# 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.)

	Prepai	red By: The	Professional St	aff of the Committe	e on Transportation	on
BILL:	CS/SB 112					
INTRODUCER	R: Military and Veterans Affairs, Space, and Domestic Security Committee and Senator Hays					
SUBJECT: Special License Plates						
DATE: March 17, 2015		2015	REVISED:			
ANALYST		STAFF DIRECTOR		REFERENCE		ACTION
. Sanders		Ryon		MS	Fav/CS	
. Jones		Eichin		TR	Pre-meeting	
3.				ATD		
•				FP		

# Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

# I. Summary:

CS/SB 112 creates three special use license plates for recipients of the Combat Action Ribbon, Air Force Combat Action Medal, and the Distinguished Flying Cross medal. Revenue generated from the sale of these special license plates will be deposited into the Grants and Donations Trust Fund and the State Homes for Veterans Trust Fund to support the State Veterans' Homes Program.

### **II.** Present Situation:

#### **Special Use License Plates**

Current law provides for several types of license plates. In addition to plates issued for governmental or business purposes, the Department of Highway Safety and Motor Vehicles (DHSMV) offers four basic types of plates to the general public:

- Standard plates;
- Specialty license plates;
- Personalized prestige license plates; and
- Special use license plates.

Certain members of the general public may be eligible to apply for special use license plates if they are able to document their eligibility pursuant to various sections of ch. 320, F.S. Special use license plates primarily include special use military license plates as well as plates for the handicapped.

Currently, there are 15 special use license plates authorized in s. 320.089, F.S., available to military service members or veterans for the following types of service:<sup>1</sup>

- Veteran of the United States Armed Forces;
- Active or retired member of the Florida National Guard;
- Survivor of the attack on Pearl Harbor;
- Recipient of the Purple Heart Medal;
- Active or retired member of any branch of the United States Armed Forces Reserve;
- Recipient of the Combat Infantry Badge;
- Recipient of the Combat Medical Badge;
- Recipient of the Combat Action Badge;
- Former Prisoner of War;
- Veteran of the Korean War:
- Veteran of the Vietnam War;
- Service member or veteran of Operation Desert Shield;
- Service member or veteran of Operation Desert Storm;
- Service member or veteran of Operation Enduring Freedom; and
- Service member or veteran of Operation Iraqi Freedom.

Special use license plates authorized under s. 320.089, F.S., are stamped with words consistent with the type of special use plate issued. For example, a special use plate issued to a current or former member of the Florida National Guard is stamped with the words "National Guard." Additionally, a likeness of the related campaign medal or badge appears on the plate followed by the serial number.

Applicants for special use license plates in s. 320.089, F.S., are required to pay the annual license tax in s. 320.08, F.S., 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>2</sup> The first \$100,000 of the general 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, as described in s. 296.38(2), F.S.<sup>3</sup> Any additional general 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>4</sup> For fiscal year 2013-2014 the total revenue from these plates was \$2,087,743.<sup>5</sup>

<sup>&</sup>lt;sup>1</sup> Section 320.089, F.S.

<sup>&</sup>lt;sup>2</sup> Section 320.089(2)(a), F.S.

<sup>&</sup>lt;sup>3</sup> Section 320.089(1)(b), F.S.

<sup>4</sup> *I A* 

<sup>&</sup>lt;sup>5</sup> Florida Department of Veterans' Affairs, 2015 Agency Bill Analysis: SB 112

Currently, three special use license plates are established in the Florida Statutes to recognize combat service for current or former Army personnel.<sup>6</sup> However, no special use license plate exists to recognize the awards for service in combat for current or former members of the Air Force, Navy, Marine Corps, or Coast Guard.

### **Distinguished Flying Cross**

America's oldest military aviation award, the Distinguished Flying Cross, was created in the Air Corps Act by the United States Congress on July 2, 1926. It is a U.S. military decoration awarded to an individual recipient, an aviator, who distinguished himself by heroism or extraordinary achievement while participating in aerial flight. Eligibility is dependent on service after April 6, 1917, in an Air Corps of either the United States Armed Forces or Armed Forces Reserves. The medal is not limited to combat operations and may be awarded for achievement during times of peace. The Air Force, Navy, and Marine Corps are authorized to use the "V" device, or "Combat V," which denotes that the medal was awarded for heroism.

#### **Combat Action Ribbon**

The Combat Action Ribbon recognizes members of the Navy and Marine Corps who rendered satisfactory performance under enemy fire while actively participating in a ground or surface engagement on or after December 7, 1941. Members of the Coast Guard who served while under the control of the Navy are also eligible for this award. The Combat Action Ribbon may also be awarded to individuals who faced direct exposure to the detonation of an improvised explosive device and personnel who serve in clandestine or special operations. The Secretary of the Navy determines which operations meet the criteria for this award. However, only one award per operation is authorized.

#### **Air Force Combat Action Medal**

Created on March 15, 2007, the Air Force Combat Action Medal recognizes members of the Air Force who actively participated in ground or air combat on or after September 11, 2001. Nomination for the award is restricted to military members who:

- Deliberately go into the enemy's domain to conduct official duties, either on the ground or in the air, and have come under enemy fire by lethal weapons, and are at risk of grave danger; or
- While defending the base, have come under fire and engage the enemy with direct and lethal fire, and are at the risk of grave danger.

Members from other branches of the United States Armed Forces are also eligible for the award provided they served with a U.S. Air Force unit and meet the award criteria. Subsequent operations that qualify for the award are recognized on the medal through the use of a gold star device rather than issuing a second medal.<sup>9</sup>

<sup>&</sup>lt;sup>6</sup> Special use license plates issued to current or former Army personnel to recognize combat service include the Combat Infantry Badge plate, Combat Medical Badge plate, and the Combat Action Badge plate.

<sup>&</sup>lt;sup>7</sup> Pub. L. No. 446, (1926).

<sup>&</sup>lt;sup>8</sup> SECNAVINST 1650.1H. "Navy and Marine Corps Awards Manual"

<sup>&</sup>lt;sup>9</sup> AFI36-2803. 18 December 2013. "The Air Force Military Awards and Decorations Program"

# III. Effect of Proposed Changes:

The bill amends s. 320.089, F.S., to create three special use license plates for recipients of the Combat Action Ribbon, Air Force Combat Action Badge, and Distinguished Flying Cross to purchase. The plate will be stamped with the words "Combat Action Ribbon," "Air Force Combat Action Medal," or "Distinguished Flying Cross" as appropriate with an image of the award, followed by the serial number. Revenue generated from the sale of these license plates will be administered in the same manner as the existing special use license plates in s. 320.089, F.S., and deposited into the Grants and Donations Trust Fund and the State Homes for Veterans Trust Fund to support the State Veterans' Homes Program.

The bill provides an effective date of July 1, 2015.

### 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:

A special use license plate would be available to a new group of registrants who are recipients of the Combat Action Ribbon, Air Force Combat Action Medal, or Distinguished Flying Cross. The cost for an eligible individual to purchase such plate will range from \$45-\$75.

C. Government Sector Impact:

According to the DHSMV, the initial startup cost to create and manufacture a special use license plate is 6,204. An initial order of 2,200 license plates would be made (2,200 x) 2.82 = 6,204 for each newly created plate and distributed to Tax Collector offices

<sup>&</sup>lt;sup>10</sup> E-mail correspondence with DHSMV on January 16, 2015. On file with Military and Veterans Affairs, Space, and Domestic Security Committee.

statewide to meet public demand.<sup>11</sup> The total estimated cost to produce and distribute the three new special use license plates is approximately \$18,642.

The DHSMV also estimated 130 non-recurring programming hours will be needed to create one new special use plate at an estimated cost of \$5,200. According to DHSMV, this cost can be absorbed within existing resources. <sup>12</sup> It is unknown if programming costs would increase for creation of additional special use plates.

Additionally, the bill could have a positive impact on the Grants and Donations Trust Fund and the State Homes for Veteran's Trust Fund with the sale of the three new special use license plates.

## VI. Technical Deficiencies:

None.

#### VII. Related Issues:

None.

## VIII. Statutes Affected:

This bill amends section 320,089 of the Florida Statutes.

#### IX. Additional Information:

# A. Committee Substitute – Statement of Substantial Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

# CS by Military and Veterans Affairs, Space, and Domestic Security on January 21, 2015:

The committee substitute creates two new special use license plates to recognize recipients of the Combat Action Ribbon and the Air Force Combat Action Badge.

#### B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

<sup>&</sup>lt;sup>11</sup> *Id*.

<sup>&</sup>lt;sup>12</sup> *Id*.