

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 Appropriations Subcommittee on Transportation, Tourism, and Economic Development

BILL: SB 1248

INTRODUCER: Senator Gainer

SUBJECT: Specialty License Plates/Coastal Conservation Association

DATE: January 18, 2018

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Jones</u>	<u>Miller</u>	<u>TR</u>	<u>Favorable</u>
2.	<u>Wells</u>	<u>Hrdlicka</u>	<u>ATD</u>	<u>Recommend: Favorable</u>
3.	_____	_____	<u>AP</u>	_____

I. Summary:

SB 1248 directs the Department of Highway Safety and Motor Vehicles (DHSMV) to develop a Coastal Conservation Association specialty license plate, establishes a \$25 annual use fee for the plate, and provides for the distribution and use of fees collected from the sale of the plate.

The DHSMV estimates programming and implementation costs for creation of the plate is \$7,680. The DHSMV may retain revenues from the first proceeds of sales to defray departmental costs.

The bill takes effect October 1, 2018.

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

In order to establish a specialty license plate and after the plate is approved by law, s. 20.08053, F.S., requires the following actions within certain timelines:

¹ A list of Florida's specialty license plates is available on the DHSMV website at <http://www.flhsmv.gov/dmv/specialtytags/> (last visited Dec. 13, 2017).

² Section 320.08056, F.S.

³ Section 320.08058, F.S.

- 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 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 of the plate may begin.

If the minimum sales requirement has not been met by the end of the 24-month pre-sale period, then the DHSMV will discontinue the plate and issuance of pre-sale vouchers. 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 is authorized to retain a sufficient portion of annual use fees collected from the sale of 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 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 license plate registrations is below 1,000 plates. Collegiate plates for Florida universities are exempt from the minimum specialty license plate requirement.⁸ In addition, the DHSMV is authorized to discontinue any specialty license plate 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

Coastal Conservation Association Florida

The Coastal Conservation Association (CCA) is a non-profit organization whose objective is to conserve, promote, and enhance the present and future availability of coastal resources for the benefit and enjoyment of the public by advising and educating the public on conservation of

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.

marine resources.¹⁰ The CCA was founded in 1977, in order to combat commercial overfishing along the Texas coast.¹¹ The CCA Florida is one of 17 state chapters of the CCA and is comprised of 30 local chapters spanning from Pensacola to Key West.¹² The CCA Florida supports resource-based law enforcement, access to recreational fishing, and fishery regulations to protect state and federal fish stocks.¹³

III. Effect of Proposed Changes:

The bill directs the DHSMV to create a Coastal Conservation Association specialty license plate, with an annual use fee of \$25 to be distributed to the CCA Florida. Proceeds from the plate are to be used as follows:

- Up to 10 percent for administrative costs;
- Up to 10 percent to promote and market the plate; and
- The remainder to support the mission and efforts of the CCA Florida:
 - For habitat enhancement and restoration, saltwater fisheries conservation, and education;
 - To advise the public on the conservation of marine resources; and
 - To promote and enhance the availability of coastal resources for the public.

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 “Conserve Florida’s Fisheries” at the bottom of the plate.

The bill takes effect October 1, 2018.

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.

¹⁰ CCA, *About CCA*, available at <http://www.joincca.org/about> (last visited Jan. 30, 2018).

¹¹ *Id.*

¹² See CCA Florida, available at <https://ccaflorida.org/> (last visited Jan. 30, 2018).

¹³ *Id.*

B. Private Sector Impact:

Individuals who choose to purchase a Coastal Conservation Association specialty license plate will pay a \$25 annual use fee in addition to appropriate license taxes and fees. The Coastal Conservation Association will receive revenue from each plate purchased.

C. Government Sector Impact:

The DHSMV estimates programming and implementation costs for creation of the plate is \$7,680.¹⁴ The DHSMV may retain revenues from the first proceeds of specialty license plate sales to defray departmental expenditures related to the specialty license plate program.¹⁵

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 Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

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

¹⁴ See DHSMV, *2018 Agency Legislative Bill Analysis: SB 1248* (Jan. 12, 2018) (on file with the Senate Committee on Transportation).

¹⁵ Section 320.08056(7), F.S.