

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the General Government Appropriations Committee

BILL: CS/SB 736

INTRODUCER: Transportation Committee and Senator Garcia

SUBJECT: Specialty License Plates

DATE: April 19, 2010 **REVISED:** _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	McManus	Meyer	TR	Fav/CS
2.	DeLoach	DeLoach	GA	Favorable
3.	_____	_____	RC	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

Please see Section VIII. for Additional Information:

A. COMMITTEE SUBSTITUTE..... Statement of Substantial Changes

B. AMENDMENTS..... Technical amendments were recommended

Amendments were recommended

Significant amendments were recommended

I. Summary:

This bill requires the Department of Highway Safety and Motor Vehicles (DHSMV or department) to develop the following three specialty license plates.

- The “Catch Me, Release Me” specialty license plate. An annual use fee of \$25 per tag to be distributed to the Guy Harvey Ocean Foundation, Inc., to fund marine-related scientific research and public awareness.
- The “Discover Florida’s Horses” specialty license plate. An annual use fee of \$25 per tag to be distributed to the Florida Agricultural Center and Horse Park Authority, for continued development of the park’s education facilities, barns, and other structures, infrastructure improvements, and for park operations.
- The “Save Wild Florida” specialty license plate. An annual use fee of \$25 per tag to be distributed to the Florida Biodiversity Foundation, Inc., to fund research, education, and scientific study of the diversity of animals and plants and to aid in the preservation, study, conservation, and recovery of imperiled organisms.

The organizations have met the statutory application requirements for a new specialty license plate and fall within the exception from the moratorium on new specialty license plates created

by the 2008 Legislature. The department's cost to develop the license plates is approximately \$60,000 per plate, which is offset by the revenue from the application fees paid by the organizations.

The bill amends section 320.08058(4)(b), Florida Statutes, relating to the Florida Salutes Veterans license plates, to reduce the amount of annual use fees that may be transferred to the direct-support organization and to expand the time frame to transfer such funds.

This bill amends sections 320.08056 and 320.08058, Florida Statutes.

II. Present Situation:

Specialty License Plates

The Florida Legislature created the first specialty license plates in 1986. Specialty license plates are available for an annual use fee to any owner or lessee of a motor vehicle. Annual use fees ranging from \$15 to \$25, paid in addition to required license taxes and service fees, are distributed to a specified organization in support of the particular cause or charity signified in the plate's design and designated in statute. The Legislature may create a specialty license plate under its own initiative or it can do so at the request of an organization.

Section 320.08053, F.S., provides that an organization seeking authorization to establish a specialty license plate must submit the following.

- A request for the particular license plate with a description of the proposed plate in specific terms, including a sample plate conforming to the specifications set by the DHSMV.
- The results of a scientific sample survey of Florida motor vehicle owners that indicates at least 30,000 motor vehicle owners intend to purchase the proposed specialty license plate at the increased costs. The Auditor General is required to validate the methodology, results, and any evaluation by the DHSMV of the scientific sample survey prior to the submission of the specialty license plate for approval by the Legislature.
- An application fee, not to exceed \$60,000, to defray the DHSMV's cost for reviewing the application and developing the specialty license plate, if authorized.
- A marketing strategy outlining both the short and long term marketing plans, and a financial analysis outlining the anticipated revenue and the planned expenditures of the revenue from the requested specialty license plate.

The required documentation and fees must be submitted at least 90 days before the convening of the next regular session of the Florida Legislature. If a specialty license plate is approved by law, the organization must submit a proposed art design for the specialty plate to the DHSMV no later than 60 days after the act becomes a law. If the specialty license plate is not approved by the Legislature, the application fee is refunded to the requesting organization.

In an effort to manage the number of specialty license plates, the 2004 Legislature passed SB 2020, which provides that the DHSMV must discontinue the issuance of an approved specialty plate if the number of valid specialty license plates in use falls below 1,000 plates for at least 12 consecutive months. The DHSMV is authorized to discontinue the issuance and

attest, under penalties of perjury, that such proceeds were used correctly. The DHSMV can examine all records pertaining to the use of specialty license plate revenues.

There are currently 113 specialty license plates authorized by the Legislature to date. Sales of specialty license plates generated over \$37 million in annual use fee revenues during the 2008-2009 fiscal year.

Guy Harvey Ocean Foundation, Inc.

The Guy Harvey Ocean Foundation, Inc., is an organization of philanthropists, conservationists, scientists, and educators focused on developing strategies for promoting the conservation of the world's oceans and nurturing the next generation of marine scientists. The foundation funds marine research and educational programs developed by universities, colleges, institutes, and nonprofit organizations.

The foundation's mission is to inspire scientific research and innovative educational programs to encourage conservation and best management practices for sustainable marine environments.

The foundation seeks to ensure future generations will enjoy and benefit from a naturally balanced ecosystem where fish and other marine wildlife flourish. The foundation's grant program allows leading scientists to develop new strategies for fisheries management, encouraging the cooperation of commercial and recreational fishers, and allows educators to create instructional programs.

The department has found the "Catch Me, Release Me" license plate has met the application requirements and falls within the exception from the moratorium on new specialty license plates created by the 2008 Legislature, as the foundation submitted its materials before May 2, 2008.

Florida Agriculture Center and Horse Park Authority

The Florida Agriculture Center and Horse Park (Florida Horse Park) was created by the Florida Legislature in 1996. The Florida Horse Park is a year-round, world class equestrian facility that offers international caliber competition courses and is a popular destination for family tourism. The Florida Horse Park hosts local, national, and international competitions in virtually every equine discipline, including; dressage, polo, and versatility challenges. It has also been named an official training site for the United States Equestrian Team.

The department has found that the "Florida Horse Park" license plate has met the application requirements and falls within the exception from the moratorium on new specialty license plates created by the 2008 Legislature, as the Florida Horse Park submitted its materials before May 2, 2008.

Florida Biodiversity Foundation, Inc.

The Florida Biodiversity Foundation, Inc., is a non-profit organization whose mission is to study, preserve, conserve and restore Lepidoptera, biodiversity and the environment, and includes the support, research, educational exhibits and literature appropriate to these topics. The Florida

Biodiversity Foundation, Inc., works closely with the McGuire Center for Lepidoptera and Biodiversity, the Florida Museum of Natural History, and the University of Florida.

The department has found that the “Save Wild Florida” license plate has met the application requirements and falls within the exception from the moratorium on new specialty license plates created by the 2008 Legislature, as the foundation submitted its materials before May 2, 2008.

III. Effect of Proposed Changes:

The bill authorizes the department to develop and issue a Guy Harvey Ocean Foundation, Inc., license plate titled “Catch Me, Release Me.” Drivers can purchase this specialty plate upon payment of the appropriate license taxes and fees and a \$25 annual use fee. The first \$60,000 annual use fees shall reimburse the Guy Harvey Ocean Foundation, Inc., for startup costs. Annual use fees shall be distributed to the Guy Harvey Ocean Foundation, Inc., which may use up to ten percent of the proceeds for the administrative costs directly associated with the operation of the foundation and for the promotion and marketing of the plates. The remaining proceeds shall be used to fund scientific research related to marine issues, including research of free-ranging pelagic marine species that inhabit, use, or migrate through the waters of this state, and to fund conservation initiatives and education and public outreach programs for school-aged children.

The bill authorizes the department to develop and issue a Florida Agriculture Center and Horse Park Authority license plate titled “Discover Florida’s Horses.” Drivers can purchase the specialty plate upon payment of the appropriate license taxes and fees and a \$25 annual use fee. Florida Horse Park may retain all of the revenue from the annual use fees until all startup costs for developing and establishing the plate have been recovered. Thereafter, annual fees shall be distributed to Florida Horse Park, which may use up to five percent of the proceeds to administer the license plate and up to five percent of the proceeds to promote and market the plate. The remaining fees shall be used to support continued development of the park, including the construction of additional educational facilities, barns, and other structures; to provide improvements to the existing infrastructure at the park; and to provide for operational expenses of the park.

The bill authorizes the department to develop and issue a Florida Biodiversity Foundation, Inc., license plate titled “Save Wild Florida.” Drivers can purchase the specialty plate upon payment of the appropriate license taxes and fees and a \$25 annual use fee. The Florida Biodiversity Foundation, Inc., may retain 50 percent of the revenue from the annual use fees until all startup costs for developing and establishing the plate have been recovered. Thereafter, annual use fees shall be distributed to the Florida Biodiversity Foundation, Inc., which may use up to ten percent of the proceeds to fund the administrative, promotion, and marketing costs of the license plate program. The remaining fees shall be used by the Florida Biodiversity Foundation to fund research, education, and scientific study of the diversity of animals and plants and to aid in the preservation, study, conservation, and recovery of imperiled organisms.

Section 320.08058(4)(b), F.S., pertaining to the Florida Salutes Veterans license plates, is amended to reduce from 20 to 10 percent the amount of annual use fees that may be transferred

to the direct-support organization and expands the time frame to transfer such funds from 24 to 48 months.

The bill provides an effective date of October 1, 2010.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Persons choosing to purchase a “Catch Me, Release Me,” “Discover Florida’s Horses,” or a “Save Wild Florida” plate can do so for a charge of \$25 (plus \$5 processing fee) in addition to the normal fees associated with buying a license plate.

The Guy Harvey Ocean Foundation, Inc.; the Florida Agriculture Center and Horse Park Authority; and the Florida Biodiversity Foundation, Inc., have each paid the \$60,000 application fee, which will be refunded if the plates are not approved by the Legislature.

C. Government Sector Impact:

The department is responsible for developing and distributing the “Catch Me, Release Me,” “Discover Florida’s Horses,” and “Save Wild Florida” specialty license plates. The cost of this effort is approximately \$60,000 per specialty license plate. This impact will be offset by the \$60,000 application fee that each organization has already paid.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Additional Information:

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

CS by Transportation on April 7, 2010:

Amendment 504230 deleted everything after the enacting clause. It amends section 320.08058(4)(b), F.S., Florida Salutes Veterans License Plates, to reduce the amount of annual use fees that can be transferred to the direct-support organization as well as lengthen the timeframe to transfer such funds. The amendment also adds three new specialty license plates:

- “Catch Me, Release Me”
- “Discover Florida’s Horses”
- “Save Wild Florida”

- B. **Amendments:**

None.