

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 839 Specialty License Plates
SPONSOR(S): Transportation & Infrastructure Subcommittee; Abruzzo
TIED BILLS: IDEN./SIM. **BILLS:** SB 1010

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Transportation & Infrastructure Subcommittee	14 Y, 0 N, As CS	Johnson	Vickers
2) Transportation & Tourism Appropriations Subcommittee			
3) Government Accountability Committee			

SUMMARY ANALYSIS

The bill directs the Department of Highway Safety and Motor Vehicles (DHSMV) to create the Dan Marino Foundation specialty license plate with an annual use fee of \$25.

The annual use fee is distributed to the Dan Marino Foundation, Inc.. The Foundation may use up to 10 percent of the revenue for administrative and marketing costs. The remainder of the fees are to be used to assist Floridians with developmental disabilities to become employed, independent, and productive, and to promote awareness of such services, and to promote and fund education scholarships. The new license plates will display the word "Florida" at the top of the plate and "Marino Campus" at the bottom of the plate.

The bill will have a negative, but insignificant fiscal impact to state expenditures.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Specialty License Plates in General

The first Florida specialty license plates were enacted in 1986 and included the creation of the Challenger plate and ten Florida collegiate plates. Today, there are over 120 specialty license plates available to any owner or lessee of a motor vehicle who is willing to pay the additional use fee for the privilege, typically \$25 annually.¹ The collected fees are distributed by the Department of Highway Safety and Motor Vehicles (DHSMV) to statutorily designated organizations in support of a particular cause or charity. Vehicles registered under the International Registration Plan, a commercial truck required to display two license plates, or truck tractors are not eligible for specialty license plates.²

Only the Legislature may create new specialty license plates. If a specialty license plate is created by law, the following requirements must then be met:

- Within 60 days, the organization must submit an art design, in a medium prescribed by DHSMV.³
- Within 120 days, DHSMV must establish a method to issue a specialty license plate voucher to allow for the pre-sale of the specialty plate.⁴
- Within 24 months after the voucher is established, the organization must obtain a minimum of 1,000 voucher sales before manufacturing may begin. If this requirement is not met, the plate is deauthorized and DHSMV must discontinue development of the plate and issuance of the vouchers.⁵

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 falls below 1,000 plates (does not apply to collegiate license plates).⁶

Organizations in receipt of specialty license plate revenue must adhere to certain accountability requirements found in statute. These requirements include an annual attestation document affirming, under penalty of perjury, that funds received have been spent in accordance with applicable statutes.⁷

Proposed Changes

The bill directs the DHSMV to develop a Dan Marino Foundation license plate, with an annual use fee of \$25, bearing the colors and design approved by DHSMV. The word "Florida" must appear at the top of the plate and "Marino Campus" must appear at the bottom of the plate.

The annual use fees from the sale of the Dan Marino Foundation license plate are distributed to the Dan Marino Foundation, Inc., which may use up to 10 percent of the fees for administrative costs and marketing the plate. The remainder of the fees are to be used by the Dan Marino Foundation, Inc. to assist Floridians with developmental disabilities in becoming employed, independent, and productive, to promote awareness of such services, and to promote and fund education scholarships related to such services.

¹ Florida Department of Highway Safety and Motor Vehicles, *Specialty License Plates Index*, <http://www.flhsmv.gov/dmv/specialtytags/> (last visited December 21, 2016)

² s. 320.08056(2), F.S.

³ s. 320.08053(1), F.S.

⁴ s. 320.08053(2)(a), F.S.

⁵ s. 320.08053(2)(b), F.S.

⁶ s. 320.08056 (8)(a), F.S.

⁷ s. 320.08062, F. S.

The Dan Marino Foundation, Inc., is a results-driven nonprofit organization dedicated to improving the lives of persons with autism or other developmental disabilities.⁸ Based in Fort Lauderdale, the Dan Marino Foundation, Inc. is an active corporation with the Department of State.⁹

B. SECTION DIRECTORY:

Section 1 amends s. 320.08056, F.S., relating to specialty license plates.

Section 2 amends s. 320.08058, F.S., relating to specialty license plates.

Section 3 provides an effective date of October 1, 2017.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

DHSMV estimates that it will incur \$7,245 in programming costs associated with creating a new specialty license plate.¹⁰ These costs are expected to be absorbed within existing resources. DHSMV will also incur some future costs, likely to be insignificant, associated with auditing the new specialty license plate.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Revenue from the sale of the Dan Marino Foundation license plate will benefit the Dan Marino Foundation, Inc. and its work to supporting persons with developmental disabilities.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

⁸ Dan Marino Foundation Website. <https://danmarinofoundation.org/> (Last visited February 23, 2017).

⁹ <http://search.sunbiz.org/Inquiry/CorporationSearch/SearchResultDetail?inquirytype=EntityName&directionType=Initial&searchNameOrder=DANMARINOFUNDATION%20N480800&aggregateId=domnp-n48080-9460ccb4-0142-4ea7-a8d2-39d9c152a411&searchTerm=Dan%20Marino&listNameOrder=DANMARINO%20L940000001540> (Last visited February 23, 2017).

¹⁰ Department of Highway Safety and Motor Vehicles Bill Analysis of HB 309. Page 4.

Not applicable. The bill does not require a municipality or county to expend funds or to take any action requiring the expenditure of funds. The bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate. The bill does not require a reduction of the percentage of state tax shared with municipalities or counties.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On March 7, 2017, the Transportation & Infrastructure Subcommittee adopted one amendment and reported the bill favorably as a committee substitute. The amendment removed language from the bill requiring DHSMV to retain the funds from the sale of the plate until all startup costs have been recovered. This language was not needed since the statutes provide for the presale of specialty license plates.

The analysis is drafted to the committee substitute as reported favorable by the Transportation & Infrastructure Subcommittee.