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DATE: February 13, 2002

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
TOURISM
ANALYSIS**

BILL #: HB 1113
RELATING TO: Wildflowers
SPONSOR(S): Representative(s) Kosmas
TIED BILL(S): None

ORIGINATING COMMITTEE(S)/COUNCIL(S)/COMMITTEE(S) OF REFERENCE:

- (1) TOURISM YEAS 4 NAYS 0
 - (2) TRANSPORTATION & ECONOMIC DEVELOPMENT APPROPRIATIONS
 - (3) COUNCIL FOR COMPETITIVE COMMERCE
 - (4)
 - (5)
-

I. SUMMARY:

The bill creates the Wildflower Council within the Florida Wildflower Foundation, Inc., and specifies its membership and duties. The bill provides that the proceeds generated by the Wildflower License Plate be distributed to the Wildflower Account in the Florida Wildflower Foundation, Inc., instead of the Wildflower Account in Keep Florida Beautiful, Inc. Various wildflower programs to receive funding from the use fees are delineated. The bill removes the allowed use of 10% of funds received from the sale of the tag for administrative costs.

The bill also deletes the Wildflower Advisory Council and Wildflower Account established within Keep Florida Beautiful, Inc., and provides for transfer of unencumbered balances from the Wildflower Account in Keep Florida Beautiful, Inc., to the Wildflower Account in the Florida Wildflower Foundation, Inc.

The bill has no fiscal impact.

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- | | | | |
|-----------------------------------|------------------------------|-----------------------------|---|
| 1. <u>Less Government</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. <u>Lower Taxes</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

B. PRESENT SITUATION:

Florida Specialty License Plates

Florida specialty license plates must be specifically authorized by the Legislature. The State of Florida has a total of 52 specialty license plates. For calendar year 2001, specialty license plate revenues were approximately \$23 million. Proceeds from specialty license plate annual use fees have been used to fund a myriad of programs, such as protection of endangered species, an astronaut memorial, space technology research, scholarships, and university academic enhancements.

Section 320.08053, F.S., establishes requirements that organizations or agencies must meet in order to create a new specialty license plate. Current law requires that specified information and an application fee be submitted to the Department of Highway Safety and Motor Vehicles (DHSMV) prior to requesting legislative approval for a specialty plate. Information required to be submitted includes:

1. The results of a scientific sampling survey indicating that at least 15,000 motor vehicle owners intend to purchase the proposed specialty license plate at the increased cost.
2. An application fee not to exceed \$60,000 to defray DHSMV's costs for reviewing the application and developing the specialty license plate. If the specialty license plate by the requesting organization is not approved by the Legislature, the application fee will be returned to the requesting organization.
3. A marketing plan and financial analysis of anticipated revenues and expenditures.

Once a specialty license plate has been approved by the Legislature, s. 320.08056, F.S., establishes uniform requirements for all specialty license plates, including taxes, fees, and design characteristics.

Section 320.08058, F.S., specifies the individual requirements and distribution of annual use fees for approved specialty plates.

Section 320.08062, F.S., provides accountability requirements regarding specialty license plate proceeds, including audits of expenditures and a compliance review by DHSMV.

“Florida Wildflower” License Plates

In 1992 and 1994, the Florida Federation of Garden Clubs, Inc., was unsuccessful in its efforts to obtain sufficient signatures to establish a “Florida Wildflower” License Plate.

In late 1996, the Florida Department of Transportation joined in the effort and formed a working group with the Florida Federation of Garden Clubs, Inc., the Florida Native Plant Society, the Florida Chapter of the American Society of Landscape Architects, the Florida League of Cities, the Association of Counties, the Think Beauty Foundation, the Florida Department of Environmental Protection, the Governor's Office, and Keep Florida Beautiful, Inc. The Florida Department of Transportation paid the required \$30,000 application fee with the Department of Highway Safety and Motor Vehicles. The wording for the legislation creating the “Florida Wildflower” License Plate was written by this group. The legislation ultimately passed during the 1999 Legislative Session (Chapter 99-294, Laws of Florida) and DHSMV added a “Florida Wildflower” license plate to the list of other specialty license plates for a \$15 annual use fee. The design was approved in February 2000 with sales beginning in July of that year.

Currently, annual use fee proceeds for the “Florida Wildflower” license plate are distributed to Keep Florida Beautiful, Inc., created by 403.4131, F.S. The proceeds must be used to establish native Florida wildflower research programs, wildflower education programs, and wildflower grant programs to municipal, county, and community based groups. A maximum of 10 percent of the proceeds from the sale of such plates may be used for administrative costs.

The Wildflower Advisory Council is created within Keep Florida Beautiful, Inc., consisting of a maximum of nine members. A representative from each of the following is required: the University of Florida Institute of Food and Agricultural Sciences, the Department of Transportation, the Department of Environmental Protection, the Florida League of Cities, and the Florida Association of Counties. Other members may include representatives from the Florida Federation of Garden Clubs, Inc., the Think Beauty Foundation, the Florida Chapter of the American Society of Landscape Architects, Inc., and the Master Gardener's Program. The Wildflower Advisory Council directs and oversees the expenditures of the Wildflower Account by developing procedures of operation, research contracts, educational programs, and wildflower planting grants for plants, grasses, and wildflowers native to Florida. The council also makes the final determination of what constitutes acceptable species of plantings.

As of December 31, 2001, 9,784 “Florida Wildflower” license plates were sold and 4,451 “Florida Wildflower” license plates were renewed which generated \$220,560 in annual revenues, including the license plate renewal use fees. It should be noted that in addition to purchasing or renewing a license plate, donations may be made to the Wildflower Account. Those donations are included in the total revenue amount.

Keep Florida Beautiful, Inc.

Keep Florida Beautiful, Inc., an affiliate of Keep America Beautiful, Inc., is a non-profit organization operated in compliance with Chapter 617, F.S., that coordinates the statewide campaign and operates as the grassroots arm of the state's effort for volunteer-based community programs dedicated to helping Florida and its local communities solve solid waste problems.

As a partner working with government, business, civic, environmental, and other organizations, Keep Florida Beautiful, Inc., contracts for several anti-litter campaigns. These contracts include, at a minimum, coordinating with the Center for Marine Conservation and the Center for Solid and Hazardous Waste to identify components of litter; designing appropriate anti-litter advertising; fostering public awareness about preventing littering; developing education programs regarding proper disposal of litter; coordinating with the Department of Transportation to administer the

“Adopt-A-Highway” program; and administering the Wildflower Account within the Wildflower Advisory Council which is created within Keep Florida Beautiful, Inc.

The membership of the Keep Florida Beautiful, Inc., board of directors include a representative from the Florida League of Cities, the Florida Association of Counties, the Governor’s Office, the Florida Chapter of the National Solid Waste Management Association, the Florida Recyclers Association, the Center for Marine Conservation, Chapter of the Sierra Club, the Associated Industries of Florida, the Florida Soft Drink Association, the Florida Petroleum Council, the Retail Grocers Association of Florida, the Florida Retail Federation, the Pulp and Paper Association, the Florida Automobile Dealer’s Association, the Beer Industries of Florida, the Florida Beer Wholesalers Association, and the Distilled Spirits Wholesalers.

The Florida Wildflower Foundation, Inc.

The Florida Wildflower Foundation, Inc., was incorporated in 2002. The organization is seeking 501(c)3 tax exempt status which is currently pending. Tax exempt status will allow the organization to offer memberships and accept donations. The Florida Wildflower Foundation, Inc., intends to create a Wildflower Council within the Foundation similar to the Wildflower Advisory Council within Keep Florida Beautiful, Inc. The members of the Florida Wildflower Foundation, Inc., are identical to the Wildflower Advisory Council within Keep Florida Beautiful, Inc.

According to a spokesperson for the Florida Wildflower Foundation, Inc., the Wildflower Council within the Florida Wildflower Foundation, Inc., will consist of 11 members to direct and oversee the expenditures of the Wildflower Account established pursuant to s. 320.08058(28), F.S. The membership of the Wildflower Council is to include a representative from the University of Florida Institute of Food and Agricultural Sciences, the Department of Transportation, the Department of Environmental Protection, the Florida League of Cities, and the Florida Association of Counties. Other members of the council may include representatives from the Florida Federation of Garden Clubs, Florida Chapter of the American Society of Landscape Architects, Inc., the Master Gardener’s Program, and two members of the Florida Wildflower Foundation, Inc. Although not identical, the membership is similar to the current Wildflower Advisory Council.

According to a spokesperson for the Florida Wildflower Foundation, Inc., the Wildflower Council plans to develop procedures of operation, research contracts, educational programs, and wildflower planting grants for Florida native wildflowers, plants, and grasses. The Wildflower Council is also to make the final determination as to what constitutes acceptable species of wildflowers and other plantings supported by these programs. This is similar with the charge of the Wildflower Advisory Council within Keep Florida Beautiful, Inc.

C. EFFECT OF PROPOSED CHANGES:

The bill creates within the Florida Wildflower Foundation, Inc., the Wildflower Council consisting of a maximum of 11 members to direct and oversee the expenditure of the Wildflower Account. The council shall include a representative from the University of Florida Institute of Food and Agricultural Sciences, the Department of Transportation, the Department of Environmental Protection, the Florida League of Cities, and the Florida Association of Counties. Other members may include representatives from the Florida Federation of Garden Clubs, Inc., the Think Beauty Foundation, the Florida Chapter of the American Society of Landscape Architects, Inc., the Master Gardner’s Program, and two members of the Florida Wildflower Foundation, Inc.

The Wildflower Council shall develop procedures of operation, research contracts, educational programs, and wildflower planting grants for Florida native wildflowers, plants, and grasses. The

council shall also make the final determination as to what constitutes acceptable species of wildflowers and other plantings supported by these programs.

Subsection (28) of s. 320.08058, F.S., is amended to move the Wildflower Account from Keep Florida Beautiful, Inc., to the Florida Wildflower Foundation, Inc. The authority to use a maximum of 10 percent of the proceeds from the sale of Florida Wildflower License Plates for administrative purposes is deleted.

Section 403.4131, F.S., is amended to delete the Wildflower Advisory Council in Keep Florida Beautiful, Inc.

The bill further provides that any unencumbered balance of funds deposited into the Wildflower Account of the Wildflower Advisory Council within Keep Florida Beautiful, Inc., shall be transferred to the Wildflower Account of the Wildflower Council within the Florida Wildflower Foundation, Inc.

D. SECTION-BY-SECTION ANALYSIS:

See "Effect of Proposed Changes".

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Administration of the wildflower program in Florida and control over the expenditures of the proceeds from the use fee for the Wildflower License Plate would be transferred from the Wildflower Advisory Council in Keep Florida Beautiful, Inc., to the Wildflower Council with the Florida Wildflower Foundation, Inc. Some feel that this will give more independence and flexibility for the expenditure of the revenues produced by the Wildflower License Plate for wildflower programs in Florida.

Keep Florida Beautiful, Inc., does not want the program moved from its organization. A spokesperson for Keep Florida Beautiful, Inc., has indicated that there has been a recent change in

the leadership of Keep Florida Beautiful, Inc., and as a result a renewed commitment to developing the full potential of the wildflower program in Florida.

D. FISCAL COMMENTS:

None.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to expend funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority of counties or municipalities to raise revenue.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of a state tax shared with counties or municipalities.

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

None.

C. OTHER COMMENTS:

None.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None.

VII. SIGNATURES:

COMMITTEE ON TOURISM:

Prepared by:

Staff Director:

Judy C. McDonald

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