

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: SB 722

SPONSOR: Senator Sanderson and others

SUBJECT: Specialty License Plates

DATE: January 17, 2002 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Vickers</u>	<u>Meyer</u>	<u>TR</u>	<u>Favorable</u>
2.	<u>Keating</u>	<u>Johansen</u>	<u>FT</u>	<u>Favorable</u>
3.	_____	_____	<u>AGG</u>	_____
4.	_____	_____	<u>AP</u>	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

The bill creates the Breast Cancer Research license plate. The plate will include a figure on the left side of the plate with a pink ribbon on the chest, and will display a pink banner containing the Florida Breast Cancer Coalition website. The background will be blue and the words “End Breast Cancer” will appear at the top of the plate. The word “Florida” will appear at the bottom of the plate. In addition to the applicable motor vehicle taxes and fees, a \$25 annual use fee will be charged for this new specialty license plate.

All annual use fees will be distributed by the Department of Highway Safety and Motor Vehicles (DHSMV) to the Florida Breast Cancer Coalition Research Foundation to fund a peer reviewed grant process. Grant funding must be made available for various kinds of breast cancer related research and innovative ideas. In the first year the plate is issued, no more than 25 percent of the fees collected may be used for administrative costs associated with the operation of the Florida Breast Cancer Coalition Research Foundation, and marketing and promotion of the research concept and license plate. In subsequent years, no more than 20 percent of the revenues may be used for such purposes.

This bill substantially amends the following sections of the Florida Statutes: 320.08056 and 320.08058.

II. Present Situation:

Section 320.08053, F.S., establishes requirements that organizations or agencies must meet in order to create a new specialty license plate. Current law requires that specified information and an application fee be submitted to DHSMV prior to requesting legislative approval for a specialty plate. Information required to be submitted includes:

- The results of a scientific sample survey indicating that at least 15,000 motor vehicle owners intend to purchase the proposed specialty license plate at the increased cost.
- An application fee, not to exceed \$60,000, to defray DHSMV's cost for reviewing the application and developing the license plate, if authorized.
- A marketing plan and financial analysis of anticipated revenues and expenditures.

Once a specialty license plate has been approved by the Legislature, s. 320.08056, F.S., establishes uniform requirements for all specialty license plates, including taxes, fees, and design characteristics. Specifically, each request for a specialty license plate must be accompanied annually by the following license tax and fees:

- The license tax required for the vehicle pursuant to s. 320.08.
- A \$2 processing fee.
- A license plate replacement fee pursuant to s. 320.06(1)(b).
- A license plate use fee as required by s. 320.08056(4).

Section 320.08058, F.S., specifies the individual requirements and distribution of annual use fees for approved specialty plates.

On October 31, 2001, DHSMV reported that the Florida Breast Cancer Coalition had successfully completed its application for the Breast Cancer Research specialty license plate, and had complied with all statutorily prescribed requirements.

III. Effect of Proposed Changes:

The bill requires DHSMV to develop and issue a Breast Cancer Research license plate. The plate will include a figure on the left side of the plate with a pink ribbon on the chest, and will display a pink banner containing the Florida Breast Cancer Coalition (FBCC) website. The background will be blue and the words "End Breast Cancer" will appear at the top of the plate. The word "Florida" will appear at the bottom of the plate. In addition to the applicable motor vehicle taxes and fees as specified in s. 320.08056(3), a \$25 annual use fee will be charged for this new specialty license plate.

All annual use fees will be distributed quarterly by DHSMV to the Florida Breast Cancer Coalition Research Foundation to fund a peer reviewed grant process. Grant funding must be made available for:

- Basic, clinical, and translational breast cancer research;
- Epidemiological studies of breast cancer;
- Research between possible links between breast cancer and the environment;
- Psychoimmunological research; and
- Innovative awards and idea grants.

In the first year the plate is issued, no more than 25 percent of the fees collected may be used for administrative costs associated with the operation of the Florida Breast Cancer Coalition Research Foundation, and marketing and promotion of the research concept and license plate. In subsequent years, no more than 20 percent of the revenues may be used for such purposes.

This act shall take effect upon becoming a law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

Anyone electing to purchase the Breast Cancer Research specialty plate would pay, in addition to motor vehicle taxes and fees as specified in s. 320.08056(3), a \$25 annual use fee.

B. Private Sector Impact:

Fees generated through the sale of this specialty license plate are to be distributed to the Florida Breast Cancer Coalition Research Foundation. The Foundation is directed to establish a grant process for the distribution of funds for breast cancer research and education in Florida. The Foundation may use up to 25 percent of revenues from plate sales in the first year, and 20 percent in subsequent years to fund administrative costs. Since it is impossible to estimate demand for the plate, the amount of revenues generated through this specialty plate is indeterminate.

C. Government Sector Impact:

Section 320.08053(1)(c), F.S., states that an application fee may not exceed \$60,000. This fee will be paid to DHSMV to defray the costs of reviewing the application and developing the specialty license plate.

DHSMV estimates that it will incur \$15,000 in personnel costs, \$7,560 in computer programming costs, and \$36,900 in license plate costs. Specialty license plates cost DHSMV \$2.46 each under the current contract. A minimum order of 15,000 plates is required.

VI. Technical Deficiencies:

None.

VII. Related Issues:

Florida currently has 52 specialty license plates. For calendar year 2000, specialty license plate revenues were approximately \$20 million.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
