

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 1359 License Plates

SPONSOR(S): Transportation & Infrastructure Subcommittee; Grant and others

TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Transportation & Infrastructure Subcommittee	12 Y, 1 N, As CS	Johnson	Vickers
2) Transportation & Tourism Appropriations Subcommittee			
3) Government Accountability Committee			

SUMMARY ANALYSIS

There are over 120 specialty license plates available to any owner or lessee of a motor vehicle who is willing pay the additional use fee for such plate. 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. DHSMV must discontinue the issuance of an approved specialty license plate if it fails to meet certain requirements.

The bill establishes a cap at 125 specialty license plates and provides a process for the discontinuation of low performing plates and the addition of new plates. It provides direction to DHSMV on the discontinuance of specialty license plates and establishes a timeframe of 180 days to distribute the remaining annual use fees held or collected by DHSMV. The bill authorizes a person with a discontinued specialty license plate to keep the plate for the remainder of the 10-year license plate replacement period.

Effective July 1, 2021, the bill requires DHSMV to discontinue the issuance of any specialty license plate where the number of valid registrations falls below 3,000, instead of the current 1,000. The bill also adds additional exceptions to the policy.

The bill authorizes fleet and dealer license plates to be specialty license plates.

The bill provides that certain provisions related to replacement license plates do not apply to vehicles registered under the International Registration Plan.

The bill authorizes the establishment of a specialty license plate for Auburn University and authorizes revenues from such plates to be expended outside of Florida.

The bill discontinues the following specialty license plates: American Red Cross, Donate Organs-Pass It On, St. Johns River, and Hispanic Achievers.

The bill amends certain provisions regarding the following existing specialty license plates: University of Central Florida, Special Olympics Florida, Invest in Children, and Fallen Law Enforcement Officer.

The bill creates the following new specialty license plates: Donate Life Florida, Florida State Beekeepers Association, Rotary, Beat Childhood Cancer, Florida Bay Forever, Bonefish and Tarpon Trust.

The bill requires DHSMV to conduct an audit every three years, of specialty license plate recipient organizations that are not subject to the Florida Single Audit Act.

Additionally, the bill creates the Purple Heart Motorcycle and Bronze Star special license plates.

The bill will likely have a negative fiscal impact on DHSMV related to programming hours associated with the design of the new specialty license plates. See Fiscal Analysis section for details.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h1359a.TIS

DATE: 1/23/2018

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 10 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 There is currently no limit on the number of specialty license plates that the Department of Highway Safety and Motor Vehicles (DHSMV) may issue nor the number of specialty license plates that the Legislature may approve.

Fleet/Dealer Specialty License Plates

Current Situation

Section 320.06, F.S., provides for motor vehicle registration certificates, license plates, and validation stickers. Section 320.06(3)(a), F.S., provides requirements for how various license plates look. The statute requires dealer license plates to be imprinted with the word “Florida” at the top and the word “Dealer” at the bottom.

Section 320.0657, F.S. provides for permanent registration for fleet license plates. The statute defines “fleet” as nonapportioned motor vehicles owned or leased by a company and used for business purposes.² According to DHSMV, in order to participate in the fleet vehicle program the company must have a minimum of 200 vehicles or a minimum of 25 trailers or semitrailers used exclusively to haul agricultural products.³

The owner or lessee of a fleet of motor vehicles must, upon application in the manner and at the time prescribed and upon DHSMV approval and payment of the appropriate license tax be issued permanent fleet license plates. All vehicles with a fleet license plate must have the company’s name or logo and unit number displayed so that they are readily identifiable.⁴

Fleet license plates must have the word “Fleet” appearing at the bottom and the word “Florida” appearing at the top. The plates must conform in all respects to Ch. 320, F.S., except as specified.⁵

Section 320.08, F.S., provides the license taxes for various types of motor vehicles. The statute provides that the fee for a dealer license plate is \$17.⁶

Proposed Changes

The bill authorizes “Dealer” and “Fleet specialty license plates.

The bill amends s. 320.06(3)(a), providing the a dealer license plate is not required to say “dealer” at the bottom if it is a specialty license plate.

The bill amends s. 320.0657(2)(b), F.S., authorizing fleet specialty license plates. The bill provides that for the additional annual use fee for the specific specialty license plate, fleet companies may purchase

¹ Florida Department of Highway Safety and Motor Vehicles, *Specialty License Plates Index*, <http://www.flhsmv.gov/dmv/specialtytags/> (last visited January 11, 2018).

² Section 320.0657(1), F.S.

³ Email from DHSMV, January 23, 2018 (Copy on file with Transportation & Infrastructure Subcommittee).

⁴ Section 320.0657(2)(a), F.S.

⁵ Section 320.0657(2)(b), F.S.

⁶ Section 320.08(12), F.S.

specialty license plates in lieu of the standard fleet license plates. Fleet companies are responsible for all costs associated with the specialty license plates, including all annual use fees, processing fees, fees associated with switching license plate types, and other applicable fees. The bill amends s. 320.08(12), F.S., providing similar requirements regarding dealer specialty license plates.

The bill creates s. 320.08056(2)(b), F.S., providing that DHSMV may authorize dealer and fleet specialty license plates. With the permission of the sponsoring specialty license plate organization, a dealer or fleet company may purchase specialty license plates to be used on dealer or fleet vehicles.

Notwithstanding s. 320.08058, a dealer or fleet specialty license plate must include the letters “DLR” or “FLT” on the right side of the license plate. Dealer and fleet specialty license plates must be ordered directly through DHSMV.

Replacement License Plates

Current Situation

Section 320.0607, F.S., provides for replacement license plates, validation decals, or mobile home stickers. Section 320.0607(5), F.S., provides that upon the issuance of an original license plate, the applicant must pay a fee of \$28 to be deposited in the Highway Safety Operating Trust Fund.⁷

The International Registration Plan is a cooperative registration agreement among all of the states in the continental United States, the District of Columbia, and certain Canadian provinces. The IRP allows a carrier to register once for all the jurisdictions, rather than dealing with each jurisdiction separately.

Proposed Changes

The bill amends s. 320.0607, F.S., providing that beginning October 1, 2019, s. 320.0607(5), F.S., does not apply to vehicles registered under the International Registration Plan.

Requirements for the Establishment of Specialty License Plates

Current Situation

Section 320.08053, F.S., provides the statutory requirements to establish a specialty license plate. If a specialty license plate requested by an organization is approved by law, the organization submits its proposed art design to DHSMV, as soon as practicable, but no later than 60 days after the act approving the specialty license plate becomes a law.⁸

Within 120 days following the specialty license plate becoming law, DHSMV establishes a method to issue a specialty license plate voucher allowing for the presale of the specialty license plate. The \$5 processing fee,⁹ the service charge and branch fee,¹⁰ and the annual use fee for the specialty license plate¹¹ are charged for the voucher. All other applicable fees are charged at the time the license plate is issued.¹²

Within 24 months after establishing a presale specialty license plate voucher, the approved specialty license plate organization must record with DHSMV a minimum of 1,000 voucher sales before manufacture of the license plate may commence. If, at the conclusion of the 24-month presale period, the minimum sales requirement is not met, the specialty plate is deauthorized and DHSMV discontinues the plate's development and the issuance of the presale vouchers. Upon the license plate's deauthorization, a purchaser of the license plate voucher may use the annual use fee collected

⁷ Section 320.0607(5), F.S.

⁸ Section 320.08053(1), F.S.

⁹ The processing fee is prescribed in s. 320.08056, F.S.

¹⁰ Service charges and branch fees are prescribed in s. 320.04, F.S.

¹¹ The annual use fees for each specialty license plate are prescribed in s. 320.8056, F.S.

¹² Section 320.08053(2)(a), F.S.

as a credit towards any other specialty license plate or apply for a refund on a DHSMV-prescribed form.¹³

Proposed Changes

The bill creates s. 320.08053(3)(a), F.S., providing that if the Legislature has approved 125 or more specialty license plates, DHSMV may not make any new specialty license plates available for design, presale, or issuance until a sufficient number of plates are discontinued¹⁴ such that the number of plates being issued is reduced to fewer than 125.

The bill creates s. 320.08053(3)(b), F.S., providing that new specialty license plates that have been approved by law but are awaiting issuance are issued in the order they appear in s. 320.08056(4), F.S.,¹⁵ provided that the plates have met the presale requirement and all other provisions of s. 320.08053, F.S. If the next awaiting specialty license plates has not met the presale requirement, DHSMV must proceed in the order provided in s. 320.08056(4), F.S., to identify the next qualified specialty license plate that has met the presale requirement. DHSMV must cycle through the list in statutory order.

Specialty License Plates

Current Situation

Section 320.08056, F.S., relates to specialty license plates. DHSMV is responsible for developing the specialty license plates authorized in s. 320.08053, F.S.¹⁶

DHSMV may issue a specialty license plate to the owner or lessee of any motor vehicle, except a vehicle registered under the International Registration Plan, a commercial truck required to display two license plates,¹⁷ or a truck tractor, upon request and payment of the appropriate license tax and fees.¹⁸

Each request for a specialty license plate must annually be made to DHSMV or its authorized agent¹⁹ accompanied by the following tax and fees:

- The vehicles required license tax.²⁰
- A processing fee of \$5.²¹
- A license plate fee.²²
- A license plate annual use fee as required for the specialty license plate.²³

A request for a specialty license plate may be made any time during a registration period. If a request is made for a specialty license plate to replace a current valid license plate, the specialty license plate must be issued with the appropriate decals attached at no license tax for the plate, however all fees and service charges must be paid. If a request is made for a specialty license plate at the beginning of the registration period, the tax, together with all applicable fees and service charges, must be paid.

If a vehicle owner or lessee to whom DHSMV has issued a specialty license plate acquires a replacement vehicle within the owner's registration period, DHSMV authorizes a transfer of the

¹³ Section 320.08053(2)(b), F.S.

¹⁴ Specialty license plates will be discontinued pursuant to s. 320.08056(8), F.S.

¹⁵ Section 320.08056(4), F.S., lists specific specialty license plates and their annual use fees.

¹⁶ Section 320.08056(1), F.S.

¹⁷ Section 320.0706, F.S., requires certain commercial trucks to display two license plates.

¹⁸ Section 320.08056(2), F.S.

¹⁹ DHSMV's authorized agents are the county tax collectors.

²⁰ Motor vehicle license taxes are set forth in s. 320.08, F.S.

²¹ The \$5 processing fee is deposited into the Highway Safety Operating Trust Fund.

²² Section 320.06(1)(b), F.S., provides for a \$2.80 annual license plate replacement fee to defray the cost of replacing the license plate every 10 years.

²³ Section 320.08056(3), F.S.

specialty license plate to the replacement vehicle.²⁴ The annual use fee or processing fee may not be refunded.²⁵

Specialty license plates must bear the design required by law for the appropriate specialty license plate, and must conform to DHSMV's design specifications. All specialty license plates must be otherwise of the same material and size as standard license plates issued for any registration period. A specialty license plate may bear an appropriate slogan, emblem, or logo in a size and placement that conforms to DHSMV's design specifications.²⁶

DHSMV annually retains from the first proceeds derived from the annual use fees collected an amount sufficient to defray each specialty license plate's pro rata share of DHSMV's costs directly related to the specialty license plate program. Such costs include inventory costs, distribution costs, direct costs to the DHSMV, costs associated with reviewing each organization's compliance with audit and attestation requirements²⁷ and any applicable increased costs of manufacturing the specialty license plate. The Department of Management Services must verify any cost increase to DHSMV related to actual cost of the plate, including a reasonable vendor profit. The balance of the proceeds from the annual use fees collected for that specialty license plate are distributed as provided by law.²⁸

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 license plate registrations falls below 1,000 plates. This does not apply to collegiate license plates.^{29 30}

DHSMV may discontinue the issuance of a specialty license plate and distribution of associated annual use fee proceeds if the organization no longer exists, if the organization has stopped providing services that are authorized to be funded from the annual use fee proceeds, if the organization does not meet the presale requirements,³¹ or pursuant to an organizational recipient's request. Organizations must notify DHSMV immediately to stop all warrants for plate sales if any of the above conditions exist and must meet the requirements of s. 320.08062, F.S.,³² for any period of operation during a fiscal year.³³

The organization that requested the specialty license plate may not redesign the specialty license plate unless the inventory of those plates has been depleted. However, the organization may purchase the remaining inventory of the specialty license plates from DHSMV at cost.³⁴

A specialty license plate annual use fee collected and distributed, or any interest earned from those fees, may not be used for commercial or for-profit activities nor for general or administrative expenses, except as authorized by s. 320.08058, F.S., or to pay the cost of the audit or report required by s. 320.08062(1), F.S. The fees 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 United States Armed Forces and veterans-related specialty license plates.³⁵

²⁴ This is in accordance with s. 320.0609, F.S.

²⁵ Section 320.08056(5), F.S.

²⁶ Section 320.08056(6), F.S.

²⁷ Specialty license plate audit and attestations requirements are in s. 320.08062, F.S.

²⁸ Section 320.08056(7), F.S.

²⁹ Collegiate license plates are established under s. 320.08058(3), F.S.

³⁰ Section 320.08056(8)(a), F.S.

³¹ Presale requirements are prescribed in s. 320.08053, F.S.

³² Section 320.08062, F.S., requires audits and attestations for specialty license plates.

³³ Section 320.08056(8)(b), F.S.

³⁴ Section 320.08056(9), F.S.

³⁵ Section 320.08056(10)(a), F.S.

The term “administrative expenses” means those expenditures which are considered as direct operating costs of the organization. Such costs include, but are not limited to, the following:

- Administrative salaries of employees and officers of the organization who do not or cannot prove, via detailed daily time sheets, that they actively participate in program activities.
- Bookkeeping and support services of the organization.
- Office supplies and equipment not directly utilized for the specified program.
- Travel time, per diem, mileage reimbursement, and lodging expenses not directly associated with a specified program purpose.
- Paper, printing, envelopes, and postage not directly associated with a specified program purpose.
- Miscellaneous expenses such as food, beverage, entertainment, and conventions.³⁶

The annual use fee from the sale of specialty license plates, the interest earned from those fees, or any fees received by an agency as a result of the sale of specialty license plates may not be used for the purpose of marketing to, or lobbying, entertaining, or rewarding, an employee of a governmental agency that is responsible for the sale and distribution of specialty license plates, or an elected member or employee of the Legislature.³⁷

The application form for a specialty license plate must provide the applicant the option to instruct DHSMV to provide his or her name, address, and renewal date to the sponsoring organization.³⁸

Proposed Changes

The bill creates s. 320.08056(8)(c), F.S., providing that a vehicle owner or lessee issued a specialty license plate that has been discontinued by DHSMV may keep the discontinued specialty license plate for the remainder of the 10-year license plate replacement period and must pay all other applicable registration fees. However, the owner or lessee is exempt from paying the applicable specialty license plate fee for the remainder of the 10-year license plate replacement period.

The bill creates s. 320.08056(8)(d), F.S., providing that if DHSMV discontinues issuance of a specialty license plate, all annual use fees held or collected by DHSMV must be distributed within 180 days after the date the specialty license plate is discontinued. Of those fees, DHSMV must retain an amount sufficient to defray the applicable administrative and inventory closeout costs associated with discontinuing the plate. The remaining funds are to be distributed to the appropriate organization or organizations.³⁹

The bill creates s. 320.08056(8)(e), F.S., providing that if an organization that is the intended recipient of specialty license plate funds no longer exists, DHSMV must deposit any undistributed funds into the Highway Safety Operating Trust Fund.

The bill creates s. 320.08056(8)(f), F.S., providing that on January 1 of each year, DHSMV must discontinue the specialty license plate with the fewest number of plates in circulation. DHSMV must mail a warning letter to the sponsoring organization of the 10 percent of specialty license plates with the lowest number of valid, active registrations as of December 1, of each year.

The bill amends s. 320.08056(8)(a), F.S., providing that effective October 1, 2021, DHSMV must discontinue the issuance of approved specialty license plates if the number of valid registrations falls below 3,000 plates for 12 consecutive months, instead of the current 1,000 plates. In addition to the existing exemption from this requirement for collegiate license plates, the bill provides exceptions for

³⁶ Section 320.08056(10)(b), F.S.

³⁷ Section 320.08056(11), F.S.

³⁸ Section 320.08056(12), F.S.

³⁹ Distributions to organizations are pursuant to s. 320.08058, F.S.

institutions in and entities of the State University System, specialty license plates with statutory eligibility limitations for purchase, or Florida Professional Sports Team license plates.⁴⁰

The bill amends s. 320.08056(10)(a), F.S. authorizing specialty license plate fees for out of state college or university specialty license plates.

Discontinued Specialty License Plates

Current Situation

As previously stated, specialty license plates may be discontinued if the plate does not meet the 1,000 plate minimum sales threshold, the recipient organization ceases to exist, or it does not meet its statutorily required presale requirements.

Proposed Changes

The bill removes the American Red Cross plate, Donate Organs Pass It On plate, St. Johns River plate, and Hispanic Achievers plate from law as these plates have been discontinued.

Changes to Existing Specialty License Plates

Collegiate License Plates

Current Situation

Section 320.08058(3), F.S., creates the collegiate specialty license plates with an annual use fee of \$25. DHSMV must develop a collegiate license plate for state and independent universities domiciled in this state. However, any collegiate license plate created or established after October 1, 2002, must comply with s. 320.08053, F.S.,⁴¹ and be specifically authorized by an act of the Legislature. Collegiate license plates must bear DHSMV approved colors and design as appropriate for each state and independent university. The word "Florida" is stamped across the bottom of the plate in small letters.⁴²

The funds from collegiate license plates may only be used only for academic enhancement, including scholarships and private fundraising activities.⁴³

Proposed Changes

The bill amends s. 320.08058(3)(a), F.S., requiring the University of Central Florida specialty license plate to have "2017 National Champions" stamped across the bottom of the plate.

Special Olympics Florida License Plate

Current Situation

Section 320.08058(7), F.S., creates the Special Olympics Florida license plate with an annual use fee of \$15. The plate contains the official Special Olympics Florida logo with "Florida" centered at the bottom of the plate, and "Everyone Wins" centered at the top of the plate.⁴⁴

Proposed Changes

The bill amends s. 320.8058(7)(a), F.S., redesigning the Special Olympics Florida specialty license plate with "Florida" centered at the top of the plate and "Be a Fan" centered at the bottom of the plate.

⁴⁰ Florida Professional Sports Team license plates are established in s. 320.08058(9), F.S.

⁴¹ Section 320.08053, F.S., provides the statutory requirements for creating a specialty license plate.

⁴² Section 320.08058(3)(a), F.S.

⁴³ Section 320.08058(3)(b), F.S.

⁴⁴ Section 320.08058(7)(a), F.S.

Invest in Children License Plate

Current Situation

Section 320.08058(11), F.S., creates the Invest in Children license plate with an annual use fee of \$20.⁴⁵ The proceeds of the Invest in Children license plate annual use fee are deposited into the Juvenile Crime Prevention and Early Intervention Trust Fund within the Department of Juvenile Justice (DJJ). Based on the recommendations of the juvenile justice councils, DJJ uses the proceeds to fund programs and services designed to prevent juvenile delinquency. DJJ must allocate moneys for programs and services within each county based on that county's proportionate share of the license plate annual use fee collected in that county.⁴⁶

According to DJJ, specialty license plate proceeds collected by counties range from \$20 to \$30,000 and the statute requires funds to provide service within the county based upon the county's proportionate share of proceeds. When funds are available, counties apply for funding in a manner similar to grant distributions. Due to this distribution formula, much of the funding cannot be distributed despite a statewide need.⁴⁷

Proposed Changes

The bill amends s. 320.08058(11)(b), removing the requirement for DJJ to allocate specialty license plate moneys for programs and services within each county based on that county's proportionate share of license plate annual use fees collect in that county. This will allow DJJ to collectively use these funds in a meaningful way to better address prevention programming needs across the state.⁴⁸

Fallen Law Enforcement Officer License Plate

Current Situation

Section 320.08058(80), F.S., creates the Fallen Law Enforcement Officers license plate with an annual use fee of \$25. The annual use fees are distributed to the Police and Kids Foundation, Inc., which may use a maximum of 10 percent of the proceeds to promote and market the plate. The remainder of the proceeds must be used by the Police and Kids Foundation, Inc., to invest and reinvest, and the interest earnings shall be used for the operation of the Police and Kids Foundation, Inc.

Based in Brooksville, Florida, the Police and Kids Foundation, Inc., is a non-profit corporation with the objective of providing funding for responding police officers to help a child in need. This assistance may include items such as food, clothing, and the replacement of lost or damaged property. The foundation also created a scholarship for at least one senior student at the Pinellas Park High School Criminal Justice Academy.⁴⁹

Proposed Changes

The bill clarifies the distribution of the proceeds from the Fallen Law Enforcement Officer specialty license plate. The bill keeps the maximum of 10 percent of the proceeds for marketing the license plate. It provides that the remaining proceeds are to be used for the operations, activities, programs, and projects of the Police and Kids Foundation, Inc.

⁴⁵ Section 320.08058(11)(a), F.S.

⁴⁶ Section 320.08058(11)(b), F.S.

⁴⁷ Department of Juvenile Justice Modify Invest In Children Disbursement. (Copy on file with Transportation & Infrastructure Subcommittee).

⁴⁸ *Id.*

⁴⁹ <http://www.policeandkids.com/about/> (Last visited January 12, 2018).

New Specialty License Plates

Auburn University License Plate

Current Situation

Florida has not authorized a specialty license plate for any college or university located outside of Florida.

The Tampa Bay Auburn Club is an officially chartered group of Auburn University Alumni and Friends. Its stated mission is to encourage more top Tampa Bay area students to attend Auburn University and to foster the spirit of Auburn University throughout the Tampa Bay Area.⁵⁰ The Tampa Bay Auburn Club, Inc., is an active corporation registered with the Department of State.

Proposed Changes

The bill creates the Auburn University specialty license plate with a fee of \$50. The license plate must bear a DHSMV approved color and design. The word "Florida" will appear at the top of the plate and "War Eagle" will appear at the bottom of the plate.

The bill provides that the Tampa Bay Auburn Club is the lead club on behalf of the state's Auburn clubs. The annual use fees are distributed to the Tampa Bay Auburn Club, along with statistics on sales of the license plate tabulated by county. The Tampa Bay Auburn Club must distribute to each of the state's Auburn clubs on a pro-rata basis the proceeds received for sales in the regions within the respective club's area for the purpose of awarding scholarships to Florida residents attending Auburn University. Students receiving these scholarships are required to be eligible for the Florida Bright Futures Scholarship Program⁵¹ and are required to use the scholarship funds for tuition and other expenses related to attending Auburn University.

Donate Life Florida License Plate

Current Situation

Donate Life Florida is a non-profit organization contracted by the State of Florida, Agency for Health Care Administration to create the state's organ, tissue, and eye donor registry.⁵²

Proposed Changes

The bill creates the Donate Life Florida license plate with an annual use fee of \$25. The annual use fees are distributed to Donate Life Florida, which may use up to 10 percent of the proceeds for marketing and administrative costs associated with the plate. The remainder of the proceeds must be used by Donate Life Florida to educate Florida residents on the importance of organ, tissue, and eye donation and for the continued maintenance of the Joshua Abbott Organ and Tissue Donor Registry.

The new plate will display the words "Florida" must appear at the top of the plate, and the words "Donors Save Lives" at the bottom of the plate.

Florida State Beekeepers Association License Plate

Current Situation

The Florida State Beekeepers Association is dedicated to keeping Florida apiculture strong and healthy and is the major voice for the state's beekeeping industry. Its mission is to:

- To provide resources for the improvement of beekeeping by using proven techniques and procedures in the management of honey bees and to share this knowledge with everyone interested in the art of beekeeping.

⁵⁰ <http://tampabayauburnclub.com/> (Last visited January 12, 2018).

⁵¹ The Florida Bright Futures Scholarship Program is created pursuant to s. 1009.531, F.S.

⁵² <https://www.donatelifeflorida.org/content/about/> (Last visited January 12, 2018).

- To promote the development of practical beekeeping methods in the state of Florida.
- To act in the interest of Florida beekeepers in advocating for and carrying on statewide beekeeping affairs.
- To act as a medium for and to aid in cooperative and mutual beekeeping methods.
- To act as the representative of the Florida beekeepers in state and national beekeeping affairs.⁵³

Proposed Changes

The bill creates the Florida State Beekeepers specialty license plate with a fee of \$25. The license plate must bear a DHSMV approved color and design. The word “Florida” will appear at the top of the plate and “Save the Bees” will appear at the bottom of the plate.

The annual use fees from the sale of the Florida State Beekeepers license plate are to be distributed to the Florida States Beekeepers Association, which may use up to 10 percent of the annual use fees for administrative, promotional, and marketing cost of the plate. The remainder of the funds must be used to fund outreach and education to raise awareness of the importance of beekeeping to Florida agriculture, and to fund honeybee research and husbandry. The association’s board of managers must approve and is accountable for all such expenditures.

Rotary License Plate

Current Situation

Rotary is a global network of 1.2 million neighbors, friends, leaders, and problem-solvers who come together to make positive, lasting change in communities at home and abroad.⁵⁴

Founded in 1990, the Community Foundation of Tampa Bay is dedicated to helping individuals in Hillsborough, Pinellas, Pasco, and Hernando counties. The Foundation functions as a partnership between donors, nonprofits, community and business leaders, professional advisors, volunteers, and the residents of its four-county region.⁵⁵

Proposed Changes

The bill creates the Rotary license plate with an annual use fee of \$25. The annual use fees are distributed to the Community Foundation of Tampa Bay, Inc., to be distributed as follows:

- Up to 10 percent for administrative costs and for marketing the plate;
- Ten percent to Rotary’s Camp Florida for direct support to all programs and services provided to special needs children who attend the camp; and
- The remainder is distributed, proportionally based on sales, to each Rotary district in the state to support Rotary youth programs in Florida.

The new plate will display the words “Florida” must appear at the top of the plate, and the word “Rotary” at the bottom of the plate. The license plate will also bear the Rotary International wheel emblem.

Beat Childhood Cancer License Plate

Current Situation

Neuroblastoma (nb) is a cancer that affects children. It is among the most common childhood tumors, and typically affects children under five years old. It is not usually diagnosed until the tumor grows and presents symptoms. The majority of childhood neuroblastoma cases are aggressive, showing survival rates of less than 60 percent with standard chemotherapy, and a 50 percent relapse rate. Once relapsed, there is currently no curative treatment, and for those under five years old, the survival rate is

⁵³ <http://www.floridabeekeepers.org/> (Last visited January 12, 2018).

⁵⁴ <https://www.rotary.org/en/about-rotary> (Last visited January 12, 2018).

⁵⁵ <https://www.cfampabay.org/about-2/> (Last visited January 12, 2018).

less than 10 percent.⁵⁶ The mission of Beat Nb is to drive neuroblastoma cancer research, and to raise awareness of the disease.⁵⁷ The Beat Nb Cancer Foundation, Inc., is an active corporation with the Department of State.

Proposed Changes

The bill creates the Beat Childhood Cancer specialty license plate with a fee of \$25. The license plate must bear a DHSMV approved color and design. The word “Florida” will appear at the top of the plate and “Beat Childhood Cancer” will appear at the bottom of the plate.

The annual use fees from the Beat Childhood Cancer license plate are to be distributed to Beat Nb, Inc., which may use a maximum of 10 percent of the proceeds for administrative costs directly associated with the operation of the corporation and for marketing and promoting the specialty license plate. The remaining proceeds are to be used by the corporation to fund pediatric cancer treatment and research.

Florida Bay Forever License Plate

Current Situation

The Florida National Parks Association, Inc. (FNPA) is the official not for profit entity of Everglades National Park, Biscayne National Park, Dry Tortugas National Park and Big Cypress National Preserve. The purpose of the FNPA is to help generate additional revenues to help supplement the park service’s budgets as well as support educational, interpretive, and historical and scientific research. The FNPA also operates the book stores within the Parks to help generate revenues as well as providing a visitor information services function on behalf of the National Park Service.⁵⁸

Proposed Changes

The bill directs DHSMV to develop a Florida Bay Forever license plate. The plate must bear DHSMV approved colors and design. The word “Florida” must appear at the top of the plate and “Florida Bay Forever” must appear at the bottom of the plate.

The annual use fees from the sale of the Florida Bay Forever license plate are distributed to the Florida National Parks Association, Inc., which may use up to 10 percent of the funds for administrative costs and marketing the plate. The remainder of the funds must be used to supplement the Everglades National Park’s budgets and to support educational, interpretive, historical, and scientific research relating to the Everglades National Park.

Bonefish and Tarpon Trust License Plate

Current Situation

The Bonefish and Tarpon Trust’s (BTT) mission is to conserve and restore bonefish and tarpon fisheries and habitats through research, stewardship, education and advocacy.⁵⁹

Proposed Changes

The bill directs DHSMV develop a Bonefish and Tarpon Trust license plate with an annual use fee of \$25. The plate must bear DHSMV approved colors and designs. The word “Florida” must appear at the top of the plate, and “Bonefish and Tarpon Trust” must appear at the bottom of the plate.

The annual use fees from the sale of the Bonefish and Tarpon Trust license plate are distributed to the Bonefish and Tarpon Trust, which may use up to 10 percent of the proceeds to promote and market the license plate. The remainder of the proceeds must be used to conserve and enhance Florida bonefish

⁵⁶ <https://beatnb.org/neuroblastoma/> (Last visited January 12, 2018).

⁵⁷ <https://beatnb.org/about-us/> (Last visited January 12, 2018).

⁵⁸ Proposal for Florida Bay Forever Specialty License Plate. (Copy on file with Transportation & Infrastructure Subcommittee).

⁵⁹ <https://www.bonefishtarpontrust.org/btt-mission> (Last visited January 11, 2018).

and tarpon fisheries and their respective environments through stewardship, research, education, and advocacy.

Audits and Attestations

Current Situation

All organizations receiving annual use fee proceeds from DHSMV are responsible for ensuring that proceeds are used in accordance with ss. 320.08056 and 320.08058, F.S.⁶⁰

Any organization not subject to audit pursuant to the Florida Single Audit Act⁶¹ must annually attest, under penalties of perjury, that such proceeds were used in compliance with ss. 320.08056 and 320.08058, F.S.⁶²

Any organization subject to audit pursuant to the Florida Single Audit Act must submit an audit report in accordance with the Auditor General's rules. The annual attestation must be submitted to DHSMV for review within 9 months after the end of the organization's fiscal year.⁶³

Within 120 days after receiving an organization's audit or attestation, DHSMV must determine which recipients of revenues from specialty license plate annual use fees have not complied with the provisions above. In determining compliance, DHSMV may commission an independent actuarial consultant, or an independent certified public accountant, who has expertise in nonprofit and charitable organizations.⁶⁴

DHSMV must discontinue the distribution of revenues to any organization failing to submit the required documentation, but may resume distribution of the revenues upon receipt of the required information.⁶⁵

If DHSMV or its designee determines that an organization has not complied with or has failed to use the revenues in accordance with ss. 320.08056 and 320.08058, F.S., DHSMV must discontinue the distribution of the revenues to the organization. DHSMV must notify the organization of its findings and direct the organization to make the changes necessary in order to comply. If the officers of the organization sign an affidavit under penalties of perjury stating that they acknowledge the findings of DHSMV and attest that they have taken corrective action and that the organization will submit to a follow-up review by DHSMV, DHSMV may resume the distribution of revenues.⁶⁶

If an organization fails to comply with DHSMV's recommendations and corrective actions as outlined above, the revenue distributions must be discontinued until completion of the next regular session of the Legislature. DHSMV must notify the President of the Senate and the Speaker of the House of Representatives by the first day of the next regular session of any organization whose revenues have been withheld. If the Legislature does not provide direction to the organization and DHSMV regarding the status of the undistributed revenues, DHSMV must deauthorize the plate and the undistributed revenues are immediately deposited into the Highway Safety Operating Trust Fund.⁶⁷

DHSMV or its designee has the authority to examine all records pertaining to the use of funds from the sale of specialty license plates.⁶⁸

⁶⁰ Section 320.08062(1)(a), F.S.

⁶¹ Section 215.97, F.S.

⁶² Section 320.08062(1)(b), F.S.

⁶³ Section 320.08062(1)(c), F.S.

⁶⁴ Section 320.08062(2)(a), F.S.

⁶⁵ Section 320.08062(2)(b), F.S.

⁶⁶ Section 320.08062(2)(c), F.S.

⁶⁷ Section 320.08062(2)(d), F.S.

⁶⁸ Section 320.08062(3), F.S.

Proposed Changes

The bill amends s. 320.08062(1)(b), F.S., requiring DHSMV to audit any specialty license plate revenue recipient every three years if the organization is not subject to the Florida Single Audit Act. The purpose of this audit is to ensure that specialty license plate proceeds have been used in compliance with Florida Statutes.

Preserve Vision

Current Situation

Preserve Vision Florida, formerly Prevent Blindness Florida, is a non-profit organization offering vision education and services to Florida's children and adults. Its focus is promoting a lifetime of healthy vision care through advocacy, education, screening and research. Its mission is to promote healthy vision through vision awareness and education, vision screening, assistance to receive medical eye care, and advocacy for vision and medical eye care health service.⁶⁹ In May 2016, the organization Prevent Blindness Florida changed its name to Preserve Vision Florida.⁷⁰

Section 320.08068, F.S., creates a motorcycle specialty license plate for an annual use fee of \$20. The annual use is distributed to The Able Trust as custodial agent. The Able Trust may retain a maximum of 10 percent of the proceeds from the sale of the license plate for administrative costs. The Able Trust distributes the remaining funds as follows:

- Twenty percent to the Brain and Spinal Cord Injury Program Trust Fund.
- Twenty percent to Prevent Blindness Florida.
- Twenty percent to the Blind Services Foundation of Florida.
- Twenty percent to the Florida Endowment Foundation for Vocational Rehabilitation to support the James Patrick Memorial Work Incentive Personal Attendant Services and Employment Assistance Program.
- Twenty percent to the Florida Association of Centers for Independent Living.⁷¹

Proposed Changes

The bill amends s. 320.08068(4)(b), changing the statutory reference from "Prevent Blindness Florida" to "Preserve Vision Florida" to reflect the change in the organization's name.

Purple Heart Motorcycle Special License Plate

Current Situation

There are currently 21 special use license plates for motor vehicles authorized in s. 320.089, F.S. These special license plates are available to military service members or veterans for various types of service. There are currently no special license plates authorized for motorcycles.

The Purple Heart is awarded to members of the armed forces of the U.S. who are wounded by an instrument of war in the hands of the enemy and posthumously to the next of kin in the name of those who are killed in action or die of wounds received in action.⁷²

Proposed Changes

The bill creates s. 320.0875, F.S., creating the Purple Heart motorcycle special license plate. Upon application to DHSMV and payment of the motorcycle license tax⁷³ a resident who owns or leases a motorcycle that is not used for-hire or commercial use is to be issued a Purple Heart motorcycle license

⁶⁹ <http://pvfla.org/about-us/> (Last visited January 13, 2018).

⁷⁰ Department of State, Division of Corporations – Sunbiz.org, *Preserve Vision Florida, Inc.* (May 4, 2016), <http://search.sunbiz.org/Inquiry/CorporationSearch/ConvertTiffToPDF?storagePath=COR%5C2016%5C0509%5C84865905.Tif&documentNumber=706503> (last visited January 23, 2018).

⁷¹ Section 320.08068(4), F.S.

⁷² <http://www.purpleheart.org/HistoryOrder.aspx> (Last visited January 28, 2018).

⁷³ The license tax is provided in s. 320.08, F.S.,

plate if he or she provides documentation acceptable to DHSMV that he or she is a recipient of the Purple Heart medal.

The Purple Heart motorcycle special license plate will be stamped with the term "Combat-wounded Veteran." The license plate may have the term "Purple Heart" stamped on the plate and the likeness of the Purple Heart Medal stamped on the license plate.

Bronze Star Special License Plate

Current Situation

Currently, s. 320.089, F.S., authorizes 21 special license plates available to military service members or veterans for certain types of military service. Examples of service include Veteran of the U.S. Armed Forces, World War II Veteran, and Woman Veterans. While anyone who pays the appropriate fees may purchase most specialty license plates, one must provide proof of eligibility to obtain a special license plate.

Special license plates are each stamped with words consistent with the type of special license plate issued. A likeness of the related campaign medal or badge appears on the plate followed by the license plate serial number.

Applicants for special license plates are required to pay the annual license tax⁷⁴ with the exception of certain disabled veterans who qualify for the Pearl Harbor, Purple Heart, or Prisoner of War plate, to whom such plates are issued at no cost.⁷⁵ The first \$100,000 of the revenue generated annually from the issuance of special use plates is deposited into the Grants and Donations Trust Fund under the Veterans' Nursing Homes of Florida Act.⁷⁶ Any additional revenue is deposited into the State Homes for Veterans Trust Fund and used to construct, operate, and maintain domiciliary and nursing homes for veterans.⁷⁷

The Bronze Star Medal is awarded to any person who, after December 6, 1941, while serving in any capacity with the Armed Forces of the United States, distinguishes himself or herself by heroic or meritorious achievement or service, not involving participation in aerial flight.⁷⁸

Proposed Change

The bill amends s. 320.089, F.S., authorizing DHSMV to create the Bronze Star special use license plate for recipients of the Bronze Star medal who provides proof of their qualification. The license plate will be stamped with the term "Bronze Star" and a likeness of the related campaign medal. Revenue generated from the sale of the Bronze Star special use license plate will be administered the same as the existing special use license plates, and deposited into the Grants and Donations Trust Fund and the State Homes for Veterans Trust Fund to support the State Veterans Homes Program.

B. SECTION DIRECTORY:

Section 1 amends s. 320.06, F.S., relating to registration certificates, license plates, and validation stickers.

Section 2 amends s. 320.0607, F.S., relating to replacement license plates, validation decals, or mobile home stickers.

Section 3 amends s. 320.0657, F.S., relating to permanent registration for fleet license plates.

⁷⁴ The annual license tax is provided in s. 320.08, F.S.

⁷⁵ Section 320.089(2)(a), F.S.

⁷⁶ Section 320.089(1)(b), F.S.

⁷⁷ *Id.*

⁷⁸ <https://www.thebalance.com/bronze-star-medal-3344939> (Last visited January 12, 2018).

Section 4 amends s. 320.08, F.S., relating to license taxes.

Section 5 amends s. 320.08053, F.S., relating to the establishment of specialty license plates.

Section 6 amends s. 320.08056, F.S., relating to specialty license plates.

Section 7 amends s. 320.08056, F.S., relating to specialty license plates.

Section 8 amends s. 320.08058, F.S., relating to specialty license plates.

Section 9 amends s. 320.08062, F.S., relating to audits and attestations required; annual use fees of specialty license plates.

Section 10 amends s. 320.08068, F.S., relating to motorcycle specialty license plates.

Section 11 creates s. 320.0875, F.S., creating the purple heart special motorcycle license plate.

Section 12 amends s. 320.089, F.S., relating to special license plates.

Section 13 provides that except otherwise expressly provided, the bill takes effect on October 1, 2018.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

DHSMV estimates that creating one new specialty license plate would have a negative fiscal impact of \$7,680.⁷⁹ Based on that information, the total negative fiscal impact to DHSMV for creating seven new specialty license plates is approximately \$53,760. Additionally, DHSMV may incur some costs associated with the redesign of the University of Central Florida and Special Olympics Florida specialty license plates and the creation of the Purple Heart motorcycle and the Bronze Star special license plates.

Additionally, DHSMV will likely incur costs associated with auditing recipients of specialty license plates funds. However, the costs of the audits is indeterminate at this time.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Organizations receiving specialty license plate revenue may see additional revenues associated with the sale of specialty license plates.

⁷⁹ DHSMV Analysis of HB 671 (2018). Copy on file with Transportation & Infrastructure Subcommittee.
STORAGE NAME: h1359a.TIS
DATE: 1/23/2018

D. FISCAL COMMENTS:

Current law prohibits the redesign of a specialty license plate unless the inventory of the license plate has been depleted. However, the organization may purchase the remaining inventory of the specialty license plate from DHSMV at DHSMV's cost.⁸⁰ The University of Central Florida and Special Olympics Florida may be required to purchase the remaining inventory of its specialty license plate at DHSMV's cost prior to the redesign of the license plate.

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:

Section 2 of the bill provides that certain provisions relating to replacement license plates do not apply to vehicles registered under the International Registration Plan. As this provision has appeared in other bills, those bills amend s. 320.06(1)(b), F.S., revising vehicle registration as it relates to vehicles registered in accordance with the International Registration Plan.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On January 23, 2018, the Transportation & Infrastructure Subcommittee adopted a strike-all amendment and reported the bill favorably as a committee substitute. The strike-all amendment:

- Authorized fleet and dealer specialty license plates.
- Provided that a specific provision related to replacement license plates does not apply to vehicles registered under the International Registration Plan.
- Revised provisions regarding the order in which new specialty license plates are created.
- Revised provisions regarding notification that a specialty license plate may be discontinued.
- Removed the creation of the Florida Lineman specialty license plate.
- Made technical changes to other specialty license plates being created.
- Revised the period of time for audits of specialty license plate recipient organizations.
- Changed "Prevent Blindness" to "Preserve Vision" as a recipient organization of the motorcycle specialty license plate.
- Created a Purple Heart Motorcycle special license plate.

This analysis is drafted to the committee substitute as reported favorably by the Transportation & Infrastructure Subcommittee.

⁸⁰ Section 320.08056(9), F.S.
STORAGE NAME: h1359a.TIS
DATE: 1/23/2018