

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 Committee on Appropriations

BILL: PCS/SB 160 (352294)

INTRODUCER: Appropriations Committee (Recommended by Appropriations Subcommittee on Transportation, Tourism, and Economic Development); and Senator Bean

SUBJECT: Specialty License Plates/Ducks Unlimited and Fallen Law Enforcement Officers

DATE: January 25, 2018

REVISED: _____

| | ANALYST | STAFF DIRECTOR | REFERENCE | ACTION |
|----|--------------|-----------------|------------|--------------------------|
| 1. | <u>Jones</u> | <u>Miller</u> | <u>TR</u> | Favorable |
| 2. | <u>Wells</u> | <u>Hrdlicka</u> | <u>ATD</u> | Recommend: Fav/CS |
| 3. | <u>Wells</u> | <u>Hrdlicka</u> | <u>AP</u> | Pre-meeting |

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

PCS/SB 160 directs the Department of Highway Safety and Motor Vehicles (DHSMV) to develop the following specialty license plates:

- Ducks Unlimited,
- Dan Marino Campus,
- Donate Life Florida, and
- Florida State Bee Keepers Association.

The bill also:

- Revises the design of the Special Olympics specialty license plate,
- Discontinues the Donate Organs – Pass it On specialty license plate,
- Revises the design of the Lighthouse Association specialty license plate, and
- Amends the distribution of the Fallen Law Enforcement Officers specialty license plate.

The DHSMV estimates programming and implementation of the bill will cost \$28,740. The DHSMV is authorized to retain revenues from the first proceeds of sales to defray departmental costs.

The bill takes effect October 1, 2018.

II. Present Situation:

Specialty License Plates

Presently, there are over 120 specialty license plates available for purchase in Florida.¹ 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.² 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.³

In order to establish a specialty license plate and after the plate is approved by law, s. 20.08053, F.S., requires the following actions within certain timelines:

- Within 60 days, the organization must submit an art design for the plate, in a medium prescribed by the DHSMV;
- Within 120 days, the DHSMV must establish a method to issue pre-sale vouchers for the 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 of the plate may begin.

If the minimum sales requirement has not been met by the end of the 24-month pre-sale period, then the DHSMV will discontinue the plate and issuance of pre-sale vouchers. Upon discontinuation, 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.⁴

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 specified United States Armed Forces and veterans-related specialty plates.⁵ Additionally, organizations must adhere to certain accountability requirements, including an annual audit or attestation document affirming that funds received have been spent in accordance with applicable statutes.⁶

DHSMV Costs Defrayed

The DHSMV is authorized to retain a sufficient portion of annual use fees collected from the sale of specialty 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.⁷

¹ A list of Florida's specialty license plates is available on the DHSMV website at <http://www.flhsmv.gov/dmv/specialtytags/> (last visited Dec. 13, 2017).

² Section 320.08056, F.S.

³ Section 320.08058, F.S.

⁴ Section 320.08053(2)(b), F.S.

⁵ Section 320.08056(10)(a), F.S.

⁶ Section 320.08062, F.S.

⁷ Section 320.08056(7), F.S.

Discontinuance of Specialty Plates

The DHSMV must discontinue the issuance of an approved specialty license plate if the number of valid 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 license plate registrations is below 1,000 plates. Collegiate plates for Florida universities are exempt from the minimum specialty license plate requirement.⁸ In addition, the DHSMV is authorized to discontinue any specialty license plate 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.⁹

Ducks Unlimited, Inc.¹⁰

Ducks Unlimited, Inc., is a non-profit, volunteer-based organization whose mission is to conserve, restore, and manage wetlands and associated habitats for North America's waterfowl. The organization was created in 1937 and currently has habitat projects in all 50 states, every Canadian province, and key areas of Mexico and Latin America.

In Fiscal Year 2017, the organization reported receiving revenues and support of nearly \$224 million, with 83 percent going to wetlands and waterfowl conservation and education.¹¹

Currently, the Ducks Unlimited specialty license plate is available in 21 states.¹²

Dan Marino Foundation¹³

The Dan Marino Foundation is a nonprofit organization dedicated to improving the lives of persons with autism and or other developmental disabilities. The Foundation was founded in 1992 by Dan and Claire Marino shortly after their son's autism diagnosis.

Opened in 2013, Marino Campus is a 10-month, non-residential program for young adults with autism and other developmental disabilities. Marino Campus offers three programs of study: computer technology, hospitality, and retail. Class instruction combined with real-world internships prepare Marino Campus students to obtain industry-leading certifications.

Joshua Abbot Organ and Tissue Donor Registry¹⁴

Florida's organ, tissue, and eye donor registry is named for Joshua Abbott, the recipient of a lung transplant who passed away in 2006. In 2009, the Agency for Health Care Administration chose

⁸ Section 320.08056(8)(a), F.S.

⁹ Section 320.08056(8)(b), F.S.

¹⁰ See Ducks Unlimited website, <http://www.ducks.org/> (last visited Dec. 14, 2017).

¹¹ Ducks Unlimited website, *2017 Annual Report*, <http://www.ducks.org/about-ducks-unlimited/ducks-unlimited-financial-information/du-2017-annual-report> (last visited Jan. 3, 2018).

¹² DHSMV, *2018 Agency Legislative Bill Analysis – SB 160* (Oct. 23, 2017) (on file with the Senate Committee on Transportation).

¹³ See The Dan Marino Foundation website, <https://danmarinofoundation.org/> (last visited Jan. 23, 2018).

¹⁴ See Joshua Abbott Organ and Tissue Donor Registry website, <https://www.donatelifeflorida.org/about/> (last visited Jan. 23, 2018).

Donate Life Florida to create a statewide donor registry to increase registry enrollment and educate Floridians about donation.

Donate Life Florida is a charitable organization established in 1997 and is “dedicated to motivating Floridians to designate themselves as organ, tissue and eye donors, so lives are saved and enhanced through donation and transplantation.”¹⁵

Florida State Beekeepers Association¹⁶

The Florida State Beekeepers Association is “dedicated to keeping Florida apiculture strong and healthy now and for future generations.” The mission of the association is to:

- Provide resources for the improvement of beekeeping by using proven techniques and procedures in the management of honey bees and to share this knowledge with everyone interested in the art of beekeeping.
- Promote the development of practical beekeeping methods in the state of Florida.
- Act in the interest of Florida beekeepers in protecting and carrying on statewide beekeeping affairs.
- Act as a medium for and to aid in cooperative and mutual beekeeping methods.
- Act as the representative of the Florida beekeepers in state and national beekeeping affairs.¹⁷

Florida Special Olympics Specialty License Plate

The Special Olympics specialty license plate was first offered in 1994 and, according to the Special Olympics website, “has raised over \$1 million dollars to benefit Florida’s children and adults with intellectual disabilities.”¹⁸ To date, the plate has 3,064 active registrations.¹⁹ The first \$5 million collected annually must be forwarded to the Florida Developmental Disabilities Council to be used solely for the Special Olympics. Any additional fees must be deposited into the General Revenue Fund.²⁰

Transplant Foundation, Inc.²¹

Transplant Foundation, Inc., was a privately funded organization established in 1987 by transplant recipients. The foundation’s mission was “to educate the community on the importance of organ donation and to fund transplant research.” The foundation is no longer in existence.

¹⁵ *Id.*

¹⁶ See The Florida State Bee Keepers Association website, <http://www.floridabeekeepers.org/> (last visited Jan. 23, 2018).

¹⁷ *Id.*

¹⁸ See Special Olympics Florida License Plate website, <https://specialolympicsflorida.org/get-involved/fundraise/special-olympics-florida-license-plate/> (last visited Jan 23, 2018).

¹⁹ See DHSMV, *Monthly Active Specialty Plates*, available at <https://services.flhsmv.gov/specialtyplates/ActivePlates.aspx> (last visited Jan. 23, 2018).

²⁰ Section 320.08058(7), F.S.

²¹ See Transplant Foundation website, <http://www.transplantfoundation.org/> (last visited Jan. 23, 2018).

Lighthouse Association

The Lighthouse Association specialty license plate was created by law in 2008. As of December 2017, the plate had 4,737 active registrations.²² Proceeds from the plate are distributed to the Florida Lighthouse Association. A maximum of 10 percent of the proceeds are used to promote and market the plate, and the remaining proceeds are used by the association to fund preservation, restoration, and protection of the 29 historic lighthouses remaining in the state.²³

Fallen Law Enforcement Officers Specialty License Plate

The Fallen Law Enforcement Officers specialty license plate was created by law in 2014.²⁴ As of October 9, 2017, the plate had 6,551 active registrations.²⁵ Proceeds from sale of the plate are distributed to the Police and Kids Foundation, Inc. A maximum of 10 percent of the proceeds may be used to promote and market the plate, and the remaining proceeds must be invested and reinvested by the foundation. The foundation is only authorized to use the interest earnings from such investments for the operations.²⁶

III. Effect of Proposed Changes:

Ducks Unlimited Specialty License Plate

The bill directs the DHSMV to create a Ducks Unlimited specialty license plate, with an annual fee of \$25 to be distributed to Ducks Unlimited, Inc. The organization may use up to 5 percent of the fees for administrative costs and marketing of the specialty license plate, and at least 95 percent of the fees must be used in Florida 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.

The plate must bear the colors and design approved by the DHSMV, with the word "Florida" at the top of the plate and the words "Conserving Florida Wetlands" at the bottom of the plate.

Dan Marino Campus Specialty License Plate

The bill directs the DHSMV to create a Dan Marino Campus specialty license plate, with an annual fee of \$25 to be distributed to the Dan Marino Foundation. The foundation may use up to 10 percent of the fees for administrative costs and marketing of the plate. The balance of the fees must be used to assist Floridians with developmental disabilities in becoming employed, independent, and productive and to promote and fund education scholarships and awareness of these services.

The plate must bear the colors and design approved by the DHSMV, with the word "Florida" at the top of the plate and the words "Marino Campus" at the bottom of the plate.

²² See DHSMV, *Monthly Active Specialty Plates*, available at <https://services.flhsmv.gov/specialtyplates/ActivePlates.aspx> (last visited Jan. 23, 2018).

²³ Section 320.08058(65).

²⁴ Chapter 2014-168, Laws of Florida.

²⁵ DHSMV Analysis *supra* note 12.

²⁶ Section 320.08058(80), F.S.

Donate Life Florida Specialty License Plate

The bill directs the DHSMV to create a Donate Life Florida specialty license plate, with an annual fee of \$25 to be distributed to Donate Life Florida. The organization may use up to 10 percent of the fees for marketing and administrative costs related to the plate. The balance of the fees must be used educate Florida residents on the importance of organ, tissue, and eye donation and for the continued maintenance of the Joshua Abbott Organ and Tissue Donor Registry.

The plate must bear the colors and design approved by the DHSMV, with the word “Florida” at the top of the plate and the words “Donors Save Lives” at the bottom of the plate.

Florida State Beekeepers Association Specialty License Plate

The bill directs the DHSMV to create a Florida State Beekeeper Association specialty license plate, with an annual fee of \$25 to be distributed to the Florida State Beekeepers Association. The association may use up to 18 percent of the fees for direct reimbursement for administrative costs, startup costs, and costs incurred in the development and approval process of the license plate, and for marketing costs of the plate. All vendors associated with the administrative costs shall be selected by competitive bid. The remaining funds shall be used to raise awareness of the importance of beekeeping to Florida agriculture by funding honeybee research, education, outreach, and husbandry. The Florida State Beekeepers Association board of managers must approve and is accountable for all such expenditures.

The plate must bear the colors and design approved by the DHSMV, with the word “Florida” at the top of the plate and the words “Save the Bees” at the bottom of the plate.

Florida Special Olympics Specialty License Plate

The bill directs the DHSMV to redesign the Florida Special Olympics specialty license plate. The word “Florida” must be centered at the top of the plate and the words “Be a Fan” must be centered at the bottom of the plate. The current plate requires the word “Florida” to be centered at the top of the plate and the words “Everyone Wins” to be centered at the bottom of the plate.

Donate Organs – Pass it On Specialty License Plate

The bill discontinues the sale of the Donate Organs – Pass it On specialty license plate as the Transplant Foundation, Inc., is no longer in existence.

Lighthouse Association Specialty License Plate

The bill directs the DHSMV to redesign the Lighthouse Association specialty license plate. The word “Florida” must appear at the top of the plate and the words “SaveOurLighthouses.org” must appear at the bottom of the plate. The current plate requires the words “Visit Our Lights” to appear at the bottom of the plate.

Fallen Law Enforcement Officers Specialty License Plate

The bill amends the distribution of the Fallen Law Enforcement Officers specialty license plate by authorizing the Police and Kids Foundation, Inc., to use up to 10 percent of proceeds from the sale of the specialty license plate for marketing and the remainder for the foundation's operations, activities, programs, and projects.

The bill takes effect October 1, 2018.

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:

Individuals who choose to purchase a specialty license plate will pay a \$25 annual use fee in addition to appropriate license taxes and fees.

C. Government Sector Impact:

The DHSMV estimates programming and implementation expenditures will be \$28,740.²⁷ 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.²⁸

VI. Technical Deficiencies:

None.

²⁷ Email from DHSMV, Jan. 24, 2018, on file with the staff of the Appropriations Subcommittee on Transportation, Tourism, and Economic Development.

²⁸ Section 320.08056(7), F.S.

VII. Related Issues:

None.

VIII. Statutes Affected:

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

IX. Additional Information:

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

Recommended CS by Appropriations Subcommittee on Transportation, Tourism, and Economic Development on January 23, 2018:

The committee substitute:

- Creates the Dan Marino Campus, Donate Life Florida, and Florida State Beekeepers specialty license plates;
- Discontinues the Donate Organs – Pass it On specialty license plate; and
- Revises the design of the Lighthouse Association and Florida Special Olympics specialty license plates.

- B. **Amendments:**

None.