#### HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/CS/CS/HB 1359 License Plates and Registrations

SPONSOR(S): Government Accountability Committee; Transportation & Tourism Appropriations

Subcommittee: Transportation & Infrastructure Subcommittee: Grant, Mariano and others

**IDEN./SIM. BILLS: TIED BILLS:** 

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Transportation & Infrastructure Subcommittee	12 Y, 1 N, As CS	Johnson	Vickers
Transportation & Tourism Appropriations     Subcommittee	9 Y, 4 N, As CS	Cobb	Davis
3) Government Accountability Committee	17 Y, 0 N, As CS	Johnson	Williamson

### **SUMMARY ANALYSIS**

There are over 120 specialty license plates available to any motor vehicle owner or lessee who is willing to pay the annual use fee for such plate. The collected fees are distributed by the Department of Highway Safety and Motor Vehicles (DHSMV) to statutorily designated organizations in support of a particular cause or charity. DHSMV must discontinue the issuance of an approved specialty license plate if it fails to meet certain requirements.

The bill establishes a cap at 125 specialty license plates and provides a process for the discontinuation of low performing plates and the addition of new plates. It provides direction to DHSMV on the discontinuance of specialty license plates and establishes a timeframe of 180 days to distribute the remaining annual use fees held or collected by DHSMV. A person with a discontinued specialty license plate may keep the plate for the remainder of the 10-year license plate replacement period.

Effective July 1, 2021, the bill requires DHSMV to discontinue the issuance of any specialty license plate where the number of valid registrations falls below 3,000, instead of the current 1,000-plate threshold; however, the threshold for out-of-state college or university specialty license plates is 4,000.

The bill requires DHSMV to conduct an audit every three years of certain specialty license plate recipient organizations and revises the prohibition against using specialty license plate revenues for lobbying.

The bill authorizes DHSMV to issue specialty license plates for fleet vehicles and motor vehicle dealer vehicles; authorizes the establishment of a specialty license plate for Auburn University and the University of Georgia and authorizes revenues from such plates to be expended outside of Florida; creates new specialty license plates; amends certain provisions regarding existing specialty license plates; and discontinues certain specialty license plates. The bill creates the Purple Heart Motorcycle and Bronze Star special license plates and repeals certain special license plates for current and former elected officials.

The bill authorizes an electronic copy of a motor vehicle registration and provides for the use of an electronic certificate of registration.

According to DHSMV, the bill will likely have a negative, but insignificant fiscal impact on its expenditures, which can be absorbed within existing resources. The bill may also have a positive fiscal impact on state trust fund revenues. This impact is indeterminate and cannot be quantified at this time. See Fiscal Analysis section for details.

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### **FULL ANALYSIS**

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

## **Specialty License Plates in General**

The first Florida specialty license plates were enacted in 1986 and included the creation of the Challenger plate and 10 Florida collegiate plates. Today, there are over 120 specialty license plates available to any owner or lessee of a motor vehicle who is willing to pay the additional use fee for the privilege, typically \$25 annually. There is currently no limit on the number of specialty license plates that the Department of Highway Safety and Motor Vehicles (DHSMV) may issue nor the number of specialty license plates that the Legislature may approve.

## Fleet/Dealer Specialty License Plates

# **Current Situation**

Section 320.06, F.S., provides for motor vehicle registration certificates, license plates, and validation stickers. Section 320.06(3)(a), F.S., provides requirements for the design of various license plates. The statute requires dealer license plates to be imprinted with "Florida" at the top and "Dealer" at the bottom.

Section 320.0657, F.S., provides for permanent registration for fleet license plates. The term "fleet" means nonapportioned motor vehicles owned or leased by a company and used for business purposes. According to DHSMV, in order to participate in the fleet vehicle program the company must have a minimum of 200 vehicles or a minimum of 25 trailers or semitrailers used exclusively to haul agricultural products.

The owner or lessee of a fleet of motor vehicles must, upon application in the manner and at the time prescribed and upon DHSMV approval and payment of the appropriate license tax be issued permanent fleet license plates. All vehicles with a fleet license plate must have the company's name or logo and unit number displayed so that they are readily identifiable.<sup>4</sup>

Fleet license plates must have the word "Fleet" appearing at the bottom and the word "Florida" appearing at the top. The plates must conform in all respects to Ch. 320, F.S., except as specified.<sup>5</sup>

Section 320.08, F.S., provides the license taxes for various types of motor vehicles, and provides that the fee for a dealer license plate is \$17.6

## **Proposed Changes**

The bill authorizes "Dealer" and "Fleet" specialty license plates.

The bill amends s. 320.06(3)(a), F.S., providing that a dealer specialty license plate is not required to say "dealer" at the bottom of the license plate.

The bill amends s. 320.0657(2)(b), F.S., authorizing fleet specialty license plates. The bill provides that for the additional annual use fee for the specific specialty license plate, fleet companies may purchase

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<sup>&</sup>lt;sup>1</sup> Florida Department of Highway Safety and Motor Vehicles, *Specialty License Plates Index*, http://www.flhsmv.gov/dmv/specialtytags/ (last visited January 11, 2018).

<sup>&</sup>lt;sup>2</sup> Section 320.0657(1), F.S.

<sup>&</sup>lt;sup>3</sup> Email from DHSMV, January 23, 2018 Copy on file with Transportation & Infrastructure Subcommittee.

<sup>&</sup>lt;sup>4</sup> Section 320.0657(2)(a), F.S.

<sup>&</sup>lt;sup>5</sup> Section 320.0657(2)(b), F.S.

<sup>&</sup>lt;sup>6</sup> Section 320.08(12), F.S.

specialty license plates in lieu of the standard fleet license plates. Fleet companies are responsible for all costs associated with the specialty license plates, including all annual use fees, processing fees, fees associated with switching license plate types, and other applicable fees. The bill amends s. 320.08(12), F.S., providing similar requirements regarding dealer specialty license plates.

The bill creates s. 320.08056(2)(b), F.S., providing that DHSMV may authorize dealer and fleet specialty license plates. With the permission of the sponsoring specialty license plate organization, a dealer or fleet company may purchase specialty license plates to be used on dealer or fleet vehicles.

Notwithstanding s. 320.08058, F.S., a dealer or fleet specialty license plate must include the letters "DLR" or "FLT" on the right side of the license plate. Dealer and fleet specialty license plates must be ordered directly through DHSMV.

# **Requirements for Establishing Specialty License Plates**

## **Current Situation**

Section 320.08053, F.S., provides the statutory requirements to establish a specialty license plate. If a specialty license plate requested by an organization is approved by law, the organization submits its proposed art design to DHSMV as soon as practicable, but no later than 60 days after the act approving such plate becomes a law.<sup>7</sup>

Within 120 days following the specialty license plate becoming law, DHSMV establishes a method to issue a specialty license plate voucher allowing for the presale of such plate. The \$5 processing fee, the service charge and branch fee, and the annual use fee for the specialty license plate are charged for the voucher. All other applicable fees are charged at the time the license plate is issued.

Within 24 months after establishing a presale specialty license plate voucher, the approved specialty license plate organization must record with DHSMV a minimum of 1,000 voucher sales before manufacture of the license plate may commence. If, at the conclusion of the 24-month presale period, the minimum sales requirement is not met, the specialty plate is deauthorized and DHSMV discontinues the plate's development and the issuance of the presale vouchers. Upon deauthorization of the license plate, a purchaser of the license plate voucher may use the annual use fee collected as a credit towards any other specialty license plate or apply for a refund on a DHSMV-prescribed form.<sup>12</sup>

## **Proposed Changes**

The bill amends s. 320.08053(2)(b), F.S., requiring a minimum sale of 3,000 vouchers prior to DHSMV manufacturing a specialty license plate. However, for out-of-state college or university license plates, the minimum sale is 4,000 vouchers.

The bill creates s. 320.08053(3)(a), F.S., providing that if the Legislature has approved 125 or more specialty license plates, DHSMV may not make any new specialty license plates available for design, presale, or issuance until a sufficient number of plates are discontinued<sup>13</sup> such that the number of plates being issued is reduced to fewer than 125.

The bill creates s. 320.08053(3)(b), F.S., providing that new specialty license plates that have been approved by law but are awaiting issuance are issued in the order they appear in s. 320.08056(4), F.S., 14 provided that the plates have met the presale requirement and all other provisions of s.

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<sup>&</sup>lt;sup>7</sup> Section 320.08053(1), F.S.

<sup>&</sup>lt;sup>8</sup> The processing fee is prescribed in s. 320.08056, F.S.

<sup>&</sup>lt;sup>9</sup> Service charges and branch fees are prescribed in s. 320.04, F.S.

<sup>&</sup>lt;sup>10</sup> The annual use fees for each specialty license plate are prescribed in s. 320.8056, F.S.

<sup>&</sup>lt;sup>11</sup> Section 320.08053(2)(a), F.S.

<sup>&</sup>lt;sup>12</sup> Section 320.08053(2)(b), F.S.

<sup>&</sup>lt;sup>13</sup> Specialty license plates will be discontinued pursuant to s. 320.08056(8), F.S.

<sup>&</sup>lt;sup>14</sup> Section 320.08056(4), F.S., lists specific specialty license plates and their annual use fees.

320.08053, F.S. If the next awaiting specialty license plate has not met the presale requirement, DHSMV must proceed in the order provided in s. 320.08056(4), F.S., to identify the next qualified specialty license plate that has met the presale requirement. DHSMV must cycle through the list in statutory order.

## **Specialty License Plates**

### **Current Situation**

Section 320.08056, F.S., relates to specialty license plates. DHSMV is responsible for developing the specialty license plates authorized in s. 320.08053, F.S.<sup>15</sup>

DHSMV may issue a specialty license plate to the owner or lessee of any motor vehicle, except a vehicle registered under the International Registration Plan, a commercial truck required to display two license plates, <sup>16</sup> or a truck tractor, upon request and payment of the appropriate license tax and fees. <sup>17</sup>

Each request for a specialty license plate must annually be made to DHSMV or its authorized agent<sup>18</sup> accompanied by the following tax and fees the vehicle's required license tax,<sup>19</sup> a processing fee of \$5,<sup>20</sup> a license plate fee,<sup>21</sup> and a license plate annual use fee as required for the specialty license plate.<sup>22</sup>

A request for a specialty license plate may be made any time during a vehicle's registration period. If a request is made for a specialty license plate to replace a current valid license plate, the specialty license plate must be issued with the appropriate decals attached at no license tax for the plate, however, all fees and service charges must be paid. If a request is made for a specialty license plate at the beginning of the registration period, the tax, together with all applicable fees and service charges, must be paid.

If a vehicle owner or lessee to whom DHSMV has issued a specialty license plate acquires a replacement vehicle within the owner's registration period, DHSMV authorizes a transfer of the specialty license plate to the replacement vehicle.<sup>23</sup> The annual use fee or processing fee may not be refunded.<sup>24</sup>

Specialty license plates must bear the design required by law for the appropriate specialty license plate, and must conform to DHSMV's design specifications. All specialty license plates must be otherwise of the same material and size as standard license plates issued for any registration period. A specialty license plate may bear an appropriate slogan, emblem, or logo in a size and placement that conforms to DHSMV's design specifications.<sup>25</sup>

DHSMV annually retains from the first proceeds derived from the annual use fees collected an amount sufficient to defray each specialty license plate's pro rata share of DHSMV's costs directly related to the specialty license plate program. Such costs include inventory costs, distribution costs, direct costs to DHSMV, costs associated with reviewing each organization's compliance with audit and attestation requirements, <sup>26</sup> and any applicable increased costs of manufacturing the specialty license plate. The

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<sup>&</sup>lt;sup>15</sup> Section 320.08056(1), F.S.

<sup>&</sup>lt;sup>16</sup> Section 320.0706, F.S., requires certain commercial trucks to display two license plates.

<sup>&</sup>lt;sup>17</sup> Section 320.08056(2), F.S.

<sup>&</sup>lt;sup>18</sup> DHSMV's authorized agents are the county tax collectors.

<sup>&</sup>lt;sup>19</sup> Motor vehicle license taxes are set forth in s. 320.08, F.S.

<sup>&</sup>lt;sup>20</sup> The \$5 processing fee is deposited into the Highway Safety Operating Trust Fund.

<sup>&</sup>lt;sup>21</sup> Section 320.06(1)(b), F.S., provides for a \$2.80 annual license plate replacement fee to defray the cost of replacing the license plate every 10 years.

<sup>&</sup>lt;sup>22</sup> Section 320.08056(3), F.S.

<sup>&</sup>lt;sup>23</sup> This is in accordance with s. 320.0609, F.S.

<sup>&</sup>lt;sup>24</sup> Section 320.08056(5), F.S.

<sup>&</sup>lt;sup>25</sup> Section 320.08056(6), F.S.

<sup>&</sup>lt;sup>26</sup> Specialty license plate audit and attestations requirements are in s. 320.08062, F.S.

Department of Management Services must verify any cost increase to DHSMV related to actual cost of the plate, including a reasonable vendor profit. The balance of the proceeds from the annual use fees collected for that specialty license plate are distributed as provided by law.<sup>27</sup>

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 license plate registrations falls below 1,000 plates. This does not apply to collegiate license plates. <sup>28, 29</sup>

DHSMV may discontinue the issuance of a specialty license plate and distribution of associated annual use fee proceeds if the organization no longer exists, if the organization has stopped providing services that are authorized to be funded from the annual use fee proceeds, if the organization does not meet the presale requirements,<sup>30</sup> or pursuant to an organizational recipient's request. Organizations must notify DHSMV immediately to stop all warrants for plate sales if any of these conditions exist and must meet the requirements of s. 320.08062, F.S.,<sup>31</sup> for any period of operation during a fiscal year.<sup>32</sup>

The organization that requested the specialty license plate may not redesign the specialty license plate unless the inventory of those plates has been depleted. However, the organization may purchase the remaining inventory of the specialty license plates from DHSMV at cost.<sup>33</sup>

A specialty license plate annual use fee collected and distributed, or any interest earned from those fees, may not be used for commercial or for-profit activities nor for general or administrative expenses, except as authorized by s. 320.08058, F.S., or to pay the cost of the audit or report required by s. 320.08062(1), F.S. The fees 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 United States Armed Forces and veterans-related specialty license plates.<sup>34</sup>

The term "administrative expenses" means those expenditures that are considered direct operating costs of the organization, and include, but are not limited to, the following:

- Administrative salaries of employees and officers of the organization who do not or cannot prove, via detailed daily time sheets, that they actively participate in program activities.
- Bookkeeping and support services of the organization.
- Office supplies and equipment not directly utilized for the specified program.
- Travel time, per diem, mileage reimbursement, and lodging expenses not directly associated with a specified program purpose.
- Paper, printing, envelopes, and postage not directly associated with a specified program purpose.
- Miscellaneous expenses such as food, beverage, entertainment, and conventions.<sup>35</sup>

The annual use fee from the sale of specialty license plates, the interest earned from those fees, or any fees received by an agency as a result of the sale of specialty license plates may not be used for the purpose of marketing to or lobbying, entertaining, or rewarding an employee of a governmental agency that is responsible for the sale and distribution of specialty license plates, or an elected member or employee of the Legislature.<sup>36</sup>

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

<sup>&</sup>lt;sup>28</sup> Collegiate license plates are established under s. 320.08058(3), F.S.

<sup>&</sup>lt;sup>29</sup> Section 320.08056(8)(a), F.S.

<sup>&</sup>lt;sup>30</sup> Presale requirements are prescribed in s. 320.08053, F.S.

<sup>&</sup>lt;sup>31</sup> Section 320.08062, F.S., requires audits and attestations for specialty license plates.

<sup>&</sup>lt;sup>32</sup> Section 320.08056(8)(b), F.S.

<sup>&</sup>lt;sup>33</sup> Section 320.08056(9), F.S.

<sup>&</sup>lt;sup>34</sup> Section 320.08056(10)(a), F.S.

<sup>&</sup>lt;sup>35</sup> Section 320.08056(10)(b), F.S.

<sup>&</sup>lt;sup>36</sup> Section 320.08056(11), F.S

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The application form for a specialty license plate must provide the applicant the option to instruct DHSMV to provide his or her name, address, and renewal date to the sponsoring organization.<sup>37</sup>

## **Proposed Changes**

The bill creates s. 320.08056(8)(c), F.S., providing that a vehicle owner or lessee issued a specialty license plate that has been discontinued by DHSMV may keep the discontinued specialty license plate for the remainder of the 10-year license plate replacement period and must pay all other applicable registration fees. However, the owner or lessee is exempt from paying the applicable specialty license plate fee for the remainder of the 10-year license plate replacement period.

The bill creates s. 320.08056(8)(d), F.S., providing that if DHSMV discontinues issuance of a specialty license plate, all annual use fees held or collected by DHSMV must be distributed within 180 days after the date the specialty license plate is discontinued. Of those fees, DHSMV must retain an amount sufficient to defray the applicable administrative and inventory closeout costs associated with discontinuing the plate. The remaining funds are to be distributed to the appropriate organization or organizations.<sup>38</sup>

The bill creates s. 320.08056(8)(e), F.S., providing that if an organization that is the intended recipient of specialty license plate funds no longer exists, DHSMV must deposit any undistributed funds into the Highway Safety Operating Trust Fund.

The bill creates s. 320.08056(8)(f), F.S., providing that on January 1 of each year, DHSMV must discontinue the specialty license plate with the fewest number of plates in circulation. DHSMV must mail a warning letter to the sponsoring organization of the 10 percent of specialty license plates with the lowest number of valid, active registrations as of December 1 of each year.

The bill amends s. 320.08056(8)(a), F.S., providing that effective October 1, 2021, DHSMV must discontinue the issuance of approved specialty license plates if the number of valid registrations falls below 3,000 plates for 12 consecutive months, instead of the current 1,000 plate threshold. However, there is an exception for out-of-state college or university license plates, which have a 4,000 plate threshold. In addition to the existing exemption from this requirement for in-state collegiate license plates, the bill provides exceptions for institutions in and entities of the State University System, specialty license plates with statutory eligibility limitations for purchase, or Florida Professional Sports Team license plates.<sup>39</sup>

The bill amends s. 320.08056(10)(a), F.S., authorizing specialty license plate fees for out of state college or university specialty license plates to be spent outside of the state of Florida. Additionally, the bill provides that for out-of-state college or university license plates, the recipient organization must have established an endowment, based in Florida, for the purpose of providing scholarships to Florida residents meeting the statutory requirements. The bill also authorizes the state's first specialty license plates for out-of-state colleges and universities.

The bill amends s. 320.08056(11), F.S., prohibiting any entity from using specialty license plate revenue for lobbying.

<sup>9</sup> Florida Professional Sports Team license plates are established in s. 320.08058(9), F.S.

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<sup>&</sup>lt;sup>37</sup> Section 320.08056(12), F.S.

<sup>&</sup>lt;sup>38</sup> Distributions to organizations are pursuant to s. 320.08058, F.S.

## **Discontinued Specialty License Plates**

## **Current Situation**

As previously stated, specialty license plates may be discontinued if the plate does not meet the 1,000 plate minimum sales threshold, the recipient organization ceases to exist, or it does not meet its statutorily required presale requirements.

### **Proposed Changes**

The bill removes the American Red Cross plate, Donate Organs Pass It On plate, St. Johns River plate, and Hispanic Achievers plate from law as these plates have been discontinued.

## **Changes to Existing Specialty License Plates**

## Collegiate License Plates

#### Current Situation

Section 320.08058(3), F.S., creates the collegiate specialty license plates with an annual use fee of \$25. DHSMV must develop a collegiate license plate for state and independent universities domiciled in this state. However, any collegiate license plate created or established after October 1, 2002, must comply with s. 320.08053, F.S., 40 and be specifically authorized by an act of the Legislature. Collegiate license plates must bear DHSMV approved colors and design as appropriate for each state and independent university. The word "Florida" is stamped across the bottom of the plate in small letters. 41

The funds from collegiate license plates may only be used for academic enhancement, including scholarships and private fundraising activities.<sup>42</sup>

## Proposed Changes

The bill authorizes DHSMV to consult with the University of Central Florida for the purpose of having "2017 National Champions" stamped across the bottom of its plate.

## Special Olympics Florida License Plate

## **Current Situation**

Section 320.08058(7), F.S., creates the Special Olympics Florida license plate with an annual use fee of \$15. The plate contains the official Special Olympics Florida logo with "Florida" centered at the bottom of the plate, and "Everyone Wins" centered at the top of the plate.<sup>43</sup>

### Proposed Changes

The bill redesigns the Special Olympics Florida specialty license plate with "Florida" centered at the top of the plate and "Be a Fan" centered at the bottom of the plate.

## Invest in Children License Plate

## Current Situation

Section 320.08058(11), F.S., creates the Invest in Children license plate with an annual use fee of \$20.44 The proceeds of the Invest in Children license plate annual use fee are deposited into the Juvenile Crime Prevention and Early Intervention Trust Fund within the Department of Juvenile Justice (DJJ). Based on the recommendations of the juvenile justice councils, DJJ uses the proceeds to fund programs and services designed to prevent juvenile delinquency. DJJ must allocate moneys for

<sup>&</sup>lt;sup>40</sup> Section 320.08053, F.S., provides the statutory requirements for creating a specialty license plate.

<sup>&</sup>lt;sup>41</sup> Section 320.08058(3)(a), F.S.

<sup>&</sup>lt;sup>42</sup> Section 320.08058(3)(b), F.S.

<sup>&</sup>lt;sup>43</sup> Section 320.08058(7)(a), F.S.

<sup>&</sup>lt;sup>44</sup> Section 320.08058(11)(a), F.S.

programs and services within each county based on that county's proportionate share of the license plate annual use fee collected in that county.<sup>45</sup>

According to DJJ, specialty license plate proceeds collected by counties range from \$20 to \$30,000, and the statute requires funds to provide service within the county based upon the county's proportionate share of proceeds. When funds are available, counties apply for funding in a manner similar to grant distributions. Due to this distribution formula, much of the funding cannot be distributed despite a statewide need.<sup>46</sup>

## Proposed Changes

The bill removes the requirement for DJJ to allocate specialty license plate moneys for programs and services within each county based on that county's proportionate share of license plate annual use fees collected in that county. This will allow DJJ to collectively use these funds in a way to address prevention programming needs across the state regardless of a particular county's proportional share of the specialty license plate revenues.<sup>47</sup>

## Live the Dream License Plate

### **Current Situation**

Section 320.08058(48), F.S., creates a Live the Dream specialty license plate with an annual use fee of \$25. Proceeds from the Live the Dream specialty license plate are distributed to the Dream Foundation, Inc., which retained the first \$60,000 in proceeds from the annual use fees as reimbursement for administrative costs, startup costs, and costs incurred in the specialty license plate approval process. After those costs are reimbursed, up to 25 percent of the proceeds must be used for continuing promotion and marketing of the license plate and concept. The remaining funds must be distributed in the following manner:

- Twenty-five percent equally among the sickle cell organizations that are Florida members of the Sickle Cell Disease Association of America, Inc., for programs providing research, care, and treatment for sickle cell disease.
- Twenty-five percent to the Florida chapter of the March of Dimes for programs and services improving the health of babies through preventing birth defects and infant mortality.
- Ten percent to the Florida Association of Healthy Start Coalitions to decrease racial disparity in infant mortality and to increase healthy birth outcomes. Funding will be used by local Healthy Start Coalitions to provide services and increase screening rates for high-risk pregnant women, children under four years of age, and women of childbearing age.
- Ten percent to the Community Partnership for Homeless, Inc., for programs that provide relief from poverty, hunger, and homelessness.
- Five percent to the Dream Foundation, Inc., for administrative costs directly associated with operations relating to the management and distribution of the proceeds.<sup>48</sup>

In March 2015, DHSMV began withholding funds from the Dream Foundation, Inc., because the organization failed to produce financial documentation that DHSMV requested. In August 2015, a DHSMV Inspector General Audit found that the funds from the sale of the Live the Dream specialty license plate were being improperly distributed. As of February 2018, DHSMV has withheld from the Dream Foundation approximately \$397,500. <sup>49,50</sup>

<sup>&</sup>lt;sup>45</sup> Section 320.08058(11)(b), F.S.

<sup>&</sup>lt;sup>46</sup> Department of Juvenile Justice Modify Invest In Children Disbursement. (Copy on file with Transportation & Infrastructure Subcommittee).

<sup>&</sup>lt;sup>47</sup> *Id*.

<sup>48</sup> Section 320.08058(48)(b), F.S.

<sup>&</sup>lt;sup>49</sup> DHSMV 2018 Report on Held Specialty License Plate Fees, p. 2. (Copy on File with Transportation & Infrastructure Subcommittee

<sup>&</sup>lt;sup>50</sup> Email from DHSMV, February 26, 2018. (Copy on file with Transportation & Infrastructure Subcommittee). **STORAGE NAME**: h1359e.GAC

In August 2017, the president of companies that provided marketing support for the Dream Foundation was charged with wire fraud for the improper transfer of approximately \$257,000 in funds from the sale of the Live the Dream license plate and filing falsified annual reports detailing the amount of money distributed to charities supported by the Dream Foundation. The president of the marketing company is currently awaiting trial in Federal court.<sup>51</sup>

In September 2016, the Dream Foundation was administratively dissolved by the Department of State for failing to file an annual report. In August 2017, the Dream Foundation was reinstated with a new registered agent, officers, and directors, none of which were officers during the previous incarnation of the Dream Foundation.<sup>52</sup>

DHSMV proposes making a royalty payment of approximately \$89,500 to The Martin Luther King, Jr. Center for Nonviolent Social Change, Inc., for the use of Dr. Martin Luther King, Jr.'s image and distributing the remainder of the withheld funds, excluding the amount allowed for marketing and administrative costs, in proportion to what each entity is authorized to receive in statute.<sup>53, 54</sup>

## **Proposed Changes**

The bill amends the distribution of funds for the Live the Dream specialty license plate. The bill provides that the proceeds from the annual use fees are distributed to the Dream Foundation, Inc., to be used as follows:

- Up to 5 percent may be used to administer, promote, and market the license plate.
- At least 30 percent must be distributed equally among the sickle cell organizations that are Florida members of the Sickle Cell Disease Association of America, Inc.
- At least 30 percent must be distributed to the Florida chapter of the March of Dimes.
- At least 15 percent must be distributed to the Florida Association of Healthy Start Coalitions.
- At least 15 percent must be distributed to Chapman Partnership, Inc.<sup>55</sup>
- Up to 5 percent may be distributed by DHSMV on behalf of The Dream Foundation, Inc. to the Martin Luther King, Jr. Center for Nonviolent Social Change, Inc., as a royalty for the use of the image of Dr. Martin Luther King, Jr.

The bill also provides that by November 1, 2018, the annual use fees withheld by DHSMV from the sale of the Live the Dream specialty license plate will first be used to satisfy all outstanding royalty payments due to The Martin Luther King, Jr. Center for Nonviolent Social Change, Inc., for the use of Dr. Martin Luther King, Jr.'s image. All remaining funds will be distributed to the subrecipients on a pro rata basis according to the percentages specified in statute.

### Lighthouse Association License Plate

#### Current Situation

Created in 2008, the Florida Lighthouse Association specialty license plate currently features the term "Visit Our Lights" on the bottom of the plate. The annual use fee from the plate is distributed to the Florida Lighthouse Association, Inc., to fund the preservation, restoration, and protection of the state's 29 remaining lighthouses.

# **Proposed Changes**

The bill changes the wording on the bottom of the Lighthouse Association specialty license plate from "Visit Our Lights" to "SaveOurLighthouses.org."

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<sup>&</sup>lt;sup>51</sup> DHSMV 2018 Report on Held Specialty License Plate Fees, p. 2.

<sup>&</sup>lt;sup>52</sup> DHSMV Dream Foundation Proposal Document (Copy on File with Transportation & Infrastructure Subcommittee).

os Id

<sup>&</sup>lt;sup>54</sup> DHSMV February 26, 2018, E-Mail. Copy on File with Transportation & Infrastructure Subcommittee.

<sup>&</sup>lt;sup>55</sup> In 2011, Community Partnership for the Homeless changed its name to Chapman Partnership.

## In God We Trust License Plate

#### Current Situation

Section 320.08058(65), F.S., creates an In God We Trust specialty license plate with an annual use fee of \$25. The annual use fees are distributed to the In God We Trust Foundation, Inc., to fund educational scholarships for the children of Florida residents who are members of the United States Armed Forces, the National Guard, and the United States Armed Forces Reserve and for the children of public safety employees who have died in the line of duty who are not covered by existing state law. Funds must also be distributed to other non-profit organizations that may apply for grants and scholarships and to provide educational grants to public and private schools to promote the historical and religious significance of American and Florida history. The In God We Trust Foundation, Inc., must distribute the license plate annual use fees in the following manner:

- The In God We Trust Foundation, Inc., retains all revenues from the sale of the license plates until all startup costs for developing and establishing the license plate have been recovered.
- Ten percent of the funds received by the In God We Trust Foundation, Inc., must be spent on administrative costs, promotion, and marketing of the license plate directly associated with the operations of the In God We Trust Foundation, Inc.
- All remaining funds must expended by the In God We Trust Foundation, Inc., for programs.<sup>56</sup>

### Proposed Changes

The bill amends the distribution of the annual use fees from the In God We Trust license plate. The annual use fees will be distributed to the In God We Trust Foundation, Inc., which may use up to 10 percent of the proceeds to offset administrative costs, promotion, and marketing the license plate directly associated with operating the foundation. The remaining proceeds may be used to address the needs of the military community and the public safety community, provide educational grants and scholarships to foster self-reliance and stability in Florida's youth, and provide education in public and private schools regarding the historical significance of religion and American and Florida history. The foundation must create an advisory council comprised of persons with knowledge in these program areas to make funding recommendations.

## Fallen Law Enforcement Officer License Plate

## **Current Situation**

Section 320.08058(80), F.S., creates the Fallen Law Enforcement Officers license plate with an annual use fee of \$25. The annual use fees are distributed to the Police and Kids Foundation, Inc., which may use a maximum of 10 percent of the proceeds to promote and market the plate. The remainder of the proceeds must be used by the Police and Kids Foundation, Inc., to invest and reinvest and the interest earnings must be used for the operation of the Police and Kids Foundation, Inc.

#### Proposed Changes

The bill clarifies the distribution of the proceeds from the Fallen Law Enforcement Officer specialty license plate. The bill keeps the maximum of 10 percent of the proceeds for marketing the license plate. It provides that the remaining proceeds are to be used for the operations, activities, programs, and projects of the Police and Kids Foundation, Inc.

## **New Specialty License Plates**

## Auburn University License Plate

#### Current Situation

The Tampa Bay Auburn Club is an officially chartered group of Auburn University Alumni and Friends. Its stated mission is to encourage more top Tampa Bay area students to attend Auburn University and

<sup>56</sup> Section 320.08056(66)(b), F.S. **STORAGE NAME**: h1359e.GAC

to foster the spirit of Auburn University throughout the Tampa Bay Area.<sup>57</sup> The Tampa Bay Auburn Club currently administers an endowed scholarship.<sup>58</sup>

# Proposed Changes

The bill creates the Auburn University specialty license plate with a fee of \$50. The license plate must bear a DHSMV approved color and design. The word "Florida" appears at the top of the plate and "War Eagle" appears at the bottom of the plate.

The bill distributes the annual use fees from the Auburn University specialty license plates to the Tampa Bay Auburn Club for the purpose of awarding scholarships to Florida residents attending Auburn University. Students receiving these scholarships are required to be eligible for the Florida Bright Futures Scholarship Program<sup>59</sup> and are required to use the scholarship funds for tuition and other expenses related to attending Auburn University.

# Donate Life Florida License Plate

### Current Situation

Donate Life Florida is a non-profit organization contracted by the State of Florida, Agency for Health Care Administration to create the state's organ, tissue, and eye donor registry. <sup>60</sup>

## Proposed Changes

The bill creates the Donate Life Florida license plate with an annual use fee of \$25. The license plate must bear DHSMV approved colors and design. The word "Florida" will appear at the top of the plate, and "Donors Save Lives" will appear at the bottom of the plate.

The annual use fees from the Donate Life Florida license plate are distributed to Donate Life Florida, which may use up to 10 percent of the proceeds for marketing and administrative costs associated with the plate. The remainder of the proceeds must be used by Donate Life Florida to educate Florida residents on the importance of organ, tissue, and eye donation and for the continued maintenance of the Joshua Abbott Organ and Tissue Donor Registry.

### Florida State Beekeepers Association License Plate

## **Current Situation**

The Florida State Beekeepers Association is dedicated to keeping Florida apiculture strong and healthy and is the major voice for the state's beekeeping industry. Its mission is to:

- Provide resources for the improvement of beekeeping by using proven techniques and procedures in the management of honey bees and shares this knowledge with everyone interested in the art of beekeeping.
- Promote the development of practical beekeeping methods in the state of Florida.
- Act in the interest of Florida beekeepers in advocating for and carrying on statewide beekeeping affairs.
- Act as a medium for and to aid in cooperative and mutual beekeeping methods.
- Act as the representative of the Florida beekeepers in state and national beekeeping affairs.

# Proposed Changes

The bill creates the Florida State Beekeepers specialty license plate with a fee of \$25. The license plate must bear DHSMV approved colors and design. The word "Florida" will appear at the top of the plate and "Save the Bees" will appear at the bottom of the plate.

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<sup>&</sup>lt;sup>57</sup> http://tampabayauburnclub.com/ (Last visited January 12, 2018).

http://tampabayauburnclub.com/scholarships/ (Last visited February 25, 2018)

<sup>&</sup>lt;sup>59</sup> The Florida Bright Futures Scholarship Program is created pursuant to s. 1009.531, F.S.

<sup>60</sup> https://www.donatelifeflorida.org/content/about/ (Last visited January 12, 2018).

<sup>61</sup> http://www.floridabeekeepers.org/ (Last visited January 12, 2018).

The annual use fees from the sale of the Florida State Beekeepers license plate are to be distributed to the Florida States Beekeepers Association, which may use up to 10 percent of the annual use fees for administrative, promotional, and marketing cost of the plate. The remainder of the funds must be used to fund outreach and education to raise awareness of the importance of beekeeping to Florida agriculture, and to fund honeybee research and husbandry. The association's board of managers must approve and is accountable for all such expenditures.

### Rotary License Plate

### **Current Situation**

Rotary is a global network of 1.2 million neighbors, friends, leaders, and problem-solvers who come together to make positive, lasting change in communities at home and abroad.<sup>62</sup>

Founded in 1990, the Community Foundation of Tampa Bay is dedicated to helping individuals in Hillsborough, Pinellas, Pasco, and Hernando counties. The Foundation functions as a partnership between donors, nonprofits, community and business leaders, professional advisors, volunteers, and the residents of its four-county region.<sup>63</sup>

# Proposed Changes

The bill creates the Rotary license plate with an annual use fee of \$25. The license plate must contain DHSMV approved colors and design. The word "Florida" will be displayed the top of the plate and "Rotary" at the bottom of the plate. The license plate will also bear the Rotary International wheel emblem.

The annual use fees from the sale of the Rotary license plate are distributed to the Community Foundation of Tampa Bay, Inc., to be distributed as follows:

- Up to 10 percent for administrative costs and for marketing the plate;
- Ten percent to Rotary's Camp Florida for direct support to all programs and services provided to special needs children who attend the camp; and
- The remainder is distributed, proportionally based on sales, to each Rotary district in the state to support Rotary youth programs in Florida.

## Beat Childhood Cancer License Plate

### Current Situation

Neuroblastoma (nb) is a cancer that affects children. It is among the most common childhood tumors, and typically affects children under five years old. It is not usually diagnosed until the tumor grows and presents symptoms. The majority of childhood neuroblastoma cases are aggressive, showing survival rates of less than 60 percent with standard chemotherapy, and a 50 percent relapse rate. Once relapsed, there is currently no curative treatment, and for those under five years old, the survival rate is less than 10 percent. The mission of Beat Nb is to drive neuroblastoma cancer research and to raise awareness of the disease. The Beat Nb Cancer Foundation, Inc., is an active corporation with the Department of State.

### Proposed Changes

The bill creates the Beat Childhood Cancer specialty license plate with a fee of \$25. The license plate must bear DHSMV approved colors and design. The word "Florida" will appear at the top of the plate and "Beat Childhood Cancer" will appear at the bottom of the plate.

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<sup>62</sup> https://www.rotary.org/en/about-rotary (Last visited January 12, 2018).

<sup>63</sup> https://www.cftampabay.org/about-2/ (Last visited January 12, 2018).

<sup>&</sup>lt;sup>64</sup> https://beatnb.org/neuroblastoma/ (Last visited January 12, 2018).

<sup>65</sup> https://beatnb.org/about-us/ (Last visited January 12, 2018).

The annual use fees from the Beat Childhood Cancer license plate are to be distributed to Beat Nb, Inc., which may use a maximum of 10 percent of the proceeds for administrative costs directly associated with the operation of the corporation and for marketing and promoting the specialty license plate. The remaining proceeds are to be used by the corporation to fund pediatric cancer treatment and research.

# Florida Bay Forever License Plate

### **Current Situation**

The Florida National Parks Association, Inc. is the official not for profit entity of Everglades National Park, Biscayne National Park, Dry Tortugas National Park, and Big Cypress National Preserve. The purpose of the Florida National Parks Association, Inc., is to generate additional revenues to help supplement the park service's budget as well as support educational, interpretive, and historical and scientific research. The FNPA also operates the book stores within the Parks to help generate revenues as well as providing a visitor information services function on behalf of the National Park Service. <sup>66</sup>

## Proposed Changes

The bill directs DHSMV to develop a Florida Bay Forever license plate. The plate must bear DHSMV approved colors and design. The word "Florida" must appear at the top of the plate and "Florida Bay Forever" must appear at the bottom of the plate.

The annual use fees from the sale of the Florida Bay Forever license plate are distributed to the Florida National Parks Association, Inc., which may use up to 10 percent of the funds for administrative costs and marketing the plate. The remainder of the funds must be used to supplement the Everglades National Park's budget and to support educational, interpretive, historical, and scientific research relating to the Everglades National Park.

# Bonefish and Tarpon Trust License Plate

### Current Situation

The Bonefish and Tarpon Trust's mission is to conserve and restore bonefish and tarpon fisheries and habitats through research, stewardship, education, and advocacy.<sup>67</sup>

### Proposed Changes

The bill directs DHSMV to develop a Bonefish and Tarpon Trust license plate with an annual use fee of \$25. The plate must bear DHSMV approved colors and designs. The word "Florida appears at the top of the plate, and "Bonefish and Tarpon Trust" appears at the bottom of the plate.

The annual use fees from the sale of the Bonefish and Tarpon Trust license plate are distributed to the Bonefish and Tarpon Trust, which may use up to 10 percent of the proceeds to promote and market the license plate. The remainder of the proceeds must be used to conserve and enhance Florida bonefish and tarpon fisheries and their respective environments through stewardship, research, education, and advocacy.

### Medical Professionals Who Care License Plate

### **Current Situation**

Based in Gainesville, Florida Benevolent Group, Inc., assists students in obtaining a medical education through a college or certificate program. The organization's desire is to offer assistance to individuals struggling to make it into school or to stay in school.<sup>68</sup>

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<sup>&</sup>lt;sup>66</sup> Proposal for Florida Bay Forever Specialty License Plate. (Copy on file with Transportation & Infrastructure Subcommittee).

<sup>&</sup>lt;sup>67</sup> https://www.bonefishtarpontrust.org/btt-mission (Last visited January 11, 2018).

<sup>68</sup> https://www.floridabenevolentgroup.org/ (Last visited February 20, 2018).

## **Proposed Changes**

The bill creates a Medical Professionals Who Care specialty license plate with an annual use fee of \$25. The plate must bear DHSMV approved colors and design. The word "Florida" appears at the top of the plate and "Medical Professionals Who Care" appears at the bottom of the plate.

The annual use fees from the sale of the Medical Professionals Who Care license plate are distributed to Florida Benevolent Group, Inc., which may use up to 10 percent of the fees for administrative costs, marketing, and promoting the license plate. The remainder of the fees are used by Florida Benevolent Group, Inc., to assist low-income individuals in obtaining a medical education and career through scholarships, support, and guidance.

# University of Georgia License Plate

#### Current Situation

Founded in 1946 as the Georgia Alumni Association of Jacksonville, the Georgia Bulldog Club of Jacksonville is America's largest bulldog club.<sup>69</sup> In 1988, the club established the Vince Dooley Scholarship Fund to award scholarships to attend the University of Georgia for students from Duval, Nassau, St. Johns, Clay, or Baker Counties based on academic and economic need.<sup>70</sup>

## Proposed Change

The bill creates a University of Georgia specialty license plate with an annual use fee of \$50. The plate must bear DHSMV approved colors and design. The word "Florida" appears at the top of the plate and "University of Georgia" appears at the bottom of the plate.

The annual use fees from the University of Georgia specialty license plate are distributed to the Georgia Bulldog Club of Jacksonville, which must distribute the moneys received for the purpose of awarding scholarships to Florida residents attending the University of Georgia. Students receiving the scholarship must be eligible for the Florida Bright Futures Scholarship Program and use the scholarship funds for tuition and other expenses related to attending the University of Georgia.

### Highwaymen License Plate

### Current Situation

From the early 1950s through the 1980s, a group of 26 African-American artists known as the "Florida Highwaymen" used vivid and bright colors to display the beautiful untouched Florida landscape. They painted from their garages and backyards on inexpensive Upson board and, on the weekends, traveled and sold their Highwaymen paintings to hotels, offices, businesses, and individuals who appreciated the artwork for approximately \$25 apiece. Currently, the market for an original work of art by a Florida Highwayman can bring \$5,000 or more. Some of the Highwaymen who are still living have resumed painting to meet the continuing demand for their work.<sup>71</sup>

In 1984, the Florida Legislature authorized school districts to create local education foundations to raise private funds for programs to support students, teachers, and public schools in their respective districts. In 1990, the St. Lucie County Education Foundation was organized as a direct-support organization of the St. Lucie County School Board. The St. Lucie County Education Foundation is a non-profit organization that advances K-12 public education in St. Lucie County by increasing the capacity and resources of the district in partnership with key stakeholders.<sup>72</sup>

<sup>&</sup>lt;sup>69</sup> https://jaxbulldogs.com/ (Last visited February 20, 2018)

https://jaxbulldogs.com/scholarship-fund/ (Last visited February 20, 2018).

<sup>&</sup>lt;sup>71</sup> Florida Highwaymen, available at http://www.floridahighwaymenpaintings.com/ (last visited January 5, 2018).

<sup>&</sup>lt;sup>72</sup> Education Foundation, *About Us*, available at https://www.educationfoundationstlucie.org/p/3/about-us#.WjFxDGhSyUk (last visited January 5, 2018).

## Proposed Changes

The bill creates a Highwaymen specialty license plate with an annual use fee of \$25. The plate must bear DHSMV approved colors and design. The word "Florida" appears at the top of the plate and "Highwaymen" appears at the bottom of the plate.

The annual use fees from the Highwaymen specialty license plate are distributed to the City of Fort Pierce, subject to a city resolution designating the city as the license plate's fiscal agent. The city may use up to 10 percent of the fees for administrative costs and marketing the license plate and must use the remainder of the fees as follows:

- Before completion of construction of the Highwaymen Museum and African-American Cultural Center, the city must distribute at least 15 percent of the proceeds to the St. Lucie Education Foundation, Inc., to fund art education and art projects in public schools within St. Lucie County. The remainder of the fees must be used by the city to fund the construction of the Highwaymen Museum and African-American Cultural Center.
- Upon completion of construction of the Highwaymen Museum and African American Cultural Center, the city must distribute at least 10 percent to the St. Lucie Education Foundation, Inc., to fund area education and art projects within St. Lucie County. The remainder of the fees must be used by the city to fund the day-to-day operations of the Highwaymen Museum and African-American Cultural Center.

## **Ducks Unlimited License Plate**

### Current Situation

Ducks Unlimited is a waterfowl and wetlands conservation organization founded in 1937. The mission of Ducks Unlimited is habitat conservation.<sup>73</sup> Since 1985, Ducks Unlimited has worked to conserve more than 26,000 acres of Florida wetlands.<sup>74</sup>

## Proposed Changes

The bill creates a Ducks Unlimited license plate, with an annual use fee of \$25, bearing DHSMV approved colors and design. The word "Florida" appears at the top of the plate and "Conserving Florida Wetlands" appears at the bottom of the plate.

The annual use fee is distributed to Ducks Unlimited, Inc., to be used as follows:

- Up to 5 percent may be used for administrative costs and marketing of the plate.
- A minimum of 95 percent must be used in Florida to support Ducks Unlimited's mission and efforts to conserve, restore, and manage Florida wetlands and associated habitats for the benefit of waterfowl, other wildlife, and people.

# Dan Marino Campus License Plate

### Current Situation

Based in Fort Lauderdale, The Dan Marino Foundation, Inc., is a nonprofit organization dedicated to improving the lives of persons with autism or other developmental disabilities.<sup>75</sup>

## **Proposed Changes**

The bill creates a Dan Marino Campus license plate, with an annual use fee of \$25, bearing DHSMV approved colors and design. The word "Florida" appears at the top of the plate and "Marino Campus" appears at the bottom of the plate.

The annual use fees from the sale of the Dan Marino Campus license plate are distributed to the Dan Marino Foundation, Inc., which may use up to 10 percent of the fees for administrative costs and

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<sup>73</sup> Ducks Unlimited, About Ducks Unlimited, http://www.ducks.org/about-du?poe=hometxt (last visited December 11, 2017).

<sup>&</sup>lt;sup>74</sup> http://www.ducks.org/florida/florida-conservation-projects (Last visited December 11, 2017).

<sup>&</sup>lt;sup>75</sup> Dan Marino Foundation Website. https://danmarinofoundation.org/ (Last visited December 11, 2017).

marketing the plate. The remainder of the fees are to be used by the Dan Marino Foundation, Inc., to assist Floridians with developmental disabilities in becoming employed, independent, and productive; to promote awareness of such services; and to promote and fund education scholarships related to such services.

#### **Audits and Attestations**

### **Current Situation**

All organizations receiving annual use fee proceeds from DHSMV are responsible for ensuring that proceeds are used in accordance with state law. 76 Any organization not subject to audit pursuant to the Florida Single Audit Act<sup>77</sup>must annually attest, under penalties of perjury, that such proceeds were used in compliance with applicable state laws.<sup>78</sup>

Any organization subject to audit pursuant to the Florida Single Audit Act must submit an audit report in accordance with the Auditor General's rules. The annual attestation must be submitted to DHSMV for review within nine months after the end of the organization's fiscal year.<sup>79</sup>

Within 120 days after receiving an organization's audit or attestation. DHSMV must determine which recipients of revenues from specialty license plate annual use fees have not complied with the appropriate statutory provisions. In determining compliance, DHSMV may commission an independent actuarial consultant, or an independent certified public accountant, who has expertise in nonprofit and charitable organizations.80

DHSMV must discontinue the distribution of revenues to any organization failing to submit the required documentation, but may resume distribution of the revenues upon receipt of the required information.<sup>81</sup>

If DHSMV or its designee determines that an organization has not complied with or has failed to use the revenues in accordance with applicable law, DHSMV must discontinue the distribution of the revenues to the organization. DHSMV must notify the organization of its findings and direct the organization to make the changes necessary in order to comply. If the officers of the organization sign an affidavit under penalties of perjury stating they acknowledge the findings of DHSMV and attest they have taken corrective action and that the organization will submit to a follow-up review by DHSMV, then the department may resume the distribution of revenues.<sup>82</sup>

If an organization fails to comply with DHSMV's recommendations and corrective actions as outlined above, the revenue distributions must be discontinued until completion of the next regular session of the Legislature. DHSMV must notify the President of the Senate and the Speaker of the House of Representatives by the first day of the next regular session of any organization whose revenues have been withheld. If the Legislature does not provide direction to the organization and DHSMV regarding the status of the undistributed revenues, DHSMV must deauthorize the plate and the undistributed revenues are immediately deposited into the Highway Safety Operating Trust Fund. 83

DHSMV or its designee has the authority to examine all records pertaining to the use of funds from the sale of specialty license plates.84

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<sup>&</sup>lt;sup>76</sup> Section 320.08062(1)(a), F.S.

<sup>&</sup>lt;sup>77</sup> Section 215.97, F.S.

<sup>&</sup>lt;sup>78</sup> Section 320.08062(1)(b), F.S.

<sup>&</sup>lt;sup>79</sup> Section 320.08062(1)(c), F.S.

<sup>80</sup> Section 320.08062(2)(a), F.S.

<sup>81</sup> Section 320.08062(2)(b), F.S.

<sup>82</sup> Section 320.08062(2)(c), F.S. 83 Section 320.08062(2)(d), F.S.

<sup>84</sup> Section 320.08062(3), F.S.

## **Proposed Changes**

The bill amends s. 320.08062(1)(b), F.S., requiring DHSMV to audit any specialty license plate revenue recipient every three years if the organization is not subject to the Florida Single Audit Act. The purpose of this audit is to ensure that specialty license plate proceeds have been used in compliance with Florida Statutes.

### **Preserve Vision**

## **Current Situation**

Preserve Vision Florida, formerly Prevent Blindness Florida, is a non-profit organization offering vision education and services to Florida's children and adults. Its focus is promoting a lifetime of healthy vision care through advocacy, education, screening and research. Its mission is to promote healthy vision through vision awareness and education, vision screening, assistance to receive medical eye care, and advocacy for vision and medical eye care health service. <sup>85</sup> In May 2016, the organization Prevent Blindness Florida changed its name to Preserve Vision Florida. <sup>86</sup>

Section 320.08068, F.S., creates a motorcycle specialty license plate with an annual use fee of \$20. The annual use fee is distributed to The Able Trust as custodial agent. After paying administrative costs, the Able Trust distributes 20 percent of the proceeds to Prevent Blindness Florida.<sup>87</sup>

## **Proposed Changes**

The bill amends s. 320.08068(4)(b), F.S., changing the statutory reference from "Prevent Blindness Florida" to "Preserve Vision Florida" to reflect the change in the organization's name.

## Special License Plates for Governor and Federal and State Legislators

# **Current Situation**

Section 320.0807, F.S., provides for special license plates for the Governor and federal and state legislators. Section 320.0807(5), F.S., provides that upon application by any current or former President of the Senate or current or former Speaker of the House of Representatives, and payment of the appropriate fees, <sup>88</sup> DHSMV may issue a license plate stamped "Senate President" or "House Speaker" followed by the number assigned by DHSMV or chosen by the applicant if it is not already in use.

Section 320.0807(6), F.S., provides that upon application by any former member of Congress or former member of the state Legislature, payment of the appropriate registration fees plus a one-time fee of \$500, DHSMV may issue a former member of Congress, state senator, or state representative a license plate stamped "Retired Congress," "Retired Senate," or "Retired House," as appropriate, for a vehicle owned by the former member. To qualify for a Retired Congress, Retired Senate, or Retired House prestige license plate, a former member must have served at least four years as a member of Congress, state senator, or state representative. Four hundred fifty dollars of the one-time \$500 fee collected is distributed to the Florida Historic Capitol's direct-support organization by any former member of Congress, state senator, or state representative. Four hundred fifty dollars of the one-time \$500 fee collected is distributed to the Florida Historic Capitol's direct-support organization by any former member of Congress, state senator, or state representative. Four hundred fifty dollars of the one-time \$500 fee collected is distributed to the Florida Historic Capitol's direct-support organization.

## **Proposed Changes**

The bill repeals ss. 320.0807(5) and (6), F.S., repealing the authorization for "Senate President" or "House Speaker" special license plate and special license plates for former members of Congress, former State Senators, and former State Representatives.

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<sup>85</sup> http://pvfla.org/about-us/ (Last visited January 13, 2018).

<sup>&</sup>lt;sup>86</sup> Department of State, Division of Corporations – Sunbiz.org, *Preserve Vision Florida, Inc.* (May 4, 2016), http://search.sunbiz.org/Inquiry/CorporationSearch/ConvertTiffToPDF?storagePath=COR%5C2016%5C0509%5C84865905.Tif&doc umentNumber=706503 (last visited January 23, 2018).

<sup>&</sup>lt;sup>87</sup> Section 320.08068(4), F.S.

<sup>&</sup>lt;sup>88</sup> The fees are prescribed in s. 320.0805, F.S.,

<sup>&</sup>lt;sup>89</sup> The Florida Historic Capitol direct support organization is established pursuant to s. 272.136, F.S.

## **Purple Heart Motorcycle Special License Plate**

# **Current Situation**

There are currently 21 special use license plates for motor vehicles authorized in s. 320.089, F.S. These special license plates are available to military service members or veterans for various types of service. There are currently no special license plates authorized for motorcycles.

The Purple Heart is awarded to members of the U.S. Armed Forces who are wounded by an instrument of war in the hands of the enemy and posthumously to the next of kin in the name of those who are killed in action or die of wounds received in action.<sup>90</sup>

# **Proposed Changes**

The bill creates s. 320.0875, F.S., creating the Purple Heart motorcycle special license plate. Upon application to DHSMV and payment of the motorcycle license tax,<sup>91</sup> a resident who owns or leases a motorcycle that is not used for-hire or commercial use is to be issued a Purple Heart motorcycle license plate if he or she provides documentation acceptable to DHSMV that he or she is a recipient of the Purple Heart medal.

The Purple Heart motorcycle special license plate will be stamped with the term "Combat-wounded Veteran." The license plate may have the term "Purple Heart" stamped on the plate and the likeness of the Purple Heart Medal stamped on the license plate.

## **Bronze Star Special License Plate**

## **Current Situation**

Currently, s. 320.089, F.S., authorizes 21 special license plates available to military service members or veterans for certain types of military service. Examples of service include Veteran of the U.S. Armed Forces, World War II Veteran, and Woman Veteran. While anyone who pays the appropriate fees may purchase most specialty license plates, one must provide proof of eligibility to obtain a special license plate.

Special license plates are each stamped with words consistent with the type of special license plate issued. A likeness of the related campaign medal or badge appears on the plate followed by the license plate serial number.

Applicants for special license plates are required to pay the annual license tax<sup>92</sup> with the exception of certain disabled veterans who qualify for the Pearl Harbor, Purple Heart, or Prisoner of War plate, to whom such plates are issued at no cost.<sup>93</sup> The first \$100,000 of the revenue generated annually from the issuance of special use plates is deposited into the Grants and Donations Trust Fund under the Veterans' Nursing Homes of Florida Act.<sup>94</sup> Any additional revenue is deposited into the State Homes for Veterans Trust Fund and used to construct, operate, and maintain domiciliary and nursing homes for veterans.<sup>95</sup>

The Bronze Star Medal is awarded to any person who, after December 6, 1941, while serving in any capacity with the U.S. Armed Forces, distinguishes himself or herself by heroic or meritorious achievement or service not involving participation in aerial flight.<sup>96</sup>

<sup>&</sup>lt;sup>90</sup> http://www.purpleheart.org/HistoryOrder.aspx (Last visited January 28, 2018).

<sup>&</sup>lt;sup>91</sup> The license tax is provided in s. 320.08, F.S.,

<sup>&</sup>lt;sup>92</sup> The annual license tax is provided in s. 320.08, F.S.

<sup>&</sup>lt;sup>93</sup> Section 320.089(2)(a), F.S.

<sup>94</sup> Section 320.089(1)(b), F.S.

<sup>&</sup>lt;sup>95</sup> *Id*.

<sup>&</sup>lt;sup>96</sup> https://www.thebalance.com/bronze-star-medal-3344939 (Last visited January 12, 2018). **STORAGE NAME**: h1359e.GAC

## **Proposed Change**

The bill amends s. 320.089, F.S., authorizing DHSMV to create the Bronze Star special use license plate for recipients of the Bronze Star medal who provide proof of their qualification. The license plate will be stamped with the term "Bronze Star" and a likeness of the related campaign medal. Revenue generated from the sale of the Bronze Star special use license plate will be administered the same as the existing special use license plates, and deposited into the Grants and Donations Trust Fund and the State Homes for Veterans Trust Fund to support the State Veterans Homes Program.

## **Electronic Proof of Motor Vehicle Registration**

## **Current Situation**

Section 320.0605(1), F.S., requires a motor vehicle's registration certificate or an official copy of the registration certificate to be in the vehicle while the vehicle is being used or operated, in the possession of the motor vehicle operator, or carried in the vehicle for which issued and must be exhibited upon demand of any authorized law enforcement officer or any DHSMV agent. A violation is a noncriminal traffic infraction, punishable as a nonmoving violation as provided in Ch.318, F.S. <sup>97</sup>

Section 320.95, F.S., authorizes certain motor vehicle transactions by electronic or telephonic means. The statute authorizes DHSMV to accept an application for a motor vehicle license by electronic or telephonic means and authorizes DSHMV to collect electronic mail addresses and use electronic mail to provide renewal notices.

## **Proposed Changes**

The bill amends s. 320.0601(1), F.S., and creates s. 320.95(3), F.S., authorizing electronic proof of motor vehicle registration. Section 320.0601(1), F.S., is amended to provide for DHSMV-issued paper or authorized electronic registration certificate. The bill provides that the act of presenting to a law enforcement officer or DHSMV agent an electronic device displaying a DHSMV authorized electronic copy of the registration certificate does not constitute consent for the officer or agent to access any information on the device other than the displayed registration certificate. The person presenting the device to the officer or agent assumes the liability for any resulting damage to the device.

The bill creates s. 320.95(3), F.S., authorizing DHSMV to issue an electronic certificate of registration in addition to printing a paper registration certificate. A motor vehicle operator may present for inspection an electronic device displaying an electronic certificate of registration in lieu of a paper registration certificate. Such presentation does not constitute consent for inspecting any information on the device except for the displayed certificate of registration. The person presenting the device for inspection assumes responsibility for any resulting damage to the device.

### **B. SECTION DIRECTORY:**

Section 1 amends s. 320.06, F.S., relating to registration certificates, license plates, and validation stickers.

Section 2 amends s. 320.0605, F.S., relating to certificates of registration.

Section 3 amends s. 320.0657, F.S., relating to permanent registration for fleet license plates.

Section 4 amends s. 320.08, F.S., relating to license taxes.

Section 5 amends s. 320.08053, F.S., relating to the establishment of specialty license plates.

Section 6 amends s. 320.08056, F.S., relating to specialty license plates.

Section 7 amends s. 320.08056, F.S., relating to specialty license plates.

<sup>&</sup>lt;sup>97</sup> Chapter 318, F.S., relates to the disposition of traffic infractions. **STORAGE NAME**: h1359e.GAC

Section 8 amends s. 320.08058, F.S., relating to specialty license plates.

Section 9 amends s. 320.08062, F.S., relating to audits and attestations required; annual use fees of specialty license plates.

Section 10 amends s. 320.08068, F.S., relating to motorcycle specialty license plates.

Section 11 amends s. 320.0807, F.S., relating to special license plate of the Governor and federal and state legislators.

Section 12 creates s. 320.0875, F.S., creating the purple heart special motorcycle license plate.

Section 13 amends s. 320.089, F.S., relating to special license plates.

Section 14 amends s. 320.95, F.S., relating to transactions by electronic means.

Section 15 provides for the distribution of certain funds held by DHSMV.

Section 16 provides that except as otherwise expressly provided, the bill has an effective date of October 1, 2018.

### II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

### 1. Revenues:

Revenues from the sale of the Purple Heart Motorcycle plate and Bronze Star plate will be deposited into the Grants and Donations Trust Fund and the State Homes for Veterans Trust Fund within the Department of Veterans Affairs; to the extent that eligible individuals choose to purchase these plates, there may be an indeterminate, positive fiscal impact on the aforementioned trust funds.

## 2. Expenditures:

DHSMV will incur programming costs of \$117,548 associated with implementing the bill's provisions related to creation, discontinuation, and other related costs associated with special license plates and specialty license plates. <sup>98</sup> This cost can be absorbed within existing resources.

Additionally, DHSMV states the cost to perform an audit every three years of each specialty license plate may result in an insignificant workload impact that can be absorbed within existing resources.

#### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

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1.	Revenues:	

None.

## 2. Expenditures:

None.

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### C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Organizations receiving specialty license plate revenue may see additional revenues associated with the sale of specialty license plates.

# D. FISCAL COMMENTS:

Current law prohibits the redesign of a specialty license plate unless the inventory of the license plate has been depleted. However, the organization may purchase the remaining inventory of the specialty license plate from DHSMV at DHSMV's cost. 99 The University of Central Florida, Special Olympics Florida, and the Florida Lighthouse Association may be required to purchase the remaining inventory of its specialty license plate at DHSMV's cost prior to the authorized redesign of these license plates.

#### III. COMMENTS

### A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to affect county or municipal governments.

2. Other:

None.

### **B. RULE-MAKING AUTHORITY:**

None.

### C. DRAFTING ISSUES OR OTHER COMMENTS:

The bill repeals the authorization for certain Congressional and Legislative special license plates. However, the bill does not provide a provision for the current holders of those plates to keep their plate beyond the effective date of the bill. Therefore, persons holding those plates may be forced to replace the plates by October 1, 2018.

### IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On January 23, 2018, the Transportation & Infrastructure Subcommittee adopted a strike-all amendment and reported the bill favorably as a committee substitute. The strike-all amendment:

- Authorized fleet and dealer specialty license plates.
- Provided that a specific provision related to replacement license plates does not apply to vehicles registered under the International Registration Plan.
- Revised provisions regarding the order in which new specialty license plates are created.
- Revised provisions regarding notification that a specialty license plate may be discontinued.
- Removed the creation of the Florida Lineman specialty license plate.
- Made technical changes to other specialty license plates being created.
- Revised the period of time for audits of specialty license plate recipient organizations.
- Changed "Prevent Blindness" to "Preserve Vision" as a recipient organization of the motorcycle specialty license plate.
- Created a Purple Heart Motorcycle special license plate.

On February 6, 2018, the Transportation & Tourism Appropriations Subcommittee adopted one amendment and reported the bill favorably as a committee substitute. The amendment removed the section of the bill pertaining to license plate replacement fee exemptions for commercial motor vehicles.

<sup>99</sup> Section 320.08056(9), F.S. STORAGE NAME: h1359e.GAC

On February 26, 2018, the Government Accountability Committee adopted a strike-all amendment and reported the bill favorably as a committee substitute. The strike-all amendment:

- Authorized electronic motor vehicle registration certificates.
- Clarified provisions regarding the use of specialty license plate proceeds for lobbying.
- Provided requirements for out-of-state college or university specialty license plates.
- Revised provisions regarding the University of Central Florida collegiate license plate.
- Revised provisions relating to the Live the Dream, Lighthouse Association, and In God We Trust, license plates.
- Revised the distribution of funds for the newly created Auburn University specialty license plate.
- Created the following new specialty license plates: Medical Professionals Who Care, University of Georgia, Highwaymen, Ducks Unlimited, and Dan Marino Campus.
- Repealed certain special license plates for specified current and former elected officials.

This analysis is drafted to the committee substitute as reported favorably by the Government Accountability Committee.

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