

**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.)

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Prepared By: The Professional Staff of the Committee on Transportation

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BILL: CS/SB 132

INTRODUCER: Rules Committee and Senator Latvala and others

SUBJECT: Specialty License Plates

DATE: March 18, 2014

REVISED: \_\_\_\_\_

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

**Please see Section IX. for Additional Information:**

COMMITTEE SUBSTITUTE - Substantial Changes

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**I. Summary:**

CS/SB 132 creates two specialty license plates: the Fallen Law Enforcement Officers and the Florida Sheriffs Association. The bill establishes distribution of annual use fees, allows the Department of Highway Safety and Motor Vehicles (department) to develop and design the plates, and clarifies exemptions from the current moratorium for the issuance of new specialty license plates.

The bill also:

- Extends the presale period for the St. Johns River specialty license plate; and
- Revises the distribution of annual use fees collected from the sale of the Challenger/Columbia specialty license plate.

**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 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.

### ***Pre-Development Requirements***

The sponsoring organization wishing to receive a specialty license plate is required to comply with the requirements of s. 320.0853, F.S., which include:

- Describing the proposed specialty license, and submit a sample plate that conforms to the specifications set by the department;
- Paying the \$60,000 processing fee which defrays the department's cost for reviewing the application and developing the specialty license plate, if authorized; and
- Providing 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 requested specialty license plate.

A March 2011 decision from the Florida Supreme Court declared that the approval process established in s. 320.0853, F.S., place “unfettered discretion in the hands of government officials to grant or deny access to public forum.”

### ***Pre-Sale Requirements***

The approved specialty license plate organization must presell a minimum of 1,000 vouchers within 24 months before the department can begin manufacturing the specialty license plate. If, at the end of the 24-month presale period, the minimum sales requirements have not been met, the department will de-authorize the specialty plate, discontinue development, and discontinue issuance of the presale voucher.

### ***Discontinuance of Specialty Plate***

The department must discontinue the issuance of an approved specialty license plate if the number of valid specialty plate registrations falls below 1,000 plates for at least 12 consecutive months. A warning letter shall be mailed to the sponsoring organization following the first month in which the total number of valid specialty plate registrations is below 1,000 plates (collegiate plates not included).<sup>1</sup>

### ***Moratorium***

Currently, there is a moratorium on the issuance of new specialty license plates. s. 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.”

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<sup>1</sup> [Section 320.08056\(8\)\(a\)](#)

## **Fallen Law Enforcement Officers**

On average, one law enforcement officer is killed in the line of duty somewhere in the United States every 57 hours. Since the first known line-of-duty death in 1791, more than 19,000 U.S. law enforcement officers have made the ultimate sacrifice.<sup>2</sup> The Memorial Fund serves as a nationwide clearinghouse of information and statistics on law enforcement line-of-duty deaths.<sup>3</sup>

## **Police and Kids Foundation, Inc.**

The Police and Kids Foundation, Inc.,<sup>4</sup> is a non-profit 501(C) (3) charity, set up with two objectives: helping children in need, and creating the yearly scholarship given to at least one senior student at Pinellas Park High School Criminal Justice Academy.

The Police and Kids Foundation, Inc., generate funding to assist children in and around the Tampa Bay community. Local police officers provide assistance of food, infant supplies, clothing, and any other measures necessary to stabilize a situation and improve a child's life.

## **Florida Sheriffs Association**

The Florida Sheriffs Association is composed of the 67 sheriffs in the 67 counties of the state. The Association is a 501 (c) (3) nonprofit organization with a mission of fostering effectiveness of the Office of Sheriff through leadership, innovative practices, legislative initiatives, education and training of its members.<sup>5</sup>

## **Challenger/Columbia**

Astronauts Memorial Foundation, Inc., honors and memorializes those astronauts who sacrificed his and her lives for the nation and the space program by sponsoring the national Space Mirror Memorial, and by implementing innovative educational technology programs.<sup>6</sup> The Space Mirror Memorial is a blend of art and science, a tribute to astronauts. The Space Mirror is 42.5 feet high and 50 feet wide and constructed of mirror-finished granite, consisting of 90 granite panels. In February 2000, the Astronauts Memorial Foundation unveiled the 6 foot by 6 foot granite wall that showcase photos and biographies of fallen U.S. astronauts.<sup>7</sup>

Section 320.08058, F.S., requires that the annual use fees from the sales of The Challenger/Columbia license plate be distributed to the Astronauts Memorial Foundation, Inc., to support the operations of the Center for Space Education and Education Technology Institute. Funds are used for operations of preservice and inservice technology training of the state's instructional personnel consistent with state training programs approved by the Department of

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<sup>2</sup> <http://www.nleomf.org/facts/> (last visited 2/19/2014)

<sup>3</sup> Id

<sup>4</sup> <http://www.policeandkids.com/about/> (last visited 2/19/2014)

<sup>5</sup> [http://www.flsheriffs.org/about\\_us/mission\\_and\\_values/](http://www.flsheriffs.org/about_us/mission_and_values/) (last visited 2/19/2014)

<sup>6</sup> <http://www.astronautsmemorial.org/home.html> (last visited 2/19/2014)

<sup>7</sup> i.d.

Education. Up to 20 percent of the funds received by the Center for Space Education and the Education Technology Institute may be used for administrative costs.

### **St Johns River License Plate**

A 501 (c) (3) not-for-profit organization was formed in 2003 and is governed by a regional 34 member board of directors that includes elected officials, agencies, citizens and businesses. The board members represent 310 miles of Florida's north flowing river.

Under s. 320.08058, F.S., the St. Johns River Alliance, Inc., is authorized to retain the first \$60,000 of the annual use fees as reimbursement for administrative and startup costs incurred in the development and approval process of obtaining the specialty license plate. Thereafter, up to 10 percent of the annual use fee revenue may be used for administrative costs for education programs, conservation, research, and grant administration of the organization, and up to 10 percent may be used for promotion and marketing of the plate.

At least 30 percent of the fees shall be available for competitive grants<sup>8</sup> for targeted community-based or county-based research projects when state funds are limited or not available. The remaining 50 percent shall be used for community outreach and access programs. Any remaining funds shall be distributed with the approval of and accountability to the board of directors of the St. Johns River Alliance, Inc., and used to support activities contributing to education, outreach and springs conservation.

St. Johns River specialty plate became available for issuance October 2010 and sold 28 plates that year. As of 2013 end, the plate has sold 587, requiring another 413 sales to meet the 1,000 minimum requirement.

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

#### **Fall Law Enforcement Officers**

The bill provides that the department shall create and develop the Fallen Law Enforcement Officers specialty license plate despite the moratorium on the issuance of new specialty plates<sup>9</sup> and the pre-development requirements.<sup>10</sup> The moratorium will expire prior to the effective date of this bill. Nevertheless, the specialty license plate will have to meet department approval and meet the presell requirements of subsections 2 and 3 of the bill. The organization will have 24 months after the department's approval to presell 1,000 vouchers.

In developing the Fallen Law Enforcement Officers specialty license plate, the department must approve the colors and design; the word "Florida" must appear at the top of the plate, and the words "A Hero Remembered Never Dies" at the bottom of the plate.

Drivers can purchase the specialty plate upon payment of the appropriate license taxes and fees, and the \$25 annual use fee.

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<sup>8</sup> See supra note 1.

<sup>9</sup> Section 45 of 2008-176, L.O.F., as amended by section 21 of Ch. 2010-223, L.O.F.

<sup>10</sup> [Section/320.08053\(1\)](#)

Additionally, the bill allows that a maximum of 10 percent of the use fee proceeds collected from the sale of the Fallen Law Enforcement Officers specialty license plates be distributed to the Police and Kids Foundation, Inc., and may be used to promote and market the plate. The remainder of the proceeds received by the Police and Kids Foundation, Inc., may be used for operational purposes.

### **Florida Sheriffs Association**

The bill also directs the department to create and develop the Florida Sheriffs Association specialty license plate despite the moratorium on the issuance of new specialty plates<sup>11</sup> and the pre-development requirements.<sup>12</sup> The moratorium will expire prior to the effective date of this bill. The license plates does however, have to be approved by the department and meet the presell requirements of 1,000 vouchers.

In developing the Sheriffs Association specialty license plate, the department must approve the colors and design; the word "Florida" must appear at the top of the plate, with the sheriff's star on the left side of the plate and the words "Florida Sheriffs Association" must appear at the bottom of the plate.

Drivers can purchase the specialty plate upon payment of the appropriate license taxes and fees, and the \$25 annual use fee.

The bill establishes that up to 10 percent of the annual use fee revenue be used for administrative and marketing costs and remainder must be used for continuing education for the sheriff's office members.

The bill also make adjustments to two existing specialty license plates:

### **Challenger/Columbia**

Annual use fees from the sale of the Challenger/Columbia license plate currently being distributed to the Astronauts Memorial Foundation, Inc., supporting operations of the Center for Space Education will additionally support the Space Mirror Memorial located at the Kennedy Space Center (no longer supporting the Education Technology Institute). The funds received by the Foundation must be used for costs directly associated with the operation of the Center for Space Education and the Space Mirror Memorial, and must include programs and infrastructure that inform, inspire, and educate the public on the benefits of human space flight.

The Challenger/Columbia specialty plate for the 2013 FY sold 20,340 plates, raising a total of \$508,500 in annual use fees. Of that amount, the foundation may use up to 20 percent or \$101,700 for administrative costs.

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<sup>11</sup> See supra note 9.

<sup>12</sup> See supra note 10.

**St. Johns River**

On July 1, 2014, the license plate will shift into presale voucher phase, including existing active plates and vouchers sold subsequent to the July 1, 2014 will count towards the presell minimum. If at the end of the 24-month period the 1,000 minimum plates have not been met, this subparagraph will repeal on June 30, 2016.

The bill, except as otherwise provided in this act, has an effective date of October 1, 2014.

**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 who purchase the Fallen Law Enforcement Officers, Florida Sheriffs Association or St. Johns River specialty license plate will pay the \$25 annual use fee. The St. Johns River Alliance and the Florida Sheriffs Association will receive revenue from each voucher purchase. However, it is unknown how many vehicle owners will voluntarily purchase the plates.

Based on last year's purchase sales for the Challenger/Columbia, \$508,500, the foundation distributed \$101,700 administrative costs, therefore it is assumed that revenue will remain consistent.

**C. Government Sector Impact:**

The department's Information Systems Administration Office will require approximately 140 hours of non-recurring programming in order to develop, design, manufacture, distribute the specialty license plates, and implement the provisions of this bill.

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140 hours at \$40.00 = \$5,600.00.

Contractors  
None.

The department is not anticipating any additional appropriation to implement any of the specialty license plates.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

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

**IX. Additional Information:**

- A. **Committee Substitute – Statement of Substantial Changes:**  
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

**CS by Rules Committee on February 19, 2014:**

The CS creates an additional specialty license plate, the Florida Sheriffs Association plate, at a cost of \$25 and requires that all statutory provisions are met prior to the issuance of the plates, including submission of:

- A description of the specialty plate;
- Payment of the \$60,000 processing fee; and
- A marketing strategy and financial analysis outlining the anticipated revenue from the sale of the plate.

The bill also allows a presell 24-month extension for the St. Johns River Alliance, Inc., to meet statutory requirements beginning July 1, 2014 and repealing June 30, 2016.

Further, the bill revises the distribution of annual use fees collected from the sale of the Challenger/Columbia specialty license plate.

- B. **Amendments:**

None.