

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 973 Specialty License Plates
SPONSOR(S): Transportation & Infrastructure Subcommittee; Ingram
TIED BILLS: IDEN./SIM. **BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Transportation & Infrastructure Subcommittee	14 Y, 0 N, As CS	Johnson	Vickers
2) Transportation & Tourism Appropriations Subcommittee	14 Y, 0 N	Cobb	Davis
3) Government Accountability Committee			

SUMMARY ANALYSIS

The bill directs the Department of Highway Safety and Motor Vehicles (DHSMV) to create a new Ducks Unlimited specialty license plate, with an annual use fee of \$25 distributed to Ducks Unlimited, Inc., to be used as follows:

- Up to 5 percent for administrative costs and marketing the plate.
- A minimum of 95 percent to be used in Florida to support the mission and efforts of Ducks Unlimited, Inc., to conserve, restore, and manage Florida's wetlands and associated habitats for the benefit of waterfowl, other wildlife, and people.

The new plate will display the word "Florida" at the top of the plate and the words "Conserving Florida Wetlands" at the bottom of the plate.

The bill also revises the design of the Lighthouse Association specialty license plate.

According to DHSMV, the bill will have a negative, but insignificant fiscal impact to state expenditures.

The bill has an effective date of October 1, 2017.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

The first Florida specialty license plates were enacted in 1986 and included the creation of the Challenger plate and ten Florida collegiate plates. Today, there are over 120 specialty license plates available to any owner or lessee of a motor vehicle who is willing to pay the additional use fee for the privilege, typically \$25 annually.¹ The collected fees are distributed by the Department of Highway Safety and Motor Vehicles (DHSMV) to statutorily designated organizations in support of a particular cause or charity. Vehicles registered under the International Registration Plan, a commercial truck required to display two license plates, or truck tractors are not eligible for specialty license plates.²

Only the Legislature may create new specialty license plates. If a specialty license plate is created by law, the following requirements must then be met:

- Within 60 days, the organization must submit an art design, in a medium prescribed by DHSMV.
- Within 120 days, DHSMV must establish a method to issue a specialty license plate voucher to allow for the pre-sale of the specialty plate.
- Within 24 months after the voucher is established, the organization must obtain a minimum of 1,000 voucher sales before manufacturing may begin. If this requirement is not met, the plate is deauthorized and DHSMV must discontinue development of the plate and issuance of the vouchers.

DHSMV must discontinue the issuance of an approved specialty license plate if the number of valid specialty plate registrations falls below 1,000 plates for at least 12 consecutive months. A warning letter is mailed to the sponsoring organization following the first month in which the total number of valid specialty plate registrations falls below 1,000 plates (does not apply to collegiate license plates).³

Organizations receiving specialty license plate revenue must adhere to certain accountability requirements found in statute. These requirements include an annual attestation document affirming, under penalty of perjury, that funds received have been spent in accordance with applicable statutes.⁴

Created in 2008, the Florida Light House Association specialty license plate currently features the term “Visit Our Lights” on the bottom of the plate. The annual use fee from the plate is distributed to the Florida Lighthouse Association, Inc., to fund the preservation, restoration, and protection of the state’s 29 remaining lighthouses.

Proposed Changes

Lighthouse Association

The bill amends s. 320.08058(65)(a), F.S., changing the wording on the bottom of the Lighthouse Association specialty license plate from “Visit Our Lights” to “SaveOurLighthouses.org.”

Ducks Unlimited

The bill directs the DHSMV to create a new specialty license plate designated as the Ducks Unlimited license plate, with an annual use fee of \$25. The annual use fee is distributed to Ducks Unlimited, Inc.,

¹ Florida Department of Highway Safety and Motor Vehicles, *Specialty License Plates Index*, <http://www.flhsmv.gov/dmv/specialtytags/> (last visited Sept. 15, 2015).

² s. 320.08056(2), F.S.

³ s. 320.08056 (8)(a), F.S.

⁴ s. 320.08062, F. S.

and the proceeds must be used to support Duck Unlimited's mission and conservation efforts in the state as follows:

- Up to 5 percent may be used for administrative costs and marketing of the plate.
- A minimum of 95 percent must be used to support Ducks Unlimited's mission and efforts for the conservation, restoration, and management of Florida wetlands and associated habitats for the benefit of waterfowl, other wildlife, and people.

The bill provides that the word "Florida" appear at the top of the plate, and the words "Conserving Florida Wetlands" must appear at the bottom of the plate.

Ducks Unlimited, Inc.

Ducks Unlimited is a waterfowl and wetlands conservation organization founded in 1937. The mission of Ducks Unlimited is habitat conservation.⁵ Since 1985, Ducks Unlimited has worked to conserve more than 26,000 acres of Florida wetlands.⁶

B. SECTION DIRECTORY:

Section 1 amends s. 320.08056, F.S., relating to specialty license plates.

Section 2 amends s. 320.08058, F.S., relating to specialty license plates.

Section 3 provides an effective date of October 1, 2017.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

DHSMV estimates that 207 programming hours, or the equivalent of \$7,245 in FTE and contracted resources will be required in order to implement the bill.⁷ These costs can be absorbed within existing resources.

Additionally, the department must expend \$16,977 to purchase 6,020 plates to replace the current inventory of Lighthouse Association specialty license plates. Current law prohibits the redesign of a specialty license plate unless the inventory of the license plate has been depleted. However, the organization may purchase the remaining inventory of the specialty license plate from DHSMV at DHSMV's cost; therefore, the provision is effectively cost-neutral.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

⁵ Ducks Unlimited, *About Ducks Unlimited*, <http://www.ducks.org/about-du?poe=hometxt> (last visited February 24, 2017)

⁶ <http://www.ducks.org/florida/florida-conservation-projects> (Last visited March 14, 2017).

⁷ DHSMV SB 56 Bill Analysis.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Ducks Unlimited, Inc. may see some additional revenue associated with the sale of the specialty license plate.

D. FISCAL COMMENTS:

Current law prohibits the redesign of a specialty license plate unless the inventory of the license plate has been depleted. However, the organization may purchase the remaining inventory of the specialty license plate from DHSMV at DHSMV's cost.⁸ The Florida Lighthouse Association may be required to purchase the remaining inventory of its specialty license plate at DHSMV's cost.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not Applicable. This bill does not appear to require counties or municipalities to spend funds or take action requiring the expenditures of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On March 14, 2017, the Transportation & Infrastructure Subcommittee adopted one amendment and reported the bill favorably as a committee substitute. The amendment changed the design of the Lighthouse Association specialty license plate.

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

⁸ Section 320.08056(9), F.S.
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