

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 736

INTRODUCER: Transportation Committee and Senator Garcia

SUBJECT: Catch Me, Release Me/License Plates

DATE: April 7, 2010

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	McManus	Meyer	TR	Fav/CS
2.			EP	
3.			GA	
4.			RC	
5.				
6.				

Please see Section VIII. for Additional Information:

- | | | |
|------------------------------|-------------------------------------|---|
| A. COMMITTEE SUBSTITUTE..... | <input checked="" type="checkbox"/> | Statement of Substantial Changes |
| B. AMENDMENTS..... | <input type="checkbox"/> | Technical amendments were recommended |
| | <input type="checkbox"/> | Amendments were recommended |
| | <input type="checkbox"/> | Significant amendments were recommended |

I. Summary:

This bill requires the Department of Highway Safety and Motor Vehicles (DHSMV) to develop three specialty license plates:

- The “Catch Me, Release Me” specialty license plate – An annual use fee of \$25 per tag shall be distributed to the Guy Harvey Ocean Foundation, Inc., to fund marine-related scientific research and public awareness.
- The “Discover Florida’s Horses” specialty license plate – An annual use fee of \$25 per tag shall be distributed to the Florida Agricultural Center and Horse Park Authority, to support continued development of the park’s education facilities, barns, and other structures, to improve infrastructure, and to operate the park.
- The “Save Wild Florida” specialty license plate – An annual use fee of \$25 per tag shall be distributed to the Florida Biodiversity Foundation, Inc., to fund research, education, and scientific study of the diversity of animals and plants and to aid in the preservation, study, conservation, and recovery of imperiled organisms.

The organizations have met the statutory application requirements for a new specialty license plate and falls within the exception from the moratorium on new specialty license plates created by the 2008 Legislature, as the Foundation submitted its materials before May 2, 2008.

Section 320.08058(4)(b), F.S., pertaining to the Florida Salutes Veterans license plates, is also amended to reduce the amount of annual use fees that may be transferred to the direct-support organization and to expand the timeframe to transfer such funds.

This bill 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 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 320.08053, F.S., provides an organization seeking authorization to establish a specialty license plate must submit the following:

- A request for the particular license plate with a description of the proposed plate in specific terms, including a sample plate conforming to the specifications set by DHSMV.
- The results of a scientific sample survey of Florida motor vehicle owners that indicates at least 30,000 motor vehicle owners intend to purchase the proposed specialty license plate at the increased costs. The Auditor General is required to validate the methodology, results, and any evaluation by DHSMV of the scientific sample survey prior to the submission of the specialty license plate for approval by the Legislature.
- An application fee, not to exceed \$60,000, to defray DHSMV's cost for reviewing the application and developing the specialty license plate, if authorized.
- A marketing strategy outlining both the short and long term marketing plans and a financial analysis outlining the anticipated revenue and the planned expenditures of the revenue from the requested specialty license plate.

The required documentation and fees must be submitted at least 90 days before the convening of the next regular session of the Florida Legislature. If a specialty license plate is approved by law, the organization must submit a proposed art design for the specialty plate to DHSMV no later than 60 days after the act becomes a law. If the specialty license plate is not approved by the Legislature, the application fee is refunded to the requesting organization.

In 2008, the Legislature passed SB 1992, which included a moratorium on the issuance of specialty plates by DHSMV. The moratorium is effective from July 1, 2008 to July 1, 2011, but contains an exception "for [any] specialty license plate proposal which has submitted a letter of intent to the Department of Highway Safety and Motor Vehicles prior to May 2, 2008" or "which

was included in a bill filed during the 2008 Legislative Session.”¹ There were 12 organizations which met the moratorium exceptions; however, only one organization’s specialty license plate was enacted during the 2009 Session.²

Section 320.08056, F.S., provides DHSMV is responsible for developing the specialty license plates and must begin production and distribution within one year after approval of the specialty license plate by the Legislature. Specialty license plates must bear the design required by law for the appropriate specialty plate, and the designs and colors must be approved by DHSMV. In addition, the specialty license plate must bear the imprint of numerals from 1 to 999, inclusive, capital letters “A” through “Z”, or a combination thereof.

DHSMV 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 DHSMV’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 \$5.

In an effort to manage the number of specialty license plates and to eliminate those less popular the Legislature during the 2004 Session enacted SB 2020 which provides DHSMV 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. DHSMV 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, and the Tampa Bay Storm plate, and the Corrections Foundation plate.

Annual use fees, or any interest earned from those fees, may be used by the authorized organization for public or private purposes; however, the annual 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 DHSMV 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

¹ S. 45, 2008-176, Laws of Florida

² Organizations that have met the moratorium exceptions, but have not been legislatively authorized include: Coalition for Renewable Energy Solutions – “Go Green”, East Coast Surfing Hall of Fame and Museum – “Let’s Go Surfing”, Florida Horse Park – “Discover Florida’s Horses”, Fraternal Order of Police – “Fraternal Order of Police”, Guy Harvey Ocean Foundation – “Catch Me Release Me”, Surfing Evolution and Preservation – “Endless Summer”, St. Johns River Alliance – “St. Johns River”, Florida Biodiversity Foundation – “Save Wild Florida”, Sons of Confederate Veterans – “Confederate Heritage”, Toomey Foundation for the Natural Sciences – “Preserving the Past”, and Toomey Foundation for the Natural Sciences – “Trinity”. The University of Miami - Center for Autism and Related Disabilities – “Autism Awareness” specialty license plate was created during the 2009 Session (see 2009-71, L.O.F.).

attest, under penalties of perjury, that such proceeds were used correctly. DHSMV can examine all records pertaining to the use of specialty license plate revenues.

There are currently 113 specialty license plates authorized by the Legislature to date. Sales of specialty license plates generated over \$37 million in annual use fee revenues during the 2009 Fiscal Year (July 2008-June 2009).

Guy Harvey Ocean Foundation, Inc.

The Guy Harvey Ocean Foundation, Inc., is an organization of philanthropists, conservationists, scientists, and educators focused on developing strategies for promoting the conservation of the world's oceans and nurturing the next generation of marine scientists. The Foundation funds marine research and educational programs developed by universities, colleges, institutes, and nonprofit organizations.

The Foundation's mission is to inspire scientific research and innovative educational programs to encourage conservation and best management practices for sustainable marine environments.

The Foundation seeks to ensure future generations will enjoy and benefit from a naturally balanced ecosystem where fish and other marine wildlife flourish. The Foundation's grant program allows leading scientists to develop new strategies for fisheries management, encouraging the cooperation of commercial and recreational fishers, and allows educators to create instructional programs.

DHSMV has found the "Catch Me, Release Me" license plate has met the application requirements and falls within the exception from the moratorium on new specialty license plates created by the 2008 Legislature, as the Foundation submitted its materials before May 2, 2008.

Florida Agriculture Center and Horse Park Authority

The Florida Agriculture Center and Horse Park (Florida Horse Park) was created by the Florida Legislature in 1996. The Florida Horse Park is a year-round, world class equestrian facility that offers international caliber competition courses and is a popular destination for family tourism. The Florida Horse Park hosts local, national, and international competitions in virtually every equine discipline, including; dressage, polo, and versatility challenges. It has also been named an official training site for the United States Equestrian Team.

DHSMV has found that the "Florida Horse Park" license plate has met the application requirements and falls within the exception from the moratorium on new specialty license plates created by the 2008 Legislature, as the Foundation submitted its materials before May 2, 2008.

Florida Biodiversity Foundation, Inc. The Florida Biodiversity Foundation, Inc., is a non-profit organization whose mission is to study, preserve, conserve and restore Lepidoptera, biodiversity and the environment, and includes the support, research, educational exhibits and literature appropriate to these topics. The Florida Biodiversity Foundation, Inc., works closely with the McGuire Center for Lepidoptera and Biodiversity, the Florida Museum of natural History, and the University of Florida.

DHSMV has found that the "Save Wild Florida" license plate has met the application requirements and falls within the exception from the moratorium on new specialty license plates created by the 2008 Legislature, as the Foundation submitted its materials before May 2, 2008.

III. Effect of Proposed Changes:

The bill authorizes DHSMV to develop and issue a Guy Harvey Ocean Foundation, Inc., license plate titled "Catch Me, Release Me." Drivers can purchase this specialty plate upon payment of the appropriate license taxes and fees and a \$25 annual use fee.

The first \$60,000 annual use fees shall reimburse the Foundation for startup costs. Annual use fees shall be distributed to the Guy Harvey Ocean Foundation, Inc., which may use up to 10 percent of the proceeds for the administrative costs directly associated with the operation of the foundation and for the promotion and marketing of the plates. The remaining proceeds shall be used to fund scientific research related to marine issues, including research of free-ranging pelagic marine species that inhabit, use, or migrate through the waters of this state, and to fund conservation initiatives and education and public outreach programs for school-aged children.

The bill authorizes DHSMV to develop and issue a Florida Agriculture Center and Horse Park Authority license plate titled "Discover Florida's Horses." Drivers can purchase the specialty plate upon payment of the appropriate license taxes and fees and a \$25 annual use fee.

Florida Horse Park may retain all of the revenue from the annual use fees until all startup costs for developing and establishing the plate have been recovered. Thereafter, annual fees shall be distributed to Florida Horse Park, which may use up to 5 percent of the proceeds to administer the license plate and up to 5 percent of the proceeds to promote and market the plate. The remaining fees shall be used to support continued development of the park, including the construction of additional educational facilities, barns, and other structures; to provide improvements to the existing infrastructure at the park; and to provide for operational expenses of the park.

The bill authorizes DHSMV to develop and issue a Florida Biodiversity Foundation, Inc., license plate titled "Save Wild Florida." Drivers can purchase the specialty plate upon payment of the appropriate license taxes and fees and a \$25 annual use fee.

The Florida Biodiversity Foundation, Inc., may retain 50 percent of the revenue from the annual use fees until all startup costs for developing and establishing the plate have been recovered. Thereafter, annual use fees shall be distributed to the Florida Biodiversity Foundation, Inc., which may use up to 10 percent of the proceeds to fund the administrative, promotion, and marketing costs of the license plate program. The remaining fees shall be used by the Florida Biodiversity Foundation to fund research, education, and scientific study of the diversity of animals and plants and to aid in the preservation, study, conservation, and recovery of imperiled organisms.

Section 320.08058(4)(b), F.S., pertaining to the Florida Salutes Veterans license plates, is also amended to reduce the amount of annual use fees that may be transferred to the direct-support organization and to expand the timeframe to transfer such funds.

The bill will take effect October 1, 2010.

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:

Persons wishing to purchase a “Catch Me, Release Me,” “Discover Florida’s Horses,” or a “Save Wild Florida” plate can do so for an additional charge of \$25 (plus \$5 processing fee) beyond the normal fees associated with buying a license plate.

The Guy Harvey Ocean Foundation, Inc., the Florida Agriculture Center and Horse Park Authority, and the Florida Biodiversity Foundation, Inc., have each paid the \$60,000 application fee, which will be refunded if the plates are not approved by the Legislature.

C. Government Sector Impact:

DHSMV is responsible for developing and distributing the “Catch Me, Release Me,” the “Discover Florida’s Horses,” and the “Save Wild Florida” specialty license plates. The cost of this effort is approximately \$60,000 per specialty license plate. This impact will be offset by the \$60,000 application fee that each organization has already paid.

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 Transportation on April 7, 2010:

Amendment 504230 deleted everything after the enacting clause. It amends section 320.08058(4)(b), F.S., Florida Salutes Veterans License Plates, to reduce the amount of annual use fees that can be transferred to the direct-support organization as well as lengthen the timeframe to transfer such funds. The amendment also adds three new specialty license plates:

- “Catch Me, Release Me”
- “Discover Florida’s Horses”
- “Save Wild Florida”

B. Amendments:

None.