

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 859

Florida Educational License Plates

SPONSOR(S): Nehr

TIED BILLS:

IDEN./SIM. BILLS: SB 2046

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Committee on Infrastructure</u>	_____	<u>Watson</u>	<u>Miller</u>
2) <u>Economic Expansion & Infrastructure Council</u>	_____	_____	_____
3) <u>Policy & Budget Council</u>	_____	_____	_____
4) _____	_____	_____	_____
5) _____	_____	_____	_____

SUMMARY ANALYSIS

HB 859 allows for ten percent of the revenue generated from the sale or renewal of the Florida Educational license plates to be used for marketing and promotion. Currently, about 36,600 Florida Educational license plates are sold or renewed annually, generating approximately \$732,000 each year. If the same number of plates are sold or renewed next year, the bill will allow for approximately up to \$73,200 to be used for marketing and promotion. This could potentially provide for an increase in sales of the plate.

HB 859 does not create any constitutional issues. It takes effect upon becoming law.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

This bill does not appear to implicate any of the House principles.

B. EFFECT OF PROPOSED CHANGES:

Section 320.08056, F.S., requires the Florida Department of Highway Safety and Motor Vehicles to create specialty license plates that have been approved by the Florida Legislature and to distribute annual fees collected from their sale.

In 1994, the Legislature created the Florida Educational license plate and established an annual use fee for the plate at \$15.00. In 2004, the annual use fee was increased by the Legislature to \$20.00, resulting in an additional \$372,250.00 of revenue generated in 2005 and 2006.

Currently, the funds generated from the license plate are allocated to each county's respective education foundation or direct-support organization in which the plate was sold; these funds are then used for mentoring programs and other student-edifying resources which the state or respective county does not cover from other revenue sources. If the county does not have an education foundation or direct-support organization, the funds are allocated to the respective district school board in which the plate was sold and used at the board's discretion for the enhancement of educational programs.

HB 859 allows for up to ten percent of the revenue generated from the sale or renewal of the Florida Educational license plates to be used for marketing and promotion. Currently, about 36,600 Florida Educational license plates are sold or renewed annually, generating approximately \$732,000 each year. If the same number of plates are sold or renewed next year, the bill will allow for approximately up to \$73,200 of revenue to be used for marketing and promotion. This could potentially provide for an increase in sales of the plate, thus generating more money for education.

C. SECTION DIRECTORY:

Section 1: Amends s. 320.08058(8), F.S., to allow for up to 10 percent of the annual use fee to be used for continuing promotion and marketing of the license plate.

Section 2: Provides an effective date upon becoming a law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None

2. Expenditures:

None

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

Up to ten percent of the funds allocated to county education foundations or district school boards could be used for the marketing and promotion of the Florida Educational license plate.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None

D. FISCAL COMMENTS:

Under current law, the fees collected within a school district through the sale or renewal of the Florida Educational license plate are used for the enhancement of educational programs within that district. HB 859 allows for districts to opt to use up to 10 percent of the funds, which would otherwise be directly spent on education, for marketing and promotion.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

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

2. Other:

None

B. RULE-MAKING AUTHORITY:

None

C. DRAFTING ISSUES OR OTHER COMMENTS:

None

D. STATEMENT OF THE SPONSOR

No statement submitted.

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES