

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

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

Date: January 15, 1998 Revised: _____

Subject: License Plate/Keep Kids Drug Free

| | <u>Analyst</u> | <u>Staff Director</u> | <u>Reference</u> | <u>Action</u> |
|----|----------------|-----------------------|------------------|------------------------|
| 1. | <u>Caridi</u> | <u>Johnson</u> | <u>TR</u> | <u>Fav/1 amendment</u> |
| 2. | <u>_____</u> | <u>_____</u> | <u>WM</u> | <u>_____</u> |
| 3. | <u>_____</u> | <u>_____</u> | <u>_____</u> | <u>_____</u> |
| 4. | <u>_____</u> | <u>_____</u> | <u>_____</u> | <u>_____</u> |
| 5. | <u>_____</u> | <u>_____</u> | <u>_____</u> | <u>_____</u> |

I. Summary:

This bill directs the Department of Highway Safety and Motor Vehicles to develop a Keep Kids Drug Free specialty license plate for the support of drug prevention programs for Florida residents. Such plates would be available upon payment of appropriate license taxes, a \$2 processing fee and an annual use fee of \$20. The \$20 annual use fee shall be distributed to the Keep Kids Drug Free Foundation, Inc. for use in drug-abuse prevention programs.

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

II. Present Situation:

Keep Kids Drug Free specialty license plates are not authorized by current law.

The organization proposing this bill has met all requirements established by the 1995 Florida Legislature under s. 320.08056, F.S.:

- ▶ Submitted request for a particular plate and a proposed general description.
- ▶ Submitted petition with 10,000 signatures of Florida residents intending to purchase the plate.
- ▶ Paid \$30,000 as an application fee for administrative costs of application review and plate development.
- ▶ Submitted a short and long term marketing strategy and a fiscal analysis of anticipated revenue and planned expenditures.

III. Effect of Proposed Changes:

Specialty license plates for the support of drug-abuse programs would be made available upon payment of appropriate license taxes, a \$2 processing fee, and an annual use fee of \$20. The \$20 annual use fee would be distributed to the Keep Kids Drug-Free Foundation, Inc. A portion of the fees collected will be used by the foundation for the costs associated with the promotion of the license plate, basic administrative costs, and programs for the reduction of substance abuse among Florida residents. The foundation would also develop a plan, to be approved by the Department of Highway Safety and Motor Vehicles, for distribution of a portion of collected fees to support other drug prevention activities throughout the state.

IV. Constitutional Issues:**A. Municipality/County Mandates Restrictions:**

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

Article III, s. 19(f)(1), State Constitution, provides that no trust fund of the state or other public body may be created by law without three-fifths vote of the membership of each house of the Legislature in a separate bill for that purpose only.

V. Economic Impact and Fiscal Note:**A. Tax/Fee Issues:**

The department would receive the proceeds of the annual \$2 processing fee imposed on the issuance of the Keep Kids Drug Free specialty license plate. The amount of such proceeds cannot be determined because the number of specialty plates that will be purchased is not known.

B. Private Sector Impact:

Persons who apply for the Keep Kids Drug Free license plate would have to pay \$20 for the annual use fee.

The Keep Kids Drug-Free Foundation, Inc. would receive the \$20 annual use fee collected on each Keep Kids Drug Free specialty license plate sold or renewed.

C. Government Sector Impact:**Year One**

The Highway Safety Operating Trust Fund would receive the \$30,000 application fee. The department would incur total costs of \$42,780 due to the following expenditures:

- ▶ Initial programming costs of \$20,280.
- ▶ Purchasing costs of \$22,500 for the required initial 10,000 plates at \$2.25 each.

Years Two and Beyond

The department would incur total costs of \$22,500 for the minimum 10,000 plate order. The department would receive the \$2 processing fee per plate sold.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

#1 by Transportation:
Increases fee from \$20 to \$25.