

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

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

BILL: CS/SB 2162

SPONSOR: Transportation Committee, Senator Klein and others

SUBJECT: Specialty License Plates

DATE: February 20, 2002 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Vickers	Meyer	TR	Favorable/CS
2.	_____	_____	GO	_____
3.	_____	_____	FT	_____
4.	_____	_____	AGG	_____
5.	_____	_____	AP	_____
6.	_____	_____	_____	_____

I. Summary:

This CS directs the Department of Highway Safety and Motor Vehicles to develop two new specialty license plates: (1) the Florida Firefighters license plate and (2) the Police Benevolent Association license plate. In addition to applicable motor vehicle taxes and fees, a \$20 annual use fee will be charged for each of these new specialty license plates. In the case of the Florida Firefighters license plate, net annual use fees are to be distributed to the Florida Firefighters Charities, Inc. In the case of the Police Benevolent Association license plate, net annual use fees are to be distributed to the Florida Police Benevolent Association Heart Fund, Inc. The CS also extends the existing exemption from the specialty license plate requirements for state and independent universities to October 1, 2002.

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

II. Present Situation:

Section 320.08053, F.S., establishes requirements for the creation of specialty license plates. An organization that seeks the establishment of a new specialty license plate must adhere to the following guidelines:

- Submit the results of a scientific sample survey of Florida motor vehicle owners that indicates at least 15,000 motor vehicle owners intend to purchase the proposed specialty license plate at the increased costs.
- Submit an application fee, not to exceed \$60,000, to defray the Department’s cost for reviewing the application and developing the specialty license plate, if authorized.

- Submit a marketing strategy outlining both the short and long term marketing plans and a financial analysis outlining the anticipated revenue and the planned expenditures of the requested specialty license plate.

The required documentation and fees must be submitted at least 90 days before the convening of the regular session of the Legislature. If a specialty license plate is approved by law, the organization must submit a proposed art design for the specialty plate to the Department no later than 60 days after the act becomes a law. If the specialty license plate is not approved by the Legislature, then the application fee shall be refunded to the requesting organization.

Section 320.08056, F.S., provides that the Department is responsible for developing the specialty license plates and must begin production and distribution within one year after approval of the specialty license plate by the Legislature. The Department shall annually retain the first proceeds derived from the annual use fees collected in an amount sufficient to defray each specialty plate's pro rata share of the Department's costs directly related to issuing the specialty license plate.

According to the Department, the organizations supporting the Florida Firefighters license plate and Police Benevolent Association license plates have not met the requirements contained in s. 320.08053, F.S.

III. Effect of Proposed Changes:

This CS provides that, notwithstanding the requirements of s. 320.08053, F.S., the Department is to develop and issue a Florida Firefighters license plate. The word "Florida" must appear at the top of the plate, and the words "Salutes Firefighters" must appear at the bottom of the plate. The CS stipulates that the requirements of s. 320.08053, F.S., must be met prior to the issuance of the plate. In addition to applicable motor vehicle taxes and fees, a \$20 annual use fee will be charged for this new specialty license plate. Net annual use fees, after meeting departmental license plate development and issuance costs, are to be transferred to Florida Firefighters Charities, Inc., a 501 (c) (3) nonprofit corporation for distribution in accordance with this entities articles of incorporation.

The CS provides that, notwithstanding the requirements of s. 320.08053, F.S., the Department is to develop and issue a Police Benevolent Association license plate. The word "Florida" must appear at the top of the plate, and the words "Support Law Enforcement" must appear at the bottom of the plate. The CS stipulates that the requirements of s. 320.08053, F.S., must be met prior to the issuance of the plate. In addition to applicable motor vehicle taxes and fees, a \$20 annual use fee will be charged for this new specialty license plate. Net annual use fees, after meeting departmental license plate development and issuance costs, are to be transferred to Police Benevolent Association Heart Fund, Inc., a 501 (c) (3) nonprofit corporation for distribution in accordance with this entities articles of incorporation.

The CS also amends s. 320.08058, F.S., to extend the existing exemption from the specialty license plate requirements contained in s. 320.08053, F.S., for state and independent universities to October 1, 2002.

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

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

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

An individual electing to purchase either the Florida Firefighters specialty license plate or the Police Benevolent Association specialty license plate would pay a \$20 annual use fee.

B. Private Sector Impact:

Fees generated through the sale of the Florida Firefighters specialty license plate are to be transferred to the Florida Firefighters Charities, Inc., a 501 (c) (3) nonprofit corporation for distribution in accordance with this entities articles of incorporation.

Fees generated through the sale of the Police Benevolent Association specialty license plate are to be transferred to the Police Benevolent Association Heart Fund, Inc., a 501 (c) (3) nonprofit corporation for distribution in accordance with this entities articles of incorporation.

C. Government Sector Impact:

Section 320.08053(1)(c), F.S., states that a specialty plate application fee may not exceed \$60,000. This fee is to be paid to the Department to defray the costs of reviewing the application and developing the specialty license plate. As previously noted, the Department has not received the \$60,000 application fee for either of these specialty license plates. However, the CS stipulates, that prior to issuance of these license plates, the requirements of s. 320.08053, F.S., must be met.

The Department estimates that it will incur \$59,400 in costs related to the development and issuance of each of these specialty license plates. This total includes \$15,000 in personnel costs, \$7,560 in computer programming costs, and \$36,900 in license plate costs. Specialty license plates cost the Department \$2.46 each under the current contract. A minimum order of 15,000 plates is required.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
