

**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 Appropriations Subcommittee on Transportation, Tourism, and Economic Development

BILL: CS/CS/SB 274

INTRODUCER: Rules Committee, Transportation Committee, Senator Dean and others

SUBJECT: Freemasonry License Plates

DATE: April 12, 2013 REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Everette	Eichin	TR	<b>Fav/CS</b>
2.	Everette	Phelps	RC	<b>Fav/CS</b>
3.	Carey	Martin	ATD	<b>Pre-meeting</b>
4.			AP	
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:**

CS/CS/SB 274 requires the Department of Highway Safety and Motor Vehicles (DHSMV, department) to develop the Freemasonry specialty license plate and provides for a \$25 annual use fee for the plate.

The bill also provides that the department shall retain all annual use fees from the sale of the Freemasonry specialty license plate until all startup costs for developing and issuing the plate have been recovered. Thereafter, the proceeds shall be distributed to the Masonic Home Endowment Fund, Inc., for the operation of the Masonic Home of Florida which is dedicated to the care of Masons and their families.

With the exception of the department's startup costs for developing and issuing the plate, which will be recovered from the specialty plate sales, there are no other fiscal impacts.

This bill substantially amends sections 320.08056 and 320.08058, Florida Statutes.

## II. Present Situation:

### Specialty License Plates

Specialty license plates are available to any owner or lessee of a motor vehicle who is willing to pay an annual use fee, in addition to other registration fees, for the privilege using that plate. Specialty license plate annual use fees range from \$15 to \$25, and 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.

Annual use fees, and 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).

The sponsoring organization wishing to receive a specialty license plate is required to comply with the requirements of s. 320.08053, F.S., which include submitting the following information to the department at least 90 days prior to the convening of the next regular session of the Legislature:

- A description of the proposed specialty license, including a sample plate that conforms to specifications set by the department;
- Payment of a \$60,000 processing fee which defrays the department's cost of reviewing the application and developing the specialty license plate; and
- A marketing strategy outlining short-term and long-term marketing plans and a projected financial analysis outlining the anticipated and planned revenues from the sale of the license plate.

If the specialty license plate is approved by law, the sponsoring organization must pre-sell a minimum of 1,000 vouchers within 24 months before the department can begin manufacturing the specialty license plate. If the specialty license plate is not approved by the Legislature, or if the pre-sell requirements are not met, the department shall refund the application fee to the requesting organization.

Currently, there is a moratorium on the issuance of new specialty license plates. Section 45, ch. 2008-176, L.O.F., as amended by s. 21, ch. 2010-223, L.O.F., provides that "[e]xcept for a 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, and which has submitted a valid survey, marketing strategy, and application fee as required by s. 320.08053, F. S., prior to October 1, 2008, or which was included in a bill filed during the 2008 Legislative Session, the Department of Highway Safety and Motor Vehicles may not issue any new specialty license plates pursuant to ss. 320.08056 and 320.08058, F.S., between July 1, 2008, and July 1, 2014."

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.

### **Freemasonry license plate**

Thirty nine states offer the Freemasonry license plate for a cost ranging from \$20 to \$40<sup>1</sup>

The Masonic Home Endowment Fund, Inc., is a 501(c)(3), public charity organization. The Masonic Home Endowment Fund, Inc., was founded around 1987 in the Jacksonville, Florida area.<sup>2</sup> The Grand Lodge of Florida<sup>3</sup> is just one company under the auspices of the Masonic Home Endowment Fund, Inc. The Grand Lodge of Florida is a retirement living facility for senior masons and their spouses/widows. The facility has two-levels of care; round the clock care and assisted living with geriatric physicians and specialists on the premises.

### **III. Effect of Proposed Changes:**

**Section 1** amends s. 302.08056, F.S., to authorize the department to develop and issue the Freemasonry specialty license plate with an annual use fee of \$25.

**Section 2** amends s. 302.08058, F.S., to create the Freemasonry specialty license plate, and notwithstanding the provisions of s. 302.08053, F.S., requiring an application of \$60,000 to defray the department's cost of reviewing the application and developing the plate. The bill specifies that the department will retain all of the annual use fees from the sale of the Freemasonry specialty license until all startup costs for developing and issuing the plates are recovered. Thereafter, the \$25 use fee will be distributed to the Masonic Home Endowment Fund, Inc., which may use up to 10 percent of the proceeds to promote and market the plate. The remainder of the proceeds must be used for the operation of the Masonic Home of Florida.

**Section 3** provides an effective date of October 1, 2013.

#### **Other Potential Implications:**

The specialty plate does not qualify to be exempted from the requirements of the moratorium.

### **IV. Constitutional Issues:**

#### **A. Municipality/County Mandates Restrictions:**

None.

#### **B. Public Records/Open Meetings Issues:**

None.

<sup>1</sup> <http://www.daylightlodge.org/licenseplates.htm> (last visited on 3/17/2013)

<sup>2</sup> <http://www.lincc.us/PubApps/showVals.php?ein=592740213> (last visited on 3/18/2013)

<sup>3</sup> <http://masonichomeofflorida.org/aboutus.html> (last visited on 3/18/2013)

C. Trust Funds Restrictions:

None.

V. **Fiscal Impact Statement:**

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Persons who purchase the Freemasonry specialty license plate will pay a \$25 annual use fee in addition to normal registration fees.

Proceeds from the sale of the Freemasonry specialty license plate will be distributed to the Masonic Home Endowment Fund, Inc.

C. Government Sector Impact:

The department's Information Systems Administration Office will require approximately 88 hours of work to develop, design, manufacture, and distribute the specialty license plate, and to implement the provisions of this bill. These costs will be absorbed by the department.

The sponsoring organization has not yet fulfilled all requirements of s. 320.08053, F.S., which includes a \$60,000 application fee which is used by the department to offset startup costs. However, the bill requires that the proceeds from the sale of the license plate be retained by the department until all startup costs have been recovered.

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/CS by Rules Committee on April 9, 2013:**

The CS/CS clarifies that the department shall retain all annual use fees from the sale of the Freemasonry specialty license plate until all startup costs for developing and issuing the plates have been recovered.

**CS by Transportation Committee on March 21, 2013:**

The CS added provisions authorizing the department, notwithstanding provisions of s. 320.08053, F.S., to develop and issue a Freemasonry specialty license plate. However, once all of the requirements are met, the department will distribute the \$25 use fees to Masonic Home Endowment Fund, Inc.

The CS also changed the effective date to October 1, 2013.

**B. Amendments:**

None.