# 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.)

	Prep	ared By: Th	e Professional S	taff of the Committe	ee on Fiscal Policy
BILL:	PCS/SB 7072 (340976)				
INTRODUCER:	Fiscal Policy Committee (Recommended by Appropriations Subcommittee on Transportation, Tourism, and Economic Development) and Transportation Committee				
SUBJECT:	Specialty License Plates				
DATE:	April 17, 2	2015	REVISED:		
ANALYST		STAFF DIRECTOR		REFERENCE	ACTION
Jones		Eichin			TR Submitted as Committee Bill
. Wells		Miller		ATD	Recommend: Fav/CS
2. Hrdlicka		Hrdlicka		FP	Pre-meeting

# Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

#### I. Summary:

PCS/SB 7072 makes revisions to the specialty license plate program. Specifically, it:

- Removes certain obsolete requirements for establishing a specialty license plate;
- Directs the Department of Highway Safety and Motor Vehicles (DHSMV) to develop 27 new specialty license plates;
- Provides established annual use fees and distribution of fees for each new specialty license plate;
- Increases the minimum pre-sale requirement for a new specialty license plate from 1,000 to 4,000 vouchers, with the exception of specialty license plates that have statutory eligibility limitations for purchase;
- Provides that, beginning July 1, 2020, the DHSMV must discontinue the issuance of a specialty license plate if the number of such specialty plate registrations falls below 4,000 for at least 12 consecutive months, with the exception of specialty license plates that have statutory eligibility limitations for purchase;
- Modifies the distribution and use of annual use fees for the "In God We Trust" specialty license plate;
- Adds Major League Soccer and the North American Soccer League to the Florida Professional Sports Team license plates;
- Removes three specialty license plates that have been discontinued by the DHSMV; and
- Provides conforming cross-references to reflect the changes made in this bill.

According to the DHSMV, the cost for the minimum required number of each specialty license plate to be designed and manufactured is \$11,280. The DHSMV also estimates that the programming costs to develop all 27 specialty license plates is \$162,640. The DHSMV is authorized to retain revenues from the first proceeds of specialty license plate sales to defray departmental expenditures related to the specialty license plate program.

# II. Present Situation:

Presently, there are over 120 specialty license plates available for purchase, and 7 in the pre-sale phase. Specialty license plates are available to an owner or lessee of a motor vehicle who is willing to pay an annual use fee, ranging from \$15 to \$25, paid in addition to required license taxes and service fees.<sup>1</sup> The annual use fees are distributed to an organization in support of a particular cause or charity signified in the plate's design and designated in statute.<sup>2</sup>

The specialty plate application process, as it existed in 2009, was found to be unconstitutional.<sup>3</sup> That process included an application fee and a short and long-term marketing strategy. The pre-sale methodology, established in 2010,<sup>4</sup> replaced the application process. However, the application process including the fee and marketing strategy language still exists in statute.<sup>5</sup>

Currently, the recognized process for establishing a specialty license plate requires the plate to first be approved by law. Upon being approved by law:

- Within 60 days, the organization must submit an art design for the plate, in a medium prescribed by the DHSMV;
- Within 120 days, the DHSMV must establish a method to issue pre-sale vouchers for the approved specialty license plate; and
- Within 24 months after the pre-sale vouchers are established, the organization must obtain a minimum of 1,000 voucher sales before manufacturing may begin.

If, at the end of the 24-month pre-sale period, the minimum sales requirements have not been met, the department will de-authorize the specialty plate, discontinue development, and discontinue issuance of the pre-sale voucher.

#### Department of Highway Safety and Motor Vehicles (DHSMV) Costs Defrayed

The DHSMV retains sufficient annual use fees, from the sale of the specialty license plates, to defray its costs for inventory, distribution, and other direct costs associated with the specialty license plate program. The remainder of the proceeds collected are distributed as provided by law.<sup>6</sup>

<sup>&</sup>lt;sup>1</sup> Section 320.08056, F.S.

<sup>&</sup>lt;sup>2</sup> Section 320.08058, F.S.

<sup>&</sup>lt;sup>3</sup> Sons of Confederate Veterans, Florida Div., Inc. v. Atwater, No. 6:09-CV-134-ORL-28 (M.D. Fla. Mar. 30, 2011).

<sup>&</sup>lt;sup>4</sup> Ch. 2010-223, s. 22, L.O.F.

<sup>&</sup>lt;sup>5</sup> See s. 320.08053(1), F.S.

<sup>&</sup>lt;sup>6</sup> Section 320.08056(7), F.S.

#### **Discontinuance of Specialty Plate**

The DHSMV must discontinue the issuance of an approved specialty license plate if the number of valid specialty plate registrations falls below 1,000 plates for at least 12 consecutive months. A warning letter is mailed to the sponsoring organization following the first month in which the total number of valid specialty plate registrations is below 1,000 plates. Collegiate plates are exempt from the 1,000 minimum plate requirement.<sup>7</sup> Additionally, the specialty license plate must be discontinued if the organization no longer exists, stops providing services that are authorized to be funded from the annual use fee proceeds, or pursuant to an organizational recipient's request.<sup>8</sup>

Organizations must adhere to certain accountability requirements, including an annual attestation document affirming that funds received have been spent in accordance with applicable statutes.<sup>9</sup>

#### Moratorium

Currently, there is a statutory moratorium on the issuance of new specialty license plates. Except for a specialty license plate proposal which has submitted a letter of intent to the DHSMV prior to May 2, 2008, and which has submitted a survey, marketing strategy, and application fee prior to October 1, 2008, or which was included in a bill filed during the 2008 Legislative Session, the DHSMV may not issue any new specialty license plates pursuant to ss. 320.08056 and 320.08058, F.S., between July 1, 2008, and July 1, 2016.<sup>10</sup> However, in recent years the Legislature has approved numerous new specialty license plates by notwithstanding the moratorium provisions.

#### Florida Professional Sports Team License Plates

Section 320.08058(9), F.S., directs the DHSMV to develop Florida Professional Sports Team license plates for Major League Baseball, National Basketball Association, National Football League, Arena Football League, and National Hockey teams domiciled in this state. Fifty-five percent of the annual use fee proceeds from these plates is distributed to the Professional Sports Development Trust Fund within the Department of Economic Opportunity to attract and support major sports events in the state. The remaining proceeds are allocated to Enterprise Florida, Inc., to:

- Promote the economic development of the sports industry;
- Distribute licensing and royalty fees to participating professional sports teams;
- Promote education programs in Florida schools that provide an awareness of the benefits of physical activity and nutrition standards;
- Recognize schools whose students demonstrate excellent physical fitness or fitness improvement;
- Institute a grant program for communities bidding on minor sporting events that create an economic impact for the state;

<sup>&</sup>lt;sup>7</sup> Section 320.08056(8)(a), F.S.

<sup>&</sup>lt;sup>8</sup> Section 320.08056(8)(b), F.S.

<sup>&</sup>lt;sup>9</sup> Section 320.08062, F.S.

<sup>&</sup>lt;sup>10</sup> Section 45, ch. 2008-176, L.O.F., as amended by s. 21, ch. 2010-223 and s. 45, ch. 2014-216, L.O.F.

- Distribute funds to Florida based charities designated by Enterprise Florida and the participating professional sports teams; and
- Fulfill the sports promotion responsibilities of the Department of Economic Opportunity.

### Organizations

# Bonefish and Tarpon Trust<sup>11</sup>

The Bonefish and Tarpon Trust is a non-profit organization dedicated to conserving and enhancing global bonefish, tarpon, and permit fisheries and their environments. The trust does this through stewardship, research, education, and advocacy, including funding studies and providing educational materials to the public and fisherman on bonefish, tarpon, and permit fisheries. The trust also works with regulatory authorities and the public to ensure protection of these species is enforced.

# Rotary's Camp Florida<sup>12</sup>

Rotary's Camp Florida is a non-profit organization providing camping facilities to children and adults with special needs. The facility is a 21-acre camp located in Brandon, Florida, which provides user groups with clean, safe, and barrier-free camping. The facility meets the full standards of the Americans with Disabilities Act. Half of the cost to rent the camp is paid by the disability user group and half is subsidized by Rotary Clubs throughout Florida. There is no charge to a child attending the camp.

# Olivia's Angels Foundation, Inc. (Support Down Syndrome)<sup>13</sup>

Olivia's Angels Foundation is a Florida non-profit organization focused on education, awareness, and support for the Down Syndrome community. Its stated mission is to bring awareness of challenges associated with Down Syndrome, faced by parents and caretakers, through the development of advocacy programs and funding support for self-sustenance educational programs.

#### Statewide Council on Human Trafficking (Safe and Free Florida)

The Statewide Council on Human Trafficking is a 15-member council chaired by Florida's Attorney General.<sup>14</sup> The council was created by legislation passed in 2014, and is outlined in s. 16.617, F.S.<sup>15</sup> Membership includes law enforcement, prosecutors, legislators, and experts in the fields of health, education, and social services. The council's purpose is to:

- Develop recommendations for comprehensive programs and services for victims of human trafficking;
- Make recommendations for apprehending and prosecuting traffickers and enhancing coordination of responses;
- Hold an annual statewide policy summit with an institute of higher learning;

<sup>14</sup> Office of the Attorney General, *Statewide Council on Human Trafficking*, <u>http://myfloridalegal.com/pages.nsf/Main/8AEA5858B1253D0D85257D34005AFA72</u> (last visited 4/16/2015).

<sup>15</sup> Chapter 2014-161, s. 6, L.O.F.

<sup>&</sup>lt;sup>11</sup> See Bonefish & Tarpon Trust website at <u>https://www.bonefishtarpontrust.org/</u> (last visited 4/16/2015).

<sup>&</sup>lt;sup>12</sup> See Rotary's Camp Florida website at <u>http://www.rotaryscampflorida.org/</u> (last visited 4/16/2015).

<sup>&</sup>lt;sup>13</sup> See Olivia's Angels Foundation website at <u>http://www.oafl.org/</u> (last visited 4/16/2015).

- Work with the Department of Children and Families to create and maintain an inventory of human trafficking programs and services in each county; and
- Develop policy recommendations that further the efforts to combat human trafficking in this state.

#### Florida Caribbean, Haitian, and Jamaican Organizations (Sun Sea Smiles)

The Florida Caribbean Charitable Foundation, Inc., a civic and social organization, is a domestic non-profit corporation located in North Miami Beach, established in 2007.

American Friends of Jamaica, Inc., is a non-profit organization "dedicated to supporting Jamaican charitable organizations and social initiatives targeted at improving the lives of Jamaicans through systemic development in the areas of education, healthcare, and economic development."<sup>16</sup>

The mission of Haitian Neighborhood Center Sant La, Inc., is to "empower, strengthen, and stabilize South Florida's Haitian community, through access for free services and resources, to ensure its successful integration."<sup>17</sup> This is accomplished through services such as citizenship assistance, college scholarships, community outreach, employment services, community partnerships, and educational services.

Fanm Ayisyen nan Miyami, Inc., also known as Haitian Women of Miami, has a mission to empower Haitian women and their families socially and politically, and to facilitate their adjustments to South Florida.<sup>18</sup> The organization has provided counseling, outreach, education, and access to care and advocacy service to low and moderate-income families for the last 16 years.

The Greater Caribbean American Cultural Coalition, Inc., is "an umbrella organization serving the Caribbean people and other members of the community, by bringing together the various Caribbean countries and islands, and their rich cultural heritage."<sup>19</sup> The coalition's mission is to enrich the cultural environment by fostering multicultural understanding through an appreciation of Caribbean cultures.

Little Haiti Optimist Foundation, Inc., is a charitable organization located in Miami, established in 2010 to provide assistance, guidance, and programs to the youth of Little Haiti. The mission of the foundation is "to make a difference in the lives of youth by providing education, mentorship, athletics, arts and cultural programming."<sup>20</sup>

#### Take Stock in Children, Inc.<sup>21</sup>

Take Stock in Children, Inc., is a non-profit organization in Florida, established in 1995, that offers low-income students volunteer mentors and college scholarships. The organization works

<sup>&</sup>lt;sup>16</sup> See The American Friends of Jamaica website at: <u>http://www.theamericanfriendsofjamaica.org/</u> (last visited 4/16/2015).

<sup>&</sup>lt;sup>17</sup> See Haitian Neighborhood Center Sant La website at <u>http://santla.org</u> (last visited 4/16/2015).

<sup>&</sup>lt;sup>18</sup> See Fanm Ayisyen Miyami website at <u>http://www.fanm.org/</u> (last visited 4/16/2015).

<sup>&</sup>lt;sup>19</sup> See Greater Caribbean American Cultural Coalition website at <u>http://unifestlive.com/about-gcacc/</u> (last visited 4/16/2015).

<sup>&</sup>lt;sup>20</sup> See The Little Haiti Optimist Foundation website at <u>http://www.littlehaitioptimist.org/</u> (last visited Mar. 21, 2015).

<sup>&</sup>lt;sup>21</sup> See Take Stock in Children website at <u>http://www.takestockinchildren.org/index</u> (last visited Mar. 21, 2015).

with low-income and at-risk students starting in middle school, through high school, and their transition into college, to provide support, motivation, and accountability. To date, Take Stock in Children has served over 24,000 children throughout Florida, has over 8,200 mentors, and is the largest non-profit purchaser of Florida Prepaid Foundation Scholarships.

# Paddle Florida, Inc.<sup>22</sup>

Paddle Florida, Inc., is a non-profit organization that supports canoeing and kayaking in Florida. The organization holds events to "expose paddlers to Florida's natural beauty and rich cultural heritage while promoting water conservation, wildlife preservation, springs restoration, and waterways protection." Paddle Florida also promotes Florida as an international destination for nature-based tourism, by providing trips featuring Florida's most scenic rivers, canoe trails, and coastal environments.

# Orlando City Soccer Club<sup>23</sup>

The Orlando City Soccer Club is a professional Major League Soccer team based in Orlando, Florida. The team was formed in 2010, and became the league's twenty-first franchise on November 19, 2013.

# Southeastern Guide Dogs, Inc.<sup>24</sup> (Dogs Making a Difference)

Southeastern Guide Dogs, Inc., is a non-profit organization located in Palmetto, Florida. The organization is accredited by the International Guide Dog Federation and Assistance Dogs International. It was founded in 1982, and "employs the latest in canine development and behavior research to create and nurture partnerships between visually impaired individuals and extraordinary guide dogs." Southeastern Guide Dogs has matched over 2,700 guide dogs with individuals, and continues to place more than 100 dogs each year to help people with visual impairments, and veterans. The charity provides its services free of charge and receives no government funding.

#### Ducks Unlimited, Inc.<sup>25</sup>

Ducks Unlimited, Inc., is a non-profit and volunteer-based organization whose mission is to conserve, restore, and manage wetlands and associated habitats for North America's waterfowl. According to the Ducks Unlimited website, it is the world's largest and most effective waterfowl and wetlands conservation organization. In the past fiscal year, 82 percent of the organization's expenditures went to waterfowl and wetlands conservation and education. The organization currently has habitat projects in all 50 states, every Canadian province, and key areas of Mexico.

#### Team Hammy<sup>26</sup>

Team Hammy is an organization created in the name of Hamilton Vance Paris, who was diagnosed with amyotrophic lateral sclerosis (ALS) in July of 2010. Team Hammy strives to

<sup>&</sup>lt;sup>22</sup> See Paddle Florida website at <u>http://www.paddleflorida.org/</u> (last visited 4/16/2015).

<sup>&</sup>lt;sup>23</sup> See Orlando City Soccer Club website at <u>http://www.orlandocitysc.com/</u> (last visited 4/16/2015).

<sup>&</sup>lt;sup>24</sup> See Southeastern Guide Dogs website at <u>http://www.guidedogs.org/</u> (last visited 4/16/2015).

<sup>&</sup>lt;sup>25</sup> See Ducks Unlimited website at <u>http://www.ducks.org/</u> (last visited 4/16/2015).

<sup>&</sup>lt;sup>26</sup> See Team Hammy website at <u>http://teamhammy.org/about-us/</u> (last visited 4/16/2015).

bring awareness, education, and hope to people with ALS and their families through fundraising and participating in events.

# Florida National Park Association, Inc.<sup>27</sup> (Florida Bay Forever)

The Florida National Park Association, also known as the Everglades Association, is a non-profit organization founded in 1951 to support educational, interpretive, and historical and scientific research responsibilities to help support the Everglades National Park, Big Cypress National Preserve, Biscayne National Park, and Dry Tortugas National Park. The association has provided more than 2.5 million dollars in aid to the National Park Service areas of south Florida.

# Jacksonville Armada Football Club<sup>28</sup>

The Jacksonville Armada Football Club is an American professional soccer team. The team is part of the North American Soccer League (NASL) and based in Jacksonville, Florida. The team was established in 2013, and will be competing in the 2015 spring season.

# Tampa Bay Rowdies<sup>29</sup>

The Tampa Bay Rowdies is an American professional soccer team. The Rowdies are part of the NASL, and play home games in St. Petersburg, Florida. The team was originally established in 1975 and won the NASL Soccer Bowl in its inaugural year. It was reestablished in 2008, began playing in 2010, and won the NASL Soccer Bowl Championship in 2012.

# Furry Friends of Florida, Inc. <sup>30</sup>

According to corporate filings with the Department of State, the principal address of Furry Friends of Florida, Inc., is 180 Park Avenue, N., Suite 2A, Winter Park, Florida. The articles of incorporation of the organization state that it is a not-for-profit corporation whose purpose is "to conduct activities that are charitable, religious, educational, scientific, literary, testing for public safety, fostering national or international amateur sports competition, or preventing cruelty to children or animals."

#### Adore the Shore, Inc. 31

According to corporate filings with the Department of State, the principal address of Adore the Shore, Inc., is 180 Park Avenue, N., Suite 2A, Winter Park, Florida. The articles of incorporation

<sup>&</sup>lt;sup>27</sup> See Florida National Parks Association, *Everglades Association* website at <u>http://www.evergladesassociation.org/index.html</u> (last visited 4/16/2015).

<sup>&</sup>lt;sup>28</sup> See Jacksonville Armada Football Club website at <u>http://www.armadafc.com/page/slug/history#.VRMhwfnF91A</u> (last visited 4/16/2015).

<sup>&</sup>lt;sup>29</sup> See Tampa Bay Rowdies website at <u>http://www.rowdiessoccer.com/</u> (last visited 4/16/2015).

<sup>&</sup>lt;sup>30</sup> See Department of State website at

http://search.sunbiz.org/Inquiry/CorporationSearch/SearchResultDetail?inquirytype=EntityName&directionType=Initial&sea rchNameOrder=FURRYFRIENDSFLORIDA%20N150000014680&aggregateId=domnp-n15000001468-5f3d3312-7531-405e-98bc-81930943daa7&searchTerm=furry%20friends&listNameOrder=FURRYFRIENDS%20J092690 (last visited on 4/16/2015).

<sup>&</sup>lt;sup>31</sup> See Department of State website at

http://search.sunbiz.org/Inquiry/CorporationSearch/SearchResultDetail?inquirytype=EntityName&directionType=Initial&sea rchNameOrder=ADORESHORES%20N150000014610&aggregateId=domnp-n15000001461-ca990b64-7f04-41d4-bb5b-

of the organization state that it is a not-for-profit corporation whose purpose is "to conduct activities that are charitable, religious, educational, scientific, literary, testing for public safety, fostering national or international amateur sports competition, or preventing cruelty to children or animals."

# The Constitution Foundation, Inc.<sup>32</sup>

The Constitution Foundation, Inc., is a non-partisan educational organization founded in 2011 in Kissimmee, Florida. The foundation's mission is to increase awareness and understanding of the United States Constitution in Florida's schools, recruit and train leaders to make presentations in each school district, and provide to each student, at no cost, learning materials and a pocket Constitution.

# United Negro College Fund (UNCF)<sup>33</sup>

The United Negro College Fund is the nation's largest minority education organization. UNCF provides operating funds for historically black colleges and universities, scholarships and internships for students, and provides for faculty and administrative professional training.

# Florida Federation of Alpha Phi Alpha Fraternity Foundation<sup>34</sup>

Founded in 1906 at Cornell University, the website for the Alpha Phi Alpha Fraternity's states its vision: "The objectives of this Fraternity shall be: to stimulate the ambition of its members; to prepare them for the greatest usefulness in the causes of humanity, freedom, and dignity of the individual; to encourage the highest and noblest form of manhood; and to aid down-trodden humanity in its efforts to achieve higher social, economic and intellectual status."

# Omega Friendship Foundation, Inc.<sup>35</sup>

Omega Psi Phi Fraternity, Inc., was the first international fraternal organization to be founded on the campus of a historically black college. Founded in 1911 at Howard University, "Manhood, Scholarship, Perseverance and Uplift" were adopted as Cardinal Principles.

#### Southern Province Kappa Alpha Psi Fraternity, Inc.<sup>36</sup>

Kappa Alpha Psi was founded on the campus of Indiana University at Bloomington, Indiana in 1911. The objectives of this fraternity are to:

- Unite men of culture, patriotism, and honor in a bond of Fraternity;
- Encourage honorable achievement in every field of human endeavor;
- Promote the spiritual, social, intellectual, and moral welfare of members;
- Assist the aims and purposes of Colleges and Universities; and
- Inspire service in the public interest.

<sup>&</sup>lt;u>1ce89a9b6e12&searchTerm=adore%20the%20shore&listNameOrder=ADORESHORES%20N150000014610</u> (last visited on 4/16/2015).

<sup>&</sup>lt;sup>32</sup> See The Constitution Foundation, Inc., website at <u>http://constitutionfoundation.org/about/</u> (last visited on 4/16/2015).

<sup>&</sup>lt;sup>33</sup> See United Negro College Fund website at <u>http://www.uncf.org/sections/WhoWeAre/index.asp</u> (last visited on 4/16/2015).

<sup>&</sup>lt;sup>34</sup> See Alpha Phi Alpha Fraternity Foundation at <u>http://flfederation.org/about-us/history/</u> (last visited on 4/16/2015).

<sup>&</sup>lt;sup>35</sup> See Omega Friendship Foundation, Inc. website <u>http://oppf.org/about\_omega.asp</u> (last visited on 4/16/2015).

<sup>&</sup>lt;sup>36</sup> See Southern Province Kappa Alpha Psi Fraternity, Inc. website <u>http://southernprovince.org/</u> (last visited on 4/16/2015).

#### TmB Charitable Foundation, Inc. 37

According to corporate filings with the Department of State the principal address is 1117 Sandler Ridge Road, Tallahassee, Florida. TmB Charitable Foundation, Inc., is a not-for-profit corporation "operated exclusively for charitable purposes, including, without limitation, acting as an instrument to which youth are encouraged and inspired to achieve academic success through mentoring."

# The Florida Pearls, Incorporated <sup>38</sup>

According to corporate filings with the Department of State, the principal address is 1346 W. 15<sup>th</sup> Street, Jacksonville, FL. Florida Pearls, Inc., is a not-for-profit corporation organized "to provide Scholarships, Educational, Cultural, Community Workshops and Training Programs in the State of Florida."

# Delta Research and Educational Foundation<sup>39</sup>

Delta Sigma Theta Sorority established the Delta Research and Educational Foundation in 1967. The foundation's mission statement is "Delta Research and Educational Foundation promotes research which identifies and fashions solutions to issues affecting African American women and their families, nationally and globally through funding and support of public service programs of Delta Sigma Theta Sorority, Incorporated and collaborative organizations."

# Alpha Kappa Alpha Education Advancement Foundation, Inc.<sup>40</sup>

The Education Advancement Foundation was created in 1980 by the Alpha Kappa Alpha Sorority, Inc. "The mission of the Alpha Kappa Alpha Educational Advancement Foundation is to promote lifelong learning. This is accomplished by securing charitable contributions, gifts and endowed funds to award scholarships, fellowships and grants."

#### National Education Fund, Inc.<sup>41</sup>

The mission of the National Education Fund, Inc., is to provide scholarship aid to needy students both male and female of all races and to conduct educational programs, workshops, symposiums, and forums to enhance the quality of life.

<sup>37</sup> See Department of State website at

http://search.sunbiz.org/Inquiry/CorporationSearch/SearchResultDetail?inquirytype=EntityName&directionType=Initial&sea rchNameOrder=TMBCHARITABLEFOUNDATION%20N140000034860&aggregateId=domnp-n14000003486-56a0b616-3df9-4932-85ac-

e743b00892b1&searchTerm=TmB%20Charitable%20Foundation%2C%20Inc&listNameOrder=TMBCHARITABLEFOUN DATION%20N140000034860 (last visited on 4/16/2015).

<sup>&</sup>lt;sup>38</sup> See Department of State website at

http://search.sunbiz.org/Inquiry/CorporationSearch/SearchResultDetail?inquirytype=EntityName&directionType=Initial&sea rchNameOrder=FLORIDAPEARLS%20N090000120790&aggregateId=domnp-n09000012079-33437139-5337-4d63-9f77-93ae514744a1&searchTerm=florida%20pearls&listNameOrder=FLORIDAPEARLS%20N090000120790 (last visited on 4/16/2015).

<sup>&</sup>lt;sup>39</sup> See Delta Research and Educational Foundation website at

http://www.deltasigmatheta.org/programs\_delta\_foundation.html (last visited on 4/16/2015).

<sup>&</sup>lt;sup>40</sup> See Alpha Kappa Alpha Education Advancement Foundation, Inc., website at <u>http://www.akaeaf.org/</u> (last visited on 4/16/2015).

<sup>&</sup>lt;sup>41</sup> See National Education Fund, Inc., website at <u>http://www.sgrho1922.org/foundations</u> (last visited on 4/16/2015).

# American Dream Baseball, Inc<sup>42</sup>

American Dream Baseball, Inc., is a not-for-profit organization that teaches the fundamentals of baseball, as well as discipline, character, respect, perseverance, work ethic, sacrifice and passion to underprivileged children. Their mission statement is: "The American Dream Baseball, Inc. strives to teach baseball fundamentals to kids of all ages that aspire to achieve success, higher education and other opportunities through baseball."

# Florida Benevolent Group, Inc.<sup>43</sup>

With a nationwide shortage of trained medical professionals, the Florida Benevolent Group provides scholarships to individuals who are interested in a career in the medical profession. Their mission statement is: "Florida Benevolent Group, a 501(c)(3) tax-exempt, not-for-profit organization, is to assist academically motivated individuals interested in pursuing a medical career."

# III. Effect of Proposed Changes:

The bill repeals specialty license plate application requirements listed in s. 320.08053(1), F.S., which were found to be unconstitutional in 2010.

Three specialty license plates are repealed from statute because they have been discontinued by the DHSMV for failure to maintain 1,000 active plates or not meeting pre-sale requirements. Those plates are the:

- Corrections Foundation license plate;
- Children First license plate; and
- Veterans of Foreign Wars license plate.

The minimum pre-sale requirement for a new specialty license plate is changed from 1,000 plates to 4,000 plates. Beginning, July 1, 2020, the DHSMV must discontinue the issuance of an approved specialty plate if the number of valid specialty plate registrations falls below 4,000 plates for at least 12 consecutive months. These 4,000 plate minimum requirements do not apply to specialty license plates that have statutory eligibility limitations for purchase. The only specialty license plate affected in s. 320.08056, F.S., and s. 320.08058, F.S., is the Fraternal Order of Police license plate which may only be issued to organization members and their family.<sup>44</sup>

The distribution and use of annual use fees of the "In God We Trust" specialty license plate<sup>45</sup> are modified to allow a *maximum* of 10 percent of annual use fees to be used to offset marketing, administration, and promotion of the specialty license plate. The bill repeals provisions requiring the fees to be used for the children of public safety employees and U.S. military members who have died in the line of duty who are not covered by existing state law. Instead, the fees will be

<sup>&</sup>lt;sup>42</sup> See American Dream Baseball, Inc., website at <u>http://americandreambaseball.org/</u> (last visited on 4/16/2015).

<sup>&</sup>lt;sup>43</sup> See Florida Benevolent Group, Inc., website at <u>http://www.flbenevolentgroup.com/</u> (last visited on 4/16/2015).

<sup>&</sup>lt;sup>44</sup> Sections 320.08056(4)(www) and 320.08058(75), F.S.

<sup>&</sup>lt;sup>45</sup> Section 320.08058(67), F.S.

used to address the needs of military service members and public safety employees, their spouses, and dependents, in addition to uses already in statute.

The bill adds Major League Soccer and the North American Soccer League to the Florida Professional Sports Team specialty license plates, effective October 1, 2015.

Additionally, effective October 1, 2015, the bill directs the DHSMV to establish 27 new specialty plates, each having an annual use fee of \$25.

# **Proposed Specialty Plates** (*effective October 1, 2015*)

#### Florida Professional Sports Team License Plates

The bill directs the DHSMV to create three new Florida Professional Sports Team specialty license plates for the:

- Orlando City Soccer Club;
- Jacksonville Armada Football Club; and
- Tampa Bay Rowdies.

Annual use fees are to be distributed under the provisions of existing professional sports teams plates.

#### Bonefish and Tarpon Trust License Plate

Specialty plate annual use fees will be distributed to the Bonefish Tarpon Trust to conserve and enhance Florida bonefish and tarpon fisheries and their respective environments.

#### Rotary's Camp Florida

Specialty plate annual use fees will be distributed to Rotary's Camp Florida to be used as grants for Florida Rotary Districts that provide camp services to children throughout Florida, and direct support to the programs and services provided to children who attend the camp.

#### Support Down Syndrome

Specialty plate annual use fees will be distributed to Olivia's Angels Foundation, Inc., to fund its activities, programs, and projects within the state.

#### Safe and Free Florida

Specialty plate annual use fees will be distributed to the Statewide Council on Human Trafficking, to distribute to nongovernmental, not-for-profit agencies within each Florida county that assist sexually abused, exploited, or trafficked victims. Funds may not be distributed to an agency that charges victims for services received. An agency receiving such funds must use them to provide material needs, detoxification services, prenatal and postnatal care, safe houses or recovery care centers, or counseling programs for victims.

#### Sun Sea Smiles

Specialty plate annual use fees will be distributed as follows:

- 5 percent to the Florida Caribbean Charitable Foundation, Inc., strictly for marketing the specialty license plate;
- 30 percent to the Florida Caribbean Charitable Foundation, Inc., to be used for a college scholarship program, promotion of health and wellness among Florida residents of Caribbean descent, and to promote awareness of Caribbean culture within the state;
- 20 percent to the American Friends of Jamaica, Inc., for use as grants to promote social and community development among Florida residents;
- 10 percent to the Haitian Neighborhood Center Sant La, Inc., to promote social and community development;
- 10 percent to Fanm Ayisyen Nan Miyami, Inc., to promote social and community development;
- 20 percent to Greater Caribbean American Cultural Coalition, Inc., to promote awareness of Caribbean culture within the state; and
- 5 percent to Little Haiti Optimist Foundation, Inc., to promote awareness of Caribbean culture and youth development within the state.

# Take Stock in Children

Specialty plate annual use fees will be distributed to Take Stock in Children, Inc., to fund its activities, scholarship and mentoring programs, and projects.

# Paddle Florida

Specialty plate annual use fees will be distributed to Paddle Florida, Inc., to be used by the Florida Forever grant program to support activities that further outdoor recreation and natural resource protection.

# Dogs Making a Difference

Specialty plate annual use fees will be distributed to Southeastern Guide Dogs, Inc., for the training and promotion of dogs for use by veterans and citizens who are blind.

# Ducks Unlimited

Specialty plate annual use fees will be distributed to Ducks Unlimited, Inc., to support the organization's mission and efforts for the conservation, restoration, and management of Florida wetlands and associated habitats for the benefit of waterfowl, other wildlife, and people.

#### Team Hammy

Specialty plate annual use fees will be distributed to Team Hammy, Inc., to grant wishes to families living with ALS, provide continuing education to caretakers and physicians, and create awareness of ALS in the community.

# Florida Bay Forever

Specialty plate annual use fees will be distributed to the Florida National Park Association, Inc., to supplement the Everglades National Park service's budgets and to support educational, interpretive, historical, and scientific research relating to the Everglades National Park.

# Furry Friends

Specialty plate annual use fees will be distributed to Furry Friends of Florida, Inc., who will use such fees for activities, programs, and projects, including pet rescue, animal shelters, pet vaccination, veterinary services, and service animals.

### Save Our Shores Florida

Specialty plate annual use fees will be distributed to Adore the Shore, Inc., to be used to fund activities, programs, and projects that provide for clean-up activities on Florida's beaches following natural or man-made occurrences and any other legal purpose.

#### Support Our Constitution

Specialty plate annual use fees will be distributed to The Constitution Foundation, Inc., to fund the activities, programs, and projects of the foundation.

# Pan-Hellenic

- Proceeds from the sales of the Alpha Phi Alpha Fraternity, Inc., license plates will benefit the Florida Federation of Alpha Phi Alpha Fraternity Foundation to promote community awareness and action though educational, economic, and cultural service activities.
- Proceeds from the sales of the Omega Psi Phi Fraternity, Inc., license plates will benefit the Omega Friendship Foundation, Inc., to promote community awareness and action though educational, economic, and cultural service activities.
- Proceeds for the sales of the Kappa Alpha Fraternity, Inc., license plates will benefit the Southern Province Kappa Alpha Psi Fraternity, Inc., to promote community awareness and action though educational, economic, and cultural service activities.
- Proceeds from the sales of the Phi Beta Sigma Fraternity, Inc., license plates will benefit the TmB Charitable Foundation, Inc., to promote community awareness and action though educational, economic, and cultural service activities.
- Proceeds from the sales of the Zeta Phi Beta Sorority, Inc., license plates will benefit the Florida Pearls, Inc., to promote community awareness and action though educational, economic, and cultural service activities.
- Proceeds from the sales of the Delta Sigma Theta Sorority, Inc., license plates will benefit the Delta Research and Educational Foundation to promote community awareness and action though educational, economic, and cultural service activities.
- Proceeds from the sales of the Alpha Kappa Alpha Sorority, Inc., license plates will benefit the Alpha Kappa Alpha Education Advancement Foundation, Inc., to promote community awareness and action though educational, economic, and cultural service activities.
- Proceeds from the sales of the Sigma Gamma Rho Sorority, Inc., license plates will benefit the National Education Fund, Inc., to promote community awareness and action through educational, economic, and cultural awareness and action.

The United Negro College Fund will receive 5 percent from the sales of all of the Pan-Hellenic License Plates.

# Play Ball

The license plate annual use fees shall be distributed to American Dream Baseball, Inc., which may retain all proceeds from annual use fees to fund the activities, programs and projects of the organization.

# Medical Professionals Who Care

The license plate annual use fees shall be distributed to the Florida Benevolent Group, Inc., to assist low income individuals in obtaining a medical education and career through scholarships, support, and guidance.

Except as otherwise expressly provided, this act takes effect July 1, 2015.

#### 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:

Individuals who choose to purchase a specialty license plate created in the bill will pay a \$25 annual use fee in addition to appropriate license taxes and fees. The organization designated to receive those fees, after retention of funds by the DHSMV to defray departmental expenditures, will receive revenue from each purchase.

Proposed specialty plates must meet the new minimum pre-sale requirements. Furthermore, existing specialty plates that do not meet the new minimum sale requirements by July 1, 2020, will be discontinued by the DHSMV.

C. Government Sector Impact:

According to the DHSMV, the cost for the minimum required number of each specialty license plate to be designed and manufactured is \$11,280. The department also estimates that the programming costs to develop all 27 specialty license plates is \$162,640. The

DHSMV is authorized to retain revenues from the first proceeds of specialty license plate sales to defray departmental expenditures related to the specialty license plate program.<sup>46</sup>

#### VI. Technical Deficiencies:

None.

#### VII. Related Issues:

None.

#### VIII. Statutes Affected:

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

#### IX. Additional Information:

A. Committee Substitute – Statement of Substantial Changes: (Summarizing differences between the Committee Substitute and the prior version of the bill.)

# CS by Appropriations Subcommittee on Transportation, Tourism, and Economic Development on April 14, 2015:

The committee substitute:

- Adds 9 specialty license plates.
- Exempts specialty license plates that have statutory eligibility limitations for purchase from:
  - The minimum pre-sale requirement of 4,000 vouchers before a specialty license plate can be produced.
  - The discontinuation of a specialty license plate if the number of valid registrations fall below 4,000 plates for at least 12 consecutive months.
- B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

<sup>46</sup> Section 320.08056(7), F.S.