

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** CS/HB 787 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	13 Y, 0 N, As CS	Johnson	Vickers
2) Appropriations Committee	18 Y, 0 N	Cobb	Leznoff
3) Government Accountability Committee	22 Y, 0 N	Johnson	Williamson

### SUMMARY ANALYSIS

There are over 120 specialty license plates available to any owner or lessee of a motor vehicle who is willing to pay the additional annual use fee for such plate. 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.

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

The bill creates the Ducks Unlimited and Dan Marino Campus specialty license plates with annual use fees of \$25, and provides for the design of the plates and the use of their annual use fees.

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

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

##### **Specialty License Plates**

The first Florida specialty license plates were enacted in 1986 and included the creation of the Challenger plate and 10 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.<sup>1</sup> 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.<sup>2</sup>

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 license 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).<sup>3</sup>

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

##### **Lighthouse Association**

###### Current Situation

Created in 2008, the Florida Lighthouse 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.

###### Effect of the Bill

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

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<sup>1</sup> Florida Department of Highway Safety and Motor Vehicles, *Specialty License Plates*, <http://www.flhsmv.gov/specialtytags/slp.html> (Last visited December 11, 2017).

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

<sup>3</sup> Section 320.08056 (8)(a), F.S.

<sup>4</sup> Section 320.08062, F. S.

<sup>5</sup> Section 320.08056(10)(a), F.S.

## Ducks Unlimited

### Current Situation

Ducks Unlimited is a waterfowl and wetlands conservation organization founded in 1937. The mission of Ducks Unlimited is habitat conservation.<sup>6</sup> Since 1985, Ducks Unlimited has worked to conserve more than 26,000 acres of Florida wetlands.<sup>7</sup>

### Effect of the Bill

The bill directs DHSMV to develop a new specialty license plate designated as the Ducks Unlimited license plate, with an annual use fee of \$25, bearing DHSMV approved colors and design. The word “Florida” will appear at the top of the plate and “Conserving Florida Wetlands” will appear at the bottom of the plate.

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

### Current Situation

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.<sup>8</sup>

### Effect of the Bill

The bill directs DHSMV to develop a Dan Marino Campus license plate, with an annual use fee of \$25, bearing 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.

## 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, 2018.

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<sup>6</sup> Ducks Unlimited, *About Ducks Unlimited*, <http://www.ducks.org/about-du?poe=hometxt> (last visited December 11, 2017).

<sup>7</sup> <http://www.ducks.org/florida/florida-conservation-projects> (Last visited December 11, 2017).

<sup>8</sup> Dan Marino Foundation Website. <https://danmarinofoundation.org/> (Last visited December 11, 2017).

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

DHSMV estimates that 384 hours, or approximately \$13,800 in FTE and contracted resources will be required for programming and implementation of the specialty license plates. This cost can be absorbed within existing resources.<sup>9</sup>

### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

### C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Ducks Unlimited and the Dan Marino Foundation may see additional revenues associated with the sale of specialty license plates.

### 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.<sup>10</sup> The Florida Lighthouse Association may be required to purchase the remaining inventory of its specialty license plate at DHSMV's cost prior to the redesign of the license plate.

## III. COMMENTS

### A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to impact county or municipal governments.

2. Other:

None.

### B. RULE-MAKING AUTHORITY:

None.

### C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

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<sup>9</sup> DHSMV Analysis of HB 787 (2018). Copy on file with Transportation & Infrastructure Subcommittee.

<sup>10</sup> Section 320.08056(9), F.S.

#### **IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES**

On January 9, 2018, the Transportation & Infrastructure Subcommittee adopted one amendment and reported the bill favorably as a committee substitute. The amendment removed unnecessary language from the Dan Marino Campus license plate providing that DHSMV retain all annual use fees from the sale of the plate until all startup costs for developing and issuing the plate have been recovered.

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