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.)

The Professional			n Transportation	, Tourism, and Economic
CS/SB 676				
Transportatio	n Committee and Sen	ator Baxley and	others	
Special and S	pecialty License Plate	es		
April 7, 2021	REVISED:			
YST	STAFF DIRECTOR	REFERENCE		ACTION
	Vickers	TR	Fav/CS	
Wells Hrdlicka		ATD	Pre-meeting	5
		AP		
	CS/SB 676 Transportation Special and S	CS/SB 676 Transportation Committee and Sen Special and Specialty License Plate April 7, 2021 REVISED: YST STAFF DIRECTOR Vickers	Development CS/SB 676 Transportation Committee and Senator Baxley and Special and Specialty License Plates April 7, 2021 REVISED: YST STAFF DIRECTOR REFERENCE Vickers TR Hrdlicka ATD	CS/SB 676 Transportation Committee and Senator Baxley and others Special and Specialty License Plates April 7, 2021 REVISED: YST STAFF DIRECTOR REFERENCE Vickers TR Fav/CS Hrdlicka ATD Pre-meeting

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 676 creates 12 new specialty license plates: Florida State Parks; Support Healthcare Heroes; Inter Miami CF; Toastmasters; Gopher Tortoise; Orlando United; Biscayne Bay; Disease Prevention and Early Detection; Honor Flight; Ethical Ecotourism; Protect Marine Wildlife; and Margaritaville.

The bill also creates one new special military plate for recipients of the Army of Occupation Award, amends three existing specialty license plates (Florida Indian River Lagoon, Wildlife Foundation of Florida, and Divine Nine), and revises requirements for the issuance of certain special license plates.

According to the DHSMV, the bill will have a negative, but insignificant, fiscal impact associated with programming costs. These costs can be absorbed within existing resources.

The bill is effective October 1, 2021.

II. Present Situation:

Specialty License Plates

Presently, there are 121 specialty license plates available for purchase in Florida¹ and another 33 specialty license plates available for pre-sale.² 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 the required license taxes and service fees.³ 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.⁴

In order to establish a specialty license plate, s. 320.08053, F.S., requires the following actions within certain timelines after the plate is approved by law:

- Within 60 days, the organization must submit an art design for the plate, in a medium prescribed by the DHSMV;
- Within 120 days, the DHSMV must establish a method to issue pre-sale vouchers for the specialty license plate; and
- Within 24 months after the pre-sale vouchers are established, the organization must obtain a minimum of 3,000 voucher sales, or in the case of an out-of-state college or university license plate, 4,000 voucher sales, before manufacturing of the plate may begin.

If the minimum sales requirement has not been met by the end of the 24-month pre-sale period, then the DHSMV will discontinue the plate and issuance of pre-sale vouchers. 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 from the DHSMV.⁵

New specialty license plates that have been approved by law but are awaiting issuance will be issued in the order they appear in s. 320.08058, F.S., provided that they have met the presale requirement. If the next awaiting specialty license plate has not met the presale requirement, the department will proceed in the order provided in s. 320.08058, F.S., to identify the next qualified specialty license plate that has met the presale requirement.⁶

If the Legislature has approved 150 or more specialty license plates, then the DHSMV may not make any new specialty license plates available for design or issuance until a sufficient number of plates are discontinued so that the number of plates being issued does not exceed 150.⁷

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

⁵ Section 320.08053(2)(b), F.S.

¹ A list of Florida's specialty license plates is available on the DHSMV website (*Florida License Plates Brochure*) at <u>http://www.flhsmv.gov/dmv/specialtytags/</u> (last visited March 19, 2021).

² A list of Florida's pre-sale specialty license plates is available on the DHSMV website at <u>https://www.flhsmv.gov/motor-vehicles-tags-titles/personalized-specialty-license-plates/specialty-license-plates/pre-sale-data/</u> (last visited March 19, 2021).

³ Section 320.08056(3)(d), F.S., provides that except if specifically provided in s. 320.08056(4), the annual use fee for a specialty license plate is \$25.

⁴ See s. 320.08058, F.S.

⁶ Section 320.08053(3)(a), F.S.

⁷ Section 320.08053(3)(b), F.S.

United States Armed Forces and veterans-related specialty plates.⁸ 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.⁹

DHSMV Costs Defrayed

The DHSMV 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.¹⁰

Discontinuance of Specialty Plates

The DHSMV must discontinue the issuance of an approved specialty license plate if the number of valid 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 is below 1,000 plates. Collegiate plates for Florida universities are exempt from the minimum specialty license plate requirement.¹¹ In addition, the DHSMV is authorized to discontinue any specialty license plate 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.¹²

However, effective July 1, 2023, the requirement increases so that the DHSMV must discontinue the issuance of an approved specialty license plate if the number of valid registrations falls below 3,000 or in the case of an out-of-state college or university license plate, 4,000, for at least 12 consecutive months. The DHSMV must mail a warning letter to the sponsoring organization following the first month in which the total number of valid specialty plate registrations is below 3,000, or in the case of an out-of-state college or university license plate, 4,000. This does not apply to in-state collegiate license plates established under s. 320.08058(3), F.S., license plates of institutions in and entities of the State University System, specialty license plates that have statutory eligibility limitations for purchase, specialty license plates for which annual use fees are distributed by a foundation for student and teacher leadership programs and teacher recruitment and retention, or Florida professional sports team license plates established under s. 320.08058(9), F.S.¹³

Existing Specialty License Plates

Florida Indian River Lagoon Specialty License Plate

Section 320.08058(10), F.S., provides that the first \$5 million in revenues collected annually from the Florida Indian River Lagoon (IRL) license plate must be transferred to the St. Johns River Water Management District. The district must account for these funds separate from all other funds received and must distribute the funds to the applicants awarded funds.

⁸ Section 320.08056(10)(a), F.S.

⁹ Section 320.08062, F.S.

¹⁰ Section 320.08056(7), F.S.

¹¹ Section 320.08056(8)(a), F.S.

¹² Section 320.08056(8)(b), F.S.

¹³ Section 320.08056(8)(a), F.S.

The application for award of the Florida IRL license plate annual use fees is administered by the St. Johns River and South Florida Water Management Districts for IRL projects and in accordance with their contracting and purchasing policies and procedures, within the select restrictions on how the fees are to be used.¹⁴

Section 320.08058(10)(d), F.S., provides that it is the intent of the Legislature that revenues generated by the Florida IRL license plate annual use fees must not be used as replacement funds for Surface Water Improvement and Management Act funds, but must be used solely for the enhancement of the IRL area.

Fish & Wildlife Foundation of Florida Specialty License Plate

The Fish & Wildlife Foundation of Florida, Inc., a nonprofit 501(c)(3) organization, was formed on September 29, 1994, "to support the health and well-being of Florida's fish and wildlife resources and their habitats." The foundation is the citizen-support organization of the Florida Fish and Wildlife Conservation Commission and works with a variety of other public and private organizations to achieve science-based conservation, research, education, and outdoor recreation goals. The foundation awards grants that focus on "providing outdoor education and recreational opportunities for youth, combatting invasive species like lionfish, improving management of wildlife habitats and fisheries, protecting Florida's freshwater springs, and improving public access to hunting, fishing, and boating resources."¹⁵

Divine Nine Specialty License Plate

Section 320.08058(101), F.S., requires the annual use fees from the Divine Nine license plates to be distributed as follows:

- Five percent of the proceeds to the United Negro College Fund, Inc., for college scholarships for Florida residents attending Florida's historically black colleges and universities.
- The remaining 95 percent of the proceeds to one of the participating fraternities or sororities as selected by the purchaser of the plate. Each of those organizations may use 10 percent for marketing the plate.

Because each of the nine fraternities and sororities under the Divine Nine license plate has its own official plate, the total sales of all the license plates created under s. 320.08058(101), F.S., is combined for the purpose of meeting the minimum license plate sales threshold and for determining the license plate limits.

Military Service Special License Plates

Currently, s. 320.089, F.S., authorizes 23 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, a person must provide proof of eligibility to obtain a military special license plate.

¹⁴ Section 320.08058(10)(c), F.S.

¹⁵ Fish & Wildlife Foundation of Florida, *About Us*, <u>https://wildlifeflorida.org/our-mission/</u> (last visited April 1, 2021). *See also* s. 379.223, F.S.

Military 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 tax¹⁶ 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.¹⁷ 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. Any additional revenue is deposited into the Operations and Maintenance Trust Fund and used to construct, operate, and maintain domiciliary and nursing homes for veterans.¹⁸

Army of Occupation Medal

The Army Occupation Medal was established in 1946 to recognize servicemembers who had performed occupation service after World War II. The medal was awarded for 30 days of consecutive service while the servicemember was assigned to Germany, Austria, Italy, Japan, and Korea during specific periods of time during 1945 to 1990.¹⁹ "Because of the legal status of West Berlin, as an occupied territory until the unification of Germany, the Army of Occupation Medal was issued for forty-five years making it one of the longest active military awards of both the Second World War and the Cold War."²⁰ The medal was designed by Mr. Thomas Hudson Jones and was originally intended only for members of the United States Army. When the United States Air Force was created, the use of the medal was expanded in 1948 to include those members as well. The first medal was presented to General Eisenhower on April 2, 1947. The ribbon design uses the color black to represent Germany and the color red to represent Japan. There is also a related Navy Occupation Service Medal for servicemembers of the United States Navy and Marines.²¹

Emergency Medical Services Trust Fund

Funds deposited into the Emergency Medical Services Trust Fund must be used solely to improve and expand prehospital emergency medical services in the state. The Department of Health (DOH) must annually dispense funds contained in the Emergency Medical Services Trust Fund as follows:

¹⁶ The annual license tax is provided in s. 320.08, F.S.

¹⁷ Section 320.089(2)(a), F.S.

¹⁸ Section 320.089(1)(c), F.S.

¹⁹ United States Army Veteran Medals, U.S. Army Service, Campaign Medals and Foreign Awards Information, https://veteranmedals.army.mil/awardg&d.nsf/374fbd6468877ab385256b6600590a90/48884fdf2638ab8185256b660066c86a !OpenDocument (last visited April 2, 2021).

²⁰ Military Wiki, Army of Occupation Medal, <u>https://military.wikia.org/wiki/Army_of_Occupation_Medal</u> (last visited April 2, 2021)

²¹ *Ibid* and *supra* note 20.

- Forty-five percent of funds must be divided among the counties according to the proportion of the combined amount deposited in the trust fund from the county.²² These funds may not be used to match grant funds identified below. An individual board of county commissioners may distribute these funds to emergency medical services organizations and youth athletic organizations within the county, as it deems appropriate;
- Forty percent of funds must be used by the DOH for making matching grants to local agencies, municipalities, emergency medical services organizations, and youth athletic organizations for the purpose of conducting research, increasing existing levels of emergency medical services, evaluation, community education, injury-prevention programs, and training in cardiopulmonary resuscitation and other lifesaving and first aid techniques; and
- Fifteen percent of funds must be used by the DOH for capital equipment outlay, personnel, community education, evaluation, and other costs associated with the administration of ch. 401, F.S. (Medical Telecommunications and Transportation). Any funds not annually used for this purpose must be used for making additional rural grant funds available.²³

Community Organizations

Florida State Parks Foundation, Inc.

The Florida State Parks Foundation, Inc., founded in 1993, supports the Florida State Park system through programs that preserve and protect state parks, educate visitors about the value of state parks, encourage community engagement and active use of state parks, and provide financial support to supplement state funding. The foundation is a nonprofit Florida corporation organized under s. 501(3)(c) of the Internal Revenue Code.²⁴

Inter Miami CF

The Inter Miami CF Foundation Corporation²⁵ is an organization which uses "the game of soccer as a catalyst for positive change in the South Florida community." It focuses on education, inclusion, and wellness for kids and young adults in underserved communities. The Inter Miami CF Foundation Corporation uses the soccer club's reach, expertise, and resources to strategically plan and execute sports-based development and direct-service community programs, initiatives, and events.²⁶

Toastmasters International

Toastmasters began as a series of speaking clubs organized by Ralph C. Smedley while he was working for the YMCA. Mr. Smedley was director of education at the YMCA and he saw a need

²² Funds for the trust fund come from a \$5 fine from crashes involving damage to a vehicle or other property and reckless driving incidents, portions of civil penalty fines for traffic infractions imposed by county courts, and a \$25 fine for driving or boating under the influence.

²³ Section 401.113, F.S.

 ²⁴ Florida State Parks Foundation, *Mission*, <u>https://floridastateparksfoundation.org/About-Us1</u> (last visited April 2, 2021).
 ²⁵ Department of State, Sunbiz.org, Detail by Entity Name, *Inter Miami CF Foundation Corp.*, Document No.

P20000013003. Throughout this analysis, references to Department of State, Division of Corporations documents filed by entities can be found by searching at <u>http://search.sunbiz.org/Inquiry/CorporationSearch/ByName</u> (last visited April 4, 2021) by entity name or by document number.

²⁶ See Department of State, Sunbiz.org, Detail by Entity Name, *Inter Miami CF Foundation Corporation*, *Articles of Incorporation*. The corporation is registered with the state as a for profit corporation, but its articles state that it is a nonprofit, charitable organization. The filing with the state may be incorrect.

for the men in the community to learn how to speak, conduct meetings, plan programs, and work on committees. He decided to organize a club where they could learn these skills in a social environment. He named this group the Toastmasters Club, at the time "toastmaster" was a popular term to refer to a person who gave toasts at banquets and other occasions.²⁷ Since 1924, Toastmasters has helped people from diverse backgrounds become more confident speakers, communicators, and leaders.

"Toastmasters International is a nonprofit educational organization that teaches public speaking and leadership skills through a worldwide network of clubs." The membership of the organization is over 364,000 people in over 16,200 clubs in 145 countries.²⁸ Toastmasters International is not registered with the Florida Department of State Division of Corporations.

The Ralph C. Smedley Memorial Fund was established in 1965 to honor Mr. Smedley's legacy and to provide opportunities for future Toastmasters. Though initially the fund was intended for local impact, the international organization still maintains the fund's original purpose – to advance communication and leadership education through the research, development, and distribution of educational programs and materials.²⁹

Wildlands Conservation, Inc.

The Wildlands Conservation is a nonprofit organization founded in 2003³⁰ to specialize in conservation planning and policy, land management, land protection, research, education, and outreach. The Wildlands Conservation works on conservation projects throughout Florida. It strives to work with landowners and others around the state to maximize land conservation and minimize costly impacts.³¹ For example, the organizations offers gopher tortoise relocation in an attempt to save tortoises from sites permitted for development. The organization is committed to ensuring that gopher tortoise survey and relocation work is done thoroughly and as professionally as possible to protect gopher tortoises across the state.³²

Mental Health Association of Central Florida, Inc.

The Mental Health Association of Central Florida³³ has been serving the mental health needs of Orange, Osceola, Seminole, Brevard, and Lake counties since 1946. Their mission is to provide mental health services, support, and information to the Orlando and surrounding Central Florida community.³⁴

³⁴ Mental Health Association of Central Florida, *The Mission of The Mental Health Association of Central Florida*, <u>https://www.mhacf.org/</u> (last visited April 4, 2021).

²⁷ Toastmasters International, *History: The Toastmasters Journey*, <u>https://www.toastmasters.org/about/history</u> (last visited April 4, 2021).

²⁸ Toastmasters International, *All About Toastmasters*, <u>https://www.toastmasters.org/about/all-about-toastmasters</u> (last visited April 4, 2021).

²⁹ Toastmasters International, *Ralph C. Smedley Memorial Fund*, <u>https://www.toastmasters.org/about/smedley-fund</u> (last visited April 4, 2021).

³⁰ Department of State, Sunbiz.org, Detail by Entity Name, Wildlands Conservation, Inc., Document No. N03000002778.

³¹ Wildlands Conservation, <u>http://www.wildlandsconservation.org/</u> (last visited April 4, 2021).

³² Wildlands Conservation, *Gopher Tortoise Conservation*, <u>https://www.wildlandsconservation.org/gopher-tortoise-conservation/</u> (last visited April 4, 2021).

³³ Department of State, Sunbiz.org, Detail by Entity Name, *The Mental Health Association of Central Florida, Inc.*, Document No. 709672.

onePULSE Foundation, Inc.

The onePULSE Foundation³⁵ is a nonprofit organization established to create a sanctuary of hope following the tragic day of June 12, 2016. The foundation was created to honor the 117 victims and the first responders and healthcare professionals who treated them. The foundation is intended to support a memorial, a museum, educational programs, and endowed scholarships. All donations are used for the construction and operation of the National Pulse Memorial and Museum, educational programs, and 49 Legacy Scholarships.³⁶

Two Spirit Health Services, Inc.

Two Spirit Health Services³⁷ is a nonprofit organization established in 2011. It changed its name in 2019 to 26 Health, Inc.³⁸ The organization provides comprehensive physical and mental health services to individuals in the lesbian, gay, bisexual, and transgender community who live in and around the Central Florida area, regardless of their ability to pay. In part, it offers medical care, mental health care, adoption counseling, and other multidisciplinary services.³⁹

The Miami Foundation, Inc.

The Miami Foundation,⁴⁰ founded in 1967, seeks to encourage philanthropy and charitable giving in Miami by maintaining an endowment to meet current and future emerging charitable needs. It currently manages around \$350 million in assets. The organization work to make grants in broad program areas including education, health, human services, arts and culture, the environment, and community and economic development. The organization also mobilizes special initiatives to address the current needs of the community.⁴¹

SFC Charitable Foundation, Inc.

The SFC Charitable Foundation, Inc., was founded in 1994.⁴² The foundation, also known as Singing for Change, is a private foundation established in 1995 by Jimmy Buffett, as a way of saying thank you to the friends, fans, and concert-goers around the country who have loyally supported his music career.⁴³

Initially funded with contributions from Jimmy Buffett's 1995 summer tour, Singing for Change continues to receive one dollar from each concert ticket sold during his tours. Funds are used to provide grants to small, grassroots organizations located primarily in communities where concerts are held. Singing for Change has disbursed over \$11 million in grants in its over 25-year history.⁴⁴

³⁵ Department of State, Sunbiz.org, Detail by Entity Name, *onePULSE Foundation, Inc.*, Document No. N16000006750.

³⁶ OnePULSE Foundation, *About Us*, <u>https://onepulsefoundation.org/onepulse-foundation/</u> (last visited April 4, 2021).

³⁷ Department of State, Sunbiz.org, Detail by Entity Name, *Two Spirit Health Services, Inc.*, Document No. N11000003516.

³⁸ See id. at 10/22/2019 – Amendment and Name Change.

³⁹ 26 Health, <u>https://26health.org/</u> (last visited April 4, 2021).

⁴⁰ Department of State, Sunbiz.org, Detail by Entity Name, *The Miami Foundation, Inc.*, Document No. N50007.

⁴¹ See generally The Miami Foundation, <u>https://miamifoundation.org/</u> (last visited April 4, 2021).

⁴² Department of State, Sunbiz.org, Detail by Entity Name, SFC Charitable Foundation, Inc., Document No. N94000005329.

⁴³ Singing For Change, <u>https://www.singingforchange.org/</u> (last visited April 4, 2021).

⁴⁴ Id.

Protect Wild Dolphins Alliance, Inc.

Protect Wild Dolphins Alliance, Inc., also known as Protect Wild Dolphins,⁴⁵ supports and conducts research, scientific, and educational activities for the protection and preservation of marine mammals. Activities include rescue, rehabilitation, and release to the wild programs as well as a program for a safe haven for unwanted and/or surplus dolphins and other marine mammals. "Protect Wild Dolphins Alliance rescues and rehabilitates stranded marine mammals in order to advance science and education in marine wildlife health and conservation and believes in the humane treatment of all sick and injured marine animals." The organization seeks to advance the One Ocean One Health concept in order to protect ocean heritage.⁴⁶

The Women's Breast & Heart Initiative, Florida Affiliate, Inc.

The Women's Breast & Heart Initiative⁴⁷ was established in 2005 with a goal to provide at-risk women access to early detection and proper treatment for breast cancer by going door-to-door with outreach efforts. The organization operates a grassroots campaign of education and screening initiatives to encourage and support social responsibility, community organization, and the good health of women. The organization works to establish a network of dedicated and compassionate volunteers through strategic partnerships with local colleges and universities, health care partners, and professional entities.⁴⁸

Honor Flight

Honor Flight's mission is to transport America's veterans to Washington, D.C., to visit the memorials dedicated to honoring them. It is a national network of independent hubs working together to further this mission. The network currently serves veterans from World War II, the Korean War, and the Vietnam War, as well as terminally ill veterans who served during any era.⁴⁹ Florida's Honor Flight Network hubs are Collier-Lee, First Coast, Central Florida, West Central Florida, South Florida, Tallahassee, Southeast Florida, Southwest Florida, Space Coast, and the Villages.⁵⁰

Florida Society for Ethical Ecotourism

In 1998, the CREW Land and Water Trust and the Florida Department of Environmental Protection Rookery Bay National Estuarine Research Reserve received a grant from the Advisory Council of Environmental Education, within the Florida Game and Fresh Water Fish Commission, to provide an educational workshop for ecotour providers of Southwest Florida. As a result of the grant, a day-long Southwest Florida Eco/Heritage Tourism Workshop took place in downtown Ft. Myers in which 85 people participated.⁵¹

⁴⁵ Department of State, Sunbiz.org, Detail by Entity Name, *Protect Wild Dolphins Alliance, Inc.*, Document No. N94000001086; and Fictitious Name Detail, *Protect Wild Dolphins*, Registration No. G20000005363.

⁴⁶ Protect Wild Dolphins Alliance, <u>https://protectwilddolphinsalliance.com/index.html</u> (last visited April 4, 2021).

⁴⁷ Department of State, Sunbiz.org, Detail by Entity Name, *The Women's Breast & Heart Initiative, Florida Affiliate, Inc.*, Document No. N05000011278.

⁴⁸ The Women's Breast & Heart Initiative, About Us, <u>https://flbreasthealth.com/about-us/</u> (last visited April 4, 2021).

⁴⁹ Honor Flight Network, *About Us*, <u>https://www.honorflight.org/about-us.html</u> (last visited April 4, 2021).

⁵⁰ Honor Flight Network, *Regional Honor Flight Hubs*, <u>https://www.honorflight.org/regional-honor-flight-hubs.html#florida</u> (last visited April 4, 2021).

⁵¹ Florida Society for Ethical Ecotourism, *History of the "Florida Society for Ethical Ecotourism"*, <u>https://www.floridasee.com/docs/Florida%20SEE%20History.pdf</u> (last visited April 4, 2021).

Following the workshop, a group of volunteers from Southwest Florida communities met and formed the Society for Ethical Ecotourism in Southwest Florida. In 2011 they changed their name to the Florida Society for Ethical Ecotourism, Inc.⁵² The Florida Society for Ethical Ecotourism, Inc., is registered as an active nonprofit corporation with the DOS.⁵³

Paddle Florida, Inc.

Paddle Florida, Inc., is a nonprofit corporation⁵⁴ organized to support canoeing and kayaking in Florida. The organization supports multi-day paddling/camping trips in each of Florida's five water management districts, showcasing the state's natural beauty and rich cultural heritage while promoting water conservation, wildlife preservation, springs restoration, and waterways protection. Paddle Florida seeks to promote Florida as an international destination for nature-based tourism.⁵⁵

III. Effect of Proposed Changes:

Existing Specialty License Plates (Section 2)

Florida Indian River Lagoon Specialty License Plate

The Indian River Lagoon (IRL) was formally established as an Estuary of National Significance and joined the National Estuary Program in 1991 under the sponsorship of the St. Johns and South Florida Water Management Districts. The IRL National Estuary Program is part of a national network of 28 estuary programs established under the Federal Clean Water Act and administered nationally by the United States Environmental Protection Agency.⁵⁶

The IRL Council was established in February 2015 as a special district of Florida. The IRL Council includes representatives of five counties bordering the lagoon (Volusia, Brevard, St. Lucie, and Martin counties and the Indian River County Lagoon Coalition), the St. Johns River and South Florida Water Management Districts, and the Florida Department of Environmental Protection.⁵⁷

The bill amends s. 320.08058(10), F.S., to direct the distribution of the first \$5 million collected each year to the IRL Council, instead of the St. Johns River Water Management District. The bill provides that the Legislature intends for the license plate to provide a continuous source of funding in the area due to:

- The creation of the IRL Council and subsequent adoption of a comprehensive conservation and management plan in 2019 developed by the council and local, state, and federal partners;
- The St. Johns Water Management District continued support of competitive cost-share projects in counties administered by the council; and

⁵⁵ Paddle Florida, <u>http://www.paddleflorida.org/</u> (last visited April 4, 2021).

⁵² Id.

⁵³ Department of State, Sunbiz.org, Detail by Entity Name, *Florida Society for Ethical Ecotourism, Inc.*, Document No. N01000000235.

⁵⁴ Department of State, Sunbiz.org, Detail by Entity Name, *Paddle Florida, Inc.*, Document No. N11000000503.

⁵⁶ One Lagoon, *The Indian River Lagoon NEP*, <u>https://onelagoon.org/irlnep/</u> (last visited April 4, 2021).

⁵⁷ Id.

• The legislative support of the restoration efforts of the IRL National Estuary Program and its partners.

IRL Council is responsible for accounting for the transfer and distribution of proceeds from the sale of the plate. The bill directs the IRL Council to administer projects in Volusia, Brevard, and Indian River Counties from funds derived from the appropriate percentage of license plate revenues and for the South Florida Water Management District to administer projects in St. Lucie, Martin, and Palm Beach Counties. The expands the use of the funds to include monitoring projects.

Specific to counties, the bill provides that:

- In Volusia County, project implementation may occur in all estuarine waters extending north to and including the IRL National Estuary Program's Indian River Lagoon-Halifax River planning boundary amendments that include the Tomoka Basin.
- In Palm Beach County, second priority is amended to be given to projects within adjacent estuarine waters, *including* the Loxahatchee River and other tributaries to the Indian River Lagoon.

The bill provides that it is the intent of the Legislature that proceeds from the sale of the plate not be used as replacement funds for other available funding sources, not just funds from the Surface Water Improvement and Management Act. The proceeds of the plate must be used solely for the enhancement of the lagoon *and* tributaries in the IRL watershed, as defined by the IRL National Estuary Program project boundary defined in the IRL Comprehensive Conservation and Management Plan or as provided in the bill.

Wildlife Foundation of Florida Specialty License Plate

The bill amends s. 320.08058(46), F.S., to update the name of the Florida Fish and Wildlife Conservation Commission citizen support organization to the Fish & Wildlife Foundation of Florida, Inc. The bill expands the uses of the proceeds from the sale of the plate to be used to fund programs and projects that promote hunting and shooting sports. The bill allows the proceeds to be *encumbered* instead of *used* for the allowed activities. Unencumbered funds from one year may be carried over to the following year, but must be spent within 2 years of receipt or dedicated to a project within 2 years of receipt in the form of a contract, a grant award, or an approved plan by the governing board of the Fish & Wildlife Foundation of Florida, Inc.

Divine Nine Specialty License Plate

The mission of the Association to Preserve African American Society, History, and Tradition is to collect, preserve, and exhibit historical artifacts and information which illustrate the meaningful role African Americans have played in Florida more specifically in the Orlando area. The association operates the Wells' Built Museum and "is dedicated to collecting and exhibiting memorabilia which commemorate the achievements of African Americans educators, athletes, musicians, religious, civic, and cultural leaders."⁵⁸

⁵⁸ Department of State, Sunbiz.org, Detail by Entity Name, *The Association to Preserve African American Society, History and Tradition, Inc.*, Document No. N51255. GuideStar, *Association to Preserve African American Society, History and Tradition, Inc.*, <u>https://www.guidestar.org/profile/59-3205047</u> (last visited April 4, 2021).

The bill amends s. 320.08058(101), F.S., to repeal distributions to the various Divine Nine organizations and instead directs the distribution of 10 percent of the proceeds from sales of the plate to the Association to Preserve African-American Society, History, and Tradition, Inc., solely for the marketing of the plate.

The bill also limits eligibility for issuance of a Divine Nine license plate to a person who is a resident of Florida, the registered owner of a motor vehicle, and a member of the applicable organization. The person must also present proof of membership in the organization, which may be established by:

- A card distributed by the organization indicating the person's membership in the organization; or
- A written letter on the organization's letterhead which is signed by the organization's national president or his or her designated official and which states that the person was inducted into the organization.

Proof of membership in an eligible organization is required only for initial issuance of a Divine Nine license plate. A person need not present such proof for renewal of the license plate.

In addition, a Divine Nine license plate:

- May be personalized;
- Notwithstanding any other law to the contrary, may be displayed on a privately owned passenger motor vehicle, pickup truck, boat, or pleasure motor vehicle including, but not limited to, a recreational vehicle; and
- May not be transferred between vehicle owners.

New Specialty License Plates (Section 2)

Florida State Parks License Plate

The bill creates the Florida State Parks license plate. The license plate must bear the DHSMV-approved colors and design. The word "Florida" appears at the top of the plate and "Explore Our State Parks" appears at the bottom of the plate.

The annual use fees are distributed to the Florida State Parks Foundation, Inc., to be used as follows:

- Up to 10 percent for administrative costs and to market the plate.
- The remainder for preserving, protecting, sustaining, and growing Florida state parks.

Support Healthcare Heroes License Plate

The bill creates the Support Healthcare Heroes license plate. The license plate must bear the DHSMV-approved colors and design. The word "Florida" appears at the top of the plate and "Support Healthcare Heroes" appears at the bottom of the plate.

The annual use fees are distributed annually into the Emergency Medical Services Trust Fund within the Department of Health to provide financial support for prehospital medical services pursuant to s. 401.113, F.S.

Inter Miami CF License Plate

The bill creates the Florida Inter Miami CF license plate. The license plate must bear the DHSMV-approved colors and design. The word "Florida" appears at the top of the plate and "Inter Miami CF" appears at the bottom of the plate.

The annual use fees are distributed to the Inter Miami CF Foundation Corporation, a nonprofit corporation under s. 501(c)(3) of the Internal Revenue Code, to be used as follows:

- Up to 10 percent to promote and market the plate.
- The remainder to plan and execute sports-based development and direct-service community programs, initiatives, and events.

Currently, it appears that Florida Inter Miami CF is registered with the state as a for profit corporation, but its articles state that it is a nonprofit, charitable organization. The filing with the state may be incorrect.

Toastmasters License Plate

The bill creates the Florida Toastmasters International license plate. The license plate must bear the DHSMV-approved colors and design. The word "Florida" appears at the top of the plate and "www.Toastmasters.org" appears at the bottom of the plate.

The annual use fees are distributed to the Ralph C. Smedley Memorial Fund of Toastmasters International to be used as follows:

- Twenty-five percent to develop charitable and educational programs for the indigent, homeless, visually and hearing disabled, incarcerated, and youth populations that are unable to afford or to participate in established Toastmasters programs.
 - Up to 5 percent of this distribution for administrative costs.
- Seventy-five percent proportionally redistributed to the divisions of Districts 47, 48, 77, and 84 of Toastmasters International which reside in this state.
 - Up to 5 percent of this distribution to market the plate.
 - The remainder for educators, nonprofits, governmental organizations, scholarships, materials, and computers and other equipment for the purpose of implementing the charitable and educational programs for the indigent, homeless, visually and hearing disabled, incarcerated, and youth populations that are unable to afford or to participate in the established Toastmasters programs.

Gopher Tortoise License Plate

The bill creates the Florida Gopher Tortoise license plate. The license plate must bear the DHSMV-approved colors and design. The word "Florida" appears at the top of the plate and "Protect the Gopher Tortoise" appears at the bottom of the plate.

The annual use fees are distributed to the Wildlands Conservation, Inc., to fund gopher tortoise and commensal species research, education, and conservation, as well as upland habitat protection, restoration, and management in this state. Distributions must be used as follows:

- Up to 15 percent for administrative costs of the gopher tortoise protection program and to market the plate.
- The remainder to use and distribute to eligible Florida-based scientific, conservation, and educational organizations for gopher tortoise and upland habitat research, conservation, and management.

Orlando United License Plate

The bill creates the Florida Orlando United license plate. The license plate must bear the DHSMV-approved colors and design. The word "Florida" appears at the top of the plate and "Orlando United" appears at the bottom of the plate.

The bill directs the annual use fees to be distributed as follows:

- Five percent to the Mental Health Association of Central Florida, Inc., to market the plate.
- Thirty-one percent to the Mental Health Association of Central Florida, Inc.
 - Up to 5 percent of this distribution for administrative costs.
 - The remainder to offer free personalized counseling to any person affected by the shooting at the Pulse nightclub in Orlando on June 12, 2016.
- Two percent to onePULSE Foundation, Inc., to market the plate.
- Thirty-one percent to onePULSE Foundation, Inc.
 - Up to 5 percent of this distribution for administrative costs.
 - The remainder to support the construction and maintenance of the onePULSE Foundation Memorial.
- Thirty-one percent to Two Spirit Health Services, Inc.
 - Up to 5 percent of this distribution for administrative costs.
 - The remainder to offer free personalized counseling to any person affected by the shooting at the Pulse nightclub in Orlando on June 12, 2016.

Two Spirit Health Services, Inc., changed its name in 2019 to 26 Health, Inc.

Biscayne Bay License Plate

The bill creates the Florida Biscayne Bay license plate. The license plate must bear the DHSMV-approved colors and design. The word "Florida" appears at the top of the plate and "Protect Biscayne Bay" appears at the bottom of the plate.

The annual use fees are distributed to the Miami Foundation, Inc., to be used as follows:

- Up to 10 percent:
 - For direct reimbursement of administrative costs, startup costs, and costs incurred in the development approval process of the plate; all vendors associated with administrative costs must be selected by competitive bid; and
 - To promote and market the plate.
- The remainder to raise awareness and support the mission and efforts of conserving Biscayne Bay. The Miami Foundation Board of Trustees must approve and is accountable for all such expenditures.

Disease Prevention & Early Detection License Plate

The bill creates the Florida Disease Prevention & Early Detection license plate. The license plate must bear the DHSMV-approved colors and design. The word "Florida" appears at the top of the plate and "Disease Prevention & Early Detection" appears at the bottom of the plate.

The annual use fees are distributed to the Women's Breast & Heart Initiative, Florida Affiliate, Inc., to be used as follows:

- Up to 10 percent to promote and market the plate.
- The remainder to provide increased education and awareness relating to early detection, prevention, and screening of breast and heart issues.

Honor Flight License Plate

The bill creates the Florida Honor Flight license plate. The license plate must bear the DHSMV-approved colors and design. The word "Florida" appears at the top of the plate and "Honor Flight" appears at the bottom of the plate.

The annual use fees are distributed equally among the Honor Flight Network hubs in this state to be used as follows:

- Up to 10 percent to promote and market the plate.
- The remainder to further the Honor Flight Network's mission of transporting military veterans to Washington, D.C., in order to visit the memorials dedicated to honoring those who have served and sacrificed for the United States.

The bill also amends s. 320.08056(10)(a), F.S., (**Section 1**) to exclude the Honor Flight license plate from the restriction that all fees and any interest earned from the fees may be expended only for use in this state.

Ethical Ecotourism License Plate

The bill creates the Florida Ethical Ecotourism license plate. The license plate must bear the DHSMV-approved colors and design. The word "Florida" appears at the top of the plate and words approved by the DHSMV appear at the bottom of the plate.

The annual use fees are distributed equally between the Florida Society for Ethical Ecotourism and Paddle Florida, Inc., to be used as follows:

- Up to 10 percent for administrative costs and to market the plate.
- The remainder:
 - By Florida Society for Ethical Ecotourism to provide environmental education and awareness that encourage behaviors that contribute to the sustainability of Florida's natural ecosystems and resources; and
 - By Paddle Florida, Inc., to raise awareness about water conservation, wildlife preservation, restoration of springs, and protection of waterways in Florida.

Protect Marine Wildlife License Plate

The bill creates the Protect Marine Wildlife license plate. The license plate must bear the DHSMV-approved colors and design. The word "Florida" appears at the top of the plate and "Protect Marine Wildlife" appears at the bottom of the plate.

The DHSMV is authorized to retain all proceeds from the annual use fees until all startup costs for developing and issuing the plate have been recovered.⁵⁹

Thereafter the annual use fees are to be used as follows:

- Up to 10 percent for administrative costs and to promote and market the plate.
- The remainder to be used by the Protect Wild Dolphins Alliance, Inc., to fund its conservation, research, and educational programs that focus on the conservation of Florida's threatened and protected marine wildlife species.

Margaritaville License Plate

The bill creates the Margaritaville license plate. The license plate must bear the DHSMV-approved colors and design. The word "Florida" appears at the top of the plate and "Margaritaville" appears at the bottom of the plate.

The DHSMV is authorized to retain all proceeds from the annual use fees until all startup costs for developing and issuing the plate have been recovered.⁶⁰

Thereafter the annual use fees are to be used as follows:

- Up to 10 percent for administrative costs and to promote and market the plate.
- The remainder to be used by the SFC Charitable Foundation, Inc., to:
 - Provide grants to nonprofit organizations in communities impacted by natural or manmade disasters for purposes of recovery, rebuilding, and future sustainability; and
 - Promote and inspire local grassroots leaders who work to improve the quality of life in those impacted communities and other communities in this state.

Special License Plates (Section 3)

The bill amends s. 320.0807(5), F.S., to repeal the time limitation on applicants for a license plate stamped "Senate President" and "House Speaker." Currently, limits the plate to applicants that served as President of the Senate or Speaker of the House of Representatives prior to January 1, 2021.

⁵⁹ The DHSMV is already 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. *See* s. 320.08056(7), F.S.

⁶⁰ The DHSMV is already 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. *See* s. 320.08056(7), F.S.

Military Service Special License Plates (Section 4)

Army of Occupation Veterans License Plate

The bill amends s. 320.089, F.S., to create the Army of Occupation Veterans license plate. An owner or lessee of an automobile or truck for private use, a truck weighing not more than 7,999 pounds, or a recreational vehicle⁶¹ which is not used for hire or commercial use can apply to the DHSMV for such a plate. The applicant must be:

- A resident of Florida.
- A current or former member of the United States military who was permanently assigned to occupation forces in specific overseas locations during the Cold War between May 9, 1945, and October 2, 1990.

The applicant must also provide proof of active membership or former active duty status during the period at one of the locations and pay the license tax for the vehicle to be issued a plate. Proof that the applicant was awarded the Army of Occupation Medal will be sufficient to establish eligibility for the license plate.

The plate will be stamped with the words "Army of Occupation" and a likeness of the Army of Occupation Medal, followed by the registration license number of the plate.

The bill has an effective date of October 1, 2021.

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:

None.

E. Other Constitutional Issues:

None identified.

⁶¹ As provided for in s. 320.08(9)(c) or (d), F.S.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None. Section 320.08056(3)(d), F.S., currently provides that the annual use fee for a specialty license plate is \$25, except as otherwise provided.

B. Private Sector Impact:

Once the license plates goes into production, organizations authorized for a distribution from the proceeds of the sale of the license plate will benefit.

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 the DHSMV at the DHSMV's cost.⁶² Should any of the organizations associated with specialty license plates that have been amended desire to redesign their plates they may be required to purchase the remaining inventory of its specialty license plates at the DHSMV's cost prior to the authorized redesign of these specialty license plates.

C. Government Sector Impact:

Programming will be required initially to allow the DHSMV to accept vouchers, but the DHSMV may not finalize a design or issue the new license plate if the 150 cap is reached prior to the license plate selling 3,000 vouchers. The amount of programming is determined by the number of plates and the number of distributions per plate. One specialty license plate with a single distribution recipient will require between 200 to 250 hours of programming. Additional distributions will generally require an additional 5 to 10 hours per distribution.⁶³

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.⁶⁴

The first \$100,000 of the revenue generated annually from the issuance of special use plates under s. 320.089, F.S., (to now include the Army of Occupation Veterans license plate) is deposited into the Grants and Donations Trust Fund under the Veterans' Nursing Homes of Florida Act to be used by the home for the benefit of the home and its residents.⁶⁵ Any additional revenue is deposited into the Operations and Maintenance Trust Fund and used to construct, operate, and maintain domiciliary and nursing homes

⁶² Section 320.08056(9), F.S.

⁶³ DHSMV, 2021 Agency Legislative Bill Analysis SB 676, February 25, 2021 (on file with the Senate Committee on Transportation).

⁶⁴ Section 320.08056(7), F.S.

⁶⁵ Section 296.38(2), F.S., requires the home to use the funds in the Grants and Donations Trust Fund "for the common benefit of the residents of the home, such as recreational equipment, improved facilities, recreational supplies, and goods and services offered or available to all residents."

for veterans.⁶⁶ There may be indeterminate, positive fiscal impacts to these trust funds to the extent that eligible individuals choose to purchase these license plates.

Additionally, the DHSMV states the cost to perform an audit every 3 years of each specialty license plate may result in an insignificant workload impact that can be absorbed within existing resources.

VI. Technical Deficiencies:

One of the recipients of funds for purchases of the Orlando United plate changed its organization name in 2019. Two Spirit Health Services changed its name in 2019 to 26 Health, Inc. The sponsor may wish to update the bill to reflect the new name.

Both the Protect Marine Wildlife and Maragaritaville plates first allow the DHSMV to defray startup costs for the plates; however, current law already allows the DHSMV to take such action. Additionally, neither plate specifically directs distribution of the proceeds from the sale of the plates to the charitable organizations.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 320.08056, 320.08058, 320.0807, and 320.089.

IX. Additional Information:

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

CS by Transportation on March 16, 2021:

- Creates 12 new specialty license plates;
- Creates one new military plate for recipients of the Army of Occupation Award;
- Amends three existing specialty license plates; and
- Amends the requirements for the issuance of certain special license plates.

B. Amendments:

None.

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

⁶⁶ Section 320.089(1), F.S.