

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** CS/CS/HB 505 Transportation Credentials

**SPONSOR(S):** Transportation & Tourism Appropriations Subcommittee, Transportation & Infrastructure Subcommittee, Grant, J., Toledo & others

**TIED BILLS:** **IDEN./SIM. BILLS:** SB 1104

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Transportation & Infrastructure Subcommittee	15 Y, 0 N, As CS	Johnson	Vickers
2) Transportation & Tourism Appropriations Subcommittee	12 Y, 0 N, As CS	Cobb	Davis
3) State Affairs Committee			

### SUMMARY ANALYSIS

There are over 120 specialty license plates available to any motor vehicle owner or lessee who is willing to pay the 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. DHSMV must discontinue the issuance of an approved specialty license plate if it fails to meet certain requirements.

The bill establishes a cap of 125 specialty license plates and provides a process for the discontinuation of low performing specialty license plates and the addition of new specialty license plates. It provides direction to DHSMV on the discontinuance of specialty license plates and establishes a timeframe of 180 days to distribute the remaining annual use fees held or collected by DHSMV. A person with a discontinued specialty license plate may keep the plate for the remainder of the 10-year license plate replacement period.

The bill authorizes DHSMV to issue specialty license plates for fleet vehicles and motor vehicle dealer vehicles; authorizes the establishment of a specialty license plate for Auburn University and the University of Georgia and authorizes revenues from such plates to be expended outside of Florida; creates new specialty license plates; amends certain provisions regarding existing specialty license plates; and discontinues certain specialty license plates. The bill also creates the Purple Heart Motorcycle and Bronze Star special license plates.

Effective July 1, 2022, the bill requires DHSMV to discontinue the issuance of any specialty license plate where the number of valid registrations falls below 3,000, instead of the current 1,000-plate threshold. However, the threshold for out-of-state college or university specialty license plates is 4,000.

The bill requires DHSMV to conduct an audit every three years of certain specialty license plate recipient organizations and revises the prohibition against using specialty license plate revenues for lobbying.

According to DHSMV, the bill will have a negative, though likely insignificant fiscal impact associated with the programming effort required for the specialty and special license plates provisions. The bill will also likely have an indeterminate, positive fiscal impact to state revenues. See Fiscal Comments.

The bill has an effective date of October 1, 2019, unless otherwise expressed in the act.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

##### **Specialty License Plates in General**

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> There is currently no limit on the number of specialty license plates that the Department of Highway Safety and Motor Vehicles (DHSMV) may issue nor the number of specialty license plates that the Legislature may approve.

##### **Fleet/Dealer Specialty License Plates**

###### Present Situation

Section 320.06, F.S., provides for motor vehicle registration certificates, license plates, and validation stickers. Section 320.06(3)(a), F.S., provides requirements for the design of various license plates. The statute requires dealer license plates to be imprinted with "Florida" at the top and "Dealer" at the bottom.

Section 320.0657, F.S., provides for permanent registration for fleet license plates. The term "fleet" means nonapportioned motor vehicles owned or leased by a company and used for business purposes.<sup>2</sup> According to DHSMV, in order to participate in the fleet vehicle program the company must have a minimum of 200 vehicles or a minimum of 25 trailers or semitrailers used exclusively to haul agricultural products.<sup>3</sup>

The owner or lessee of a fleet of motor vehicles must, upon application in the manner and at the time prescribed and upon DHSMV approval and payment of the appropriate license tax, be issued permanent fleet license plates. All vehicles with a fleet license plate must have the company's name or logo and unit number displayed so that they are readily identifiable.<sup>4</sup>

Fleet license plates must have the word "Fleet" appearing at the bottom and the word "Florida" appearing at the top. The plates must conform in all respects to Ch. 320, F.S., except as specified.<sup>5</sup>

Section 320.08, F.S., provides the license taxes for various types of motor vehicles, and provides that the fee for a dealer license plate is \$17.<sup>6</sup>

###### Effect of Proposed Changes

The bill authorizes "Dealer" and "Fleet" specialty license plates.

The bill amends s. 320.06(3)(a), F.S., providing that a dealer specialty license plate is not required to say "dealer" at the bottom of the license plate.

The bill amends s. 320.0657(2)(b), F.S., authorizing fleet specialty license plates. The bill provides that for the additional annual use fee for the specific specialty license plate, fleet companies may purchase

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<sup>1</sup> The annual use fees for specific specialty license plates are provided in s. 320.08056(4), F.S.

<sup>2</sup> S. 320.0657(1), F.S.

<sup>3</sup> Email from Kevin Jacobs, Deputy Director of Legislative Affairs, Department of Highway Safety and Motor Vehicles, RE: HB 505-Transportation Credentials, (January 30, 2019)

<sup>4</sup> S. 320.0657(2)(a), F.S.

<sup>5</sup> S. 320.0657(2)(b), F.S.

<sup>6</sup> S. 320.08(12), F.S.

specialty license plates in lieu of the standard fleet license plates. Fleet companies are responsible for all costs associated with the specialty license plates, including all annual use fees, processing fees, fees associated with switching license plate types, and other applicable fees. The bill amends s. 320.08(12), F.S., providing similar requirements regarding dealer specialty license plates.

The bill creates s. 320.08056(2)(b), F.S., providing that DHSMV may authorize dealer and fleet specialty license plates. With the permission of the organization sponsoring specialty license plate, a dealer or fleet company may purchase specialty license plates to be used on dealer or fleet vehicles.

Notwithstanding s. 320.08058, F.S., a dealer or fleet specialty license plate must include the letters “DLR” or “FLT” on the right side of the license plate. Dealer and fleet specialty license plates must be ordered directly through DHSMV.

## **Requirements for Establishing Specialty License Plates**

### Present Situation

Section 320.08053, F.S., provides the statutory requirements to establish a specialty license plate. If a specialty license plate requested by an organization is approved by law, the organization submits its proposed art design to DHSMV as soon as practicable, but no later than 60 days after the act approving such plate becomes a law.<sup>7</sup>

Within 120 days following the specialty license plate becoming law, DHSMV establishes a method to issue a specialty license plate voucher allowing for the presale of such plate. The \$5 processing fee,<sup>8</sup> the service charge and branch fee,<sup>9</sup> and the annual use fee for the specialty license plate<sup>10</sup> are charged for the voucher. All other applicable fees are charged at the time the license plate is issued.<sup>11</sup>

Within 24 months after establishing a presale specialty license plate voucher, the approved specialty license plate must record with DHSMV a minimum of 1,000 voucher sales before manufacture of the license plate may begin. If, at the conclusion of the 24-month presale period, the minimum sales requirement is not met, the specialty license plate is deauthorized and DHSMV discontinues the plate’s development and the issuance of the presale vouchers. Upon deauthorization of the specialty license plate, a purchaser of the specialty license plate voucher may use the annual use fee collected as a credit towards any other specialty license plate or apply to DHSMV for a refund.<sup>12</sup>

### Effect of Proposed Changes

The bill amends s. 320.08053(2)(b), F.S., requiring a minimum sale of 3,000 vouchers prior to DHSMV manufacturing a specialty license plate. However, for out-of-state college or university license plates, the minimum sale is 4,000 vouchers.

The bill creates s. 320.08053(3)(a), F.S., providing that new specialty license plates that have been approved by law but are awaiting issuance are issued in the order they appear in s. 320.08056(4), F.S.,<sup>13</sup> provided that the plates have met the presale requirement and all other provisions of s. 320.08053, F.S. If the next awaiting specialty license plate has not met the presale requirement, DHSMV must proceed in the order provided in s. 320.08056(4), F.S., to identify the next qualified specialty license plate that has met the presale requirement. DHSMV must cycle through the list in statutory order.

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<sup>7</sup> S. 320.08053(1), F.S.

<sup>8</sup> The processing fee is prescribed in s. 320.08056, F.S.

<sup>9</sup> Service charges and branch fees are prescribed in s. 320.04, F.S.

<sup>10</sup> The annual use fees for each specialty license plate are prescribed in s. 320.8056, F.S.

<sup>11</sup> S. 320.08053(2)(a), F.S.

<sup>12</sup> S. 320.08053(2)(b), F.S.

<sup>13</sup> Section 320.08056(4), F.S., lists specific specialty license plates and their annual use fees.

The bill creates s. 320.08053(3)(b), F.S, providing that if the Legislature has approved 125 or more specialty license plates, DHSMV may not make any new specialty license plates available for design or issuance until a sufficient number of plates are discontinued<sup>14</sup> such that the number of plates being issued is reduced to fewer than 125. However, the 125 license plate limit includes license plates above the minimum sales threshold and those exempt from that threshold.

## Specialty License Plates

### Present Situation

Section 320.08056, F.S., relates to specialty license plates. DHSMV is responsible for developing the specialty license plates authorized in s. 320.08053, F.S.<sup>15</sup>

DHSMV must issue a specialty license plate to the owner or lessee of any motor vehicle, except a vehicle registered under the International Registration Plan, a commercial truck required to display two license plates, or a truck tractor, upon request and payment of the appropriate license tax and fees.<sup>16</sup>

Each request for a specialty license plate must annually be made to DHSMV or its authorized agent<sup>17</sup> accompanied by the following tax and fees the vehicle's required license tax,<sup>18</sup> a processing fee of \$5,<sup>19</sup> a license plate fee,<sup>20</sup> and a license plate annual use fee as required for the specialty license plate.<sup>21</sup>

A request for a specialty license plate may be made any time during a vehicle's registration period. If a request is made for a specialty license plate to replace a current valid license plate, the specialty license plate must be issued with the appropriate decals attached with no license tax for the plate, however, all fees and service charges must be paid. If a request is made for a specialty license plate at the beginning of the registration period, the tax, together with all applicable fees and service charges, must be paid.

If a vehicle owner or lessee to whom DHSMV has issued a specialty license plate acquires a replacement vehicle within the owner's registration period, DHSMV authorizes a transfer of the specialty license plate to the replacement vehicle.<sup>22</sup> The annual use fee or processing fee may not be refunded.<sup>23</sup>

Specialty license plates must bear the design required by law for the appropriate specialty license plate, and must conform to DHSMV's design specifications. All specialty license plates must be otherwise of the same material and size as standard license plates issued for any registration period. A specialty license plate may bear an appropriate slogan, emblem, or logo in a size and placement that conforms to DHSMV's design specifications.<sup>24</sup>

DHSMV annually retains from the first proceeds derived from the annual use fees collected an amount sufficient to defray each specialty license plate's pro rata share of DHSMV's costs directly related to the specialty license plate program. Such costs include inventory costs, distribution costs, direct costs to DHSMV, costs associated with reviewing each organization's compliance with audit and attestation

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<sup>14</sup> Specialty license plates will be discontinued pursuant to s. 320.08056(8), F.S.

<sup>15</sup> S. 320.08056(1), F.S.

<sup>16</sup> S. 320.08056(2), F.S.

<sup>17</sup> DHSMV's authorized agents are the county tax collectors.

<sup>18</sup> Motor vehicle license taxes are set forth in s. 320.08, F.S.

<sup>19</sup> The \$5 processing fee is deposited into the Highway Safety Operating Trust Fund.

<sup>20</sup> Section 320.06(1)(b), F.S., provides for a \$2.80 annual license plate replacement fee to defray the cost of replacing the license plate every 10 years.

<sup>21</sup> S. 320.08056(3), F.S.

<sup>22</sup> This is in accordance with s. 320.0609, F.S.

<sup>23</sup> S. 320.08056(5), F.S.

<sup>24</sup> S. 320.08056(6), F.S.

requirements,<sup>25</sup> and any applicable increased costs of manufacturing the specialty license plate. The Department of Management Services must verify any cost increase to DHSMV related to the actual cost of the plate, including a reasonable vendor profit. The balance of the proceeds from the annual use fees collected for that specialty license plate are distributed as provided by law.<sup>26</sup>

DHSMV must discontinue the issuance of an approved specialty license plate if the number of valid specialty license 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 license plate registrations falls below 1,000 plates. This does not apply to collegiate license plates.<sup>27, 28</sup>

DHSMV may discontinue the issuance of a specialty license plate and distribution of associated annual use fee proceeds if the organization no longer exists, if the organization has stopped providing services that are authorized to be funded from the annual use fee proceeds, if the organization does not meet the presale requirements,<sup>29</sup> or pursuant to an organizational recipient's request. Organizations must notify DHSMV immediately to stop all warrants for plate sales if any of these conditions exist and must meet the requirements of s. 320.08062, F.S.,<sup>30</sup> for any period of operation during a fiscal year.<sup>31</sup>

The organization that requested the specialty license plate may not redesign the specialty license plate unless the inventory of those plates has been depleted. However, the organization may purchase the remaining inventory of the specialty license plates from DHSMV at cost.<sup>32</sup>

A specialty license plate annual use fee collected and distributed, or any interest earned from those fees, may not be used for commercial or for-profit activities nor for general or administrative expenses, except as authorized by s. 320.08058, F.S., or to pay the cost of the audit or report required by s. 320.08062(1), F.S. The fees 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 United States Armed Forces and veterans-related specialty license plates.<sup>33</sup>

The term "administrative expenses" means those expenditures that are considered direct operating costs of the organization, and include, but are not limited to, the following:

- Administrative salaries of employees and officers of the organization who do not or cannot prove, via detailed daily time sheets that they actively participate in program activities.
- Bookkeeping and support services of the organization.
- Office supplies and equipment not directly utilized for the specified program.
- Travel time, per diem, mileage reimbursement, and lodging expenses not directly associated with a specified program purpose.
- Paper, printing, envelopes, and postage not directly associated with a specified program purpose.
- Miscellaneous expenses such as food, beverage, entertainment, and conventions.<sup>34</sup>

The annual use fee from the sale of specialty license plates, the interest earned from those fees, or any fees received by an agency as a result of the sale of specialty license plates may not be used for the purpose of marketing to or lobbying, entertaining, or rewarding an employee of a governmental agency

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<sup>25</sup> Specialty license plate audit and attestations requirements are in s. 320.08062, F.S.

<sup>26</sup> S. 320.08056(7), F.S.

<sup>27</sup> Collegiate license plates are established under s. 320.08058(3), F.S.

<sup>28</sup> S. 320.08056(8)(a), F.S.

<sup>29</sup> Presale requirements are prescribed in s. 320.08053, F.S.

<sup>30</sup> S. 320.08062, F.S., requires audits and attestations for specialty license plates.

<sup>31</sup> S. 320.08056(8)(b), F.S.

<sup>32</sup> S. 320.08056(9), F.S.

<sup>33</sup> S. 320.08056(10)(a), F.S.

<sup>34</sup> S. 320.08056(10)(b), F.S.

that is responsible for the sale and distribution of specialty license plates, or an elected member or employee of the Legislature.<sup>35</sup>

The application form for a specialty license plate must provide the applicant the option to instruct DHSMV to provide his or her name, address, and renewal date to the sponsoring organization.<sup>36</sup>

#### Effect of Proposed Changes

The bill creates s. 320.08056(8)(c), F.S., providing that a vehicle owner or lessee issued a specialty license plate that has been discontinued by DHSMV may keep the discontinued specialty license plate for the remainder of the 10-year license plate replacement period<sup>37</sup> and must pay all other applicable registration fees. However, the owner or lessee is exempt from paying the applicable specialty license plate fee for the remainder of the 10-year license plate replacement period.

The bill creates s. 320.08056(8)(d), F.S., providing that if DHSMV discontinues issuance of a specialty license plate, all annual use fees held or collected by DHSMV must be distributed within 180 days after the date the specialty license plate is discontinued. Of those fees, DHSMV must retain an amount sufficient to defray the applicable administrative and inventory closeout costs associated with discontinuing the plate. The remaining funds are to be distributed to the appropriate organization or organizations.<sup>38</sup>

The bill creates s. 320.08056(8)(e), F.S., providing that if an organization that is the intended recipient of specialty license plate funds no longer exists, DHSMV must deposit any undistributed funds into the Highway Safety Operating Trust Fund.

The bill creates s. 320.08056(8)(f), F.S., providing that on January 1 of each year, DHSMV must discontinue the specialty license plate with the fewest number of plates in circulation, including license plates exempt from a statutory sales requirement. DHSMV must mail a warning letter to the sponsoring organization of the 10 percent of specialty license plates with the lowest number of valid, active registrations as of December 1 of each year.

The bill amends s. 320.08056(8)(a), F.S., providing that effective July 1, 2022, DHSMV must discontinue the issuance of approved specialty license plates if the number of valid registrations falls below 3,000 plates for 12 consecutive months, instead of the current 1,000 plate threshold. However, there is an exception for out-of-state college or university license plates, which have a 4,000 plate threshold. In addition to the existing exemption from this requirement for in-state collegiate license plates, the bill provides exceptions for institutions in and entities of the State University System, specialty license plates with statutory eligibility limitations for purchase, specialty license plates for which the 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.<sup>39</sup>

The bill amends s. 320.08056(10)(a), F.S., authorizing specialty license plate fees for out of state college or university specialty license plates to be spent outside of the state of Florida. Additionally, the bill provides that for out-of-state college or university license plates, the recipient organization must have established an endowment, based in Florida, for the purpose of providing scholarships to Florida residents meeting the statutory requirements and provide documentation to DHSMV that the organization had DHSMV obtain the college's or university's consent to use an appropriate image on a license plate. The bill also authorizes the state's first specialty license plates for out-of-state colleges and universities.

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<sup>35</sup> S. 320.08056(11), F.S.

<sup>36</sup> S. 320.08056(12), F.S.

<sup>37</sup> License plates are issued for a 10-year period pursuant to s. 320.06(1)(b)1., F.S.

<sup>38</sup> Distributions to recipient organizations are pursuant to s. 320.08058, F.S.

<sup>39</sup> Florida Professional Sports Team license plates are established in s. 320.08058(9), F.S.

The bill amends s. 320.08056(11), F.S., prohibiting any entity from using specialty license plate revenue for lobbying. The current prohibition is limited to agencies.

The bill creates a new 320.08056(12), F.S., providing that for out-of-state college or university license plates, the recipient organization must:

- Have established an endowment, based in this state, for the purpose of providing scholarships to Florida residents meeting the requirements of Ch. 320, F.S.
- Provide documentation to DHSMV that the recipient organization and DHSMV have the college's or university's consent to use an appropriate image on a license plate.

## **Discontinued Specialty License Plates**

### Present Situation

As previously stated, specialty license plates may be discontinued if the plate does not meet the 1,000 plate minimum sales threshold, the recipient organization ceases to exist, or it does not meet its statutorily required presale requirements.

### Effect of Proposed Changes

The bill removes the American Red Cross plate, Donate Organs Pass It On plate, St. Johns River plate, and Hispanic Achievers plate from law as these plates have been discontinued.

## **Changes to Existing Specialty License Plates**

### Special Olympics Florida License Plate

#### *Present Situation*

Section 320.08058(7), F.S., creates the Special Olympics Florida specialty license plate with an annual use fee of \$15. The license plate contains the official Special Olympics Florida logo with "Florida" centered at the bottom of the plate, and "Everyone Wins" centered at the top of the plate.<sup>40</sup>

#### *Effect of Proposed Changes*

The bill redesigns the Special Olympics Florida specialty license plate with "Florida" centered at the top of the plate and "Be a Fan" centered at the bottom of the plate.

### Live the Dream License Plate

#### *Present Situation*

Section 320.08058(48), F.S., creates the Live the Dream specialty license plate with an annual use fee of \$25. Proceeds from the Live the Dream specialty license plate are distributed to the Dream Foundation, Inc., which retained the first \$60,000 in proceeds from the annual use fees as reimbursement for administrative costs, startup costs, and costs incurred in the specialty license plate approval process. After those costs are reimbursed, up to 25 percent of the proceeds must be used for continuing promotion and marketing of the license plate and concept. The remaining funds must be distributed as follows:

- Twenty-five percent equally among the sickle cell organizations that are Florida members of the Sickle Cell Disease Association of America, Inc., for programs providing research, care, and treatment for sickle cell disease.
- Twenty-five percent to the Florida chapter of the March of Dimes for programs and services improving the health of babies through preventing birth defects and infant mortality.
- Ten percent to the Florida Association of Healthy Start Coalitions to decrease racial disparity in infant mortality and to increase healthy birth outcomes. Funding will be used by local Healthy Start Coalitions to provide services and increase screening rates for high-risk pregnant women, children under four years of age, and women of childbearing age.

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<sup>40</sup> Section 320.08058(7)(a), F.S.

- Ten percent to the Community Partnership for Homeless, Inc., for programs that provide relief from poverty, hunger, and homelessness.
- Five percent to the Dream Foundation, Inc., for administrative costs directly associated with operations relating to the management and distribution of the proceeds.<sup>41</sup>

#### *Effect of Proposed Changes*

The bill amends the distribution of funds for the Live the Dream specialty license plate. The bill provides that the proceeds from the annual use fees are distributed to the Dream Foundation, Inc., to be used as follows:

- Up to 5 percent may be used to administer, promote, and market the license plate.
- At least 30 percent must be distributed equally among the sickle cell organizations that are Florida members of the Sickle Cell Disease Association of America, Inc.
- At least 30 percent must be distributed to the Florida chapter of the March of Dimes.
- At least 15 percent must be distributed to the Florida Association of Healthy Start Coalitions.
- At least 15 percent must be distributed to Chapman Partnership, Inc.<sup>42</sup>
- Up to 5 percent may be distributed by DHSMV on behalf of The Dream Foundation, Inc. to the Martin Luther King, Jr. Center for Nonviolent Social Change, Inc., as a royalty for the use of the image of Dr. Martin Luther King, Jr.

#### Lighthouse Association License Plate

##### *Present Situation*

Section 320.08058, F.S., creates the Lighthouse Association specialty license plate with an annual use fee of \$25. The license plate currently features the term “Visit Our Lights” on the bottom of the plate.

##### *Effect of Proposed Changes*

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

#### In God We Trust License Plate

##### *Present Situation*

Section 320.08058(66), F.S., creates an In God We Trust specialty license plate with an annual use fee of \$25. The annual use fees are distributed to the In God We Trust Foundation, Inc., to fund educational scholarships for the children of Florida residents who are members of the United States Armed Forces, the National Guard, and the United States Armed Forces Reserve and for the children of public safety employees who have died in the line of duty who are not covered by existing state law. Funds must also be distributed to other non-profit organizations that may apply for grants and scholarships and to provide educational grants to public and private schools to promote the historical and religious significance of American and Florida history. The In God We Trust Foundation, Inc., must distribute the license plate annual use fees in the following manner:

- The In God We Trust Foundation, Inc., retains all revenues from the sale of the license plates until all startup costs for developing and establishing the license plate have been recovered.
- Ten percent of the funds received by the In God We Trust Foundation, Inc., must be spent on administrative costs, promotion, and marketing of the license plate directly associated with the operations of the In God We Trust Foundation, Inc.
- All remaining funds must be expended by the In God We Trust Foundation, Inc., for programs.<sup>43</sup>

##### *Effect of Proposed Changes*

The bill amends the distribution of the annual use fees from the In God We Trust license plate. The annual use fees will be distributed to the In God We Trust Foundation, Inc., which may use up to 10

<sup>41</sup> Section 320.08058(48)(b), F.S.

<sup>42</sup> In 2011, Community Partnership for the Homeless changed its name to Chapman Partnership.

<sup>43</sup> S. 320.08056(66)(b), F.S.

percent of the proceeds to offset marketing, administration, and promotion, and the balance of the fees to address the needs of the military community; provide educational grants and scholarships to foster self-reliance and stability in Florida's children; and provide education in public and private schools regarding the historical significance of religion in American and Florida History.

### Fallen Law Enforcement Officer License Plate

#### *Present Situation*

Section 320.08058(80), F.S., creates the Fallen Law Enforcement Officers license plate with an annual use fee of \$25. The annual use fees are distributed to the Police and Kids Foundation, Inc., which may use a maximum of 10 percent of the proceeds to promote and market the plate. The remainder of the proceeds must be used by the Police and Kids Foundation, Inc., to invest and reinvest and the interest earnings must be used for the operation of the Police and Kids Foundation, Inc.

#### *Effect of Proposed Changes*

The bill clarifies the distribution of the proceeds from the Fallen Law Enforcement Officer specialty license plate. The bill keeps the maximum of 10 percent of the proceeds for marketing the license plate. The bill provides that the remaining proceeds are to be used for the operations, activities, programs, and projects of the Police and Kids Foundation, Inc.

### **New Specialty License Plates**

#### Beat Childhood Cancer License Plate

#### *Present Situation*

Neuroblastoma (nb) is a cancer that affects children. It is among the most common childhood tumors, and typically affects children under five years old. It is not usually diagnosed until the tumor grows and presents symptoms. The majority of childhood neuroblastoma cases are aggressive, showing survival rates of less than 60 percent with standard chemotherapy, and a 50 percent relapse rate. Once relapsed, there is currently no curative treatment, and for those under five years old, the survival rate is less than 10 percent.<sup>44</sup> Beat Nb's mission is to drive neuroblastoma cancer research and to raise awareness of the disease.<sup>45</sup>

No Kid Should Know Cancer, Inc., is a not-for-profit organization based in Melbourne, Florida, that is organized to bring awareness to childhood cancer and help families who have been affected by childhood cancer financially and spiritually. Additionally, the organization sponsors, hosts, and participates in events that benefit clinical trials and improved treatment plans.<sup>46</sup>

#### *Effect of Proposed Changes*

The bill creates the Beat Childhood Cancer specialty license plate with an annual use fee of \$25. The license plate must bear DHSMV approved colors and design. The word "Florida" appears at the top of the plate and "Beat Childhood Cancer" appears at the bottom of the plate.

The annual use fees from the Beat Childhood Cancer license plate are to be distributed as follows:

- Eighty percent is distributed to Beat Nb, Inc., which may use up to 10 percent of the proceeds for administrative costs directly associated with the operation of the corporation and for marketing and promoting the plate. The remaining proceeds must be used by Beat Nb, Inc., to fund pediatric cancer treatment and research.

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<sup>44</sup> Beat Nb, Inc. *Neuroblastoma*, <https://beatnb.org/neuroblastoma/> (Last visited January 25, 2019).

<sup>45</sup> Beat Nb, Inc. *Our Mission and Vision*, <https://beatnb.org/about-us/> (Last visited January 25, 2019).

<sup>46</sup> See Florida Department of State – Division of Corporations, *No Kid Should Know Cancer Inc., Articles of Incorporation* (March 10, 2017), available at

<http://search.sunbiz.org/Inquiry/CorporationSearch/ConvertTiffToPDF?storagePath=COR%5C2017%5C0310%5C10507351.tif&documentNumber=N1700002637> (Last visited January 29, 2017).

- Twenty percent is distributed to No Kid Should Know Cancer, Inc., which may use up to five percent of the proceeds for administrative costs and for the marketing of the plate. The balance of the fees must be used by No Kid Should Know Cancer, Inc., to:
  - Support families who have a child recently diagnosed with cancer;
  - Hold events that raise awareness about childhood cancer;
  - Support clinical trials that work to provide better treatment plans for children diagnosed with cancer and; ultimately a better prognosis.

### Auburn University License Plate

#### *Present Situation*

The Tampa Bay Auburn Club is an officially chartered group of Auburn University Alumni and Friends. Its stated mission is to encourage more top Tampa Bay area students to attend Auburn University and to foster the spirit of Auburn University throughout the Tampa Bay Area.<sup>47</sup> The Tampa Bay Auburn Club currently administers an endowed scholarship.<sup>48</sup>

#### *Effect of Proposed Changes*

The bill creates the Auburn University specialty license plate with an annual use fee of \$50. The license plate must bear a DHSMV-approved color and design. The word “Florida” appears at the top of the plate and “War Eagle” appears at the bottom of the plate.

The bill distributes the annual use fees from the Auburn University specialty license plates to the Tampa Bay Auburn Club for the purpose of awarding scholarships to Florida residents attending Auburn University. Students receiving these scholarships must be eligible for the Florida Bright Futures Scholarship Program<sup>49</sup> and are required to use the scholarship funds for tuition and other expenses related to attending Auburn University.

### Ducks Unlimited License Plate

#### *Present Situation*

Ducks Unlimited is a waterfowl and wetlands conservation organization founded in 1937. The mission of Ducks Unlimited is habitat conservation.<sup>50</sup> Since 1985, Ducks Unlimited has worked to conserve more than 26,000 acres of Florida wetlands.<sup>51</sup>

#### *Effect of Proposed Changes*

The bill creates a Ducks Unlimited license plate with an annual use fee of \$25. The license plate must bear DHSMV-approved colors and design. The word “Florida” appears at the top of the plate and “Conserving Florida Wetlands” appears 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.
- At least 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.

<sup>47</sup> Tampa Bay Auburn Club, Inc., *Tampa Bay Auburn Club*, <http://tampabayauburnclub.com/> (Last visited January 25, 2019).

<sup>48</sup> Tampa Bay Auburn Club, *Scholarships*, <http://tampabayauburnclub.com/scholarships/> (Last visited February 25, 2018)

<sup>49</sup> The Florida Bright Futures Scholarship Program is created pursuant to s. 1009.531, F.S.

<sup>50</sup> Ducks Unlimited, *About Ducks Unlimited*, <http://www.ducks.org/about-du?poe=hometxt> (last visited January 25, 2019).

<sup>51</sup> Ducks Unlimited, *Florida Conservation Projects*, <http://www.ducks.org/florida/florida-conservation-projects> (Last visited January 25, 2019).

## Donate Life Florida License Plate

### *Present Situation*

Donate Life Florida is a non-profit organization contracted by the State of Florida, Agency for Health Care Administration to create the state's organ, tissue, and eye donor registry.<sup>52</sup>

### *Effect of Proposed Changes*

The bill creates the Donate Life Florida license plate with an annual use fee of \$25. The license plate must bear DHSMV-approved colors and design. The word "Florida" appears at the top of the plate, and "Donors Save Lives" appears at the bottom of the plate.

The annual use fees from the Donate Life Florida license plate are distributed to Donate Life Florida, which may use up to 10 percent of the proceeds for marketing and administrative costs. The remaining proceeds must be used by Donate Life Florida to educate Florida residents on the importance of organ, tissue, and eye donation and for the continued maintenance of the Joshua Abbott Organ and Tissue Donor Registry, which is Florida's organ, tissue, and eye donor registry.

## Florida State Beekeepers Association License Plate

### *Present Situation*

The Florida State Beekeepers Association is dedicated to keeping Florida apiculture strong and healthy and is the major voice for the state's beekeeping industry. Its mission is to:

- Provide resources for the improvement of beekeeping by using proven techniques and procedures in the management of honey bees and shares this knowledge with everyone interested in the art of beekeeping.
- Promote the development of practical beekeeping methods in the state of Florida.
- Act in the interest of Florida beekeepers in advocating for and carrying on statewide beekeeping affairs.
- Act as a medium for and to aid in cooperative and mutual beekeeping methods.
- Act as the representative of the Florida beekeepers in state and national beekeeping affairs.<sup>53</sup>

### *Effect of Proposed Changes*

The bill creates the Florida State Beekeepers Association specialty license plate with an annual fee of \$25. The license plate must bear DHSMV approved colors and design. The word "Florida" appears at the top of the plate and "Save the Bees" appears at the bottom of the plate.

The annual use fees from the sale of the Florida State Beekeepers license plate are distributed to the Florida States Beekeepers Association, which may use up to 10 percent of the annual use fees for administrative, promotional, and marketing cost of the plate. The remainder of the funds must be used to fund outreach and education to raise awareness of the importance of beekeeping to Florida agriculture, and to fund honeybee research and husbandry. The association's board of managers must approve and is accountable for all such expenditures.

## Rotary License Plate

### *Present Situation*

Rotary is a global network of 1.2 million neighbors, friends, leaders, and problem-solvers who come together to make positive, lasting change in communities at home and abroad.<sup>54</sup>

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<sup>52</sup> Donate Life Florida, *About the Joshua Abbott Organ and Tissue Donor Registry*, <https://www.donateliflorida.org/content/about/> (Last visited January 25, 2019).

<sup>53</sup> <http://www.floridabeekeepers.org/> (Last visited January 12, 2018).

<sup>54</sup> Rotary, *Who We Are*, <https://www.rotary.org/en/about-rotary> (Last visited January 25, 2019).

Founded in 1990, the Community Foundation of Tampa Bay is dedicated to helping individuals in Hillsborough, Pinellas, Pasco, and Hernando counties. The Foundation functions as a partnership between donors, nonprofits, community and business leaders, professional advisors, volunteers, and the residents of its four-county region.<sup>55</sup>

#### *Effect of Proposed Changes*

The bill creates the Rotary license plate with an annual use fee of \$25. The license plate must contain DHSMV-approved colors and design. The word “Florida” appears at the top of the plate and “Rotary” appears at the bottom of the plate. The license plate will also bear the Rotary International wheel emblem.

The annual use fees from the sale of the Rotary license plate are distributed to the Community Foundation of Tampa Bay, Inc., to be distributed as follows:

- Up to 10 percent for administrative costs and for marketing the plate;
- Ten percent to Rotary’s Camp Florida for direct support to all programs and services provided to special needs children who attend the camp; and
- The remainder is distributed, proportionally based on sales, to each Rotary district in the state to support Rotary youth programs in Florida.

#### Florida Bay Forever License Plate

##### *Present Situation*

The Florida National Parks Association, Inc. is the official not for profit entity of Everglades National Park, Biscayne National Park, Dry Tortugas National Park, and Big Cypress National Preserve. The purpose of the Florida National Parks Association, Inc., is to generate additional revenues to help supplement the park service’s budget as well as support educational, interpretive, and historical and scientific research. The FNPA also operates the book stores within the Parks to help generate revenues as well as providing a visitor information services function on behalf of the National Park Service.<sup>56</sup>

##### *Effect of Proposed Changes*

The bill creates the Florida Bay Forever license plate with an annual use fee of \$25. The plate must bear DHSMV approved colors and design. The word “Florida” appears at the top of the plate and “Florida Bay Forever” appears at the bottom of the plate.

The annual use fees from the sale of the Florida Bay Forever license plate are distributed to the Florida National Parks Association, Inc., which may use up to 10 percent of the proceeds for administrative costs and marketing the plate. The remainder of the funds must be used to supplement the Everglades National Park’s budget and to support educational, interpretive, historical, and scientific research relating to the Everglades National Park.

#### Bonefish and Tarpon Trust License Plate

##### *Present Situation*

The Bonefish and Tarpon Trust’s mission is to conserve and restore bonefish and tarpon fisheries and habitats through research, stewardship, education, and advocacy.<sup>57</sup>

##### *Effect of Proposed Changes*

The bill creates a Bonefish and Tarpon Trust license plate with an annual use fee of \$25. The plate must bear DHSMV-approved colors and designs. The word “Florida” appears at the top of the plate, and “Bonefish and Tarpon Trust” appears at the bottom of the plate.

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<sup>55</sup> Community Foundation of Tampa Bay, *What We Do*, <https://www.cftampabay.org/what-we-do/> (Last visited January 25, 2019).

<sup>56</sup> Proposal for Florida Bay Forever Specialty License Plate. (Copy on file with Transportation & Infrastructure Subcommittee).

<sup>57</sup> Bonefish and Tarpon Trust, *BTT Mission*, <https://www.bonefishtarpontrust.org/btt-mission> (Last visited January 25, 2019).

The annual use fees from the sale of the Bonefish and Tarpon Trust license plate are distributed to the Bonefish and Tarpon Trust, which may use up to 10 percent of the proceeds to promote and market the license plate. The remainder of the proceeds must be used to conserve and enhance Florida bonefish and tarpon fisheries and their respective environments through stewardship, research, education, and advocacy.

### Medical Professionals Who Care License Plate

#### *Present Situation*

Based in Gainesville, Florida Benevolent Group, Inc., assists students in obtaining a medical education through a college or certificate program. The organization's desire is to offer assistance to individuals struggling to make it into school or to stay in school.<sup>58</sup>

#### *Effect of Proposed Changes*

The bill creates a Medical Professionals Who Care specialty license plate with an annual use fee of \$25. The plate must bear DHSMV-approved colors and design. The word "Florida" appears at the top of the plate and "Medical Professionals Who Care" appears at the bottom of the plate.

The annual use fees from the sale of the Medical Professionals Who Care license plate are distributed to Florida Benevolent Group, Inc., which may use up to 10 percent of the fees for administrative costs, marketing, and promoting the license plate. The remainder of the fees are used by Florida Benevolent Group, Inc., to assist low-income individuals in obtaining a medical education and career through scholarships, support, and guidance.

### University of Georgia License Plate

#### *Present Situation*

Founded in 1946 as the Georgia Alumni Association of Jacksonville, the Georgia Bulldog Club of Jacksonville is America's largest bulldog club.<sup>59</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>60</sup>

#### *Effect of Proposed Changes*

The bill creates a University of Georgia specialty license plate with an annual use fee of \$50. The plate must bear DHSMV-approved colors and design. The word "Florida" appears at the top of the plate and "University of Georgia" appears at the bottom of the plate.

The annual use fees from the University of Georgia specialty license plate are distributed to 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. Students receiving the scholarship must be eligible for the Florida Bright Futures Scholarship Program and use the scholarship funds for tuition and other expenses related to attending the University of Georgia.

### Highwaymen License Plate

#### *Present Situation*

From the early 1950s through the 1980s, a group of 26 African-American artists known as the "Florida Highwaymen" used vivid and bright colors to display the beautiful untouched Florida landscape. They painted from their garages and backyards on inexpensive Upson board and, on the weekends, traveled

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<sup>58</sup> Florida Benevolent Group, *About*, <https://www.floridabenevolentgroup.org/> (Last visited January 25, 2019).

<sup>59</sup> Georgia Bulldog Club of Jacksonville, *Welcome to the Home of the Georgia Bulldog Club of Jacksonville*, <https://jaxbulldogs.com/> (Last visited January 25, 2019)

<sup>60</sup> Georgia Bulldog Club of Jacksonville, *Scholarship*, <https://jaxbulldogs.com/scholarship-fund/> (Last visited January 25, 2019).

and sold their Highwaymen paintings to hotels, offices, businesses, and individuals who appreciated the artwork for approximately \$25 apiece. Currently, the market for an original work of art by a Florida Highwayman can bring \$5,000 or more. Some of the Highwaymen who are still living have resumed painting to meet the continuing demand for their work.<sup>61</sup>

In 1984, the Florida Legislature authorized school districts to create local education foundations to raise private funds for programs to support students, teachers, and public schools in their respective districts. In 1990, the St. Lucie County Education Foundation was organized as a direct-support organization of the St. Lucie County School Board. The St. Lucie County Education Foundation is a non-profit organization that advances K-12 public education in St. Lucie County by increasing the capacity and resources of the district in partnership with key stakeholders.<sup>62</sup>

#### *Effect of Proposed Changes*

The bill creates a Highwaymen specialty license plate with an annual use fee of \$25. The plate must bear DHSMV-approved colors and design. The word “Florida” appears at the top of the plate and “Highwaymen” appears at the bottom of the plate.

The annual use fees from the Highwaymen specialty license plate are distributed to the City of Fort Pierce, subject to a city resolution designating the city as the license plate’s fiscal agent. The city may use up to 10 percent of the fees for administrative costs and marketing the license plate and must use the remainder of the fees as follows:

- Before completion of the construction of the Highwaymen Museum and African-American Cultural Center, the city must distribute at least 15 percent of the proceeds to the St. Lucie Education Foundation, Inc., to fund art education and art projects in public schools within St. Lucie County. The remainder of the fees must be used by the city to fund the construction of the Highwaymen Museum and African-American Cultural Center.
- Upon completion of construction of the Highwaymen Museum and African American Cultural Center, the city must distribute at least 10 percent to the St. Lucie Education Foundation, Inc., to fund area education and art projects within St. Lucie County. The remainder of the fees must be used by the city to fund the day-to-day operations of the Highwaymen Museum and African-American Cultural Center.

#### Dan Marino Campus License Plate

##### *Present 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>63</sup>

##### *Effect of Proposed Changes*

The bill creates 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.

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<sup>61</sup> Florida Highwaymen, available at <http://www.floridahighwaymenpaintings.com/> (last visited January 25, 2019).

<sup>62</sup> Education Foundation, *About Us*, available at <https://www.educationfoundationstlucie.org/p/3/about-us#.WjFxDGhSyUk> (last visited January 25, 2019).

<sup>63</sup> Dan Marino Foundation Website. <https://danmarinofoundation.org/> (Last visited January 25, 2019).

## Orlando City Soccer License Plate

### *Present Situation*

Section 320.08058(9), F.S., provides that Florida Professional Sports Team license plates must bear DHSMV-approved colors and design and must include the official league or team logo, or both, as appropriate for each team. The word “Florida” must appear at the top of the plate.

The annual use fee is distributed as follows:

- Fifty-five percent to the Professional Sports Development Trust Fund within the Department of Economic Opportunity (DEO), to be used solely to attract and support major sports events in this state.
- The remaining proceeds must be allocated to Enterprise Florida, Inc. and must be deposited into the Professional Sports Development Trust Fund within DEO. These funds must be used by Enterprise Florida, Inc., to:
  - Promote the economic development of the sports industry;
  - Distribute licensing and royalty fees to participating professional sports teams;
  - Promote education programs in Florida schools that provide an awareness of the benefits of physical activity and nutrition standards;
  - Partner with the Department of Education and the Department of Health to develop a program that recognizes schools whose students demonstrate excellent physical fitness or fitness improvement;
  - Institute a grant program for communities bidding on minor sporting events that create an economic impact for the state;
  - Distribute funds to Florida-based charities designated by Enterprise Florida, Inc., and the participating professional sports teams; and
  - Fulfill the sports promotion responsibilities of DEO.

The proceeds from the Professional Sports Development Trust Fund may also be used for operational expenses of Enterprise Florida, Inc., and financial support of the Sunshine State Games.

There are nine Florida Professional Sports Teams specialty license plates available for purchase: Florida Panthers, Miami Heat, Tampa Bay Buccaneers, Jacksonville Jaguars, Miami Marlins, Tampa Bay Lightning, Miami Dolphins, Orlando Magic, and Tampa Bay Rays.<sup>64</sup>

Orlando City Soccer Club was formed in 2010 and was awarded a Major League Soccer franchise in late November of 2013. On May 29, 2015, Orlando City Soccer Club announced they would be privately funding 100 percent of a new downtown stadium that would hold 25,500 people. The downtown stadium opened its doors for the first time to a sellout crowd on March 5, 2017.<sup>65</sup>

### *Effect of Proposed Changes*

The bill creates an Orlando City Soccer Club specialty license plate with an annual use fee of \$25, bearing DHSMV-approved colors and design. The new license plates will display the word “Florida” at the top of the plate and must include the official league or team logo, or both.

The annual use fee from the Orlando City Soccer specialty license plate is distributed pursuant to the distribution of Florida Professional Sports Team license plates as provided in s. 320.08058(9), F.S.

## Coastal Conservation Association License Plate

### *Present Situation*

Coastal Conservation Association Florida (CCAF) is a statewide, non-profit marine organization working in an advocacy role to protect the state’s marine resources and the interests of saltwater

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<sup>64</sup> Department of Highway Safety and Motor Vehicles, *2017 Specialty License Plate Rankings*, available at <http://www.flhsmv.gov/specialtytags/tagsales.pdf> (last visited January 25, 2019).

<sup>65</sup> Orlando City Soccer Club, *History*, available at <https://www.orlandocitysc.com/club/history> (last visited January 25, 2019).

anglers. It is comprised of 30 local chapters from Key West to Pensacola and it supports resource-based law enforcement, access to recreational fishing, and fishery regulations to protect state and federal fish stocks. CCAF is one of the 17 state chapters of the Coastal Conservation Association.<sup>66</sup>

### *Effect of Proposed Changes*

The bill directs DHSMV to develop the Coastal Conservation Association specialty license plate with an annual use fee of \$25. The plate will bear DHSMV-approved colors and design. The new license plates will display the word “Florida” at the top of the plate and “Conserve Florida’s Fisheries” at the bottom of the plate.

The annual use fee is distributed to CCAF to support the mission and efforts of CCAF for habitat enhancement and restoration, saltwater fisheries conservation, and education; to advise the public on the conservation of marine resources; and to promote and enhance the present and future availability of those coastal resources for the benefit and enjoyment of the general public. CCAF may use up to 10 percent of the proceeds for administrative costs and up to 10 percent of the proceeds to promote and market the plate.

## **Audits and Attestations**

### Present Situation

All organizations receiving annual use fee proceeds from DHSMV are responsible for ensuring that proceeds are used in accordance with state law.<sup>67</sup> Any organization not subject to audit pursuant to the Florida Single Audit Act<sup>68</sup> must annually attest, under penalties of perjury, that such proceeds were used in compliance with applicable state laws.<sup>69</sup>

Any organization subject to audit pursuant to the Florida Single Audit Act must submit an audit report in accordance with the Auditor General’s rules. The annual attestation must be submitted to DHSMV for review within nine months after the end of the organization’s fiscal year.<sup>70</sup>

Within 120 days after receiving an organization’s audit or attestation, DHSMV must determine which recipients of revenues from specialty license plate annual use fees have not complied with the appropriate statutory provisions. In determining compliance, DHSMV may commission an independent actuarial consultant, or an independent certified public accountant, who has expertise in nonprofit and charitable organizations.<sup>71</sup>

DHSMV must discontinue the distribution of revenues to any organization failing to submit the required documentation, but may resume distribution of the revenues upon receipt of the required information.<sup>72</sup>

If DHSMV or its designee determines that an organization has not complied with or has failed to use the revenues in accordance with applicable law, DHSMV must discontinue the distribution of the revenues to the organization. DHSMV must notify the organization of its findings and direct the organization to make the changes necessary in order to comply. If the officers of the organization sign an affidavit under penalties of perjury stating they acknowledge the findings of DHSMV and attest they have taken corrective action and that the organization will submit to a follow-up review by DHSMV, then the department may resume the distribution of revenues.<sup>73</sup>

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<sup>66</sup> Coastal Conservation Association Florida, <https://www.ccaflorida.org/> (last visited January 25, 2019).

<sup>67</sup> S. 320.08062(1)(a), F.S.

<sup>68</sup> S. 215.97, F.S.

<sup>69</sup> S. 320.08062(1)(b), F.S.

<sup>70</sup> S. 320.08062(1)(c), F.S.

<sup>71</sup> S. 320.08062(2)(a), F.S.

<sup>72</sup> S. 320.08062(2)(b), F.S.

<sup>73</sup> S. 320.08062(2)(c), F.S.

If an organization fails to comply with DHSMV's recommendations and corrective actions as outlined above, the revenue distributions must be discontinued until completion of the next regular session of the Legislature. DHSMV must notify the President of the Senate and the Speaker of the House of Representatives by the first day of the next regular session of any organization whose revenues have been withheld. If the Legislature does not provide direction to the organization and DHSMV regarding the status of the undistributed revenues, DHSMV must deauthorize the plate and the undistributed revenues are immediately deposited into the Highway Safety Operating Trust Fund.<sup>74</sup>

DHSMV or its designee has the authority to examine all records pertaining to the use of funds from the sale of specialty license plates.<sup>75</sup>

### Effect of Proposed Changes

The bill amends s. 320.08062(1)(b), F.S., requiring DHSMV to audit any specialty license plate revenue recipient every three years if the organization is not subject to the Florida Single Audit Act. The purpose of this audit is to ensure that specialty license plate proceeds have been used in compliance with Florida Statutes.

### **Preserve Vision**

#### Present Situation

Preserve Vision Florida, formerly Prevent Blindness Florida, is a non-profit organization offering vision education and services to Florida's children and adults. Its focus is promoting a lifetime of healthy vision care through advocacy, education, screening and research. Its mission is to promote healthy vision through vision awareness and education, vision screening, assistance to receive medical eye care, and advocacy for vision and medical eye care health service.<sup>76</sup> In May 2016, the organization Prevent Blindness Florida changed its name to Preserve Vision Florida.<sup>77</sup>

The annual use fee is distributed to The Able Trust as custodial agent. After paying administrative costs, the Able Trust distributes 20 percent of the proceeds to Prevent Blindness Florida.<sup>78</sup>

#### Effect of Proposed Changes

The bill amends s. 320.08068(4)(b), F.S., changing the statutory reference from "Prevent Blindness Florida" to "Preserve Vision Florida" to reflect the change in the organization's name.

### **Purple Heart Motorcycle Special License Plate**

#### Present Situation

There are currently 21 special use license plates for motor vehicles authorized in s. 320.089, F.S. These special license plates are available to military service members or veterans for various types of service. There are currently no special license plates authorized for motorcycles.

The Purple Heart is awarded to members of the U.S. Armed Forces who are wounded by an instrument of war in the hands of the enemy and posthumously to the next of kin in the name of those who are killed in action or die of wounds received in action.<sup>79</sup>

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<sup>74</sup> S. 320.08062(2)(d), F.S.

<sup>75</sup> S. 320.08062(3), F.S.

<sup>76</sup> Preserve Vision Florida Website, <http://pvfla.org/about-us/> (Last visited January 25, 2019).

<sup>77</sup> Department of State, Division of Corporations – Sunbiz.org, *Preserve Vision Florida, Inc.* (May 4, 2016), <http://search.sunbiz.org/Inquiry/CorporationSearch/ConvertTiffToPDF?storagePath=COR%5C2016%5C0509%5C84865905.Tif&documentNumber=706503> (last visited January 25, 2019).

<sup>78</sup> S. 320.08068(4), F.S.

<sup>79</sup> <http://www.purpleheart.org/HistoryOrder.aspx> (Last visited January 28, 2019).

### Effect of Proposed Changes

The bill creates s. 320.0875, F.S., creating the Purple Heart motorcycle special license plate. Upon application to DHSMV and payment of the motorcycle license tax,<sup>80</sup> a resident who owns or leases a motorcycle that is not used for-hire or commercial use is to be issued a Purple Heart motorcycle license plate if he or she provides documentation acceptable to DHSMV that he or she is a recipient of the Purple Heart medal.

The Purple Heart motorcycle special license plate will be stamped with the term “Combat-wounded Veteran.” The license plate may have the term “Purple Heart” stamped on the plate and the likeness of the Purple Heart Medal stamped on the license plate.

### **Bronze Star Special License Plate**

#### Present Situation

Currently, s. 320.089, F.S., authorizes 21 special license plates available to military service members or veterans for certain types of military service. Examples of service include Veteran of the U.S. Armed Forces, World War II Veteran, and Woman Veteran. While anyone who pays the appropriate fees may purchase most specialty license plates, one must provide proof of eligibility to obtain a special license plate.

Special license plates are each stamped with words consistent with the type of special license plate issued. A likeness of the related campaign medal or badge appears on the plate followed by the license plate serial number.

Applicants for special license plates are required to pay the annual license tax<sup>81</sup> with the exception of certain disabled veterans who qualify for the Pearl Harbor, Purple Heart, or Prisoner of War plate, to whom such plates are issued at no cost.<sup>82</sup> The first \$100,000 of the revenue generated annually from the issuance of special use plates is deposited into the Grants and Donations Trust Fund under the Veterans’ Nursing Homes of Florida Act.<sup>83</sup> Any additional revenue is deposited into the State Homes for Veterans Trust Fund and used to construct, operate, and maintain domiciliary and nursing homes for veterans.<sup>84</sup>

The Bronze Star Medal is awarded to any person who, after December 6, 1941, while serving in any capacity with the U.S. Armed Forces, distinguishes himself or herself by heroic or meritorious achievement or service not involving participation in aerial flight.<sup>85</sup>

### Effect of Proposed Changes

The bill amends s. 320.089, F.S., authorizing DHSMV to create the Bronze Star special use license plate for recipients of the Bronze Star medal who provide proof of their qualification. The license plate will be stamped with the term “Bronze Star” and a likeness of the related campaign medal. Revenue generated from the sale of the Bronze Star special use license plate will be administered the same as the existing special use license plates, and deposited into the Grants and Donations Trust Fund and the State Homes for Veterans Trust Fund to support the State Veterans Homes Program.

## **B. SECTION DIRECTORY:**

Section 1 amends s. 320.06, F.S., relating to registration certificates, license plates, and validation stickers.

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<sup>80</sup> The license tax is provided in s. 320.08, F.S.,

<sup>81</sup> The annual license tax is provided in s. 320.08, F.S.

<sup>82</sup> S. 320.089(2)(a), F.S.

<sup>83</sup> S. 320.089(1)(b), F.S.

<sup>84</sup> *Id.*

<sup>85</sup> Bronze Star Medal, <https://www.thebalance.com/bronze-star-medal-3344939> (Last visited January 25, 2019).

Section 2 amends s. 320.0657, F.S., relating to permanent registration for fleet license plates.

Section 3 amends s. 320.08, F.S., relating to license taxes.

Section 4 amends s. 320.08053, F.S., relating to the establishment of specialty license plates.

Section 5 amends s. 320.08056, F.S., relating to specialty license plates.

Section 6 amends s. 320.08056, F.S., relating to specialty license plates.

Section 7 amends s. 320.08058, F.S., relating to specialty license plates.

Section 8 amends s. 320.08062, F.S., relating to audits and attestations required; annual use fees of specialty license plates.

Section 9 amends s. 320.08068, F.S., relating to motorcycle specialty license plates.

Section 10 creates s. 320.0875, F.S., creating the Purple Heart special motorcycle license plate.

Section 11 amends s. 320.089, F.S., relating to special license plates.

Section 12 provides that except as otherwise expressly provided, the bill has an effective date of October 1, 2019.

## **II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

### **A. FISCAL IMPACT ON STATE GOVERNMENT:**

#### **1. Revenues:**

Revenues from the sale of the Orlando City Soccer Club specialty license plate will be deposited into the Professional Sports Development Trust Fund within DEO. To the extent that individuals choose to purchase this specialty license plate, there may be a positive, but indeterminate impact to the Professional Sports Development Trust Fund.

Revenues from the sale of the Purple Heart Motorcycle plate and Bronze Star plate will be deposited into the Grants and Donations Trust Fund and the State Homes for Veterans Trust Fund within the Department of Veterans Affairs; to the extent that eligible individuals choose to purchase these plates, there may be an indeterminate, positive fiscal impact on the aforementioned trust funds.

#### **2. Expenditures:**

According to DHSMV, creation or modification of specialty and special license plates require system programming to implement. Depending on the number of distributions tied to the plate, the amount of programming may vary as will the resources needed to complete the changes. The average specialty/special license plate with a single distribution requires approximately 200-250 hours of programming, at a rate of \$35 to \$40 per hour.<sup>86</sup> Additional distributions will generally require an additional 5 to 10 hours per distribution. The bill creates 18 new license plates and amends the distribution of some other license plates. However, based upon other provisions in the bill, not all

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<sup>86</sup> Email from Kevin Jacobs, Deputy Director of Legislative Affairs, Department of Highway Safety and Motor Vehicles., RE., HBs 273/275 and 199/201, (January 24, 2019)

new license plates will be created at the same time. Therefore, the negative fiscal impact associated with DHSMV's programming efforts is indeterminate, but likely insignificant and can be absorbed within existing resources.

DHSMV states the cost to perform an audit every three years of each specialty license plate may result in an insignificant workload impact that can be absorbed within existing resources.

**B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

1. Revenues:

The bill does not appear to have a fiscal impact on local government revenues.

2. Expenditures:

The bill does not appear to have a fiscal impact on local government expenditures.

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

Organizations receiving specialty license plate revenue may experience 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>87</sup> Special Olympics Florida, and the Florida Lighthouse Association may be required to purchase the remaining inventory of its specialty license plate at DHSMV's cost prior to the authorized redesign of these license plates.

### **III. COMMENTS**

**A. CONSTITUTIONAL ISSUES:**

1. Applicability of Municipality/County Mandates Provision:

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

2. Other:

Article VII, s. 19 of the Florida Constitution requires the imposition, authorization, or raising of a state tax or fee be contained in a separate bill that contains no other subject and be approved by two-thirds of the membership of each house of the Legislature. As such, Art. VII, s. 19 of the Florida Constitution may apply if the fee provisions in the bill are interpreted to be a new fee.

**B. RULE-MAKING AUTHORITY:**

The bill removes DHSMV's rulemaking authority regarding a digital proof of driver license.

**C. DRAFTING ISSUES OR OTHER COMMENTS:**

The bill provides for a revenue sharing model of the issuance of electronic credentials by a credential services provider. The bill is not clear as to the source of the revenues that will be shared under the

revenue sharing model, nor the entity who will collect such revenues and be responsible for making subsequent distributions.

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

On February 13, 2019, the Transportation & Infrastructure Subcommittee adopted four amendments and reported the bill favorably as a committee substitute. The amendments made technical changes to the bill, removed the creation of the America the Beautiful license plate, removed provisions regarding the payment of withheld fees from the Live the Dream Foundation, and authorized the creation of a digital credential.

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

On March 26, 2019, the Transportation & Tourism Appropriations Subcommittee adopted an amendment and reported the bill favorably as a committee substitute. In summary, the amendment removed the provisions relating to the optional electronic credentials.

This analysis is written to the committee substitute as passed out of the Transportation & Tourism Appropriations Subcommittee.