

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 Transportation

BILL: SB 676

INTRODUCER: Senators Baxley and Pizzo

SUBJECT: Specialty License Plates/Florida State Parks

DATE: March 15, 2021

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Proctor	Vickers	TR	Pre-meeting
2.			ATD	
3.			AP	

I. Summary:

SB 676 creates the Florida State Parks specialty license plate bearing the colors and design approved by the Department of Highway Safety and Motor Vehicles (DHSMV). The new license plate will display the word “Florida” at the top of the plate and “Explore Our State Parks” at the bottom of the plate.

The annual use fees are distributed to the Florida State Parks Foundation, Inc., and up to 10 percent of the fees from the sale of the license plate may be used for marketing the license plate and costs directly associated with the administration of the Florida State Parks Foundation, Inc.

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

The bill has an effective date of October 1, 2021.

II. Present Situation:

Specialty License Plates

Presently, there are 120 specialty license plates available for purchase in Florida¹ and another 33 specialty license plates available for pre-sale², for a total of 153 specialty license plates.³ Specialty license plates are available to an owner or lessee of a motor vehicle who is willing to pay an annual use fee, ranging from \$15 to \$25, paid in addition to required license taxes and service fees.⁴ 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.⁵ In order to establish a specialty license plate 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 specialty license plate; and
- Within 24 months after the pre-sale vouchers are established, the organization must obtain a minimum of 3,000 voucher sales, or in the case of an out-of-state college or university license plate, 4,000 voucher sales, before manufacturing of the plate may begin.

If the minimum sales requirement has not been met by the end of the 24-month pre-sale period, then the DHSMV will discontinue the plate and issuance of pre-sale vouchers. Upon discontinuation, a purchaser of a presale voucher may use the annual use fee as a credit towards any other specialty license plate or apply for a refund with the DHSMV.⁶

New specialty license plates that have been approved by law but are awaiting issuance will be issued in the order they appear in s. 320.08058, F.S., provided that they have met the presale requirement. If the next awaiting specialty license plate has not met the presale requirement, the department will proceed in the order provided in s. 320.08058, F.S., to identify the next qualified specialty license plate that has met the presale requirement.⁷

If the Legislature has approved 150 or more specialty license plates, the DHSMV may not make any new specialty license plates available for design or issuance until a sufficient number of plates are discontinued so that the number of plates being issued does not exceed 150.⁸

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

¹ A list of Florida's specialty license plates is available on the DHSMV website at <http://www.flhsmv.gov/dmv/specialtytags/> (last visited January 12, 2021).

² A list of Florida's pre-sale specialty license plates is available on the DHSMV website at <https://www.flhsmv.gov/motor-vehicles-tags-titles/personalized-specialty-license-plates/specialty-license-plates/pre-sale-data/> (last visited January 14, 2021).

³ Creation of a specialty license plate requires an act of the Legislature.

⁴ Section 320.08056(3)(d), F.S., provides that except if specifically provided in s. 320.08056(4), the annual use fee for a specialty license plate is \$25.

⁵ Section 320.08058, F.S.

⁶ Section 320.08053(2)(b), F.S.

⁷ Section 320.08053(3)(a), F.S.

⁸ Section 320.08053(3)(b), F.S.

United States Armed Forces and veterans-related specialty plates.⁹ 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.¹⁰

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.¹¹

Discontinuance of Specialty Plates

The DHSMV must discontinue the issuance of an approved specialty license plate if the number of valid registrations falls below 1,000 plates for at least 12 consecutive months. A warning letter is mailed to the sponsoring organization following the first month in which the total number of valid specialty license plate registrations is below 1,000 plates. Collegiate plates for Florida universities are exempt from the minimum specialty license plate requirement.¹² In addition, the DHSMV is authorized to discontinue any specialty license plate if the organization no longer exists, stops providing services that are authorized to be funded from the annual use fee proceeds, or pursuant to an organizational recipient's request.¹³

However, effective July 1, 2023, the requirement increases so that the DHSMV must discontinue the issuance of an approved specialty license plate if the number of valid registrations falls below 3,000 or in the case of an out-of-state college or university license plate, 4,000, for at least 12 consecutive months. The DHSMV must mail a warning letter to the sponsoring organization following the first month in which the total number of valid specialty plate registrations is below 3,000, or in the case of an out-of-state college or university license plate, 4,000. This does not apply to in-state collegiate license plates established under s. 320.08058(3), license plates of institutions in and entities of the State University System, specialty license plates that have statutory eligibility limitations for purchase, specialty license plates for which 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 established under s. 320.08058(9).¹⁴

Florida State Parks Foundation, Inc.

The Florida State Parks Foundation, Inc., founded in 1993, supports the Florida State Park system through programs that preserve and protect state parks, educate visitors about the value of state parks, encourage community engagement and active use of state parks, and provide

⁹ Section 320.08056(10)(a), F.S.

¹⁰ Section 320.08062, F.S.

¹¹ Section 320.08056(7), F.S.

¹² Section 320.08056(8)(a), F.S.

¹³ Section 320.08056(8)(b), F.S.

¹⁴ Section 320.08056(8)(a), F.S.

financial support to supplement state funding. The foundation is a non-profit Florida corporation under s. 501(3)(c) of the Internal Revenue Code.^{15, 16}

III. Effect of Proposed Changes:

The bill directs the DHSMV to develop the Florida State Parks specialty license plate, with an annual use fee of \$25¹⁷, bearing the colors and design approved by the DHSMV. The new license plates will display the word “Florida” at the top of the plate and “Explore Our State Parks” at the bottom of the plate.

The bill directs the annual use fees from the sale of the plate to be distributed to the Florida State Parks Foundation, Inc. Up to ten percent of the fees from the sale of the plate may be used for marketing the plate and costs directly associated with the administration of the Florida State Parks Foundation.

The bill has an effective date of October 1, 2021.

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:

None.

¹⁵ Florida State Parks Foundation Website, <https://floridastateparksfoundation.org/About-Us1> (last visited March 2, 2021).

¹⁶ Department of Highway Safety and Motor Vehicles, *2021 Agency Legislative Bill Analysis for SB 676*, (February 25, 2021).

¹⁷ The \$25 annual use fee is provided for in existing s. 320.08056(3)(d), F.S.

B. Private Sector Impact:

Once the license plate goes into production, revenue from the sale of the Florida State Parks specialty license plate will benefit the Florida State Parks Foundation, Inc.

C. Government Sector Impact:

Programming will be required initially to allow the DHSMV to accept vouchers, but the DHSMV may not finalize a design or issue the new license plate if the 150 cap is reached prior to the license plate selling 3,000 vouchers. The amount of programming is determined by the number of plates and the number of distributions per plate. One specialty license plate with a single distribution recipient will require between 200 to 250 hours of programming. Additional distributions will generally require an additional 5 to 10 hours per distribution.¹⁸

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.¹⁹

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 320.08058 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.

¹⁸ *Supra*, FN 16.

¹⁹ Section 320.08056(7), F.S.