

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 1103 Specialty License Plates

SPONSOR(S): Latvala

TIED BILLS: **IDEN./SIM. BILLS:** SB 1276

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Highway & Waterway Safety Subcommittee	10 Y, 0 N, As CS	Whittaker	Smith
2) Transportation & Economic Development Appropriations Subcommittee			
3) Economic Affairs Committee			

SUMMARY ANALYSIS

The bill directs the Department of Highway Safety and Motor Vehicles (DHSMV) to create a new specialty license plate designated as the "Go Boating" license plate, with an annual use fee of \$25 to be distributed to Eckerd College to fund the Eckerd College Search and Rescue Team. The funds will be distributed as follows:

- Up to 15 percent for continuing promotion and marketing of the plate.
- The remainder to acquire boats and other equipment or for operational expenses.

The new plate will display the word "Florida" at the top of the plate and the words "Go Boating" at the bottom of the plate.

The bill also revises the distribution of the annual use fee from the sale of the "Conserve Wildlife" specialty license plate allowing for funds to be expended to provide bear-resistant residential garbage containers.

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

An effective date of October 1, 2016, is provided in the bill.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Specialty License Plates in General

The first Florida specialty license plates were enacted in 1986 and included the creation of the Challenger plate and ten 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.¹ The collected fees are distributed by the DHSMV to statutorily designated organizations in support of a particular cause or charity. Vehicles registered under the International Registration Plan, a commercial truck required to display two license plates, or truck tractors are not eligible for specialty license plates.²

Only the Legislature may create new specialty license plates. If a specialty license plate is created by law, the following requirements must then be met:

- Within 60 days, the organization must submit an art design, in a medium prescribed by DHSMV.³
- Within 120 days, DHSMV must establish a method to issue a specialty license plate voucher to allow for the pre-sale of the specialty plate.⁴
- Within 24 months after the voucher is established, the organization must obtain a minimum of 1,000 voucher sales before manufacturing may begin. If this requirement is not met, the plate is deauthorized and DHSMV must discontinue development of the plate and issuance of the vouchers.⁵

DHSMV must discontinue the issuance of an approved specialty license plate if the number of valid specialty plate registrations falls below 1,000 plates for at least 12 consecutive months. A warning letter is mailed to the sponsoring organization following the first month in which the total number of valid specialty plate registrations falls below 1,000 plates (does not apply to collegiate license plates).⁶

Organizations in receipt of specialty license plate revenue must adhere to certain accountability requirements found in statute. These requirements include an annual attestation document affirming, under penalty of perjury, that funds received have been spent in accordance with applicable statutes.⁷

A moratorium on the issuance of specialty license plates was imposed by lawmakers in 2008, originally set to expire in 2011. The moratorium has subsequently been extended to July 1, 2016.⁸

Effect of Proposed Changes

Go Boating License Plate

The bill directs the Department of Highway Safety and Motor Vehicles (DHSMV) to create a new specialty license plate designated as the “Go Boating” license plate, with an annual use fee of \$25 to be distributed to Eckerd College to fund the Eckerd College Search and Rescue Team, which provides 24-hour assistance to the Tampa Bay boating community. The funds will be distributed as follows:

- Up to 15 percent may be used for continuing promotion and marketing of the plate.

¹ Florida Department of Highway Safety and Motor Vehicles, *Specialty License Plates Index*, <http://www.flhsmv.gov/dmv/specialtytags/> (last visited January 15, 2016).

² s. 320.08056(2), F.S.

³ s. 320.08053(1), F.S.

⁴ s. 320.08053(2)(a), F.S.

⁵ s. 320.08053(2)(b), F.S.

⁶ s. 320.08056 (8)(a), F.S.

⁷ s. 320.08062, F. S.

⁸ Ch. 2008-176, Laws of Fla., as amended by Ch. 2010-223 and Ch. 2014-216, Laws of Fla.

- The remainder must be used to acquire boats and other equipment or for operational expenses not prohibited by s. 320.08056(10), F.S.

The new plate will display the word “Florida” at the top of the plate and the words “Go Boating” at the bottom of the plate.

Eckerd College Search and Rescue Team

The Eckerd College Search and Rescue Team works closely with the US Coast Guard, 911 Emergency Medical Response, and other state and local agencies, to provide maritime assistance to the boaters of Tampa Bay. Students are trained in technical rescue, boating safety, seamanship, searching, fire fighting, de-watering, navigation, medical response, and evening piloting rescue vessels. The team was founded in 1971 in an effort to provide safety services for the college's watersports activities. In 1977, the Eckerd College Search and Rescue Team extended its rescue services to the Tampa Bay boating community.⁹

Revised Distribution of the Conserve Wildlife License Plate Fees

Currently, the proceeds from the annual use fee from the sale of the Conserve Wildlife license plate are used for programs and activities of the Fish and Wildlife Conservation Commission that contribute to the health and well-being of Florida black bears and other wildlife diversity.¹⁰ The bill revises the distribution of the annual use fees to provide bear-resistant residential garbage containers.

B. SECTION DIRECTORY:

Section 1 Amends s. 320.08056, F.S., establishing an annual use fee of \$25 for the Go Boating specialty license plate.

Section 2 Amends s. 320.08058, F.S., revising the purpose for which certain proceeds of the Conserve Wildlife license plate are used; directing the Department of Highway Safety and Motor Vehicles to create a Go Boating specialty license plate and provides for the distribution of the annual use fees collected.

Section 3 Provides an effective date of October 1, 2016.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None

2. Expenditures:

There is a negative but indeterminate cost to DHSMV for the programming of new specialty license plates. These costs can be absorbed within existing resources.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

⁹ Eckerd College, *Eckerd College Search and Rescue*, <http://www.eckerd.edu/waterfront/ecsar/> (last visited January 4, 2016)

¹⁰ s. 320.08058(24)(b)2., F.S.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Revenue generated from the sale of specialty license plates are distributed to various organizations as provided in statute.

D. FISCAL COMMENTS:

None

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The bill does not require a municipality or county to expend funds or to take any action requiring the expenditure of funds. The bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate. The bill does not require a reduction of the percentage of state tax shared with municipalities or counties.

2. Other:

None

B. RULE-MAKING AUTHORITY:

None

C. DRAFTING ISSUES OR OTHER COMMENTS:

None

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On January 20, 2016, the Highway and Waterway Safety Subcommittee adopted one amendment to HB 1103 and reported the bill favorably as a committee substitute. The amendment:

- Increases the percentage of funds that will be used for the continuing marketing and promotion of the Go Boating specialty license plate from 10 percent to 15 percent.

This analysis is drafted to the committee substitute as reported by the Highway and Waterway Safety Subcommittee.