# 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 Appropriations Subcommittee on Transportation, Tourism, and Economic Development								
BILL:	PCS/CS/SB 1390 & SB 7062 (194134)							
INTRODUCER:	Appropriations Subcommittee on Transportation, Tourism, and Economic Development; Transportation Committee; and Senator Brandes							
SUBJECT:	Specialty License Plates							
DATE:	February 2	6, 2016	REVISED:					
ANALYST		STAFF DIRECTOR		REFERENCE	ACTION			
l. Jones		Eichin		TR	Fav/CS			
2. Wells		Miller		ATD	<b>Recommend: Fav/Combined CS</b>			
3.				AP				
1.				RC				
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# Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

#### I. Summary:

PCS/CS/SB 1390 & SB 7062 increases the minimum sales requirement for specialty license plates from 1,000 plates to 4,000. New specialty plates will be required to sell 4,000 presale vouchers before they will be manufactured. Effective July 1, 2018, existing specialty plates that fall below 4,000 valid registrations for at least 12 consecutive months will be discontinued.

The bill exempts established specialty plates that have statutory eligibility limitations for who may purchase the specific plate, from being discontinued by the Department of Highway Safety and Motor Vehicles (DHSMV) for not meeting the minimum sales requirement.

The bill directs the Department of Highway Safety and Motor Vehicles (DHSMV) to develop 26 new specialty license plates.

The bill adds the North American Soccer League to the "Florida Professional Sports Team" specialty plate; modifies the distribution and use of annual use fees for the "In God We Trust" specialty plate; modifies the use of fees for the "Conserve Wildlife" specialty plate; and modifies the name and plate design, and the distribution and use of the annual use fees for the Donate Organs-Pass It On license plate.

Depending on the number of plates that will be discontinued starting in July 1, 2019, the DHSMV may incur minimal programming costs associated with discontinuing specialty license plates.

The bill will have a negative impact on organizations and programs funded from a specialty plate that does not meet the increased minimum sales requirement and is subsequently discontinued.

According to the DHSMV, the cost for the minimum required number of each specialty license plate to be designed and manufactured is \$11,280. In addition, the DHSMV will also have programming costs to develop all new specialty license plates. The DHSMV is authorized to retain revenues from the first proceeds of specialty license plate sales to defray departmental expenditures related to the specialty license plate program.<sup>1</sup>

Except as otherwise specified, the bill takes effect on July 1, 2016.

#### II. Present Situation:

Presently, there are over 120 specialty license plates available for purchase, and two in the presale phase. Specialty license plates are available to an owner or lessee of a motor vehicle who is willing to pay an annual use fee, ranging from \$15 to \$25, paid in addition to required license taxes and service fees.<sup>2</sup> The annual use fees are distributed to an organization or organizations in support of a particular cause or charity signified in the plate's design and designated in statute.<sup>3</sup>

In order to establish a specialty license plate, the plate must first be adopted into statute. Upon becoming law:

- Within 60 days, the organization must submit an art design for the plate, in a medium prescribed by the Department of Highway Safety and Motor Vehicles (DHSMV);
- Within 120 days, the DHSMV must establish a method to issue pre-sale vouchers for the approved specialty license plate; and
- Within 24 months after the pre-sale vouchers are established, the organization must obtain a minimum of 1,000 voucher sales before manufacturing may begin.

If, at the end of the 24-month pre-sale period, the minimum sales requirement has not been met, the DHSMV will discontinue the specialty plate and discontinue issuance of the pre-sale voucher. Upon discontinuation of the plate, a purchaser of a presale voucher may use the annual use fee as a credit towards any other specialty license plate or apply for a refund with the DHSMV.<sup>4</sup>

The annual use fees collected by an organization 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 plates.<sup>5</sup> Additionally, the fees may not be

<sup>&</sup>lt;sup>1</sup> Section 320.08056(7), F.S.

<sup>&</sup>lt;sup>2</sup> Section 320.08056, F.S.

<sup>&</sup>lt;sup>3</sup> Section 320.08058, F.S.

<sup>&</sup>lt;sup>4</sup> Section 320.08053(2)(b), F.S.

<sup>&</sup>lt;sup>5</sup> Section 320.08056(10)(a), F.S.

used for the purpose of marketing to, lobbying, entertaining, or rewarding a member or employee of the Legislature.<sup>6</sup>

## **DHSMV** Costs Defrayed

The DHSMV retains sufficient annual use fees, from the sale of the specialty license plates, to defray its costs for inventory, distribution, and other direct costs associated with the specialty license plate program. The remainder of the proceeds collected are distributed as provided by law.<sup>7</sup>

## **Discontinuance of Specialty Plates**

The 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 is below 1,000 plates. Collegiate plates are exempt from the minimum plate requirement.<sup>8</sup> Additionally, the specialty license plate must be discontinued if the organization no longer exists, stops providing services that are authorized to be funded from the annual use fee proceeds, or pursuant to an organizational recipient's request.<sup>9</sup>

Organizations must adhere to certain accountability requirements, including an annual attestation document affirming that funds received have been spent in accordance with applicable statutes.<sup>10</sup>

<sup>&</sup>lt;sup>6</sup> Section 320.08056(11), F.S.

<sup>&</sup>lt;sup>7</sup> Section 320.08056(7), F.S.

<sup>&</sup>lt;sup>8</sup> Section 320.08056(8)(a), F.S.

<sup>&</sup>lt;sup>9</sup> Section 320.08056(8)(b), F.S.

<sup>&</sup>lt;sup>10</sup> Section 320.08062, F.S.

Specialty License Plates Below 4,000 Valid Registrations and Current Registrations							
A State Of Vision	2,194	Lauren's Kids	3,128				
Agriculture Education	1,398	Miami Marlins	2,476				
American Legion	791	Moffitt Cancer Center	674				
American Red Cross	973	NASCAR	3,211				
Big Brother Big Sister	554	Orlando Magic	3,372				
Donate Organs	2,318	Parents Make a Difference	1,652				
Fallen Law Enforcement	1,360	Play Tennis	3,144				
Family Values	2,057	Protect Our Oceans	3,829				
Florida Panthers	2,052	Scouting Teaches Values	2,509				
Florida Sheriff's Association	1,003	Special Olympics	3,346				
Florida Sheriff's Youth Ranches	3,944	St. John's River	617				
Fraternal Order of Police	2,895	Support Homeownership for All	3,827				
Hispanic Achievers	375	Trees are Cool	3,830				
Kids Deserve Justice	1,436	Visit our Lights	3,830				

As of January 1, 2016, 28 specialty plates required to maintain minimum sales were below 4,000 valid registrations.<sup>11</sup> Those plates are:

According to the DHSMV, of the plates below 4,000 registrations, the *American Legion, Big Brother Big Sister, Fallen Law Enforcement, Florida Sheriff's Association, Lauren's Kids*, and *Moffitt Cancer Center* specialty plates were recently created and continue to show good public interest and growth. <sup>12</sup> Additionally, the *Hispanic Achievers* and *St. John's River* plate are still in presale and have not been manufactured.

## Moratorium

Currently, there is a statutory moratorium on the issuance of new specialty license plates. Except for a specialty license plate proposal which has submitted a letter of intent to the DHSMV prior to May 2, 2008, and which has submitted a survey, marketing strategy, and application fee prior to October 1, 2008, or was included in a bill filed during the 2008 Legislative Session, the DHSMV may not issue any new specialty license plates. <sup>13</sup>

The moratorium ends July 1, 2016, and does not affect the plates included in this bill.

## Florida Professional Sports Team License Plates

Section 320.08058(9), F.S., directs the DHSMV to develop Florida Professional Sports Team license plates for Major League Baseball, National Basketball Association, National Football League, Arena Football League, National Hockey, and Major League Soccer teams domiciled in this state. Fifty-five percent of the annual use fee proceeds from these plates is distributed to the Professional Sports Development Trust Fund within the Department of Economic Opportunity to

<sup>&</sup>lt;sup>11</sup> Email from the DHSMV, *Draft SB 1390 Agency Legislative Bill Analysis* (Jan. 15, 2016) (on file with the Senate Committee on Transportation)

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

<sup>&</sup>lt;sup>13</sup> Section 45, ch. 2008-176, L.O.F., as amended by s. 21, ch. 2010-223 and s. 45, ch. 2014-216, L.O.F.

attract and support major sports events in the state. The remaining proceeds are allocated to 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;
- Recognize 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 and the participating professional sports teams; and
- Fulfill the sports promotion responsibilities of the Department of Economic Opportunity.

#### **Conserve Wildlife License Plates**

Section 320.08058(24) directs the DHSMV to develop a Conserve Wildlife license plate. Annual use fee proceeds from the plate are distributed to the Wildlife Foundation of Florida, Inc. Ten percent of the proceeds may be used for marketing the license plate and administrative costs directly related to the management and distribution of the proceeds. The remaining proceeds must be used for programs and activities of the Fish and Wildlife Conservation Commission that contribute to the health and well-being of the Florida black bears and other wildlife diversity.

#### In God We Trust License Plate

Section 320.08058(66), F.S., directs the DHSMV to develop an In God We Trust license plate. The annual use fees shall be 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 s. 501(c)(3) organizations that may apply for grants and scholarships and to provide education grants to public and private schools to promote the historical and religious significance of American and Florida History. Ten percent of the funds must be expended for administrative costs, promotional, and marketing of the license plate.

#### **Donate Organs-Pass It On License Plate**

Section 320.08058(57) directs the DHSMV to develop a Donate Organ-Pass It On license plate. The annual use fees must be distributed to the Transplant Foundation, Inc. Up to 10 percent of the proceeds can be used for marketing and administrative costs that are directly associated with the management and distribution of the proceeds. The remaining proceeds must be used to provide statewide grants for patient services, including preoperative, rehabilitative, and housing assistance; organ donor education and awareness programs; and statewide medical research.

#### Organizations

Organizations receiving money from the sale of proposed specialty plates are described below under their corresponding specialty plate.

# III. Effect of Proposed Changes:

The bill increases the minimum sales requirement for specialty license plates from 1,000 to 4,000 plates. Specialty license plates that enter the presale period after July 1, 2016, are required to sell at least 4,000 presale vouchers in order to be manufactured. Effective July 1, 2018, any existing specialty plate that falls below 4,000 valid registrations for at least 12 consecutive months will be discontinued.

There are currently 28 specialty license plates that are below 4,000 valid registrations. If the plates remain under 4,000 valid registrations for the 12 consecutive months preceding July 1, 2019, they will be discontinued. Collegiate plates representing state and independent universities domiciled in Florida are exempt from minimum sale requirements.

The bill also provides an exemption for established specialty plates from being discontinued by the DHSMV for not meeting the minimum sales requirement if the plate has statutory limitations on who may purchase the specialty plate. For example, a registrant must be a good-standing member or related to a member of the Fraternal Order of Police in order to purchase the FOP specialty license plate.<sup>14</sup> This appears to be the only plate that is exempted by this change.

## **Proposed Specialty Plates**

The bill directs the DHSMV to develop 25 new specialty license plates. All the proposed specialty plates have an annual use fee of \$25.

## Sun Sea Smiles License Plate

The Sun Sea Smiles plate annual use fees will be distributed as follows:

- 35 percent to the Florida Caribbean Charitable Foundation, Inc. Of the funds received, 5 percent is for marketing the plate. From the remaining funds:
  - 60 percent is for a college scholarship program;
  - 15 percent is to promote health and wellness among Florida residents of Caribbean descent; and
  - 25 percent is to promote awareness of Caribbean culture within the state.
- 20 percent to the American Friends of Jamaica, Inc., for use as grants to promote social and community development among Florida residents;
- 10 percent to the Sant La Haitian Neighborhood Center, Inc., to promote social and community development;
- 10 percent to Fanm Ayisyen nan Miyami, Inc., to promote social and community development;
- 20 percent to Greater Caribbean American Cultural Coalition, Inc., to promote awareness of Caribbean culture within the state; and

<sup>&</sup>lt;sup>14</sup> Section 320.08058(72), F.S.

• 5 percent to Little Haiti Optimist Foundation, Inc., to promote awareness of Caribbean culture and youth development within the state.

In addition, each organization receiving funds may use up to 5 percent of its distribution for administrative expenses.

## Florida Caribbean Charitable Foundation, Inc.<sup>15</sup>

The Florida Caribbean Charitable Foundation, Inc., is a civic and social organization established in 2007; and is a domestic non-profit corporation located in North Miami Beach.

#### American Friends of Jamaica, Inc.<sup>16</sup>

The organization is a non-profit "dedicated to supporting Jamaican charitable organizations and social initiatives targeted at improving the lives of Jamaicans through systemic development in the areas of education, healthcare, and economic development."

The mission of the Center is to "empower, strengthen, and stabilize South Florida's Haitian community, through access for free services and resources, to ensure its successful integration." This is accomplished through services such as citizenship assistance, college scholarships, community outreach, employment services, community partnerships, and educational services.

#### Fanm Ayisyen nan Miyami, Inc.<sup>17</sup>

Fanm Ayisyen nan Miyami, Inc., also known as Haitian Women of Miami, has a mission to empower Haitian women and their families socially and politically, and to facilitate their adjustments to South Florida. The organization has provided counseling, outreach, education, access to care, and advocacy services to low and moderate-income families for the past 16 years.

#### Greater Caribbean American Cultural Coalition, Inc.<sup>18</sup>

The Coalition is "an umbrella organization serving the Caribbean people and other members of the community, by bringing together the various Caribbean countries and islands, and their rich cultural heritage." The coalition's mission is to enrich the cultural environment by fostering multicultural understanding through an appreciation of Caribbean cultures.

# Little Haiti Optimist Foundation, Inc.<sup>19</sup>

Little Haiti Optimist Foundation, Inc., is a charitable organization located in Miami, and established in 2010 to provide assistance, guidance, and programs to the youth of Little Haiti.

<sup>&</sup>lt;sup>15</sup> Florida Department of State - Division of Corporations, *Florida Caribbean Charitable Foundation, Inc.*, http://search.sunbiz.org/Inquiry/CorporationSearch/SearchResultDetail?inquirytype=EntityName&directionType=Initial&sea rchNameOrder=FLORIDACARIBBEANCHARITABLEFOUN%20N070000070260&aggregateId=domnp-n07000007026-231a2bc8-5eb0-42f9-8fa3-

<sup>&</sup>lt;u>f6660756ccc1&searchTerm=florida%20caribbean%20charitable%20foundation&listNameOrder=FLORIDACARIBBEANC</u> <u>HARITABLEFOUN%20N070000070260</u> (last visited Jan. 29, 2016).

 <sup>&</sup>lt;sup>16</sup> See The American Friends of Jamaica website, <u>http://www.theamericanfriendsofjamaica.org/</u> (last visited Jan. 29, 2016).
 <sup>17</sup> See Fanm Ayisyen Miyami website, <u>http://www.fanm.org/</u> (last visited Jan. 29, 2016).

<sup>&</sup>lt;sup>18</sup> See Greater Caribbean American Cultural Coalition website, <u>http://www.gcaccoalition.com/</u> (last visited Jan. 29 2016).

<sup>&</sup>lt;sup>19</sup> See The Little Haiti Optimist Foundation website at <u>http://www.littlehaitioptimist.org/</u> (last visited Jan. 29, 2015).

#### Support Special Needs Kids License Plate

Annual use fees from the sale of the plate will be distributed to the Dan Marino Foundation, Inc. 10 percent of the fees are to promote and market the plate. The remaining proceeds are to be invested and reinvested, and the interest used to assist Floridians with developmental and intellectual disabilities by funding scholarships, assisting with job placement, and promoting education, independence, and awareness.

#### Dan Marino Foundation, Inc.<sup>20</sup>

The Foundation was established in 1992. Its mission is "empowering individuals with autism and other developmental disabilities." The Foundation has raised over \$50 million since its inception, which has been used to perform quality-of-life research, build the Miami Children's Hospital Dan Marino Center, and the Marino Campus.

#### America the Beautiful License Plate

Annual use fees from the sale of the plate are to be distributed to the America the Beautiful Fund. Up to10 percent of funds may be used to offset administrative costs and to market and promote the plate. The remaining proceeds are for programs in support of military service members and their families and advancing self-sufficiency in children and families; educational scholarships; and land and wildlife conservation.

#### America the Beautiful Fund

America the Beautiful Fund is a fictitious name registered by Live Laugh Love Give, Inc.<sup>21</sup>

The mission statement of Live Laugh Love Give, Inc., is "Empowering children and families against dependency. Animal assistance, sanctuaries, and wildlife preservation. Education grants to better the world. Enhancing lives of military families."<sup>22</sup>

#### Vision for Excellence License Plate

Annual use fees will be distributed to Vision for Excellence, Inc., which will use the proceeds for direct support of programs, services, and activities provided to children who participate in the organization's youth development programs. Up to 10 percent may be used for promotion and marketing of the plate, and up to 10 percent may be used for administrative costs directly associated with the programs.

#### Vision for Excellence, Inc.<sup>23</sup>

The organization was established in 2011 as a non-profit youth organization that provides social development programs and services to low-income and at-risk males, ages 9-15. The

<sup>&</sup>lt;sup>20</sup> See Dan Marino Foundation website, <u>http://www.danmarinofoundation.org/</u> (last visited Jan. 29, 2016).

<sup>&</sup>lt;sup>21</sup> Florida Department of State – Division of Corporations website, *Fictitious Name Detail*,

http://www.sunbiz.org/scripts/ficidet.exe?action=DETREG&docnum=G15000109272&rdocnum=G15000109272 (last visited Jan. 29, 2016).

<sup>&</sup>lt;sup>22</sup> See Live Laugh Love website, <u>https://www.livelaughlove.com/give</u> (last visited Jan. 29, 2016).

<sup>&</sup>lt;sup>23</sup> See Vision for Excellence website, <u>http://www.visionforexcellence.org/</u> (last visited Jan. 29, 2016).

organization was designed to help Jacksonville's youth to become healthy productive adults with a focus to give back to their community. Its programs link male youth with local law enforcement and other professional adults for relationship building, and is intended to educate, motivate, and inspire participants to stay on the right path and become successful law abiding citizens.

#### Go Boating License Plate

Annual use fees are distributed to Eckerd College to fund the Eckerd College Search and Rescue Team, which provides 24-hour assistance to the Tampa Boating community. Up to 10 percent of the proceeds may be used for promotion and marketing of the plate. Remaining funds must be used to acquire boats and other equipment or for operating expenses.

#### Eckerd College Search and Rescue Team<sup>24</sup>

The team was founded in 1971 and extended its rescue services to the Tampa Bay boating community in 1977. The team is a highly trained group of full-time, degree seeking, student volunteers who work closely with the U.S. Coast Guard, 911 Emergency Medical response, and other state and local agencies to answer more than 500 maritime distress calls per year. The members are trained in technical rescue, boating safety, seamanship, searching, firefighting, dewatering, navigation, medical response, and evening piloting rescue vessels.

#### Orlando City Soccer Club License Plate

The Orlando City Soccer Club is a professional Major League Soccer team based in Orlando, Florida. The team was formed in 2010, and became the league's twenty-first franchise on November 19, 2013.<sup>25</sup>

Annual use fees are provided as specified for Florida Professional Sports Team license plates in s. 320.08058(9), F.S.

#### Support Our Constitution License Plate

Annual use fees are distributed to The Constitution Foundation, Inc., which may use up to 15 percent for administrative costs of the organization and 10 percent for promotion and marketing of the license plate. The remaining proceeds are used to fund activities, programs, projects, and mission of the Foundation to increase awareness and understanding of the United States Constitution in Florida's public schools. Funds are also used to recruit and train school leaders to make presentations and provide students learning materials and a pocket constitution.

#### The Constitution Foundation, Inc.<sup>26</sup>

The Constitution Foundation, Inc., is a non-partisan educational organization founded in 2011 in Kissimmee, Florida. The foundation's mission is to increase awareness and understanding of the United States Constitution in Florida's schools, recruit and train leaders to make presentations in

<sup>&</sup>lt;sup>24</sup> See Eckerd College website, *Eckerd College Search and Rescue*, <u>https://www.eckerd.edu/waterfront/ecsar/</u> (last visited Jan. 29, 2016)

<sup>&</sup>lt;sup>25</sup> See Orlando City Soccer Club website, <u>http://www.orlandocitysc.com/</u> (last visited Jan. 29, 2016).

<sup>&</sup>lt;sup>26</sup> See The Constitution Foundation website, <u>http://constitutionfoundation.org/about/ (last visited Jan. 29, 2016)</u>.

each school district, and provide to each student, at no cost, learning materials and a pocket Constitution.

#### Alpha Phi Alpha Fraternity License Plate

Annual use fees are distributed as follows:

- 5 percent for the United Negro College Fund (UNCF) to be used for scholarships for Florida residents attending historically black colleges and universities;
- 10 percent to the Florida Federation of Alpha Chapters to market the plate; and
- 85 percent to the Florida Federation of Alpha Chapters to promote community awareness and action though educational, economic, and cultural service activities.

## United Negro College Fund (UNCF)<sup>27</sup>

The UNCF is the nation's largest minority education organization. UNCF provides operating funds for historically black colleges and universities, scholarships and internships for students, and faculty and administrative professional training.

## Florida Federation of Alpha Chapters<sup>28</sup>

Alpha Phi Alpha's mission statement is "develop leaders, promote brotherhood and academic excellence, while providing service and advocacy for our communities." The Fraternity's programs and projects include community outreach mentoring initiatives.

## Omega Psi Phi Fraternity License Plate

Annual use fees are distributed as follows:

- 5 percent for the UNCF to be used for scholarships for Florida residents attending historically black colleges and universities;
- 10 percent to State of Florida Omega Friendship Foundation, Inc., to market the plate; and
- 85 percent to State of Florida Omega Friendship Foundation, Inc. to promote community awareness and action though educational, economic, and cultural service activities.

#### State of Florida Omega Friendship Foundation, Inc.<sup>29</sup>

Omega Psi Phi Fraternity, Inc., was the first international fraternal organization to be founded on the campus of a historically black college. Founded in 1911 at Howard University, "Manhood, Scholarship, Perseverance and Uplift" were adopted as cardinal principles.

According to corporate filings with the Department of State, the State of Florida Omega Friendship Foundation, Inc, was organized to encourage and develop all facets of Christian ministry, home and abroad.<sup>30</sup>

<sup>&</sup>lt;sup>27</sup> See United Negro College Fund website, <u>http://www.uncf.org/sections/WhoWeAre/index.asp</u> (last visited Jan. 29, 2016).

<sup>&</sup>lt;sup>28</sup> See Florida Federation of Alpha Chapters website, <u>http://flfederation.org/about-us/</u> (last visited Jan. 29, 2016).

<sup>&</sup>lt;sup>29</sup> See Omega Friendship Foundation, Inc. website, <u>http://oppf.org/about\_omega.asp</u> (last visited Jan. 29, 2016).

<sup>&</sup>lt;sup>30</sup> See Department of State – Division of Corporations, *Omega Foundation, Inc.*, (last visited Feb. 18, 2016), http://search.sunbiz.org/Inquiry/CorporationSearch/SearchResultDetail?inquirytype=EntityName&directionType=Initial&sea rchNameOrder=OMEGAFOUNDATION%20N150000093230&aggregateId=domnp-n15000009323-e9e86f2c-fa3a-40c2-ab68-65e69c12a39b&searchTerm=omega%20foundation&listNameOrder=OMEGAFOUNDATION%20F440701

## Kappa Alpha Psi Fraternity License Plate

Annual use fees are distributed as follows:

- 5 percent for the UNCF to be used for scholarships for Florida residents attending historically black colleges and universities;
- 10 percent to Southern Province of Kappa Alpha Psi Fraternity, Inc., to market the plate; and
- 85 percent to Southern Province of Kappa Alpha Psi Fraternity, Inc. to promote community awareness and action though educational, economic, and cultural service activities.

#### Southern Province of Kappa Alpha Psi Fraternity, Inc.<sup>31</sup>

Kappa Alpha Psi was founded on the campus of Indiana University at Bloomington, Indiana in 1911. The objectives of this fraternity are to:

- Unite men of culture, patriotism, and honor in a bond of fraternity;
- Encourage honorable achievement in every field of human endeavor;
- Promote the spiritual, social, intellectual, and moral welfare of members;
- Assist the aims and purposes of colleges and universities; and
- Inspire service in the public interest.

According to the corporate filings with the Department of State, the Southern Province of Kappa Alpha Psi Fraternity, Inc., was organized for the purpose of supporting the charitable and educational activities of the Kappa Alpha Psi fraternal organization.<sup>32</sup>

## Phi Beta Sigma Fraternity License Plate

Annual use fees are distributed as follows:

- 5 percent for the UNCF to be used for scholarships for Florida residents attending historically black colleges and universities;
- 10 percent to the TMB Charitable Foundation, Inc., to market the plate; and
- 85 percent to the TMB Charitable Foundation, Inc., to promote community awareness and action though educational, economic, and cultural service activities.

#### TMB Charitable Foundation, Inc.<sup>33</sup>

According to corporate filings with the Department of State, the Foundation's principal address is in Tallahassee, Florida. The Foundation is a not-for-profit corporation "operated exclusively for charitable purposes, including, without limitation, acting as an instrument to which youth are encouraged and inspired to achieve academic success through mentoring."

<sup>&</sup>lt;sup>31</sup> See Southern Province Kappa Alpha Psi Fraternity, Inc. website, <u>http://southernprovince.org/</u> (last visited Jan. 29, 2016).

<sup>&</sup>lt;sup>32</sup> See Department of State – Division of Corporations, *Southern Province of Kappa Alpha PSI Foundation, Inc.* (last visited Feb. 18, 2016).

<sup>3</sup>d7 aba1bbc90 & searchTerm = southern % 20 province % 20 of % 20 Kappa & listNameOrder = SOUTHERNPROVINCEKAPPAAL PHAPSIF % 20 N020000054560

<sup>&</sup>lt;sup>33</sup> See Department of State – Division of Corporations, *TMB Charitable Foundation*, *Inc.*,<u>http://search.sunbiz.org/Inquiry/CorporationSearch/ConvertTiffToPDF?storagePath=COR%5C2014%5C0411%5C5864</u> 1349.Tif&documentNumber=N14000003486 (last visited Feb. 18, 2016).

#### Zeta Phi Beta Sorority License Plate

Annual use fees are distributed as follows:

- 5 percent for the UNCF to be used for scholarships for Florida residents attending historically black colleges and universities;
- 10 percent to Florida Pearls, Inc., to market the plate; and
- 85 percent to Florida Pearls, Inc., to promote community awareness and action though educational, economic, and cultural service activities.

#### The Florida Pearls, Inc. 34

The Florida Pearls, Inc., is a not-for-profit corporation established to provide Florida communities with scholarships, health initiative programs, cultural and humanities program, youth programs, and feeding the hungry programs.

## Delta Sigma Theta Sorority License Plate

Annual use fees are distributed as follows:

- 5 percent for the UNCF to be used for scholarships for Florida residents attending historically black colleges and universities;
- 10 percent to the Delta Research and Educational Foundation to market the plate; and
- 85 percent to the Delta Research and Educational Foundation to promote community awareness and action though educational, economic, and cultural service activities.

#### Delta Research and Educational Foundation<sup>35</sup>

Delta Sigma Theta Sorority established the Foundation in 1967. The Foundation's mission is to promote research which identifies and fashions solutions to issues affecting African American women and their families, nationally and globally through funding and support of programs of the sorority and collaborative organizations.

#### Alpha Kappa Alpha Sorority License Plate

Annual use fees are distributed as follows:

- 5 percent for the UNCF to be used for scholarships for Florida residents attending historically black colleges and universities;
- 10 percent to the Alpha Kappa Alpha Educational Advancement Foundation, Inc., to market the plate; and
- 85 percent to the Alpha Kappa Alpha Educational Advancement Foundation, Inc., to promote community awareness and action though educational, economic, and cultural service activities.

<sup>&</sup>lt;sup>34</sup> See The Florida Pearls, Incorporated, brochure, *available at:* <u>http://www.zphibfl.org/Forms/Brochure-%20The%20Florida%20Pearls,%20Inc..pdf</u> (last visited Jan. 29, 2016).

<sup>&</sup>lt;sup>35</sup> See Delta Sigma Theta Sorority website, *Delta Research and Education Foundation*, <u>http://www.deltasigmatheta.org/programs\_delta\_foundation.html</u> (last visited Jan. 29, 2016).

# Alpha Kappa Alpha Educational Advancement Foundation, Inc.<sup>36</sup>

The Foundation was created in 1980 by the Alpha Kappa Alpha Sorority, Inc. "The mission of the Alpha Kappa Alpha Educational Advancement Foundation is to promote lifelong learning. This is accomplished by securing charitable contributions, gifts and endowed funds to award scholarships, fellowships and grants."

## Sigma Gamma Rho Sorority License Plate

Annual use fees are distributed as follows:

- 5 percent for the UNCF to be used for scholarships for Florida residents attending historically black colleges and universities;
- 10 percent to the Sigma Gamma Rho Sorority National Education Fund, Inc., to market the plate; and
- 85 percent to the Sigma Gamma Rho Sorority National Education Fund, Inc., to promote community awareness and action though educational, economic, and cultural service activities.

# Sigma Gamma Rho Sorority National Education Fund, Inc.<sup>37</sup>

The Fund was developed by the Sigma Gamma Rho Sorority to provide scholarship aid to needy students and to conduct educational programs, workshops, symposiums, and forums to enhance the quality of life.

## Safe and Free Florida License Plate

Annual use fees are distributed to the Department of Legal Affairs to establish a program to award grants to nongovernmental organizations that assist sexually abused, exploited, or trafficked victims. Funds may not be distributed to any organization that charges victims for services received through this funding. An organization receiving such funds must use them to provide material needs, detoxification services, prenatal and postnatal care, safe houses or recovery care centers, counseling and training programs, or emergency legal advocacy for victims. The department may use up to 15 percent of the proceeds to promote and market the plate, and is authorized to adopt rules to implement the uses and distribution of this plate's annual use fees.

#### Department of Legal Affairs

The Department of Legal Affairs,<sup>38</sup> also known as the Office of the Attorney General, is responsible for numerous duties, including conducting various programs to assist victims of crime. The Statewide Council on Human Trafficking is a 15-member council chaired by Florida's Attorney General.<sup>39</sup> The council was created by legislation passed in 2014, to combat human trafficking and assist victims of human trafficking.<sup>40</sup> Membership includes law

<sup>&</sup>lt;sup>36</sup> See Alpha Kappa Alpha Educational Advancement Foundation website, <u>http://www.akaeaf.org/</u> (last visited Jan. 29, 2016).

<sup>&</sup>lt;sup>37</sup> See Sigma Gamma Rho Sorority, National Education Fund, <u>http://sgrho1922.celect.org/nef</u> (last visited Jan. 29, 2016).

<sup>&</sup>lt;sup>38</sup> See Department of Legal Affairs website at <u>http://www.myfloridalegal.com/#</u> (last visited Feb. 3, 2016). <sup>39</sup> Office of the Attorney General, *Statewide Council on Human Trafficking*,

http://myfloridalegal.com/pages.nsf/Main/8AEA5858B1253D0D85257D34005AFA72 (last visited Feb. 3, 2016). <sup>40</sup> Chapter 2014-161, s. 6, L.O.F. *See* s. 16.617, F.S

enforcement, prosecutors, legislators, and experts in the fields of health, education, and social services. The council's purpose is to:

- Develop recommendations for comprehensive programs and services for victims of human trafficking;
- Make recommendations for apprehending and prosecuting traffickers and enhancing coordination of responses;
- Hold an annual statewide policy summit with an institute of higher learning;
- Work with the Department of Children and Families to create and maintain an inventory of human trafficking programs and services in each county; and
- Develop policy recommendations that further the efforts to combat human trafficking in this state.

## Bonefish and Tarpon Trust License Plate

Annual use fees are distributed to the Bonefish and Tarpon Trust to invest and reinvest the proceeds and use the interest to conserve and enhance Florida bonefish and tarpon fisheries and their respective environments. Up to 10 percent of the proceeds may be used to promote and market the plate.

## Bonefish and Tarpon Trust<sup>41</sup>

The Bonefish and Tarpon Trust is a non-profit organization dedicated to conserving and enhancing global bonefish, tarpon, and permit fisheries and their environments. The trust does this through stewardship, research, education, and advocacy, including funding studies and providing educational materials to the public and fisherman on bonefish, tarpon, and permit fisheries. The trust also works with regulatory authorities and the public to ensure protection of these species is enforced.

## Jacksonville Armada Football Club License Plate

The Jacksonville Armada Football Club is an American professional soccer team. The team is part of the North American Soccer League (NASL) and based in Jacksonville, Florida. The team was established in 2013, and started competing in the NASL in the 2015 spring season.<sup>42</sup>

Annual use fees are provided as specified for Florida Professional Sports Team license plates in s. 320.08058(9), F.S.

## Florida Bay Forever License Plate

Annual use fees are distributed to the Florida National Park Association, Inc., to supplement the Everglades National Park service's budgets and to support educational, interpretive, historical, and scientific research relating to the Everglades National Park. Up to 10 percent of such fees may be used for administrative costs and marketing of the plate.

<sup>&</sup>lt;sup>41</sup> See Bonefish & Tarpon Trust website, <u>https://www.bonefishtarpontrust.org/</u> (last visited Feb. 3, 2016).

<sup>&</sup>lt;sup>42</sup> See Jacksonville Armada FC website, <u>http://www.armadafc.com/home</u> (last visited Feb. 3, 2016).

#### Florida National Park Association, Inc.43

The Florida National Park Association, also known as the Everglades Association, is a non-profit organization founded in 1951 to support educational, interpretive, and historical and scientific research responsibilities to help support the Everglades National Park, Big Cypress National Preserve, Biscayne National Park, and Dry Tortugas National Park. The association has provided more than \$2.5 million in aid to the National Park Service areas of south Florida.

#### National Wild Turkey Federation License Plate

Annual use fees are distributed to the Florida State Chapter of the National Wild Turkey Federation. Up to 25 percent of proceeds may be used for marketing of the plate, administrative costs, and promotion and education regarding Florida's hunting heritage. At least 75 percent of proceeds are to be used to fund programs and projects within the state that promote conservation, or that improve or increase turkey wildlife habitat.

## National Wild Turkey Federation

The National Wild Turkey Federation was founded in 1973. The organization is dedicated to the conservation of wild turkey habitat and preserving hunting heritage. According to its website, the organization has invested \$488 million in its mission, and has improved more than 17 million acres of wildlife habitat.<sup>44</sup> The Florida State Chapter of the organization is made up of officers and board of directors from local chapter members, and has a focus on local events and conservation projects around the state.<sup>45</sup>

## **Ducks Unlimited License Plate**

Annual use fees will be distributed to Ducks Unlimited, Inc., to support the organization's mission and efforts for the conservation, restoration, and management of Florida wetlands and associated habitats for the benefit of waterfowl, other wildlife, and people. Up to 5 percent of proceeds may be used for administrative costs and marketing of the plate.

## Ducks Unlimited, Inc.46

Ducks Unlimited, Inc., is a non-profit and volunteer-based organization whose mission is to conserve, restore, and manage wetlands and associated habitats for North America's waterfowl. According to the Ducks Unlimited website, it is the world's largest and most effective waterfowl and wetlands conservation organization. The organization currently has habitat projects in all 50 states, every Canadian province, and key areas of Mexico.

<sup>&</sup>lt;sup>43</sup> See Florida National Parks Association website, *Everglades Association*, <u>http://www.evergladesassociation.org/index.html</u> (last visited Feb. 3, 2016).

<sup>&</sup>lt;sup>44</sup> See National Wild Turkey Federation website, <u>http://www.nwtf.org/about/know-us/our-history</u> (last visited Feb. 4, 2016).

<sup>&</sup>lt;sup>45</sup> See Florida State Chapter of the National Wild Turkey Federation website, <u>http://www.floridanwtf.org/about.aspx</u> (last visited on Feb. 4, 2016).

<sup>&</sup>lt;sup>46</sup> See Ducks Unlimited website, <u>http://www.ducks.org/</u> (last visited Feb. 4, 2016).

#### Dogs Making a Difference License Plate

Annual use fees will be distributed to Southeastern Guide Dogs, Inc., for the training and promotion of dogs for use by veterans and citizens who are blind. Up to 10 percent of proceeds may be used for administrative costs and marketing of the plate.

## Southeastern Guide Dogs, Inc.<sup>47</sup>

Southeastern Guide Dogs, Inc., is a non-profit organization located in Palmetto, Florida. The organization is accredited by the International Guide Dog Federation and Assistance Dogs International. It was founded in 1982, and employs "the latest in canine development and behavior research to create and nurture partnerships between visually impaired individuals and extraordinary guide dogs." According to its website, Southeastern Guide Dogs has matched over 2,800 guide dogs with individuals, and continues to place more than 100 dogs each year to help people with visual impairments and veterans. The charity provides its services free of charge and receives no government funding.

## Educate Engage Empower License Plate

Annual use fees are distributed to the Circuelle Foundation, Inc. Of the proceeds:

- Up to 10 percent may be used to market and promote the plate;
- Up to 10 percent may be used for administrative costs;
- 20 percent is to support breast cancer research; and
- The remainder is for Circuelle Foundation's programs, services, and activities to educated women about the risk factors of breast cancer and importance of breast health awareness.

#### Circuelle Foundation, Inc.48

This non-profit organization was founded in 2013, with a mission to "empower and educate women to know their breasts, support healthy breast rituals, and feel comfortable with their body". The foundation promotes healthy body image and breast health education, and donates mammograms, ultrasounds, and imagery for women with limited financial resources.

#### **Rotary License Plate**

Annual use fees are distributed to the Community Foundation of Tampa Bay, Inc., who distributes the funds as follows:

- Up to 10 percent for administrative costs and for marketing the plate;
- 10 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 to each Rotary district in the state in support of Rotary youth programs in Florida.

#### Rotary's Camp Florida49

Rotary's Camp Florida is a non-profit organization providing camping facilities to children and adults with special needs. The facility is a 21-acre camp located in Brandon, Florida, which

<sup>&</sup>lt;sup>47</sup> See Southeastern Guide Dogs website, <u>http://www.guidedogs.org/</u> (last visited Feb. 4, 2016).

<sup>&</sup>lt;sup>48</sup> See Circuelle Foundation website, <u>https://www.circuellefoundation.org/about.html</u> (last visited Feb. 4, 2016).

<sup>&</sup>lt;sup>49</sup> See Rotary's Camp Florida website, <u>http://www.rotaryscampflorida.org/</u> (last visited Feb. 4, 2016).

provides user groups with clean, safe, and barrier-free camping. The facility meets the full standards of the Americans with Disabilities Act. Half of the cost to rent the camp is paid by the disability user group and half is subsidized by Rotary Clubs throughout Florida. There is no charge to a child attending the camp.

## Rotary Club<sup>50</sup>

Rotary is a 1.2 million-member, international organization dedicated to service. Rotary clubs bring together individuals to exchange ideas, build relationships, and take action. There are numerous Rotary clubs throughout the state.

## Margaritaville License Plate

Annual use fees will be distributed to the Singing for Change Foundation for the organization's programs that focus on developing creative and sustainable communities through educational, economic, and cultural projects that will improve the quality of life in Florida. Up to 10 percent of the proceeds may be used for promotion and marketing of the plate.

#### Singing for Change Foundation<sup>51</sup>

Singing for Change is a private foundation established by Jimmy Buffet in 1995. \$1 of every Jimmy Buffet concert ticket goes to the Foundation. Its mission is to fund organizations that bring about positive change, focusing on grassroots organizations that rely heavily on volunteer efforts. The foundation has disbursed almost \$9 million in grants. According to its website, the foundation looks for groups:

- Working to engage individuals in their communities;
- Helping people realize their full potential and become self-sufficient; and
- Creating lasting change in the communities they serve.

## Knights of Columbus License Plate

The annual use fees will be distributed to the Florida K of C Charities, Inc., and used for the organization's charitable purposes including funding the Campaign for Citizens with Disabilities Fund, the Vocations Fund, and the Helping Life Fund. Up to 10 percent of the proceeds may be used for administration, marketing, and promotion of the plate.

## Florida K of C Charities, Inc.52

The Florida K of C Charities, Inc., is a non-profit corporation that operates for charitable, scientific and educational purposes for the benefit of the general public. The organization works to establish, promote, assist, contribute to or otherwise encourage charitable and educational

<sup>&</sup>lt;sup>50</sup> See Rotary website, https://www.rotary.org/en (last visited Feb. 4, 2016).

<sup>&</sup>lt;sup>51</sup> See Singing for Change website, <u>http://www.singingforchange.org/about.html</u> (last visited Feb. 4, 2016).

<sup>&</sup>lt;sup>52</sup> See Department of State – Division of Corporation, Florida K of C Charities, Inc.,

http://search.sunbiz.org/Inquiry/CorporationSearch/SearchResultDetail?inquirytype=EntityName&directionType=Initial&sea rchNameOrder=FLORIDAKCCHARITIES%20N00000042600&aggregateId=domnp-n00000004260-131f3ce5-8f2d-4416b2ea-

<sup>&</sup>lt;u>06a7d0c80802&searchTerm=Florida%20K%20of%20C&listNameOrder=FLORIDAKCCHARITIES%20N00000042600</u> (last visited Feb. 24, 2016).

pursuits to support and cooperate with activities of the Florida State Council of the Knights of Columbus and its Florida chapters.

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

#### Florida Professional Sports Team License Plates

The bill adds the North American Soccer League to the Florida Professional Sports Team license plates for the purpose of adding The Jacksonville Armada Football Club.

## Conserve Wildlife License Plate

The bill modifies the use of annual fees from the sale of the Conserve Wildlife specialty plates.<sup>53</sup> At least one third of the proceeds of the annual use fee must be used for programs and activities of the Fish and Wildlife Conservation Commission which contribute to the health and well-being of Florida black bears including bear-resistant container programs, research, and public education. The remaining proceeds must be used for other wildlife diversity research and public education programs of the Fish and Wildlife Conservation Commission.

## In God We Trust License Plate

The distribution and use of annual use fees of the In God We Trust specialty plate<sup>54</sup> are modified to allow a *maximum* of 10 percent of annual use fees to be used to offset marketing, administration, and promotion of the plate. The bill repeals provisions requiring the fees to be used for the children of public safety employees and U.S. military members who have died in the line of duty who are not covered by existing law. The fees will be used to:

- Address the needs of military service members and their spouses and dependents:;
- Provide education in public and private schools regarding the historical significance of religion in American and Florida history;
- Provide educational grants in public and private schools;
- Address the needs of public safety employees and their spouses and dependents; and
- Foster self-reliance and stability in Florida's children and families.

## Donate Life Florida License Plate (previously Donate Organs-Pass It On License Plate)

The bill renames the "Donate Organs-Pass It On" license plate as the "Donate Life Florida" license plate. The annual use fees will be distributed to the Florida Coalition on Donation, Inc., instead of the Transplant Foundation, Inc. Up to 10 percent of the proceeds may be used for marketing and administrative costs that are directly associated with the management and distribution of the proceeds. The remaining proceeds must be used to educate Florida residents on the importance of organ, tissue, and eye donation.

<sup>53</sup> Section 320.08058(24), F.S.

<sup>54</sup> Section 320.08058(66), F.S.

Florida Coalition on Donation, Inc., is a non-profit corporation organized primarily for educational purposes, dedicated to saving lives and improving the quality of life, via promoting donor awareness of all forms of donation, including organ, tissue, eyes, bone marrow, and blood.

# **Effective Date**

Section 1 is effective July 1, 2016; Section 2 is effective July 1, 2018; and Sections 3 and 4 are effective October 1, 2016.

# 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:

The bill will have a negative impact on organizations and programs funded from a specialty plate that does not meet the increased minimum sales requirement and is subsequently discontinued.

However, increasing the minimum sales requirement could reduce the number of different specialty plates, which could increase sales of the remaining specialty plates, thereby benefiting the organizations and programs supported by the remaining specialty plates.

<u>e7266bc6b011&searchTerm=Florida%20Coalition%20on%20Donation&listNameOrder=FLORIDACOALITIONONDONA</u> <u>TION%20N040000009500</u> (last visited Feb. 24, 2016).

<sup>&</sup>lt;sup>55</sup> See Department of State- Division of Corporations, Florida Coalition on Donation, Inc.,

http://search.sunbiz.org/Inquiry/CorporationSearch/SearchResultDetail?inquirytype=EntityName&directionType=Initial&sea rchNameOrder=FLORIDACOALITIONONDONATION%20N040000009500&aggregateId=domnp-n04000000950a4a9ca08-273f-44b0-bd02-

Individuals who choose to purchase one of the new specialty license plates created in the bill will pay a \$25 annual use fee in addition to appropriate license taxes and fees. The organization designated to receive those fees, after retention of funds by the DHSMV to defray departmental expenditures, will receive revenue from each purchase. The revenue impact is unknown as the number of each specialty license plate that will be purchased is unknown.

C. Government Sector Impact:

Depending on the number of plates that will be discontinued starting in July 1, 2019, the DHSMV may incur minimal programming costs associated with discontinuing specialty license plates.

According to the DHSMV, the cost for the minimum required number of each specialty license plate to be designed and manufactured is \$11,280. In addition, the DHSMV will also have programming costs to develop all new specialty license plates. The DHSMV is authorized to retain revenues from the first proceeds of specialty license plate sales to defray departmental expenditures related to the specialty license plate program.<sup>56</sup>

## VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

#### VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 320.08053, 320.08056 and 320.08058.

#### IX. Additional Information:

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

**Recommended CS/CS/SB 1390 & SB 7062 by Appropriations Subcommittee on Transportation, Tourism, and Economic Development on February 24:** The committee substitute combines and modifies the provisions of CS/SB 1390 and SB 7062:

- Increases minimum sales of specialty license plates from 1,000 to 4,000 effective July 1, 2018;
- Creates 26 new specialty license plates and deletes:
  - Team Hammy,
  - Paddle Florida,
  - I Stand with Israel,

<sup>&</sup>lt;sup>56</sup> Section 320.08056(7), F.S.

- Save our Shores,
- Furry Friends,
- Ronald Reagan,
- Medical Professionals Who Care,
- o Florida Native,
- o Protect Pollinators,
- o Diabetes Awareness, and
- Tampa Bay Rowdies.
- Modifies three existing specialty license plates:
  - o Florida Professional Sports Team,
  - o Conserve Wildlife,
  - In God We Trust, and
  - Donate Organs-Pass It On.
- B. Amendments:

None.

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