

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 Infrastructure and Security

BILL: SB 1104

INTRODUCER: Senator Bean

SUBJECT: Transportation Credentials

DATE: April 1, 2019

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Proctor	Miller	IS	Pre-meeting
2.			ATD	
3.			AP	

I. Summary:

SB 1104 deals with transportation credentials. The bill:

- Creates numerous specialty license plates (SLP), and provides for the design of the SLPs and the use of the annual fees associated with the SLPs;
- Authorizes the Department of Highway Safety and Motor Vehicles (DHSMV) to issue SLPs for fleet vehicles and motor vehicle dealer vehicles upon approval by the SLP's sponsoring organization;
- Establishes a cap at 125 SLPs and provides a revised process for the discontinuation of low performing SLPs and the addition of new SLPs;
- Requires the DHSMV to conduct an audit every three years of certain SLP recipient organizations and expands the prohibition against using SLP revenues for lobbying; and
- Requires the DHSMV to competitively procure providers for an electronic driver license or identification card (electronic credential), provides requirements for the electronic credential and verification solution providers (including technological requirements), authorizes the optional issuance and use of electronic credentials, and penalties for manufacturing a false electronic credential.

SB 1106 (2019), which this bill is linked to, provides for an annual use fee of \$25 for a SLP.

The provision allowing for the use of electronic credentials may generate revenue to various entities, but the bill does not indicate into which fund(s) the revenue will be deposited.

According to the DHSMV, the bill will have a negative, but insignificant fiscal impact associated with programming costs. These costs can be absorbed within existing resources.

The bill has an effective date of October 1, 2019, but only if SB 1106 or similar legislation takes effect, if such legislation is adopted in the same legislative session or an extension thereof and becomes a law.

II. Present Situation:

Specialty License Plates

Presently, there are over 120 SLPs available for purchase in Florida.¹ SLPs 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 on the SLP's design and designated in statute.³

In order to establish a SLP and after the plate is approved by law, s. 320.08053, F.S., requires the following actions within certain timelines:

- 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 SLP; 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 SLP 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 SLP 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 SLP 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 SLPs to defray its costs for inventory, distribution, and other direct costs associated with the SLP 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 SLP 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

¹ A list of Florida's specialty license plates is available on the DHSMV website at <http://www.flhsmv.gov/dmv/specialtytags/> (last visited March 31, 2019).

² Section 320.08056, F.S.

³ Section 320.08058, F.S.

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.

valid SLP registrations is below 1,000 plates. Collegiate plates for Florida universities are exempt from the minimum SLP requirement.⁸ In addition, the DHSMV is authorized to discontinue any SLP 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

Fleet/Dealer Specialty License Plates

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 the design of various license plates. The statute requires dealer license plates to be imprinted with "Florida" at the top and "Dealer" at the bottom.

Section 320.0657, F.S., provides for permanent registration for fleet license plates. The term "fleet" means nonapportioned motor vehicles owned or leased by a company and used for business purposes. Vehicle numbers comprising a "fleet" shall be established by the DHSMV.¹⁰ According to the 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.¹¹

The owner or lessee of a fleet of motor vehicles must, upon application in the manner and at the time prescribed and upon the DHSMV approval and payment of the appropriate license tax be issued permanent fleet license plates. Fleet license plates must have the word "Fleet" appearing at the bottom and the word "Florida" appearing at the top.¹² 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.¹³

Section 320.08, F.S., provides the license taxes for various types of motor vehicles, and provides that the fee for a dealer license plate is \$17.¹⁴

Existing Specialty License Plates

Special Olympics Florida License Plate

Section 320.08058(7), F.S., creates the Special Olympics Florida SLP with an annual use fee of \$15.¹⁵ The license 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.¹⁶

⁸ Section 320.08056(8)(a), F.S.

⁹ Section 320.08056(8)(b), F.S.

¹⁰ Section 320.0657(1), F.S.

¹¹ Florida Highway Safety and Motor Vehicles, *Motor Vehicle Procedures Manual, Section 2. Registration, Procedure RS-55 II D.*, <https://www3.flhsmv.gov/dmv/Proc/rs/rs-55.pdf> (last visited March 31, 2019).

¹² Section 320.0657(2)(b), F.S.

¹³ Section 320.0657(2)(a), F.S.

¹⁴ Section 320.08(12), F.S.

¹⁵ Section 320.08056(4)(g), F.S.

¹⁶ Section 320.08058(7)(a), F.S.

Live the Dream License Plate

Section 320.08058(48), F.S., creates the Live the Dream SLP with an annual use fee of \$25.¹⁷ Proceeds from the Live the Dream SLP are distributed to the Dream Foundation, Inc., which retained the first \$60,000 in proceeds from the annual use fees as reimbursement for administrative costs, startup costs, and costs incurred in the SLP approval process. After those costs are reimbursed, up to 25 percent of the proceeds must be used for continuing promotion and marketing of the license plate and concept. The remaining funds must be distributed as follows:

- Twenty-five percent equally among the sickle cell organizations that are Florida members of the Sickle Cell Disease Association of America, Inc., for programs providing research, care, and treatment for sickle cell disease.
- Twenty-five percent to the Florida chapter of the March of Dimes for programs and services improving the health of babies through preventing birth defects and infant mortality.
- Ten percent to the Florida Association of Healthy Start Coalitions to decrease racial disparity in infant mortality and to increase healthy birth outcomes. Funding will be used by local Healthy Start Coalitions to provide services and increase screening rates for high-risk pregnant women, children under four years of age, and women of childbearing age.
- Ten percent to the Community Partnership for Homeless, Inc., for programs that provide relief from poverty, hunger, and homelessness.
- Five percent to the Dream Foundation, Inc., for administrative costs directly associated with operations relating to the management and distribution of the proceeds.¹⁸

In March 2015, the DHSMV began withholding funds from the Dream Foundation, Inc., because the organization failed to produce financial documentation that the DHSMV requested. In August 2015, a DHSMV Inspector General Audit found that the funds from the sale of the Live the Dream SLP were being improperly distributed. In 2016, the Dream Foundation, Inc., was administratively dissolved by the Department of State and was subsequently reinstated as a new corporation with new corporate officers. Additionally, a royalty payment was due to the Martin Luther King, Jr., Center for Nonviolent Social Change, Inc., for the use of Dr. Martin Luther King Jr.'s image on the license plate.¹⁹

Lighthouse Association License Plate

Section 320.08058(65), F.S., creates the Lighthouse Association SLP with an annual use fee of \$25.²⁰ The license plate currently features the term “Visit Our Lights” on the bottom of the plate.

In God We Trust License Plate

Section 320.08058(66), F.S., creates an In God We Trust SLP with an annual use fee of \$25.²¹ The annual use fees are distributed to the In God We Trust Foundation, Inc., to fund educational scholarships for the children of Florida residents who are members of the United States Armed

¹⁷ Section 320.08056(4)(vv), F.S.

¹⁸ Section 320.08058(48)(b), F.S.

¹⁹ Florida Highway Safety and Motor Vehicles, *Audit Reports Issued in Fiscal Year 2015-16*, <https://www.flhsmv.gov/pdf/igoffice/080415.pdf> (last visited March 31, 2019).

²⁰ Section 320.08056(4)(mmm), F.S.

²¹ Section 320.08056(4)(nnn), F.S.

Forces, the National Guard, and the United States Armed Forces Reserve and for the children of public safety employees who have died in the line of duty who are not covered by existing state law. Funds must also be distributed to other non-profit organizations that may apply for grants and scholarships and to provide educational grants to public and private schools to promote the historical and religious significance of American and Florida history. The In God We Trust Foundation, Inc., must distribute the license plate annual use fees in the following manner:

- The In God We Trust Foundation, Inc., retains all revenues from the sale of the license plates until all startup costs for developing and establishing the license plate have been recovered.
- Ten percent of the funds received by the In God We Trust Foundation, Inc., must be spent on administrative costs, promotion, and marketing of the license plate directly associated with the operations of the In God We Trust Foundation, Inc.
- All remaining funds must be expended by the In God We Trust Foundation, Inc., for programs.²²

Fallen Law Enforcement Officer License Plate

Section 320.08058(80), F.S., creates the Fallen Law Enforcement Officers license plate with an annual use fee of \$25.²³ The annual use fees are distributed to the Police and Kids Foundation, Inc., which may use a maximum of ten 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 must be used for the operation of the Police and Kids Foundation, Inc.

Military Service Special License Plates

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 Veteran. While anyone who pays the appropriate fees may purchase most SLPs, 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 tax²⁴ 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.²⁵ 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.²⁶ 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.²⁷

²² Section 320.08056(66)(b), F.S.

²³ Section 320.08056(4)(bbbb), F.S.

²⁴ The annual license tax is provided in s. 320.08, F.S.

²⁵ Section 320.089(2)(a), F.S.

²⁶ Section 320.089(1)(b), F.S.

²⁷ *Id.*

The Purple Heart

The Purple Heart is awarded to members of the U.S. Armed Forces 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.²⁸

The Bronze Star

The Bronze Star Medal is awarded to any person who, after December 6, 1941, while serving in any capacity with the U.S. Armed Forces, distinguishes himself or herself by heroic or meritorious achievement or service not involving participation in aerial flight.²⁹

Existing Motorcycle Specialty License Plates

Section 320.08068, F.S., creates a motorcycle SLP with an annual use fee of \$20. The annual use fee is distributed to The Able Trust as custodial agent and after paying administrative costs, the annual use fee is distributed 20 percent to the Brain and Spinal Cord Injury Program Trust Fund, 20 percent to Prevent Blindness Florida, 20 percent to the Blind Services Foundation of Florida, 20 percent to the Florida Association of Centers for Independent Living to support the James Patrick Memorial Work Incentive Personal Attendant Services and Employment Assistance Program pursuant to s. 413.402, F.S., and 20 percent to the Florida Association of Centers for Independent Living.

Prevent Blindness Florida

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. In May 2016, the organization Prevent Blindness Florida changed its name to Preserve Vision Florida.

Ducks Unlimited

Ducks Unlimited is a waterfowl and wetlands conservation organization founded in 1937. The mission of Ducks Unlimited is habitat conservation.³⁰ Since 1985, Ducks Unlimited has worked to conserve more than 26,000 acres of Florida wetlands.³¹

²⁸ The Military Order of the Purple Heart, *About the Military Order of the Purple Heart*, <http://www.purpleheart.org/HistoryOrder.aspx> (last visited March 29, 2019).

²⁹ The Balance Careers, *Bronze Star Metal*, <https://www.thebalance.com/bronze-star-medal-3344939> (last visited March 29, 2019).

³⁰ Ducks Unlimited, *About Ducks Unlimited*, <http://www.ducks.org/about-du?poe=hometxt> (last visited March 31, 2019).

³¹ Ducks Unlimited, *Florida Conservation Projects*, <http://www.ducks.org/florida/florida-conservation-projects> (last visited March 31, 2019).

The Dan Marino Foundation, Inc.

Based in Fort Lauderdale, The Dan Marino Foundation, Inc., is a nonprofit organization dedicated to improving the lives of persons with autism or other developmental disabilities.³²

Donate Life Florida

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.³³

Florida State Beekeepers Association

The Florida State Beekeepers Association is dedicated to providing resources for the improvement of Beekeeping using proven techniques and procedures in the management of Honeybees and to share this knowledge with everyone interested in the Art of Beekeeping.³⁴ Its purpose and function is to:

- The development and promotion of practical beekeeping methods in the state of Florida.
- To act in the interest of the beekeepers of Florida in protecting and carrying on statewide beekeeping affairs.
- To act as a medium for, and an aid in cooperative and mutual beekeeping methods.
- To act as the representative of the Florida beekeepers in State and National beekeeping and legislative matters.³⁵

America the Beautiful Fund

According to the Department of State, the America the Beautiful Fund is registered as a fictitious name of Live Laugh Love Give Inc.³⁶ Based in Tampa, Live Laugh Love Give, Inc., is registered as a Florida Not for Profit Corporation with the Department of State.³⁷

There also appears to be a Washington D.C., based America the Beautiful Fund, which develops citizen-initiated projects across the United States to preserve and save natural and man-made environments and improve the quality of life.³⁸

³² Dan Marino Foundation. <https://danmarinofoundation.org/> (last visited March 31, 2019).

³³ Donate Life Florida, *About the Joshua Abbott Organ and Tissue Donor Registry*, <https://www.donateliflorida.org/content/about/> (last visited March 31, 2019).

³⁴ Florida State Beekeepers Association, Mission Statement, <http://apisenterprises.com/fsba/fsbamiission.htm> (last visited March 29, 2019).

³⁵ Florida State Beekeepers Association, By-Laws/Constitution, <http://apisenterprises.com/fsba/fsbabylaws.htm> (last visited March 29, 2019).

³⁶ Florida Department of State, *Fictitious Name Detail, America the Beautiful Fund*, Available at: <http://dos.sunbiz.org/scripts/ficidet.exe?action=DETREG&docnum=G15000109272&rdocnum=G15000038048> (last visited March 29, 2019).

³⁷ Florida, Department of State, *Detail by Entity Name, Live Laugh Love Give, Inc.*, Available at: <http://search.sunbiz.org/Inquiry/CorporationSearch/SearchResultDetail?inquirytype=EntityName&directionType=Initial&searchNameOrder=LIVELAUGHLOVEGIVE%20N150000073140&aggregateId=domnp-n15000007314-f5731073-3cde-4e13-9048-7b6871a59bbf&searchTerm=Live%20Laugh%20Love%20Give&listNameOrder=LIVELAUGHLOVEGIVE%20F15000014520> (last visited March 31, 2019).

³⁸ Philanthropy News Digest, *America the Beautiful Fund*, Available at: <https://philanthropynewsdigest.org/npo-spotlight/america-the-beautiful-fund> (last visited March 31, 2019).

Childhood Cancer

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 less than 10 percent.³⁹ Beat Nb, Inc. is a not-for-profit organization that has the mission to drive neuroblastoma cancer research and to raise awareness of the disease.⁴⁰

No Kid Should Know Cancer, Inc., is a not-for-profit organization based in Melbourne, Florida, that is organized to bring awareness to childhood cancer and help families who have been affected by childhood cancer financially and spiritually. Additionally, the organization sponsors, hosts, and participates in events that benefit clinical trials and improved treatment plans.⁴¹

University of Alabama

The Pensacola Bama Club is a Chapter of the University of Alabama National Alumni Association. They are a 501(c)(3) non-profit, fan-based organization representing the University of Alabama National Alumni Association in Pensacola, Florida, open to alumni, friends and fans of the university. The organization's primary mission is to provide scholarships to deserving local high school students as well as play host to an annual kick-off event and game watching parties.⁴²

Rotary

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.⁴³

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.⁴⁴

Florida National Parks Association, Inc.

The Florida National Parks Association, Inc. 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 Florida National Parks Association, Inc., is to generate additional

³⁹ Beat Nb, Inc. *Neuroblastoma*, <https://beatnb.org/neuroblastoma/> (last visited March 29, 2019).

⁴⁰ Beat Nb, Inc. *Our Mission and Vision*, <https://beatnb.org/about-us/> (last visited March 31, 2019).

⁴¹ See Florida Department of State – Division of Corporations, *No Kid Should Know Cancer Inc., Articles of Incorporation* (March 10, 2017), available at <http://search.sunbiz.org/Inquiry/CorporationSearch/ConvertTiffToPDF?storagePath=COR%5C2017%5C0310%5C10507351.tif&documentNumber=N17000002637> (last visited March 31, 2019).

⁴² Pensacola Bama Club, *About*, <https://www.pensacolabamaclub.org/about> (last visited March 31, 2019).

⁴³ Rotary, *Who We Are*, <https://www.rotary.org/en/about-rotary> (last visited March 31, 2019).

⁴⁴ Community Foundation of Tampa Bay, *What We Do*, <https://cftampabay.org/about/what-we-do/> (last visited March 31, 2019).

revenues to help supplement the park service's budget 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.⁴⁵

Bonefish and Tarpon Trust

The Bonefish and Tarpon Trust's mission is to conserve and restore bonefish and tarpon fisheries and habitats through research, stewardship, education, and advocacy.⁴⁶

Florida Benevolent Group, Inc.

Based in Gainesville, Florida Benevolent Group, Inc., assists students in obtaining a medical education through a college or certificate program. The organization's desire is to offer assistance to individuals struggling to make it into school or to stay in school.⁴⁷

University of Georgia

Founded in 1946 as the Georgia Alumni Association of Jacksonville, the Georgia Bulldog Club of Jacksonville is America's largest bulldog club.⁴⁸ In 1988, the club established the Vince Dooley Scholarship Fund to award scholarships to attend the University of Georgia for students from Duval, Nassau, St. Johns, Clay, or Baker Counties based on academic and economic need.⁴⁹

Highwaymen

From the early 1950s through the 1980s, a group of 26 African-American artists known as the "Florida Highwaymen" used vivid and bright colors to display the beautiful untouched Florida landscape. The Florida Highwaymen painted wind-bent palm trees, serene sunsets, churning oceans and bright red Poinciana trees. They painted from their garages and back yards on inexpensive Uson board and then on the weekends would travel and sell their Highwaymen paintings to hotels, offices, businesses and individuals who appreciated the artwork for approximately \$25 apiece. Currently, the market for an original work of art by a Florida Highwayman can bring \$5,000 or more. Some of the Highwaymen who are still living have resumed painting to meet the continuing demand for their work.⁵⁰

St. Lucie County Education Foundation

In 1990, the St. Lucie County Education Foundation⁵¹ was organized as a direct support organization of the St. Lucie County School Board to raise private funds for programs to support students, teachers and public schools. The St. Lucie County Education Foundation is a non-profit

⁴⁵ Florida National Parks Association, *About The Florida National Parks Association*,

<https://floridanationalparksassociation.com/about-florida-national-parks-association> (last visited March 31, 2019).

⁴⁶ Bonefish and Tarpon Trust, *BTT Mission*, <https://www.bonefishtarpontrust.org/btt-mission> (last visited March 31, 2019).

⁴⁷ Florida Benevolent Group, *About*, <https://www.floridabenevolentgroup.org/> (last visited March 31, 2019).

⁴⁸ Georgia Bulldog Club of Jacksonville, *Welcome to the Home of the Georgia Bulldog Club of Jacksonville*, <https://jaxbulldogs.com/> (last visited March 31, 2019)

⁴⁹ Georgia Bulldog Club of Jacksonville, *Scholarship*, <https://jaxbulldogs.com/scholarship-fund/> (last visited March 31, 2019).

⁵⁰ Florida Highwaymen Paintings, available at <http://www.floridahighwaymenpaintings.com/> (last visited March 28, 2019).

⁵¹ Florida Department of State, Division of Corporations, Sunbiz, St. Lucie County Education Foundation, Inc., <http://search.sunbiz.org/Inquiry/CorporationSearch/ByName> (last visited March 28, 2019).

organization that advances K-12 public education in St. Lucie County by increasing the capacity and resources of the district in partnership with key stakeholders.⁵²

Florida Professional Sports Team License Plates

Section 320.08058(9), F.S., provides that Florida Professional Sports Team license plates must bear the DHSMV-approved colors and design and must include the official league or team logo, or both, as appropriate for each team. The word “Florida” must appear at the top of the plate.

The annual use fee is distributed as follows:

- Fifty-five percent to the Professional Sports Development Trust Fund within the Department of Economic Opportunity (DEO), to be used solely to attract and support major sports events in this state.
- The remaining proceeds must be allocated to Enterprise Florida, Inc. and must be deposited into the Professional Sports Development Trust Fund within DEO. These funds must be used by Enterprise Florida, Inc., to:
 - Promote the economic development of the sports industry;
 - Distribute licensing and royalty fees to participating professional sports teams;
 - Promote education programs in Florida schools that provide an awareness of the benefits of physical activity and nutrition standards;
 - Partner with the Department of Education and the Department of Health to develop a program that recognizes schools whose students demonstrate excellent physical fitness or fitness improvement;
 - Institute a grant program for communities bidding on minor sporting events that create an economic impact for the state;
 - Distribute funds to Florida-based charities designated by Enterprise Florida, Inc., and the participating professional sports teams; and
 - Fulfill the sports promotion responsibilities of DEO.

The proceeds from the Professional Sports Development Trust Fund may also be used for operational expenses of Enterprise Florida, Inc., and financial support of the Sunshine State Games.

There are nine Florida Professional Sports Teams SLPs available for purchase: Florida Panthers, Miami Heat, Tampa Bay Buccaneers, Jacksonville Jaguars, Miami Marlins, Tampa Bay Lightning, Miami Dolphins, Orlando Magic, and Tampa Bay Rays.⁵³

Orlando City Soccer

Orlando City Soccer Club was formed in 2010 and was awarded a Major League Soccer franchise in late November of 2013. On May 29, 2015, Orlando City Soccer Club announced they would be privately funding 100 percent of a new downtown stadium that would hold 25,500

⁵² Education Foundation, *About Us*, available at <https://www.educationfoundationstlucie.org/p/3/about-us#.WjFxDGhSyUk> (last visited March 28, 2019).

⁵³ Department of Highway Safety and Motor Vehicles, *2017 Specialty License Plate Rankings*, available at <http://www.flhsmv.gov/specialtytags/tagsales.pdf> (last visited March 31, 2019).

people. The downtown stadium opened its doors for the first time to a sellout crowd on March 5, 2017.⁵⁴

Coastal Conservation Association Florida

Coastal Conservation Association Florida (CCAF) is a statewide, non-profit marine organization working in an advocacy role to protect the state's marine resources and the interests of saltwater anglers. It is comprised of 30 local chapters from Key West to Pensacola and it supports resource-based law enforcement, access to recreational fishing, and fishery regulations to protect state and federal fish stocks. CCAF is one of the 17 state chapters of the Coastal Conservation Association.⁵⁵

Blue Angels

At the end of World War II, Chief of Naval Operations Adm. Chester W. Nimitz ordered the formation of a flight demonstration team to keep the public interested in naval aviation. In a short three months, the Navy Flight Exhibition Team performed its first flight demonstration June 15, 1946, at their home base, Naval Air Station (NAS) Jacksonville, Florida. Lt. Cmdr. Roy "Butch" Voris led the team and flew the Grumman F6F-5 Hellcat.⁵⁶

The new Navy Flight Exhibition team was only the second formal flying demonstration team to have been created in the world, since the Patrouille de France formed in 1931. The team was introduced as the "Blue Angels" at a show in Omaha, Nebraska, in July 1946. Right Wing Pilot Lt. Maurice "Wick" Wickendoll came across the name in the New Yorker Magazine in a column called Goings On About Town. Voris said, "That sounds great! The Blue Angels. Navy, Blue, and Flying!"⁵⁷

Today, a total of 16 officers voluntarily serve with the Blue Angels. Each year the team typically selects three tactical (fighter or fighter/attack) jet pilots, two support officers and one Marine Corps C-130 pilot to relieve departing members.⁵⁸

Since 1946, the Blue Angels have performed for nearly 500 million fans.⁵⁹

Audits and Attestations

All organizations receiving annual use fee proceeds from the DHSMV are responsible for ensuring that proceeds are used in accordance with state law.⁶⁰ Any organization not subject to

⁵⁴ Orlando City Soccer Club, *History*, available at <https://www.orlandocitysc.com/club/history> (last visited March 31, 2019).

⁵⁵ Coastal Conservation Association Florida, <https://www.ccaflorida.org/> (last visited March 31, 2019).

⁵⁶ United States Navy Blue Angels, *History of the Blue Angels*, <https://www.blueangels.navy.mil/history/> (last visited March 31, 2019).

⁵⁷ *Id.*

⁵⁸ United States Navy Blue Angels, *The 2019 Blue Angels Team*, <https://www.blueangels.navy.mil/team/> (last visited March 31, 2019).

⁵⁹ United States Navy Blue Angels, *History of the Blue Angels*, <https://www.blueangels.navy.mil/history/> (last visited March 31, 2019).

⁶⁰ Section 320.08062(1)(a), F.S.

audit pursuant to the Florida Single Audit Act⁶¹ must annually attest, under penalties of perjury, that such proceeds were used in compliance with applicable state laws.⁶²

Any organization subject to audit pursuant to the Florida Single Audit Act⁶³ must submit an audit report in accordance with the Auditor General's rules. The annual attestation must be submitted to the DHSMV for review within nine months after the end of the organization's fiscal year.⁶⁴

Within 120 days after receiving an organization's audit or attestation, the DHSMV must determine which recipients of revenues from SLP annual use fees have not complied with the appropriate statutory provisions. In determining compliance, the DHSMV may commission an independent actuarial consultant, or an independent certified public accountant, who has expertise in nonprofit and charitable organizations.⁶⁵

The 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.⁶⁶

If the DHSMV or its designee determines that an organization has not complied with or has failed to use the revenues in accordance with applicable law, the DHSMV must discontinue the distribution of the revenues to the organization. The 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 they acknowledge the findings of the DHSMV and attest they have taken corrective action and that the organization will submit to a follow-up review by the DHSMV, then the department may resume the distribution of revenues.⁶⁷

If an organization fails to comply with the 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. The 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 the DHSMV regarding the status of the undistributed revenues, the DHSMV must de-authorize the plate and the undistributed revenues are immediately deposited into the Highway Safety Operating Trust Fund.⁶⁸

⁶¹ Section 215.97, F.S.

⁶² Section 320.08062(1)(b), F.S.

⁶³ Section 215.97(2)(a), F.S., defines an "audit threshold" to mean the threshold amount used to determine when a state single audit or project-specific audit of a nonstate entity shall be conducted in accordance with this section. Each nonstate entity that expends a total amount of state financial assistance equal to or in excess of \$750,000 in any fiscal year of such nonstate entity shall be required to have a state single audit, or a project-specific audit, for such fiscal year in accordance with the requirements of this section. Every 2 years the Auditor General, after consulting with the Executive Office of the Governor, the Department of Financial Services, and all state awarding agencies, shall review the threshold amount for requiring audits under this section and may adjust such threshold amount consistent with the purposes of this section.

⁶⁴ Section 320.08062(1)(c), F.S.

⁶⁵ Section 320.08062(2)(a), F.S.

⁶⁶ Section 320.08062(2)(b), F.S.

⁶⁷ Section 320.08062(2)(c), F.S.

⁶⁸ Section 320.08062(2)(d), F.S.

The DHSMV or its designee has the authority to examine all records pertaining to the use of funds from the sale of SLPs.⁶⁹

Digital Driver Licenses and Electronic Credentials

Section 322.032, F.S., provides for the establishment of a digital proof of driver license. This section requires the DHSMV to begin to review and prepare for the development of a secure and uniform system for issuing an optional digital proof of driver license. DHSMV is authorized to contract with one or more private entities to develop a digital proof of driver license system.

The digital proof of driver license developed by the DHSMV or by an entity contracted by the DHSMV is required to be in such a format as to allow law enforcement to verify the authenticity of the digital proof of driver license. The DHSMV may adopt rules to ensure valid authentication of digital driver licenses by law enforcement.

This section also establishes certain penalties for a person who manufactures or possesses a false digital proof of driver license. Specifically, a person who:

- Manufactures a false digital proof of driver license commits a third degree felony, punishable by up to five years in prison⁷⁰ and a fine not to exceed \$5,000.⁷¹
- Possesses a false digital proof of driver license commits a second degree misdemeanor, punishable by up to 60 days in jail.⁷²

Currently, there are six states who are piloting or have completed pilot projects testing digital driver license applications with limited populations; however, no state has implemented use of a statewide digital driver license.⁷³ The American Association of Motor Vehicle Administrators (AAMVA) represents state and provincial officials who administer and enforce motor vehicle laws in the United States and Canada, and develops programs to encourage uniformity and reciprocity among the states and provinces, including developing driver license and identification card design standards.⁷⁴ The AAMVA has brought together its Card Design Standard Committee and an Electronic Identity Working Group to recommend standards regarding the use of mobile or electronic driver licenses and identification cards.⁷⁵

⁶⁹ Section 320.08062(3), F.S.

⁷⁰ Section 775.082, F.S.,

⁷¹ Section 775.083, F.S.

⁷² Section 775.082, F.S.

⁷³ Iowa plans to develop an app-based mobile driver's license for statewide deployment this year. See Government Technology, *Iowa, Five Other States Will Try Digital Driver's License Projects in 2018* (Oct. 20, 2017), <http://www.govtech.com/transportation/Iowa-Five-Other-States-Will-Try-Digital-Drivers-License-Projects-in-2018.html> (last visited March 31, 2019).

⁷⁴ See AAMVA, *About AAMVA*, <https://www.aamva.org/about-aamva/> and *DL/ID Standards*, <https://www.aamva.org/dl-id-card-design-standard/> (last visited March 31, 2019).

⁷⁵ AAMVA, *Mobile Driver's License (mDL)*, <https://www.aamva.org/Mobile-Drivers-License/> (last visited March 31, 2019).

At this time, AAMVA has not released its standards for electronic identification, but has produced a continuously updated white paper discussing the functional needs for and practical considerations associated with a mobile driver license solution.⁷⁶

III. Effect of Proposed Changes:

Establishing Specialty License Plates

The bill amends s. 320.08053(2)(b), F.S., requiring a minimum sale of 3,000 vouchers prior to the DHSMV manufacturing a SLP, instead of the current 1,000 plate sales requirement. However, for out-of-state college or university license plates, the minimum sale is 4,000 vouchers.

The bill creates s. 320.08053(3)(a), F.S., providing that new SLPs that have been approved by law but are awaiting issuance are issued in the order they appear in s. 320.08056, F.S.,⁷⁷ provided that the plates have met the presale requirement and all other provisions of s. 320.08053, F.S. If the next awaiting SLP has not met the presale requirement, the DHSMV must proceed in the order provided in s. 320.08056, F.S., to identify the next qualified SLP that has met the presale requirement. The DHSMV must cycle through the list in statutory order.

The bill creates s. 320.08053(3)(b), F.S., providing that if the Legislature has approved 125 or more SLPs, the DHSMV may not make any new SLPs available for design or issuance until a sufficient number of plates are discontinued⁷⁸ such that the number of plates being issued is reduced to fewer than 125. However, the 125 license plate limit includes license plates above the minimum sales threshold and those exempt from that threshold.

Specialty License Plates

The bill amends s. 320.08056(8)(a), F.S., providing that effective July 1, 2022, the DHSMV must discontinue the issuance of approved SLPs if the number of valid registrations falls below 3,000 plates for 12 consecutive months, instead of the current 1,000 plate threshold. However, there is an exception for out-of-state college or university license plates, which have a 4,000 plate threshold. In addition to the existing exemption from this requirement for in-state collegiate license plates, the bill provides exceptions for institutions and entities of the State University System, SLPs with statutory eligibility limitations for purchase, SLPs for which the annual use fees are distributed by a foundation for student and teacher leadership programs and teacher recruitment and retention, or Florida Professional Sports Team license plates.⁷⁹

The bill creates s. 320.08056(8)(c), F.S., providing that a vehicle owner or lessee issued a SLP that has been discontinued by the DHSMV may keep the discontinued SLP for the remainder of the ten-year license plate replacement period⁸⁰ and must pay all other applicable registration fees.

⁷⁶ AAMVA, *Mobile Driver's License – Functional Needs White Paper 0.8 Document Version* (revised Sept. 5, 2017), <https://www.aamva.org/mDLFunctionalNeedsRequirements-08/> (last visited March 31, 2019).

⁷⁷ Section 320.08056(4), F.S., lists specific specialty license plates and their annual use fees.

⁷⁸ Specialty license plates will be discontinued pursuant to s. 320.08056(8), F.S.

⁷⁹ Florida Professional Sports Team license plates are established in s. 320.08058(9), F.S.

⁸⁰ License plates are issued for a 10-year period pursuant to s. 320.06(1)(b)1., F.S.

However, the owner or lessee is exempt from paying the applicable SLP fee for the remainder of the ten-year license plate replacement period.

The bill creates s. 320.08056(8)(d), F.S., providing that if the DHSMV discontinues issuance of a SLP, all annual use fees held or collected by the DHSMV must be distributed within 180 days after the date the SLP is discontinued. Of those fees, the 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.⁸¹

The bill creates s. 320.08056(8)(e), F.S., providing that if an organization that is the intended recipient of SLP funds no longer exists, the 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, the DHSMV must discontinue the SLP with the fewest number of plates in circulation, including license plates exempt from a statutory sales requirement. The DHSMV must mail a warning letter to the sponsoring organization of the 10 percent of SLPs with the lowest number of valid, active registrations as of December 1 of each year.

The bill amends s. 320.08056(10)(a), F.S., authorizing out-of-state expenditure of SLP fees for the Support Our Troops and American Legion license plates; the Florida Salutes Veterans, United States Marine Corps, and Military Services license plates, respectively; and the U.S. Paratroopers license plate.

The bill amends s. 320.08056(11), F.S., prohibiting any entity from using SLP revenue for lobbying. The current prohibition is limited to agencies.

The bill creates s. 320.08056(12), F.S., providing that for out-of-state college or university license plates, the recipient organization must:

- Have established an endowment, based in this state, for the purpose of providing scholarships to Florida residents meeting the requirements of Ch. 320, F.S.
- Provide documentation to the DHSMV that the recipient organization and the DHSMV have the college's or university's consent to use an appropriate image on a license plate.

Fleet/Dealer Specialty License Plates

The bill creates ss. 320.08056(2)(b) and (c), F.S., providing the DHSMV may authorize dealer and fleet SLPs. With the permission of the sponsoring SLP organization, a dealer or fleet company may purchase SLPs to be used on dealer and fleet vehicles. Notwithstanding s. 320.08058, F.S., a dealer or fleet SLP must include the letters "DLR" or "FLT" on the right side of the license plate. Dealer and fleet SLPs must be ordered directly through the DHSMV.

The bill amends s. 320.06(3)(a), F.S., providing that a dealer SLP is not required to say "dealer" at the bottom of the license plate.

⁸¹ Distributions to recipient organizations are pursuant to s. 320.08058, F.S.

The bill amends s. 320.0657(2)(b), F.S., authorizing fleet SLPs. The bill provides that for the additional annual use fee for the specific SLP, fleet companies may purchase SLPs in lieu of the standard fleet license plates. Fleet companies are responsible for all costs associated with the SLPs, 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 SLPs.

Discontinued Specialty License Plates

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

Existing Specialty License Plates

Special Olympics Florida License Plate

The bill redesigns the Special Olympics Florida SLP with “Florida” centered at the top of the plate and “Be a Fan” centered at the bottom of the plate.

Live the Dream License Plate

The bill amends the distribution of funds for the Live the Dream SLP. The bill provides that the proceeds from the annual use fees are distributed to the Dream Foundation, Inc., to be used as follows:

- Up to five percent may be used to administer, promote, and market the license plate.
- At least 60 percent must be distributed equally among the sickle cell organizations that are Florida members of the Sickle Cell Disease Association of America, Inc.
- At least 30 percent must be distributed to Chapman Partnership, Inc.⁸²
- Up to five percent may be distributed by the DHSMV on behalf of The Dream Foundation, Inc. to the Martin Luther King, Jr. Center for Nonviolent Social Change, Inc., as a royalty for the use of the image of Dr. Martin Luther King, Jr.

The bill also provides that by November 1, 2019, the annual use fees withheld by the DHSMV from the sale of the Live the Dream SLP will first be used to satisfy all outstanding royalty payments due to The Martin Luther King, Jr. Center for Nonviolent Social Change, Inc., for the use of Dr. Martin Luther King, Jr.’s image. All remaining funds will be distributed to the sub-recipients on a pro rata basis according to the percentages specified in statute.

Lighthouse Association License Plate

The bill changes the wording on the bottom of the Lighthouse Association SLP from “Visit Our Lights” to “SaveOurLighthouses.org.”

In God We Trust License Plate

The bill amends the distribution of the annual use fees from the In God We Trust license plate. The annual use fees will be distributed to the In God We Trust Foundation, Inc., which may use

⁸² In 2011, Community Partnership for the Homeless changed its name to Chapman Partnership.

up to ten percent of the proceeds to offset marketing, administration, and promotion, and the balance of the fees to address the needs of the military community and the needs of the public safety community, to provide educational grants and scholarships to foster self-reliance and stability in Florida's children, and to provide education in public and private schools regarding the historical significance of religion in American and Florida history.

Fallen Law Enforcement Officer License Plate

The bill provides that the annual use fees must be distributed to the Police and Kids Foundation, Inc., which may use up to ten percent of the proceeds for marketing the SLP. All remaining proceeds must be distributed to and used by the Police and Kids Foundation, Inc., for its operations, activities, programs, and projects.

Existing Motorcycle Specialty License Plates

Preserve Vision

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

Ducks Unlimited License Plate

The bill creates a Ducks Unlimited license plate. The license plate must bear the DHSMV-approved colors and design. The word "Florida" appears at the top of the plate and "Conserving Florida Wetlands" appears at the bottom of the plate.

The annual use fee is distributed to Ducks Unlimited, Inc., to be used as follows:

- Up to five percent may be used for administrative costs and marketing of the plate.
- At least 95 percent must be used in Florida to support Ducks Unlimited's mission and efforts to conserve, restore, and manage Florida wetlands and associated habitats for the benefit of waterfowl, other wildlife, and people.

Dan Marino Campus License Plate

The bill creates a Dan Marino Campus license plate. The license plate must bear the DHSMV-approved colors and design. The word "Florida" appears at the top of the plate and "Marino Campus" appears at the bottom of the plate.

The annual use fees from the sale of the Dan Marino Campus 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.

Donate Life Florida License Plate

The bill creates the Donate Life Florida license plate. The license plate must bear the DHSMV-approved colors and design. The word "Florida" appears at the top of the plate, and "Donors Save Lives" appears at the bottom of the plate.

The annual use fees from the Donate Life Florida license plate are distributed to Donate Life Florida, which may use up to 10 percent of the proceeds for marketing and administrative costs. The remaining 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, which is Florida's organ, tissue, and eye donor registry.

Florida State Beekeepers Association License Plate

The bill creates the Florida State Beekeepers Association license plate. The plate must bear the DHSMV approved colors and design with "Florida" at the top of the plate and "Save the Bees" at the bottom of the plate.

The annual use fees will be distributed to the Florida State Beekeepers Association, a Florida nonprofit corporation.⁸³

The Florida State Beekeepers Association may use up to 18 percent of the annual use fees for:

- Direct reimbursement for administrative costs, startup costs, and costs incurred in the development and approval process of the license plate.
- Promotion and marketing costs of the license plate.

The bill requires that all vendors associated with the administrative costs be selected by competitive bid.

The remaining 82 percent of the annual use fee distributed to the Florida State Beekeepers Association will be used to raise awareness of the importance of beekeeping to Florida agriculture by funding honeybee research, education, outreach, and husbandry. The Florida State Beekeepers Association board of managers must approve and is accountable for all such expenditures.

America the Beautiful License Plate

The bill creates the America the Beautiful license plate. The word "Florida" appears at the top of the plate and "America the Beautiful" appears at the bottom of the plate.

The annual use fees are distributed to the America the Beautiful Fund as follows:

- Fifteen percent to offset administrative, marketing, and promotion costs.
- Eighty-five percent for projects and programs teaching character, leadership, and service to Florida youth; provision of well-being and assistance in the military community; outdoor education advancing self-sufficiency; wildlife conservation, including imperiled and managed species; the maintenance of historic or culturally important sites, buildings, structures, or objects; and the development and modification of playgrounds, recreational areas, or other outdoor amenities, including disability access.

⁸³ Florida Department of State, Division of Corporations, Sunbiz, Florida State Beekeepers Association, Incorporated, <http://search.sunbiz.org/Inquiry/CorporationSearch/ByName> (last visited March 29, 2019).

Beat Childhood Cancer License Plate

The bill creates the Beat Childhood Cancer license plate. The license plate must bear the DHSMV approved colors and design. The word “Florida” appears at the top of the plate and “Beat Childhood Cancer” appears at the bottom of the plate.

The annual use fees from the Beat Childhood Cancer license plate are to be distributed as follows:

- Eighty percent is distributed to Beat Nb, Inc., which may use up to ten percent of the proceeds for administrative costs directly associated with the operation of the corporation and for marketing and promoting the plate. The remaining proceeds must be used by Beat Nb, Inc., to fund pediatric cancer treatment and research.
- Twenty percent is distributed to No Kid Should Know Cancer, Inc., which may use up to five percent of the proceeds for administrative costs and for the marketing of the plate. The balance of the fees must be used by No Kid Should Know Cancer, Inc., to:
 - Support families who have a child recently diagnosed with cancer;
 - Hold events that raise awareness about childhood cancer; and
 - Support clinical trials that work to provide better treatment plans for children diagnosed with cancer and; ultimately a better prognosis.

University of Alabama License Plate

The bill creates a University of Alabama license plate. The plate must bear the colors and design approved by the department. The word “Florida” must appear at the top of the plate, and the words “Roll Tide” must appear at the bottom of the plate.

The annual use fees from the sale of the plate are distributed to the Pensacola Bama Club, which must use the moneys for the purpose of awarding scholarships to Florida residents attending the University of Alabama. Students receiving these scholarships must be eligible for the Florida Bright Futures Scholarship Program⁸⁴ and use the scholarship funds for tuition and other expenses related to attending the University of Alabama.

Rotary License Plate

The bill creates the Rotary license plate. The license plate must contain the DHSMV-approved colors and design. The word “Florida” appears at the top of the plate and “Rotary” appears at the bottom of the plate. The license plate will also bear the Rotary International wheel emblem.

The annual use fees from the sale of the Rotary license plate are distributed to the Community Foundation of Tampa Bay, Inc., to be distributed as follows:

- Up to ten 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.

⁸⁴ Section 1009.531, F.S.

Florida Bay Forever License Plate

The bill creates the Florida Bay Forever license plate. The plate must bear the DHSMV approved colors and design. The word “Florida” appears at the top of the plate and “Florida Bay Forever” appears 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 proceeds for administrative costs and marketing the plate. The remainder of the funds must be used to supplement the Everglades National Park’s budget and to support educational, interpretive, historical, and scientific research relating to the Everglades National Park.

Bonefish and Tarpon Trust License Plate

The bill creates a Bonefish and Tarpon Trust license plate. The plate must bear the DHSMV-approved colors and designs. The word “Florida” appears at the top of the plate, and “Bonefish and Tarpon Trust” appears 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 and tarpon fisheries and their respective environments through stewardship, research, education, and advocacy.

Medical Professionals Who Care License Plate

The bill creates a Medical Professionals Who Care license plate. The plate must bear the DHSMV-approved colors and design. The word “Florida” appears at the top of the plate and “Medical Professionals Who Care” appears at the bottom of the plate.

The annual use fees from the sale of the Medical Professionals Who Care license plate are distributed to Florida Benevolent Group, Inc., which may use up to 10 percent of the fees for administrative costs, marketing, and promoting the license plate. The remainder of the fees are used by Florida Benevolent Group, Inc., to assist low-income individuals in obtaining a medical education and career through scholarships, support, and guidance.

University of Georgia License Plate

The bill creates a University of Georgia license plate. The license plate must bear the DHSMV-approved colors and design. The word “Florida” appears at the top of the plate and “University of Georgia” appears at the bottom of the plate.

The annual use fees from the University of Georgia SLP are distributed to the Georgia Bulldog Club of Jacksonville, which must distribute the moneys received for the purpose of awarding scholarships to Florida residents attending the University of Georgia. Students receiving the scholarship must be eligible for the Florida Bright Futures Scholarship Program⁸⁵ and use the scholarship funds for tuition and other expenses related to attending the University of Georgia.

⁸⁵ Section 1009.531, F.S.

Highwaymen License Plate

The bill creates the Highwaymen license plate. The license plate must bear the colors and design approved by the DHSMV. The new license plates will display the word “Florida” at the top of the plate and “Highwaymen” at the bottom of the plate.

The annual use fees will be distributed to the City of Fort Pierce, subject to a city resolution designating the city as the fiscal agent of the SLP. The city may use up to ten percent of the fees for administrative costs and marketing of the plate and shall use the remainder of the fees as follows:

- Before completion of construction of the Highwaymen Museum and African-American Cultural Center:
 - A minimum of 15 percent shall be distributed to the St. Lucie Education Foundation, Inc., to fund art education and art projects in public schools within St. Lucie County.
 - The remainder of the fees shall be used by the city to fund the construction of the Highwaymen Museum and African-American Cultural Center.
- Upon completion of construction of the Highwaymen Museum and African-American Cultural Center:
 - A minimum of ten percent shall be distributed to the St. Lucie Education Foundation, Inc., to fund art education and art projects in public schools within St. Lucie County.

The remainder of the fees shall be used by the city to fund the day-to-day operations of the Highwaymen Museum and African-American Cultural Center.

Orlando City Soccer License Plate

The bill creates an Orlando City Soccer Club license plate. Section 320.08058(9), F.S., provides that Florida Professional Sports Team license plates must bear the DHSMV-approved colors and design and must include the official league or team logo, or both, as appropriate for each team. The word “Florida” must appear at the top of the plate.

The annual use fee is distributed as follows:

- Fifty-five percent to the Professional Sports Development Trust Fund within the Department of Economic Opportunity (DEO), to be used solely to attract and support major sports events in this state.
- The remaining proceeds must be allocated to Enterprise Florida, Inc. and must be deposited into the Professional Sports Development Trust Fund within DEO. These funds must be used by Enterprise Florida, Inc., to:
 - Promote the economic development of the sports industry;
 - Distribute licensing and royalty fees to participating professional sports teams;
 - Promote education programs in Florida schools that provide an awareness of the benefits of physical activity and nutrition standards;
 - Partner with the Department of Education and the Department of Health to develop a program that recognizes schools whose students demonstrate excellent physical fitness or fitness improvement;
 - Institute a grant program for communities bidding on minor sporting events that create an economic impact for the state;

- Distribute funds to Florida-based charities designated by Enterprise Florida, Inc., and the participating professional sports teams; and
- Fulfill the sports promotion responsibilities of DEO.

The proceeds from the Professional Sports Development Trust Fund may also be used for operational expenses of Enterprise Florida, Inc., and financial support of the Sunshine State Games.

Coastal Conservation Association License Plate

The bill creates the Coastal Conservation Association license plate. The license plate will bear the DHSMV-approved colors and design. The new license plates will display the word “Florida” at the top of the plate and “Conserve Florida’s Fisheries” at the bottom of the plate.

The annual use fee is distributed to the CCAF to be used as follows:

- Up to ten percent may be used for administrative costs;
- Up to ten percent may be used to promote and market the plate; and
- The remainder must be used to support the mission and efforts of the CCAF 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 present and future availability of those coastal resources for the benefit and enjoyment of the general public.

Blue Angels License Plate

The bill creates the Blue Angels license plate. The license plate must bear the colors and design approved by the DHSMV. The word “Florida” must appear at the top of the plate, and the words “Home of the Blue Angels” must appear at the bottom of the plate.

The annual use fees from the sale of the SLP will be distributed to the Naval Aviation Museum Foundation, a nonprofit Florida corporation under s. 501(c)(3) of the Internal Revenue Code, to fund the maintenance, programs, marketing, and projects of the foundation, including the National Naval Aviation Museum and the National Flight Academy in Pensacola. Up to 15 percent of the funds received by the Naval Aviation Museum Foundation may be used for marketing of the plate and costs directly associated with the administration of the foundation. The Naval Aviation Museum Foundation shall distribute 50 percent of the funds to eligible programs and projects associated with the National Flight Academy and the remainder of the funds to eligible programs and projects associated with the National Naval Aviation Museum

Purple Heart Motorcycle Special License Plate

The bill creates s. 320.0875, F.S., creating the Purple Heart motorcycle license plate. Upon application to the DHSMV and payment of the motorcycle license tax,⁸⁶ 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 plate if he or she provides documentation acceptable to the DHSMV that he or she is a recipient of the Purple Heart medal.

⁸⁶ The license tax is provided in s. 320.08, F.S.,

The Purple Heart motorcycle SLP will be stamped with the term “Combat-wounded Veteran” followed by the serial number of the license plate. It may have the term “Purple Heart” stamped on the plate and the likeness of the Purple Heart medal appearing on the plate.

Bronze Star Special License Plate

The bill amends s. 320.089, F.S., authorizing the DHSMV to create the Bronze Star special use license plate for recipients of the Bronze Star medal who provide 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.

Audits and Attestations

The bill amends s. 320.08062(1)(b), F.S., requiring the DHSMV to audit any SLP 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 SLP proceeds have been used in compliance with Florida Statutes.

Digital Driver Licenses and Electronic Credentials

The bill replaces references in the Florida Statutes to a “digital proof of driver license” with the term “electronic credential,” which refers to an “electronic representation of a physical driver license or identification card which is viewable on an electronic credential system and capable of being verified and authenticated.” The bill provides requirements to implement the creation and use of statewide electronic credentials.

The bill amends s. 322.01, F.S., to define terms as used in ch. 322, F.S., relating to driver licenses. Specifically, the bill defines the terms: credential service provider; digital identity verifier; electronic;⁸⁷ electronic credential; electronic credential holder; electronic credential provider; electronic credential system; electronic device; electronic ID;⁸⁸ Enterprise; interoperable or interoperability; and qualified entity.

The bill amends s. 322.032(1), F.S., to require the DHSMV to develop and implement secure and uniform protocols that comply with national standards for issuing an optional electronic credential. The bill also requires the DHSMV to:

- Competitively procure a related technology solution that uses a revenue-sharing model;
- Account for revenue generated from qualified entities and digital identity verifiers, which will be accounted for with the credential service provider’s portion being remitted on a regular and manageable payment cycle, not to exceed monthly. The enterprise’s share of the revenue will be distributed as follows:
 - Twenty percent to the DHSMV to manage and scale the electronic credential initiative;

⁸⁷ This definition is identical to the definition of “electronic” as used in Florida’s Uniform Electronic Transaction Act. See s. 668.50(2)(e), F.S.

⁸⁸ This definition is identical to the definition of “electronic record” as used in Florida’s Uniform Electronic Transaction Act. See s. 668.50(2)(g), F.S.

- Thirty percent to fund the operational budget of the Department of Innovation and Technology, should it be created, and if not created, to the Agency for State Technology for the sole purpose of deploying solutions to the state’s need for data interoperability across all agencies and functions of government; and
- Fifty percent to fund the interoperability initiatives across the enterprise.
- Ensure procurement considers and prioritizes the most secure, functional, and cost-efficient technology to deploy a scalable and interoperable credential service provider and a credential service provider that does not physically store data in the process of performing the validation of a digital identity. The bill requires the procurement to consider the use of a decentralized ledger immutable record.
- Maintain the protocols and national standards necessary for a digital verifier or an electronic credential provider to request authorized access to an application programming interface, or an appropriate technological tool of at least the same capabilities, necessary for such private entity to consume an electronic ID;⁸⁹
- Timely review requests for authorized access and approve all requests by digital identify verifiers which meet the DHSMV’s requirements;
- Competitively procure at least five electronic credential providers to develop and implement an initial phase to provide a secure electronic credential system;
- Enter into agreements with electronic credential providers which provide the permitted uses, terms and conditions, privacy policy, and uniform remittance terms relating to the consumption of an electronic credential and include clear, enforceable, and significant penalties for violations of agreements; and
- Upon completion of the *initial phase*, submit a report regarding the continued implementation and tools necessary for future phases to the Governor, the President of the Senate, and the Speaker of the House of Representatives.

The electronic credential provider must have the necessary technological capabilities to execute the authentication of an electronic credential across all states, jurisdictions, federal and state agencies, and municipalities. The electronic credential and verification solution must provide the standardized system integration necessary:

- For qualified entities to securely consume the electronic credential;
- For the production of a fully compliant electronic credential by electronic credential providers; and
- To successfully ensure secure authentication and validation of data from disparate sources.

The bill authorizes the DHSMV to issue electronic credentials to persons who hold a Florida driver license or identification card.

The electronic credential is required to be in a format that allows law enforcement or an authorized consumer to verify the authenticity of the credential, identify the identity of the holder, and to validate the status of the holder’s driving privilege associated with the credential. It provides that the act of presenting the electronic credential to a law enforcement officer does not constitute consent for inspection of any information on the device other than the displayed

⁸⁹ An “electronic ID” is defined as a “technology solution by which a qualified entity authenticates the identity of an individual receiving goods or services.”

credential, and the person who presents the device assumes liability, absent a showing of reckless disregard by the officer, for any resulting damage to the device.

Finally, the bill amends various sections of statute to replace the term “digital proof of driver license” or add the term “electronic credential.” Specifically:

- Amends s. 322.032, F.S., to prohibit a person from being issued an electronic credential until he or she has satisfied all requirements of ch. 322, F.S., to be issued a physical driver license or identification card;
- Amends s. 322.032, F.S., to penalize a person who manufactures a false electronic credential as a third degree felony;
- Amends s. 322.032, F.S., to penalize a person who possesses a false electronic credential as a misdemeanor of the second degree;
- Amends s. 322.059, F.S., to require the DHSMV invalidate the electronic credential if the person’s driver license has been suspended;
- Amends s. 322.143, F.S., to add that the term “swipe” used in reference to the use of a driver license or identification card includes consuming an electronic credential; and
- Amends s. 322.15, F.S., to authorize a licensee to present or submit the electronic credential upon request of a law enforcement officer or an authorized representative of the DHSMV in lieu of a physical driver license.

The bill takes effect October 1, 2019, but only if SB 1106 or similar legislation takes effect, if such legislation is adopted in the same legislative session or an extension thereof and becomes a law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

SB 1106 establishes a \$25 annual use fee that will be charged for any specialty license plate that the DHSMV is required to develop and a \$50 annual use fee for the University of Alabama and the University of Georgia specialty license plates.

Individuals who choose to purchase a specialty license plate created in SB 1104 will pay an additional use fee of \$25 in addition to required vehicle license taxes and fees.

Individuals who choose to purchase a University of Alabama or University of Georgia specialty license plate will pay an additional use fee of \$50 in addition to required vehicle license taxes and fees.

B. Private Sector Impact:

Organizations receiving SLP revenue may see additional revenues associated with the sale of SLPs.

Current law prohibits the redesign of a SLP unless the inventory of the license plate has been depleted. However, the organization may purchase the remaining inventory of the SLP from DHSMV at DHSMV's cost.⁹⁰ Special Olympics Florida and the Florida Lighthouse Association may be required to purchase the remaining inventory of its SLPs at DHSMV's cost prior to the authorized redesign of these SLPs.

C. Government Sector Impact:

Revenues from the sale of the Orlando City Soccer Club SLP will be deposited into the Professional Sports Development Trust Fund within DEO. To the extent that individuals choose to purchase this SLP, there may be a positive, but indeterminate impact to the Professional Sports Development Trust Fund.

Revenues from the sale of the Purple Heart Motorcycle plate and Bronze Star plate will be deposited into the Grants and Donations Trust Fund and the State Homes for Veterans Trust Fund within the Department of Veterans Affairs; to the extent that eligible individuals choose to purchase these SLPs, there may be an indeterminate, positive fiscal impact on the aforementioned trust funds

Depending on the number of distributions tied to the plates, the amount of programming may vary as will the resources needed to complete the changes. The average specialty/special license plate requires approximately 200-250 hours of programming, at a rate of \$35 to \$40 per hour. This results in programming costs of between \$7,000 and \$10,000 per plate.⁹¹ Therefore, the potential programming costs for 18 SLPs, may range

⁹⁰ Section 320.08056(9), F.S.

⁹¹ Email from Kevin Jacobs, Deputy Legislative Affairs Director, Department of Highway Safety and Motor Vehicles, RE: SLP Price for Tim, (February 5, 2019).

from \$126,000 to \$180,000. The DHSMV is authorized to retain revenues from the first proceeds of SLP sales to defray departmental expenditures related to the SLP program.⁹²

Additionally, DHSMV states the cost to perform an audit every three years of each SLP may result in an insignificant workload impact that can be absorbed within existing resources.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends sections 320.06, 320.0657, 320.08, 320.08053, 320.08056, 320.08058, 320.08062, 320.08068, 320.0875, 320.089, 322.01, 322.032, 322.059, 322.143, 322.15, and 322.61 of the Florida Statutes.

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.

⁹² Section 320.08056(7), F.S.