

**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.)

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Prepared By: The Professional Staff of the Committee on Transportation

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BILL: SB 586

INTRODUCER: Senator Campbell

SUBJECT: Specialty License Plates/Sun Sea Smiles

DATE: February 20, 2017

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Jones	Miller	TR	<b>Pre-meeting</b>
2.			ATD	
3.			AP	

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**I. Summary:**

SB 586 directs the Department of Highway Safety and Motor Vehicles (DHSMV) to develop a Sun Sea Smiles specialty license plate, establishes a \$25 annual use fee for the plate, and provides the distribution and use of fees collected from the sale of the plate.

The DHSMV estimates programming and implementation will cost \$7,245. The DHSMV is authorized to retain revenues from the first proceeds of sales to defray departmental costs.

**II. Present Situation:**

**Specialty License Plates**

Presently, there are over 120 specialty license plates available for purchase in Florida.<sup>1</sup> 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>2</sup> The annual use fees are distributed to an organization or organizations in support of a particular cause or charity signified in the plate's design and designated in statute.<sup>3</sup>

In order to establish a specialty license plate, s. 320.08053, F.S., requires the plate must first be adopted into statute. Upon becoming 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

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<sup>1</sup> A list of Florida's specialty license plates is available on the DHSMV website at <http://www.flhsmv.gov/dmv/specialtytags/> (last visited Feb. 14, 2017).

<sup>2</sup> Section 320.08056, F.S.

<sup>3</sup> Section 320.08058, F.S.

- 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 requirement has not been met, the DHSMV will discontinue the plate and issuance of the pre-sale voucher. Upon discontinuation, a purchaser of a presale voucher may use the annual use fee as a credit towards any other specialty license plate or apply for a refund with the DHSMV.<sup>4</sup>

The annual use fees collected by an organization and any interest earned from the fees may be expended only for use in this state unless the annual use fee is derived from the sale of specified United States Armed Forces and veterans-related specialty plates.<sup>5</sup> Additionally, organizations must adhere to certain accountability requirements, including an annual audit or attestation document affirming that funds received have been spent in accordance with applicable statutes.<sup>6</sup>

### ***DHSMV Costs Defrayed***

The DHSMV retains sufficient annual use fees, from the sale of the specialty 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>7</sup>

### ***Discontinuance of Specialty Plates***

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 minimum plate requirement.<sup>8</sup> The specialty license plate must also 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>9</sup>

### **Sun Sea Smiles Organizations**

#### ***Florida Caribbean Charitable Foundation, Inc.***<sup>10</sup>

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

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<sup>4</sup> Section 320.08053(2)(b), F.S.

<sup>5</sup> Section 320.08056(10)(a), F.S.

<sup>6</sup> Section 320.08062, F.S.

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

<sup>8</sup> Section 320.08056(8)(a), F.S.

<sup>9</sup> Section 320.08056(8)(b), F.S.

<sup>10</sup> Florida Department of State - Division of Corporations, *Florida Caribbean Charitable Foundation, Inc.*, <http://search.sunbiz.org/Inquiry/CorporationSearch/SearchResultDetail?inquirytype=EntityName&directionType=Initial&searchNameOrder=FLORIDACARIBBEANCHARITABLEFOUN%20N070000070260&aggregateId=domnp-n07000007026-231a2bc8-5eb0-42f9-8fa3-f6660756ccc1&searchTerm=florida%20caribbean%20charitable%20foundation&listNameOrder=FLORIDACARIBBEANCHARITABLEFOUN%20N070000070260> (last visited Feb. 10, 2017).

***American Friends of Jamaica, Inc.***<sup>11</sup>

The organization is a non-profit established in 1982, that is “dedicated to supporting Jamaican charitable organizations and social initiatives working to improve the lives of Jamaicans through systemic development in the areas of education, healthcare and economic development.”

***Haitian Neighborhood Center Sant La, Inc.***<sup>12</sup>

The mission of the Center is to “empower, strengthen, and stabilize South Florida’s Haitian community, through access for free services and resources, to ensure its successful integration.” 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.***<sup>13</sup>

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. The organization provides counseling, outreach, education, access to care, and advocacy services to low and moderate-income families.

***Greater Caribbean American Cultural Coalition, Inc.***<sup>14</sup>

The Coalition 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.” 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.***<sup>15</sup>

Little Haiti Optimist Foundation, Inc., is a charitable organization located in Miami, and established in 2010 to provide assistance, guidance, and programs to the youth of Little Haiti. The organization is affiliated with the International Optimist association, a network of over 3,000 Optimist Clubs around the world dedicated to “Bringing Out the Best in Kids.”

**III. Effect of Proposed Changes:**

The bill directs the DHSMV to create a Sun Sea Smiles specialty license plate, with an annual fee of \$25 to be distributed as follows:

- 35 percent to the Florida Caribbean Charitable Foundation, Inc. Of the funds received, 5 percent is for marketing the plate. From the remaining funds:
  - Up to 5 percent may be used for administrative expenses;
  - 60 percent is for a college scholarship program;

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<sup>11</sup> The American Friends of Jamaica website, *About Us*, <https://theafj.org/about-us/> (last visited Feb. 10, 2017).

<sup>12</sup> See Haitian Neighborhood Center Sant La website, <http://santla.org> (visited Jan. 29, 2016). As of Feb. 15, 2017, the organization’s website is down for maintenance.

<sup>13</sup> See Fanm Ayisyen nan Miyami website, <http://www.fanm.org/> (last visited Feb. 10, 2017).

<sup>14</sup> Greater Caribbean American Cultural Coalition website, *About Us*, <http://www.gcaccoalition.com/> (last visited Feb. 10 2016).

<sup>15</sup> See The Little Haiti Optimist Club website at <http://www.littlehaitioptimist.org/> (last visited Feb. 10, 2017).

- 15 percent is to promote health and wellness among Florida residents of Caribbean descent; and
- 25 percent is to promote awareness of Caribbean culture within the state.
- 20 percent to the American Friends of Jamaica, Inc. Of which:
  - Up to 5 percent may be used for administrative and marketing expenses; and
  - The remaining funds are for grants to promote social and community development among Florida residents;
- 10 percent to Haitian Neighborhood Center Sant La, Inc. Of which:
  - Up to 5 percent may be used for administrative expenses; and
  - The remaining funds are used to promote social and community development;
- 10 percent to Fanm Ayisyen nan Miyami, Inc. Of which:
  - Up to 10 percent may be used for administrative expenses; and
  - The remaining funds are used to promote social and community development;
- 20 percent to Greater Caribbean American Cultural Coalition, Inc. Of which:
  - Up to 5 percent may be used for administrative expenses; and
  - The remaining funds are used to promote awareness of Caribbean culture within the state; and
- 5 percent to Little Haiti Optimist Foundation, Inc. Of which:
  - Up to 5 percent may be used for administrative expenses; and
  - The remaining funds are used to promote awareness of Caribbean culture and youth development within the state.

The plate must bear the colors and design approved by the DHSMV, with the word “Florida” at the top of the plate, and the words “Sun Sea Smiles” at the bottom of the plate.

The bill takes effect October 1, 2017.

#### **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 Sun Sea Smiles specialty license plate will pay a \$25 annual use fee in addition to appropriate license taxes and fees. The bill may have a positive fiscal impact on organizations who receive revenue from each Sun Sea Smiles plate purchase.

**C. Government Sector Impact:**

The DHSMV estimates programming and implementation will cost \$7,245.<sup>16</sup> 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>17</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 Changes:**

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

None.

**B. Amendments:**

None.

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

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<sup>16</sup> Email from the DHSMV (Feb. 14, 2017) (on file with the Senate Committee on Transportation).

<sup>17</sup> Section 320.08056(7), F.S.