

**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.)

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Prepared By: The Professional Staff of the Committee on Infrastructure and Security

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BILL: SB 1106

INTRODUCER: Senator Bean

SUBJECT: Fees/Specialty License Plates Uniform Annual Use Fee

DATE: April 1, 2019

REVISED: \_\_\_\_\_

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

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**I. Summary:**

SB 1106 provides that unless the amount of an annual use fee is otherwise specified for a particular specialty license plate, then an annual use fee of \$25 will be charged for any specialty license plate that is required to be developed. The bill also established an annual use fee of \$50 for the University of Alabama and the University of Georgia specialty license plates.

Senate Bill 1104 (2019), which this bill is linked to, authorizes the creation of numerous specialty license plates, including the Alabama and Georgia collegiate plates; and provides for the design of the plates and the use of the annual fees associated with the specialty license plates.

According to the Department of Highway Safety and Motor Vehicles (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 on the same date that SB 1104 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 specialty license plates available for purchase in Florida.<sup>1</sup> Specialty license plates are available to an owner or lessee of a motor vehicle who is willing to pay an annual use fee, ranging from \$15 to \$25, paid in addition to required license taxes and service

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<sup>1</sup> A list of Florida's specialty license plates is available on the DHSMV website at <http://www.flhsmv.gov/dmv/specialtytags/> (last visited February 4, 2019).

fees.<sup>2</sup> The annual use fees are distributed to an organization or organizations in support of a particular cause or charity signified on the plate's design and designated in statute.<sup>3</sup>

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.<sup>4</sup> 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.<sup>5</sup>

### ***DHSMV Costs Defrayed***

The DHSMV is authorized to retain a sufficient portion of annual use fees collected from the sale of specialty plates to defray its costs for inventory, distribution, and other direct costs associated with the specialty license plate program. The remainder of the proceeds collected are distributed as provided by law.<sup>6</sup>

### **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.<sup>7</sup> 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.<sup>8</sup>

### **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.<sup>9</sup>

## **III. Effect of Proposed Changes:**

The bill amends s. 320.08056, F.S., to provide that unless the amount of an annual use fee is otherwise specified for a particular specialty license plate, then an annual use fee of \$25 for any specialty license plate that is required to be developed under s. 320.08058, F.S., will be charged.

The bill also established an annual use fee of \$50 for the University of Alabama and the University of Georgia specialty license plates.

<sup>2</sup> Section 320.08056, F.S.

<sup>3</sup> Section 320.08058, F.S.

<sup>4</sup> Section 320.08056(10)(a), F.S.

<sup>5</sup> Section 320.08062, F.S.

<sup>6</sup> Section 320.08056(7), F.S.

<sup>7</sup> Georgia Bulldog Club of Jacksonville, *Welcome to the Home of the Georgia Bulldog Club of Jacksonville*, <https://jaxbulldogs.com/> (last visited March 31, 2019)

<sup>8</sup> Georgia Bulldog Club of Jacksonville, *Scholarship*, <https://jaxbulldogs.com/scholarship-fund/> (last visited March 31, 2019).

<sup>9</sup> Pensacola Bama Club, *About*, <https://www.pensacolabamaclub.org/about> (last visited March 31, 2019).

The bill has an effective date on the same date that SB 1104 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:**

Under the 2018 amendment to the Florida Constitution, Article VII, Section 19 requires “a supermajority vote” of 2/3 of the membership of each house to pass legislation which will impose or authorize a new state tax or fee.<sup>10</sup> A “fee” is defined as “any charge or payment required by law, including any fee for service, fee or cost for licenses, and charge for service.”<sup>11</sup>

The \$25 annual use fee that will be charged for any specialty license plate that the DHSMV is required to develop and the \$50 annual use fee for the University of Alabama and the University of Georgia specialty license plates may be a new state fees for purposes of requiring a supermajority vote and a separate bill containing no other subject.

##### **E. Other Constitutional Issues:**

None.

#### **V. Fiscal Impact Statement:**

##### **A. Tax/Fee Issues:**

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.

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<sup>10</sup> FLA. CONST. art. VII, s. 19(a).

<sup>11</sup> FLA. CONST. art. VII, s. 19(d)(1).

**B. Private Sector Impact:**

Revenue from the sale of the specialty license plates created in SB 1104 will benefit numerous organizations listed in that bill.

Revenue from the sale of the University of Alabama specialty license plate will benefit the Pensacola Bama Club, which must use the moneys for the purpose of awarding scholarships to Florida residents attending the University of Alabama.

Revenue from the sale of the University of Georgia specialty license plate will benefit 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.

**C. Government Sector Impact:**

The DHSMV is authorized to retain revenues from the first proceeds of specialty license plate sales to defray departmental expenditures related to the specialty license plate program.<sup>12</sup>

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends section 320.08056 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.

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

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<sup>12</sup> Section 320.08056(7), F.S.