

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 Committee on Transportation

BILL: CS/SB 1232

INTRODUCER: Transportation Committee and Senator Stewart

SUBJECT: Specialty License Plates

DATE: March 23, 2017

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Jones	Miller	TR	Fav/CS
2.			ATD	
3.			AP	

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 1232 directs the Department of Highway Safety and Motor Vehicles (DHSMV) to develop an Orlando United specialty license plate, establishes a \$25 annual use fee for the plate, and provides the distribution and use of fees collected from the sale of the plate.

The DHSMV estimates programming and implementation will cost about \$7,245. The DHSMV is authorized to retain revenues from the first proceeds of sales to defray departmental costs.

II. Present Situation:

Specialty License Plates

Presently, there are over 120 specialty license plates available for purchase in Florida.¹ Specialty license plates are available to an owner or lessee of a motor vehicle who is willing to pay an annual use fee, ranging from \$15 to \$25, paid in addition to required license taxes and service fees.² The annual use fees are distributed to an organization or organizations in support of a particular cause or charity signified in the plate's design and designated in statute.³

¹ A list of Florida's specialty license plates is available on the DHSMV website at <http://www.flhsmv.gov/dmv/specialtytags/> (last visited Feb. 14, 2017).

² Section 320.08056, F.S.

³ Section 320.08058, F.S.

In order to establish a specialty license plate, s. 320.08053, F.S., requires the plate must first be adopted into statute. Upon becoming law:

- Within 60 days, the organization must submit an art design for the plate, in a medium prescribed by the DHSMV;
- Within 120 days, the DHSMV must establish a method to issue pre-sale vouchers for the approved specialty license plate; and
- Within 24 months after the pre-sale vouchers are established, the organization must obtain a minimum of 1,000 voucher sales before manufacturing may begin.

If, at the end of the 24-month pre-sale period, the minimum sales requirement has not been met, the DHSMV will discontinue the plate and issuance of the pre-sale voucher. Upon discontinuation, a purchaser of a presale voucher may use the annual use fee as a credit towards any other specialty license plate or apply for a refund with the DHSMV.⁴

The annual use fees collected by an organization and any interest earned from the fees may be expended only for use in this state unless the annual use fee is derived from the sale of specified United States Armed Forces and veterans-related specialty plates.⁵ Additionally, organizations must adhere to certain accountability requirements, including an annual audit or attestation document affirming that funds received have been spent in accordance with applicable statutes.⁶

DHSMV Costs Defrayed

The DHSMV retains sufficient annual use fees, from the sale of the specialty plates, to defray its costs for inventory, distribution, and other direct costs associated with the specialty license plate program. The remainder of the proceeds collected are distributed as provided by law.⁷

Discontinuance of Specialty Plates

The DHSMV 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 is 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 are exempt from the minimum plate requirement.⁸ The specialty license plate must also be discontinued if the organization no longer exists, stops providing services that are authorized to be funded from the annual use fee proceeds, or pursuant to an organizational recipient's request.⁹

⁴ Section 320.08053(2)(b), F.S.

⁵ Section 320.08056(10)(a), F.S.

⁶ Section 320.08062, F.S.

⁷ Section 320.08056(7), F.S.

⁸ Section 320.08056(8)(a), F.S.

⁹ Section 320.08056(8)(b), F.S.

Orlando United

In the early morning hours of June 12, 2016, the worst mass shooting in United States history occurred at a gay nightclub in Orlando, Florida. The shooting at Pulse Nightclub left 49 people dead and at least 53 others injured.¹⁰ This tragedy prompted use of the term “Orlando United.”¹¹

The Mental Health Association of Central Florida, Inc.¹²

According to the Mental Health Association of Central Florida, Inc. website, the organization has been serving the mental health needs of Central Florida since 1946. The organization’s mission is “to provide mental health services, support and information to the members of our Central Florida community.” The organization does this by offering a free Mental Health Connections program for individuals; providing a Guardian Advocate Training program; overseeing Reflections, a peer-driven recovery community; taking part in community outreach; running an anti-suicide campaign; and partnering with Orange County Government and Florida Hospital to treat uninsured individuals with anxiety or depression, and accompanying medical conditions at the Outlook Clinic.

The Hispanic Federation, Inc.¹³

The Hispanic Federation, Inc. is a nonprofit organization founded in 1990, which “seeks to support Hispanic families and strengthen Latino institutions through work in the areas of education, health, immigration, civic engagement, economic empowerment, and the environment.” According to the Hispanic Federation website, the organization offers membership and advocacy services, as well as community assistance programs. Following the Orlando shooting at Pulse Nightclub, the Hispanic Federation joined forces with Latino-led institutions to create Proyecto Somos Orlando to address long-term needs for mental health services that are culturally competent and bilingual. The campaign provides case management, crisis intervention, and mental health services, among other needs to those affected directly in the communities in which they live.

Two Spirit Health Services, Inc.¹⁴

Two Spirit Health Services is a non-profit organization incorporated in 2011, which provides mental health, behavioral, substance abuse, primary care, transgender health and related services to individuals in the Lesbian, Gay, Bisexual, and Transgender (LGBT) community in the Central Florida area. According to the organization’s website, Two Spirit Health Services began offering services in September 2013. It has a mission to create a “one-stop shop” health organization for LGBT people, regardless of ability to pay, to get healthcare and wellness services “in an environment that is culturally competent and delivered by a diverse staff that is comprised of the LGBT community.”

¹⁰ *Order on the News Media’s Petition for Access to 911 Recordings*, 2016-CA-005528-O (Fla. 9th Jud. Cir. 2016), available at http://www.cityoforlando.net/wp-content/uploads/2016/11/2016-CA-5528_Pulse_Petition_for_911_Recordings_Access-1.pdf (last visited Mar. 18, 2017).

¹¹ See City of Orlando website, *Pulse Tragedy*, <http://www.cityoforlando.net/pulse/> (last visited Mar. 18, 2017).

¹² See Mental Health Association of Central Florida website, <https://www.mhacf.org/> (last visited Mar. 11, 2017).

¹³ See Hispanic Federation website, <http://hispanicfederation.org/> (last visited Mar. 11, 2017).

¹⁴ See Two Spirit Health Services, Inc. website, <http://twospirthealth.org/> (last visited Mar. 11, 2017).

III. Effect of Proposed Changes:

The bill directs the DHSMV to create an Orlando United specialty license plate. The plate has an annual fee of \$25, which is distributed as follows:

- Thirty-eight percent to the Mental Health Association of Central Florida, Inc.;
- Thirty-one percent to the Hispanic Federation, Inc. to be used through the Proyecto Somos Orlando campaign; and
- Thirty-one percent to Two Spirit Health Services, Inc.

Each organization may use up to five percent for administrative expenses. The Mental Health Association of Central Florida, Inc. is to use seven percent of the proceeds for marketing of the license plate. The remainder of the proceeds must be used to offer free personalized counseling to any person affected by the shooting at the Pulse Nightclub in Orlando, Florida, on June 12, 2016.

The plate must bear the colors and design approved by the DHSMV, with the word “Florida” at the top of the plate, and the words “Orlando United” at the bottom of the plate.

The bill takes effect October 1, 2017.

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:

Individuals who choose to purchase an Orlando United specialty license plate will pay a \$25 annual use fee in addition to appropriate license taxes and fees. Recipient organizations will receive revenue from each Orlando United plate purchase.

C. Government Sector Impact:

The DHSMV estimates programming and implementation of a standard specialty license plate will cost about \$7,245.¹⁵ The DHSMV is authorized to retain revenues from the first proceeds of specialty license plate sales to defray departmental expenditures related to the specialty license plate program.¹⁶

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

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

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 Transportation on March 22, 2017:**

The CS removes language from the bill indicating the DHSMV shall retain the first proceeds from the specialty license plate revenue to offset start-up costs of the plate. This language is unnecessary due to the required presale process and the DHSMV's current authority to defray its specialty license plate program costs.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

¹⁵ Email from the DHSMV (Feb. 14, 2017) (on file with the Senate Committee on Transportation).

¹⁶ Section 320.08056(7), F.S.