

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/CS/HB 427 Specialty License Plates/Sun, Sea, and Smiles

SPONSOR(S): Transportation & Economic Development Appropriations Subcommittee; Transportation & Highway Safety Subcommittee; Rogers

TIED BILLS: **IDEN./SIM. BILLS:** SB 132

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Transportation & Highway Safety Subcommittee	12 Y, 0 N, As CS	Kiner	Miller
2) Transportation & Economic Development Appropriations Subcommittee	11 Y, 0 N, As CS	Rayman	Davis
3) Economic Affairs Committee			

SUMMARY ANALYSIS

CS/CS/HB 427 creates a Sun, Sea, and Smiles specialty license plate, establishes the annual use fee for the plate, and provides for the distribution of the annual use fees received from the sale of the specialty license plate.

The annual use fee for the plate is \$25, and will be distributed among the following organizations:

- Florida Caribbean Charitable Foundation, Inc.;
- American Friends of Jamaica, Inc.;
- Haitian Neighborhood Center Sant La, Inc.;
- Fanm Ayisyen Nan Miyami, Inc.;
- Greater Caribbean American Cultural Coalition, Inc.; and
- Little Haiti Optimist Foundation, Inc.

The bill requires that the word "Florida" appear at the top of the plate, and the words "Sun-Sea-Smiles" appear at the bottom.

The bill authorizes the Department of Highway Safety and Motor Vehicles (DHSMV) to retain the annual use fees from the sale of the Sun, Sea, and Smiles specialty license plate until all startup costs for developing and issuing the plates have been recovered. This authorization is in lieu of requiring the applicant to submit a \$60,000 application fee to be used by DHSMV to cover startup costs.

The bill has an insignificant impact which DHSMV can absorb within existing resources.

The bill has an effective date of July 1, 2013.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

Specialty License Plates

Currently, Florida offers over 100 specialty license plates available for purchase. The purpose of a specialty license plate is to raise funds for a particular cause. Each of the specialty license plates requires an annual use fee that is distributed to one or several organizations that support the mission of the plate. Various sections of Florida law govern the creation of new specialty license plates and set parameters on the establishment of annual use fees, as well as their distribution. There is currently a statutory moratorium on the creation of new specialty license plates in place until July 1, 2014.

American Friends of Jamaica, Inc., is a non-profit organization “dedicated to supporting Jamaican charitable organizations and social initiatives targeted at improving the lives of Jamaicans through systemic development in the areas of education, healthcare and economic development.”¹ American Friends of Jamaica, Inc., is based in New York.²

The mission of Haitian Neighborhood Center Sant La, Inc., is to “empower, strengthen, and stabilize South Florida’s Haitian community, through access for free services and resources, to ensure its successful integration.”³

Fanm Ayisyen Nan Miyami, Inc., a/k/a Haitian Women of Miami “was founded in 1991, to work for the ‘social and political empowerment’ of Haitian women and their families.”⁴

Greater Caribbean American Cultural Coalition, Inc., is “an umbrella organization serving the Caribbean people and other members of the community, by bringing together the various Caribbean countries and Islands, and their rich cultural heritage.”⁵

Little Haiti Optimist Foundation, Inc., is a non-profit organization “established in 2010 by a group of business, community and civic leaders to provide assistance, guidance and programs to the youth of Little Haiti.”⁶

Effect of Proposed Change

The bill amends ss. 320.08056, F.S., and 320.08058, F.S., to create a Sun, Sea, and Smiles specialty license plate, establishes the annual use fee for the plate, and provides for the distribution of the annual use fees received from the sale of the specialty license plate. The bill requires DHSMV to create the license plate notwithstanding the statutory moratorium on the creation of new specialty license plates.

The annual use fee for the plate is \$25, and the fees collected will be distributed among six different organizations as follows:

- Five percent to Florida Caribbean Charitable Foundation, Inc., to be used for marketing the Sun, Sea, and Smiles specialty license plate;

¹ See The American Friends of Jamaica’s website at <http://www.theafj.org/about/mission.html> (Last viewed on 3/22/13).

² Id.

³ See Haitian Neighborhood Center Sant La’s website at http://www.santla.org/contents/index.php?option=com_content&view=frontpage&Itemid=1 (Last viewed on 3/22/13).

⁴ See Fanm Ayisyen Miyami’s website at <http://www.fanm.org/> (Last viewed on 3/22/13).

⁵ See the Greater Caribbean American Cultural Coalition’s website at http://www.unifestlive.com/index.php?option=com_content&view=article&id=21&Itemid=83 (Last viewed on 3/22/13).

⁶ See The Little Haiti Optimist Club’s website at <http://www.littlehaitioptimist.org/aboutus.html> (Last viewed on 3/22/13).

- Thirty percent shall be distributed to Florida Caribbean Charitable Foundation, Inc., of which up to five percent may be used for administrative expenses. The remainder is to be distributed as follows:
 - Sixty percent for a college scholarship program;
 - Fifteen percent to promote health and wellness among Florida residents of Caribbean descent;
 - Twenty-five percent to promote awareness of Caribbean culture within the state;
- Twenty percent to the American Friends of Jamaica, Inc., a New York-based charitable, not-for-profit organization, for use as grants to promote social and community development among Florida residents. Of this amount, up to five percent may be used for administrative and marketing expenses;
- Ten percent to Haitian Neighborhood Center Sant La, Inc., to promote social and community development. Of this amount, up to five percent may be used for administrative expenses;
- Ten percent shall be distributed to Fanm Ayisyen Nan Miyami, Inc., to promote social and community development. Of this amount, up to five percent may be used for administrative expenses;
- Twenty percent to Greater Caribbean American Cultural Coalition, Inc., to promote awareness of Caribbean culture within the state. Of this amount, up to five percent may be used for administrative expenses;
- Five percent to Little Haiti Optimist Foundation, Inc., to promote awareness of Caribbean culture and youth development within the state. Of this amount, up to five percent may be used for administrative expenses.

The bill requires that the word “Florida” appear at the top of the plate, and the words “Sun-Sea-Smiles” appear at the bottom.

The bill authorizes DHSMV to retain the annual use fees from the sale of the Sun, Sea, and Smiles specialty license plate until all startup costs for developing and issuing the plate have been recovered. This authorization is in lieu of requiring the benefitting organizations to submit a \$60,000 application fee to be used by DHSMV to cover startup costs.

The bill is effective July 1, 2013.

B. SECTION DIRECTORY:

Section 1: Amends s. 320.08056, F.S.; sets the fee for the Sun, Sea, and Smiles specialty license plate at \$25;

Section 2: Amends s. 320.08058, F.S.; requires the annual use fees to be distributed to several organizations for specified purposes;

Section 3: Provides an effective date of July 1, 2013.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

Indeterminate positive. See Fiscal Comments.

2. Expenditures:

Insignificant. See Fiscal Comments.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The annual use fee for the Sun, Sea, and Smiles specialty license plate is \$25. It is unknown how many vehicle owners will voluntarily purchase the Sun, Sea, and Smiles specialty license plate.

D. FISCAL COMMENTS:

The DHSMV anticipates expending \$60,000 from the Highway Safety Operating Trust Fund in order to create the specialty license plate and make it available for purchase by the public.

The bill authorizes DHSMV to retain the annual use fees from the sale of the Sun, Sea, and Smiles specialty license plate until all startup costs have been recovered.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

None.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On Wednesday, March 27, 2013, the Transportation & Highway Safety Subcommittee adopted one amendment to HB 427, and subsequently reported the bill favorably as a Committee Substitute. The amendment made the following changes to the bill:

- required DHSMV to create the Sun, Sea, and Smiles specialty license plate, notwithstanding the statutory moratorium on the creation of new specialty license plates; and
- authorized DHSMV to retain the annual use fees from the sale of the Sun, Sea, and Smiles specialty license plate until all startup costs for developing and issuing the plates have been recovered. This authorization is in lieu of requiring the benefitting organizations to submit a \$60,000 application fee to be used by DHSMV to cover startup costs.

This bill analysis is drafted to CS/HB 427.

On Thursday, April 4, 2013 the Transportation & Economic Development Appropriations Subcommittee adopted two amendments to CS/HB 427, and subsequently reported the bill favorably as a Committee Substitute. Amendment one adjusted the distribution to the Florida Caribbean Charitable Foundation, Inc., to thirty percent; and amendment two adjusted the distribution to the Greater Caribbean American Cultural Coalition, Inc., to twenty percent.

This bill analysis is drafted to CS/CS/HB 427.