

# 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 624  
 SPONSOR: Transportation Committee and Senator Silver  
 SUBJECT: Specialty License Plates  
 DATE: March 4, 2002      REVISED: \_\_\_\_\_

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

## I. Summary:

The committee substitute requires the Department of Highway Safety and Motor Vehicles (DHSMV) to issue a Florida Golf license plate. A \$25 annual use fee will be charged for this new specialty license plate in addition to the regular license plate fees and taxes. Proceeds from the license plate will be distributed to the Florida Sports Foundation, Inc. (foundation), a direct-support organization of the Office of Tourism, Trade, and Economic Development. The foundation, in turn, may use up to 5 percent of the proceeds for the operation of the Florida Youth Golf Program; 15 percent of the proceeds will be provided to the Dade Amateur Golf Association for the operation of youth golf programs; and the remainder of the proceeds may be used to market the Florida Golf license plate and to provide grants to nonprofit organizations for the operation of youth golf programs.

The committee substitute substantially amends the following sections of the Florida Statutes: 320.08056 and 320.08058.

## II. Present Situation:

### Specialty License Plate Creation

Section 320.08053, F.S., establishes requirements that organizations 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:

- The results of a scientific sample survey indicating that at least 15,000 motor vehicle owners intend to purchase the proposed specialty license plate at the increased cost.
- An application fee, not to exceed \$60,000, to defray DHSMV's cost for reviewing the application and developing the license plate, if authorized.
- A marketing plan and financial analysis of anticipated revenues and expenditures.

If a request for a specialty license plate is not approved by the Legislature, the application fee is refunded to the requesting organization (s. 320.08053(2), F.S.). Approved specialty license plates must comply with s. 320.08056, F.S., which establishes uniform taxes, fees, and design characteristics for specialty license plates. DHSMV will discontinue the issuance of a specialty license plate if less than 8,000 plates, including annual renewals, are issued for that specialty license plate by the end of the fifth year of sales.

Section 320.08058, F.S., lists the approved types of specialty license plates and specifies how the revenue generated from each type of specialty license plate may be used. Currently, DHSMV issues 48 different specialty license plates. (For a list of approved specialty license plates, see <http://www.hsmv.state.fl.us/specialtytags/specialindex.html>.)

### **Florida Sports Foundation**

The Florida Sports Foundation, Inc. (foundation), is the direct support-organization authorized by the Office of Tourism, Trade, and Economic Development to promote and develop professional and amateur sports for the state (s. 288.1229, F.S.). The foundation is a not-for-profit corporation governed by a board of directors consisting of 15 members appointed by the Governor and 15 members appointed by the board itself.

### **Dade Amateur Golf Association**

Since 1981, the Dade Amateur Golf Association (DAGA) has been organizing junior golf tournaments. DAGA states that it organizes one of the world's largest and most prestigious junior golf tournaments. See <http://members.tripod.com/DagaGolf/history.htm>. On October 31, 2001, DAGA completed the statutory prerequisites to request legislative approval for a Florida Golf license plate, according to DHSMV.

## **III. Effect of Proposed Changes:**

### **Florida Golf License Plate**

The committee substitute requires the Department of Highway Safety and Motor Vehicles (DHSMV) to issue a Florida Golf license plate. The Dade Amateur Golf Association (DAGA), in consultation with the PGA TOUR, the Florida Sports Foundation, Inc. (foundation), the LPGA, and the PGA of America, will be permitted to participate in the design of the license plate. A \$25 annual use fee will be charged for this new specialty license plate in addition to the regular license plate fees and taxes.

### **Proceeds Distribution**

Proceeds from the Florida Golf license plate will be distributed to the foundation. The foundation, in turn, will distribute the proceeds as follows:

- to the DAGA, the first \$80,000 to operate youth golf programs during the first year after issuance of the license plate; thereafter, DAGA will receive 15 percent of the annual proceeds for the operation of youth golf programs in Miami-Dade County;
- to the Florida Youth Golf Program, administered by the foundation, up to 5 percent of the annual proceeds to assist other organizations providing youth golf instruction and to provide youth golf instruction; and
- to nonprofit organizations to provide youth golf instruction and to marketing expenses of the Florida Golf license plate, the remaining proceeds.

The foundation shall establish a seven-member advisory committee to provide advice regarding the distribution of grants to nonprofit organizations that provide youth golf instruction.

### **Florida Youth Golf Program**

The Florida Youth Golf Program will be established by the foundation to teach young people how to play golf and to assist other organizations that provide golf instruction to youth.

### **Accountability**

All recipients of grants under this committee substitute will be required to provide the foundation with an annual program and financial report regarding their use of the proceeds of the license plate.

### **Effective Date**

The bill takes effect upon becoming a law.

## **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:**

Persons electing to purchase the Florida Golf license plate will be required to pay a \$25 annual use fee in addition to the usual fees and taxes for license tags.

**B. Private Sector Impact:**

Proceeds from the Florida Golf license plate are authorized to be distributed to nonprofit organizations to operate youth golf programs.

**C. Government Sector Impact:**

The Dade County Golf Association has paid a \$60,000 application fee to the Department of Highway Safety and Motor Vehicles (DHSMV) as required by s. 320.08053(1)(c), F.S., to defray the cost of reviewing the application and developing the Florida Golf license plate, if authorized by the Legislature. DHSMV estimates that it will incur \$59,400 in costs associated with the development and issuance of this specialty license plate. More specifically, DHSMV will incur \$15,000 in personnel costs, \$7,560 in computer programming costs, and \$36,900 in license plate costs. Specialty license plates cost DHSMV \$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.