

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: CS/SB 1254

INTRODUCER: Transportation Committee and Senator Trumbull

SUBJECT: Specialty License Plates/Recycle Florida/Florida Association of Realtors

DATE: March 28, 2023

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Jones	Vickers	TR	Fav/CS
2.			ATD	
3.			FP	

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 1254 authorizes the Department of Highway Safety and Motor Vehicles (DHSMV) to create two new specialty license plates for Recycle Florida and Florida Association of Realtors. The annual use fee for both plates is \$25.

Proceeds from the sale of the Recycle Florida specialty license plate will be distributed to Recycle Florida Today Foundation, Inc., to be used to increase public awareness about the importance of recycling, resource conservation, and environmental stewardship; to promote robust, comprehensive, and sustainable recycling programs; and to support the professional development of persons employed in fields including, but not limited to, recycling, conservation, and sustainability.

Proceeds from the sale of the Florida Association of Realtors specialty license plate will be distributed to Homeownership For All, Inc. The organization may use up to ten percent of proceeds to promote and market the plate. The remainder of the fees must be used by the organization to fund programs that provide, promote, or otherwise support affordable housing in this state.

The bill also changes the name of the "Give Kids the World" specialty license plate to the "Universal Orlando Resort" specialty license plate.

The DHSMV estimates programming and implementation of the plates will cost \$10,515.

The bill takes effect October 1, 2023.

II. Present Situation:

Recycle Florida Today Foundation

Recycle Florida Today Foundation is a Florida not-for-profit corporation registered with the Florida Department of State and the Florida Department of Agriculture and Consumer Services.¹ The organization's statement of purpose is "to serve and support the professional development and related educational objectives of source reduction and waste prevention, reuse, recycling, composting and sustainability professionals through education, grants, research, and certifications."²

The organization was founded in 1990, and consists of a network of approximately 200 members from governments, businesses, institutions and organizations focused on sustainable source and waste prevention, (reduction, reuse, recycling, composting) and legislative advocacy for those engaged in the business of recycling.³

Homeownership for All, Inc.

Homeownership for All, Inc. is a Florida not-for-profit corporation registered with the Florida Department of State and the Florida Department of Agriculture and Consumer Services.⁴ The organization has been raising funds since 2006, to help fund affordable housing programs across Florida. The organization's goal is to provide housing assistance to teachers, nurses, and others unable to afford a home.⁵

Specialty License Plates

As of January 2023, there are 144 specialty license plates authorized by the Legislature. Of these plates, 109 are available for immediate purchase and 35 are in the presale process.⁶ 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

¹ Florida Department of State: Division of Corporations, *Recycle Florida Today Foundation, Inc.*, Sunbiz.org, Document number N22000012565 (November 4, 2022); and Florida Department of Agriculture and Consumer Services, *Recycle Florida Today Foundation, Inc.*, Check-A-Charity, Registration number CH70742.

² *Id.*

³ Recycle Florida Today, *Our History*, <https://recyclefloridatoday.org/our-history/> (last visited March 23, 2023).

⁴ Florida Department of State: Division of Corporations, *Homeownership for All, Inc.*, Sunbiz.org, Document number N06000002753 (March 13, 2006); and Florida Department of Agriculture and Consumer Services, *Homeownership For All, Inc.*, Check-A-Charity, Registration number CH64167.

⁵ Florida Realtors, *Homeownership License Plate* (November 18, 2022), <https://www.floridarealtors.org/about/homeownership-for-all-license-plate> (last visited March 23, 2023).

⁶ DHSMV Presentation to the Senate Transportation Committee, *Specialty License Plates* (January 24, 2023), slideshow available at https://www.flsenate.gov/Committees/Show/TR/MeetingPacket/5615/10046_MeetingPacket_5615_3.pdf (last visited March 10, 2023).

fees.⁷ The annual use fees are distributed to organizations in support of a particular cause or charity signified on the plate's design and designated in statute.⁸

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 presale vouchers for the specialty license plate; and
- Within 24 months after the presale vouchers are established, the organization must obtain a minimum of 3,000 voucher sales before manufacturing of the plate may begin.⁹

If the minimum sales requirement has not been met by the end of the 24-month presale period, then the DHSMV will discontinue the plate and issuance of presale 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.¹⁰

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 presale requirements have been met. If the next listed specialty license plate has not met the presale requirement, the DHSMV 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.¹¹

If the Legislature has approved 135 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 135.¹²

Use of Specialty License Plate Fees

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.¹³ 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.¹⁴

The annual use fees collected by an organization and the interest earned from those fees may not be used for commercial or for-profit activities, or general or administrative expenses, unless

⁷ 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.

⁸ Section 320.08058, F.S.

⁹ Chapter 2022-189, Laws of Fla., extended the presale requirement by an additional 24 months for an approved specialty license plate organization that, as of June 15, 2022, is in the presale period but had not recorded at least 3,000 voucher sales.

¹⁰ Section 320.08053(2)(b), F.S.

¹¹ Section 320.08053(3)(a), F.S.

¹² Section 320.08053(3)(b), F.S.

¹³ Section 320.08056(10)(a), F.S.

¹⁴ Section 320.08062, F.S.; Such fees may be used to pay for the cost of this required audit or report. See s. 320.08056(10)(a), F.S.

authorized by s. 320.08058, F.S.¹⁵ Additionally, the annual use fees and interest earned from those fees may not be used for the purpose of marketing to, or lobbying, entertaining, or rewarding, any employee of a governmental agency that is responsible for the sale and distribution of specialty license plates, or any elected member or employee of the Legislature.¹⁶

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.¹⁷ 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.¹⁸

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), F.S., 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), F.S.¹⁹

Give Kids the World Specialty License Plate

In 2020, the DHSMV was authorized to create a "Give Kids the World" specialty license plate.²⁰ The annual use fees from the sale of the plate is distributed to Give Kids the World, Inc., which may use up to ten percent of proceeds to promote and market the plate. The remainder of the proceeds must be used to support the organization's mission of providing week-long, cost-free vacations to children with critical illnesses and their families.

The "Give Kids the World" specialty license plate is now in the presale process. According to the DHSMV, the plate has until October 15, 2024, to meet the presale requirement of 3,000 presales.²¹ As of March 13, 2023, the plate had 107 presales.²²

¹⁵ Section 320.08056(10)(a), F.S.

¹⁶ Section 320.08056(11), F.S.

¹⁷ Section 320.08056(8)(a), F.S.

¹⁸ Section 320.08056(8)(b), F.S.

¹⁹ Chapter 2020-181, s. 7, Laws of Fla.

²⁰ *Id.* and s. 320.08058(107), F.S.

²¹ Email from Kevin Jacobs, Legislative Affairs Director, DHSMV, *SLP Pre-Sales* (August 30, 2022).

²² DHSMV, *Pre-Sale Data*, <https://www.flhsmv.gov/motor-vehicles-tags-titles/personalized-specialty-license-plates/specialty-license-plates/pre-sale-data/> (last visited March 27, 2023).

III. Effect of Proposed Changes:

The bill amends, s. 320.08058, F.S., to authorize DHSMV to create two new specialty license plates for Recycle Florida and Florida Association of Realtors. The annual use fee for both plates is \$25. The bill requires both plates bear the colors and design approved by DHSMV.

The bill also changes the name of the “Give Kids the World” specialty license plate to the “Universal Orlando Resort” specialty license plate. The bill does not modify the recipient or use of proceeds from the specialty license plate.

Recycle Florida

The bill requires the Recycle Florida specialty license plate to have the word “Florida” at the top of the plate and the words “Recycle Florida” at the bottom of the plate. Proceeds from the sale of the plate will be distributed to Recycle Florida Today Foundation, Inc. The organization may use up to ten percent of proceeds to promote and market the plate. The remainder of the fees must be used to increase public awareness about the importance of recycling, resource conservation, and environmental stewardship; to promote robust, comprehensive, and sustainable recycling programs; and to support the professional development of persons employed in fields including, but not limited to, recycling, conservation, and sustainability.

Florida Association of Realtors

The bill requires the Florida Association of Realtors specialty license plate to have the word “Florida” at the top of the plate and the words “Support Homeownership” at the bottom of the plate. Proceeds from the sale of the plate will be distributed to Homeownership For All, Inc. The organization may use up to ten percent of proceeds to promote and market the plate. The remainder of the fees must be used by the organization to fund programs that provide, promote, or otherwise support affordable housing in this state.

The bill takes effect October 1, 2023.

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 identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

If the specialty license plates are produced, the bill will have a positive fiscal impact on the recipient organizations of the annual use fees associated with sales of the plate.

C. Government Sector Impact:

The DHSMV estimates programming and implementation of the plates will cost \$10,515.²³

VI. Technical Deficiencies:

None.

VII. Related Issues:

Homeownership for All, Inc., currently has a specialty license plate authorized in s. 320.08058(56), F.S. Proceeds from both the proposed Florida Association of Realtors specialty license plate and the current Homeownership for All specialty license plate²⁴ will go to the same organization for the same purposes.

VIII. Statutes Affected:

This bill substantially amends section 320.08058 of the Florida Statutes.

²³ DHSMV, *2023 Agency Legislative Bill Analysis: SB 1254* (March 13, 2023).

²⁴ As of March 2023, the Homeownership For All specialty license plate has 6,071 active registrations. DHSMV, *Specialty License Plates: Special Interest Plate: Support Homeownership For All*, <https://www.flhsmv.gov/motor-vehicles-tags-titles/personalized-specialty-license-plates/specialty-license-plates/> (last visited March 23, 2023).

IX. Additional Information:

- A. **Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Transportation on March 27, 2023:

The CS makes the following changes:

- Changes the name of the “Give Kids the World” specialty license plate to the “Universal Orlando Resort” specialty license plate;
- Removes obsolete language relating to DHSMV retaining startup costs; and
- Allows the Recycle Florida Today Foundation to use up to ten percent of proceeds from sale of the Recycle Florida specialty plate to market and promote the plate.

- B. **Amendments:**

None.