expenditures.

Once a specialty license plate has been approved by the Legislature, s. 320.08056, F.S., establishes uniform requirements for all specialty license plates, including taxes, fees, and design characteristics. Section 320.08058, F.S., specifies the individual requirements and distribution of annual use fees for approved specialty plates.

A Florida Golf license plate has not been authorized by the Legislature. On February 28, 2001, DHS&MV indicated the applicant for the Florida Golf license plate had complied with the statutorily prescribed application requirements.

C. EFFECT OF PROPOSED CHANGES:

The bill requires the Department of Highway Safety and Motor Vehicles (DHSMV) to issue a Florida Golf license plate. In addition to the usual specialty license plate fees, a \$25 annual use fee will be charged for this new specialty license plate.

Annual use fees for the license plate are to be distributed to the Tee Off For Opportunity Trust Fund of the Dade Amateur Golf Association (DAGA). The Tee Off For Opportunity Trust Fund must use the fees to fund amateur and junior golf programs at public or private golf courses and other municipal, county, civic, or school programs that provide youth access to golf in the state. The fees must be used as follows:

- 10 percent of the use fees will be disbursed to DAGA to administer the Tee Off For Opportunity project statewide, including administrative costs.
- 10 percent will be disbursed to DAGA to market the Florida Golf license plate.
- 80 percent of the use fees will be used as junior golf program and event funds, of which a minimum of 15 percent will be used for the existing DAGA program.

D. SECTION-BY-SECTION ANALYSIS:

N/A.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

Current law provides that an application fee, not to exceed \$60,000, be paid to DHSMV to defray the Department's administrative costs of reviewing and developing the new specialty license plate. DHSMV has indicated that \$60,000 has been collected from the applicant to defray these costs. This fee will be refunded if the license plate is not approved by the Legislature.

2. Expenditures:

DHSMV estimates administrative and design costs to be approximately \$60,000 per specialty license plate authorized. Any additional cost of issuing the license plate will be retained from the first proceeds derived from the annual use fees as provided in s. 320.08056(7), F.S.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

To the extent that the Florida Golf license plate is successful in attracting buyers willing to pay the additional \$25 fee, funds will be raised for Dade Amateur Golf Association programs.

D. FISCAL COMMENTS:

None.

III. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

The bill does not require a city or county to spend funds or to take any action requiring the expenditure of any funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

The bill does not reduce the revenue raising authority of any city or county.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

The bill does not reduce the amount of state tax shared with any city or county.

IV. COMMENTS:

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

None.

C. OTHER COMMENTS:

None.

V. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

The Transportation Committee considered this bill on March 28, 2001, and adopted a handwritten amendment which provides that the annual use fee will be distributed to the Florida Childrens' Golf Fund instead of the Tee Off For Opportunity Trust Fund. An apostrophe was improperly used in conjunction with the word "Children" in the amendment and should be corrected by further amendment. The bill was reported favorably with one amendment which is traveling with the bill.

VI. SIGNATURES:

COMMITTEE ON TRANSPORTATION:

Prepared by:

Staff Director:

Phillip B. Miller

Phillip B. Miller