

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 Transportation Committee

BILL: CS/SB 732

INTRODUCER: Transportation Committee and Senator Hill

SUBJECT: Bethune-Cookman University License Plates

DATE: March 18, 2008 **REVISED:** _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Paradise	Meyer	TR	Fav/CS
2.	_____	_____	_____	_____
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:

Senate Bill 732 (“the bill”) bill amends Florida Statutes and authorizes the Bethune-Cookman College specialty license plate to be reissued as the Bethune-Cookman University specialty license plate. The Bethune-Cookman College license plate was created by an act of the Legislature and enacted into law on February 15, 1997. The name of Bethune-Cookman College was changed to Bethune-Cookman University to commemorate the school’s accreditation as a Level III Master’s Degree institution by the Southern Association of Colleges and Schools (SACS) on February 14, 2007.

This bill substantially amends sections 320.08056 and 320.08058 of the Florida Statutes.

II. Present Situation:

Specialty License Plates

The Florida Legislature created the first specialty license plates in 1986, one commemorating the seven astronauts who died when the space shuttle Challenger exploded after lift-off, and one for each of the nine universities then in the state university system.

Specialty license plates are available to any owner or lessee of a motor vehicle who is willing to pay an annual use fee for the privilege. Annual use fees ranging from \$15 to \$25, paid in addition to required license taxes and service fees, are distributed to an organization or organization in support of a particular cause or charity signified in the plate's design and designated in statute. The Legislature may create a specialty license plate under its own initiative or it can do so at the request of an organization.

Section 320.08056, F.S., governs the sale and use of specialty license plates. The Department of Highway Safety and Motor Vehicles (department) is authorized to annually retain the first proceeds derived from the annual use fees collected in an amount sufficient to defray each specialty plate's pro rata (proportionate) share of the department's costs directly related to issuing the specialty license plate. A person wishing to purchase a specialty license plate must pay, in addition to the required license plate fee and license tax, a license plate annual use fee (from \$15 to \$25) and a processing fee of \$2.

The department must discontinue the issuance of an approved specialty plate if the number of valid specialty license plates in use falls below 1,000 plates for at least 12 consecutive months. The department is authorized to discontinue the issuance and distribution of specialty plates if the organization no longer exists, if the organization has stopped providing services authorized to be funded, or if the organization requests it. To date, only four plates have ever been discontinued for lack of sales. These plates are the Girl Scouts plate, the Orlando Predators plate, the Miami Hooters plate, and the Tampa Bay Storm plate.

Annual use fees or any interest earned from those fees may not be used for commercial or for-profit activities, or for general administrative expenses (except as specifically authorized or to pay the cost of the audit or report required to ensure the proceeds are used as authorized).

Section 320.08058, F.S., lists the approved specialty license plates and specifies funding requirements.

Section 320.08062, F.S., requires all organizations receiving annual use fee proceeds from the department to be responsible for ensuring proceeds are used in accordance with ss. 320.08056 and 320.08058, F.S. Each organization is either subject to an audit or is required to annually attest, under penalties of perjury, that such proceeds were used correctly. The department can examine all records pertaining to the use of specialty license plate revenues.

The Legislature has authorized 109 specialty license plates to date. Sales of specialty license plates generated over \$33 million in annual use fee revenues during the 2007 Fiscal Year (July 2006-June 2007).

The Bethune-Cookman College license plate was created by an act of the Legislature and enacted into law on February 15, 1997. Section 320.08056(4)(m), F.S., authorizes the Bethune-Cookman College specialty license plate. All proceeds collected from the authorized \$25 annual use fee are distributed to Bethune-Cookman College and are used to fund academic scholarships. The department reports that sales of the specialty license plate have recently generated revenues of \$167,575 (Fiscal Year 06/07), \$166,750 (FY 05/06) and \$160,550 (FY 04/05).

Bethune-Cookman University (formerly College)

Founded by Dr. Mary McLeod Bethune in 1904, Bethune-Cookman University is a historically black, comprehensive university with ties to the United Methodist Church. Since 1941 the school has offered a 4 year baccalaureate program, and in August of 2007 Bethune-Cookman started a master's program, leading to eligibility for university status.

Effective February 14, 2007 Bethune-Cookman College changed its name to Bethune-Cookman University. The Bethune-Cookman College Board of Directors authorized the name change on February 14, 2007 to coincide with the school's accreditation as a Level-III Master's Degree institution by the Southern Association of Colleges and Schools (SACS) Commission on Colleges. The name of the school was legally changed upon filing an amendment to the Articles of Incorporation on file with the Florida Secretary of State on April 9, 2007.

III. Effect of Proposed Changes:

The bill updates references to Bethune-Cookman, changing "College" to "University" in the specialty license plate portion of statutes located in ch. 320, F.S. Specifically, the bill:

- Amends s. 320.08056(4)(m), F.S., replacing "College" with "University" in the portion of statute providing for the \$25 annual use fee for issuance of a specialty license plate.
- Amends s. 320.08058(13), F.S., replacing "College" with "University" in the portion of statute authorizing issuance of a specialty license plate, and replaces "College" with "University" in the portion authorizing the distribution of annual use fees.

The bill, by conforming s. 320.08058(13), F.S., to reflect the name change, instructs the department to develop a "Bethune-Cookman University" specialty license plate and to distribute annual use fees to Bethune-Cookman University.

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:

None.

C. Government Sector Impact:

The department anticipates receiving no fiscal impact, since it would manage inventory levels in implementing the new tag design.

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.)

By Transportation on March 18, 2008.

The CS changed the effective date from July 1, 2008 to October 1, 2008.

B. Amendments:

None.