

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 947 Specialty License Plates
SPONSOR(S): Transportation & Infrastructure Subcommittee; Jacquet
TIED BILLS: IDEN./SIM. **BILLS:** SB 586

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	15 Y, 0 N	Cobb	Davis
3) Government Accountability Committee			

SUMMARY ANALYSIS

The bill directs the Department of Highway Safety and Motor Vehicles (DHSMV) to create a new specialty license plate designated as the Sun Sea Smiles license plate, with an annual use fee of \$25 to be distributed as follows:

- Five percent is distributed to the Florida Caribbean Charitable Foundation, Inc., strictly for marketing of the Sun Sea Smiles license plate.
- Thirty percent is distributed to the Florida Caribbean Charitable Foundation, Inc., and of this amount, up to five percent may be used for administrative expenses, and the remainder will be used as follows:
 - Sixty percent will be used for a college scholarship program within this state.
 - Fifteen percent will be used to promote health and wellness among Florida residents of Caribbean descent.
 - Twenty-five percent will be used to promote awareness of Caribbean culture within the state.
- Fifteen percent will be distributed to Haitian Neighborhood Center Sant La, Inc. to promote social and community development within this state. Of this amount, up to five percent may be used for administrative expenses.
- Fifteen percent will be distributed to Fanm Ayisyen Nan Miyami, Inc., to promote social and community development. Of this amount, up to 10 percent may be used for administrative expenses within this state.
- Twenty-five percent will be distributed 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.
- Ten percent will be distributed 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 new plate will display the word "Florida" at the top of the plate and the words "Sun Sea Smiles" at the bottom of the plate.

According to DHSMV, the bill will have a negative, but insignificant fiscal impact to state expenditures.

The bill has an effective date of October 1, 2017.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

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 plates².

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.
- 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.
- 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.

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).³

Organizations receiving 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.⁴

Proposed Changes

Sun Sea Smiles Specialty License Plate

The bill directs the DHSMV to create a new specialty license plate designated as the Sun Sea Smiles license plate, with an annual use fee of \$25 to be distributed as follows:

- Five percent is distributed to the Florida Caribbean Charitable Foundation, Inc., to be used only for marketing of the Sun Sea Smiles license plate.
- Thirty percent is distributed to the Florida Caribbean Charitable Foundation, Inc. and of this amount, up to five percent may be used for administrative expenses, and the remainder shall be used as follows:
 - Sixty percent for a college scholarship program within this state;
 - Fifteen percent to promote health and wellness among Florida residents of Caribbean descent; and
 - Twenty-five percent to promote awareness of Caribbean culture within this state.

¹ Florida Department of Highway Safety and Motor Vehicles, *Specialty License Plates Index*, <http://www.flhsmv.gov/dmv/specialtytags/> (last visited Sept. 15, 2015).

² s. 320.08056(2), F.S.

³ s. 320.08056 (8)(a), F.S.

⁴ s. 320.08062, F. S.

- Fifteen percent is distributed to Haitian Neighborhood Center Sant La, Inc. to promote social and community development within this state. Of this amount, up to five percent may be used for administrative expenses.
- Fifteen percent is distributed to Fanm Ayisyen Nan Miyami, Inc., to promote social and community development within this state. Of this amount, up to 10 percent may be used for administrative expenses.
- Twenty-five percent is distributed 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.
- Ten percent is distributed 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 new plate will display the word “Florida” at the top of the plate, and the words “Sun Sea Smiles” at the bottom of the plate.

Receiving Organizations: Florida Caribbean, Haitian, and Jamaican Organizations

The Florida Caribbean Charitable Foundation, Inc., is a civic and social organization, located in North Miami Beach and established in 2007.⁵

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.⁶

Fanm Ayisyen nan Miyami, Inc., has a mission to empower Haitian women and their families socially, politically, and to facilitate their adjustment to South Florida. The organization has provided counseling, outreach, education, and access to care and advocacy service to low and moderate-income families and children for the last 16 years.⁷

The 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. The coalition’s mission is to enrich the cultural environment of the Caribbean people and other members of the community by fostering multicultural understanding through an appreciation of Caribbean cultures.⁸

Little Haiti Optimist Foundation, Inc., is a non-profit organization established in 2010 by a group of business, community and civic leaders to provide programs to the youth of Little Haiti. The mission is to make a difference in the lives of youth by providing education, mentorship, athletics, arts and cultural programming.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.

⁵ The Florida Caribbean Charitable Foundation, Inc., <https://csapp.800helpfla.com/cspublicapp/businesssearch/businesssearch.aspx> (last visited Nov. 6, 2015)

⁶ Haitian Neighborhood Center Sant La, *Mission and Vision*, http://santla.org/index.php?option=com_content&view=article&id=32:about-us&catid=16:sant-la-articles&Itemid=165 (last visited Oct. 8, 2015).

⁷ Fanm Ayisyen nan Miyami, *About*, <http://www.fanm.org/index.php?page=About> (last visited Oct. 8, 2015).

⁸ Unifest, *About GCACC*, <http://unifestlive.com/about-gcacc/> (last visited Oct. 8, 2015).

⁹ Little Haiti Optimist Club, *Welcome*, <http://www.littlehaitioptimist.org/> (last visited Oct. 8, 2015).

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

DHSMV estimates that 399 programming hours, or \$18,225 in FTE and contracted resources will be required in order to implement the bill.¹⁰ DHSMV may incur some additional costs related to auditing and oversight. These costs can be absorbed within existing resources.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Revenue generated from the sale of specialty license plates are distributed to various organizations as provided in statute.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not Applicable. This bill does not appear to require counties or municipalities to spend funds or take action requiring the expenditures of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

¹⁰ DHSMV bill analysis of HB 947 Page 5. (Copy on file with Transportation & Tourism Appropriations Subcommittee).

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 the allocation of revenues to the American Friends of Jamaica, Inc., and reallocated the revenues to the remaining organizations. The amendment also clarified that all revenues are to be used within this state.

This analysis is drafted to the committee substitute as reported out of the Transportation & Infrastructure Subcommittee.