

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 Rules

BILL: CS/SB 632

INTRODUCER: Transportation Committee and Senator Soto

SUBJECT: Florida Wildflower License Plates

DATE: April 5, 2013

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Everette	Eichin	TR	Fav/CS
2.	Everette	Phelps	RC	Pre-meeting
3.			ATD	
4.			AP	
5.				
6.				

Please see Section VIII. for Additional Information:

- A. COMMITTEE SUBSTITUTE..... Statement of Substantial Changes
 B. AMENDMENTS..... Technical amendments were recommended
 Amendments were recommended
 Significant amendments were recommended

I. Summary:

CS/SB 632 revises the annual use fee for the Florida Wildflower license plate, increasing the fee from \$15 to \$25. The bill also increases from 15 to 20, the percentage of the annual use fee proceeds that may be used for administrative and marketing costs.

The bill also increases from ten to twenty percent, the percentage of annual use fees accruing from sales of the Florida Salutes Veterans license plate that are distributed to the Florida Veterans' Foundation, Inc., and allows for continued distribution of the use fees to the foundation by eliminating the expiration date.

This bill substantially amends s. 320.08058 of the Florida Statutes.

II. Present Situation:

Florida Wildflowers

The Florida Wildflower specialty license plate was created by the 2000¹ Legislature. Persons wishing to register a vehicle with the plate must pay a \$15 annual use fee in addition to the

¹ <http://www.wildflowertag.com/funds.htm> (last visited on 3/18/2000)

normal fees required when registering a vehicle. Revenues from the use fee were deposited in the Florida Wildflower Foundation, Inc., to be used to establish native Florida Wildflower research programs to municipal, county, and community-based groups in the state.

The annual use fees shall be distributed to the Florida Wildflower Foundation, Inc., a nonprofit corporation under s. 501(c)(3) of the Internal Revenue Code. The proceeds shall be used to establish native Florida wildflower research programs, wildflower educational programs, and wildflower grant programs to municipal, county, and community-based groups in this state.

- The Florida Wildflower Foundation, Inc., shall develop procedures of operation, research contracts, education and marketing programs, and wildflower planting grants for Florida native wildflowers, plants, and grasses.
- A maximum of 15 percent of the proceeds from the sale of these plates may be used for administrative and marketing costs.
- If the Florida Wildflower Foundation, Inc., ceases to be an active nonprofit corporation under s. 501(c)(3) of the Internal Revenue Code, the proceeds from the annual use fee shall be deposited into the General Inspection Trust Fund created within the Department of Agriculture and Consumer Services. Any funds held by the Florida Wildflower Foundation, Inc., must be promptly transferred to the General Inspection Trust Fund.

In fiscal year 2011/2012, there were 15,497 vehicles registered using the Florida Wildflower specialty plate, with a total net revenue of \$154,970 accruing from use of the plate.²

Florida Salutes Veterans

The Florida Salutes Veterans specialty license plate was created by the 1989 Legislature. Persons wishing to register a vehicle with the plate must pay a \$15 annual use fee in addition to the normal fees required when registering a vehicle. Revenues from the use fee were deposited in the State Homes for Veterans Trust Fund to be used solely for the purposes of constructing, operating, and maintaining domiciliary and nursing homes for veterans, and promotion and marketing of the plate.

In 2008¹, the Legislature revised s. 320.08058(4)(b)(1), F.S., to direct 20 percent of the annual use fee to a direct-support organization² created under s. 292.055, F.S., (*i.e.*, the Florida Veterans Foundation, Inc.) for a period not to exceed 24 months from the date the organization was incorporated. In 2010, the statute was again amended³ so that currently, the distribution of the annual use fee requires 10 percent of the annual use fee to be distributed to the direct-support organization for a period not to exceed 48 months after the date the direct-support organization is incorporated. All remaining fees are to be deposited in the State Homes for Veterans Trust Fund, in the State Treasury.

In fiscal year 2011/2012, there were 22,660 vehicles registered using the Florida Salutes Veterans plate, with a total net revenue of \$456,220 accruing from use of the plate.

² <http://www.flhsmv.gov/das/acct/SPAdFees.pdf>
(last visited 3/19/2013)

The Florida Veterans Foundation, Inc.

The Florida Veterans Foundation, Inc. (foundation) was established as the Department of Veterans' Affairs direct support organization in 2008. The foundation exists to educate the public about the needs of veterans; and promote and aid charitable activities for the support of the livelihood and general welfare of Florida-resident veterans. The foundation is a Corporate Not-For-Profit organization under ch. 617, F.S., with one part-time employee, whose payroll and related expenses are administered by the State and reimbursed by the foundation. All other members of the organization serve on a volunteer basis. The foundation received \$35,749 in fiscal year 2011, and \$33,957 in fiscal year 2012 from the Florida Salutes Veterans specialty license plate annual use fee.⁴ In compliance with the provisions of s. 320.08058(4)(b)(1), F.S., this distribution expired June 30 2012.

III. **Effect of Proposed Changes:**

Section 320.08053, F.S., requires an increase in the annual use fee from \$15 to \$25 for the Florida Wildflower license plate.

Section 320.08058(27), F.S., authorizes an increase of 5 percent to the original 15 percent use of proceeds from the sale of the Florida Wildflower license plate. The Florida Wildflower Foundation, Inc., can use a maximum of 20 percent of the proceeds collected may be used for administrative and marketing costs.

Section 320.08058(4)(b)(1), F.S., revises and provides an increase from ten to twenty percent, the percentage of annual use fees accruing from sales of the Florida Salutes Veterans license plate that are distributed to the Florida Veterans' Foundation, Inc., and to allow for continued distribution of the use fees to the foundation by eliminating the expiration date.

The bill has an effective date of July 1, 2013.

Other Potential Implications:

The department recommends that the effective date be changed to October 1, 2013 to allow programming and administrative time to implement its provisions.

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:

Persons who purchase the Florida Wildflower specialty license plate will pay an additional \$10 for a total of \$25 for the annual use fee.

The bill also provides for continued distributions of annual use fees to the Florida Veterans Foundation, Inc., beyond the currently programmed expiration. The amounts of such distributions vary based on the number of license plates sold or renewed each year. Due to the increase from ten to twenty percent, near future distributions may be assumed to be approximately double the distribution of recent years. For comparison, the foundation received \$35,749 in fiscal year 2011, and \$33,957 in fiscal year 2012 from ten percent of the annual use fee.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Additional Information:**A. Committee Substitute – Statement of Substantial Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Transportation Committee on March 21, 2013:

The CS adds provisions increasing from ten to twenty percent, the percentage of annual use fees accruing from sales of the Florida Salutes Veterans license plate that are distributed to the Florida Veterans' Foundation, Inc., and allowing for continued distribution of the use fees to the foundation by eliminating the expiration date.

B. Amendments:

None.