

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: CS/SB 1500

INTRODUCER: Infrastructure and Security Committee and Senator Broxson

SUBJECT: Specialty License Plate Fees

DATE: March 2, 2020

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Proctor</u>	<u>Miller</u>	<u>IS</u>	Fav/CS
2.	<u>Wells</u>	<u>Hrdlicka</u>	<u>ATD</u>	Recommend: Favorable
3.	<u>Wells</u>	<u>Kynoch</u>	<u>AP</u>	Favorable

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 1500 establishes a uniform annual use fee of \$25 per plate for all specialty license plates created after July 1, 2020. This uniform fee is not applied to specialty license plates for motorcycles.

The bill also establishes an annual use fee of \$25 for the Blue Angels license plate.

The bill has an effective date of July 1, 2020.

II. Present Situation:

Specialty License Plates

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

¹ A list of Florida's specialty license plates is available on the Department of Highway Safety and Motor Vehicles' website at <http://www.flhsmv.gov/dmv/specialtytags/> (last visited January 25, 2020).

² Section 320.08056, F.S.

³ Section 320.08058, F.S.

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.⁴ 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.⁵

During the 2019 Legislative Session, a Blue Angels license plate was established. However, the development of the license plate was contingent upon the enactment of legislation creating an annual use fee under s. 320.08056, F.S., for the Blue Angels license plate.⁶

Department of Highway Safety and Motor Vehicles Costs Defrayed

The Department of Highway Safety and Motor Vehicles is authorized to retain a sufficient portion of annual use fees collected from the sale of 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.⁷

III. Effect of Proposed Changes:

The bill amends s. 320.08056, F.S., to establish a uniform annual use fee of \$25 per plate for any specialty license plate created after July 1, 2020. The bill does not impact the \$20 uniform fee for motorcycle specialty license plates that is established in s. 320.08068, F.S.

The bill also establishes an annual use fee of \$25 for the Blue Angels license plate.

The bill has an effective date of July 1, 2020.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

Article VII, s.19 of the Florida Constitution requires “a supermajority vote” of two-thirds of the membership of each house to pass legislation which will impose or authorize a new

⁴ Section 320.08056(10)(a), F.S.

⁵ Section 320.08062, F.S.

⁶ Chapter 2019-144, s. 3, Laws of Fla.

⁷ Section 320.08056(7), F.S.

state tax or fee.⁸ A “fee” is defined as “any charge or payment required by law, including any fee for service, fee or cost for licenses, and charge for service.”⁹ A state tax or fee imposed or authorized must be contained in a separate bill that contains no other subject.¹⁰

The \$25 annual use fee charged for a specialty license plate may be a new state fee subject to the constitutional requirements since it establishes a \$25 annual use fee for all specialty license plates created in statute after July 1, 2020, as well as for the Blue Angels license plate.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Those who wish to purchase a Blue Angels license plate will have to pay a \$25 annual use fee.

The Naval Aviation Museum Foundation may receive an indeterminate amount of revenue from the annual use fees from the sale of any Blue Angels license plate.

C. Government Sector Impact:

There may be an indeterminate, insignificant negative fiscal impact to the Department of Highway Safety and Motor Vehicles to establish the \$25 annual use fee for the Blue Angels license plate due to programming requirements.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 320.08056 of the Florida Statutes.

⁸ FLA. CONST. art. VII, s. 19(a).

⁹ FLA. CONST. art. VII, s. 19(d)(1).

¹⁰ FLA. CONST. art. VII, s. 19(e).

IX. Additional Information:

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

CS by Infrastructure and Security on January 21, 2020:

- Provides a \$25 annual use fee for the Blue Angels license plate; and
- Provides that the license plate annual use fee for a specialty license plate created or established after July 1, 2020, will be \$25.

- B. **Amendments:**

None.

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