HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCS for HB 249 Specialty License Plates
SPONSOR(S): Commerce Committee
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Commerce Committee		Johnson	Hamon

SUMMARY ANALYSIS

Approximately 120 specialty license plates are available to any owner or lessee of a motor vehicle who is willing to pay the additional 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. Prior to production of a specialty license plate, the law requires the sale of at least 3,000 presale vouchers. The lowest selling plates are subject to discontinuance. The law also provides for a standard specialty license plate for independent colleges and universities located in Florida.

The PCS authorizes purchasers of presale vouchers to obtain a refund if the plate has met the presale requirement, but has not been issued. It also clarifies that DHSMV may not issue a new specialty license plate until a sufficient number are discontinued so that the number of available plate does not exceed 150. The PCS also provides that if an independent college or university elects to use the standard template license plate, DHSMV must discontinue its existing license plate.

The PCS also creates the Florida State Parks, Honor Flight, Biscayne Bay, Disease Prevention & Early Detection, and Protect Marine Wildlife specialty license plates, each with an annual use fee of $25. Each plate must bear DHSMV approved colors and designs with “Florida” appearing at the top of the plate and the plate-related slogan appearing at the bottom of the plate. The annual use fees are distributed as provided in the provisions related to each specialty license plate.

The PCS will have a negative, but insignificant, fiscal impact to state expenditures associated with DHSMV’s programming costs associated with the creation of the specialty license plates. These costs can be absorbed within existing resources.

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

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

The first Florida specialty license plates were enacted in 1986 and included the creation of the Challenger plate and ten Florida collegiate plates. Today, there are approximately 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.[1] Current law provides that if the Legislature[2] has approved 150 or more specialty license plates, the Department of Highway Safety and Motor Vehicles (DHMSV) may not make any new specialty license plate available for design or issuance until a sufficient number of plates are discontinued[3] so that the number of plates being issued does not exceed 150.[4]

Establishment of Specialty License Plates

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 the plate becomes a law.[5]

Within 120 days after the act approving the specialty license plate becomes law, DHSMV must establish a method to issue a voucher allowing for the presale of the plate. A $5 processing fee,[6] a service charge and branch fee,[7] and an 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.[8]

Within 24 months after establishing a presale specialty license plate voucher, the approved specialty license plate organization must record with DHSMV a minimum of 3,000 voucher sales[9] before the license plate may be manufactured. If, at the conclusion of the 24-month presale period, the minimum sales requirement is not met, the specialty license plate is deauthorized and DHSMV discontinues the plate's development and the issuance of the presale vouchers. Upon deauthorization of the specialty license plate, a purchaser of the specialty license plate voucher may use the annual use fee collected as a credit towards any other specialty license plate or apply to DHSMV for a refund.[10]

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.,[11] if all statutory requirements, including the presale requirement, have been met. If the next awaiting specialty license plate has not met its presale requirement, DHSMV proceeds in the order provided in s. 320.08058, 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.[12]

If the Legislature has approved 150 or more specialty license plates, DHSMV may not make any new specialty license plates available for design or issuance until a sufficient number of plates are discontinued[13] so that the number of plates being issued is fewer than 150. The 150-license-plate limit

[1] 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.
[2] Creation of a specialty license plate requires an act of the Legislature.
[3] Specialty license plates are discontinued pursuant to s. 320.08056(8), F.S.
[4] S. 320.08053(3)(b), F.S.
[5] S. 320.08053(1), F.S.
[6] The processing fee is prescribed in s. 320.08056, F.S.
[7] Service charges and branch fees are prescribed in s. 320.04, F.S.
[8] S. 320.08053(2)(a), F.S.
[9] In the case of out-of-state college or university license plate, the license plate must register 4,000 voucher sales.
[10] S. 320.08053(2)(b), F.S.
[11] S. 320.08058, F.S., creates each specialty license plate.
[12] S. 320.08053(3)(a), F.S.
[13] Specialty license plates will be discontinued pursuant to s. 320.08056(8), F.S.

applies to all specialty license plates, including those above the minimum sales threshold and those exempt from the minimum sales threshold.[14]

Specialty License Plates, Generally

DHSMV is responsible for developing authorized specialty license plates.[15] DHSMV must 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, or a truck tractor, upon request and payment of the appropriate license tax and fees.[16] Specific specialty license plates are authorized for dealer and fleet vehicles.[17] A specialty license plate for motorcycles is addressed separately in s. 320.08068, F.S.

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

Independent Colleges and University Standard License Plate

In 2020, the Legislature required DHSMV, in cooperation with Florida's independent colleges and universities, to create a standard template specialty license plate with a unique logo or graphic identifying each independent college or university. Each independent college or university may elect to use this standard template specialty license plate in lieu of its own specialty license plate. Annual use fees from the sale of these license plates are distributed to the independent college or university for which the logo or graphic is displayed and must be used in the same manner as the fees for other collegiate license plates.[23] Independent colleges and universities opting to use the standard template specialty license plate will have their plate sales combined for purposes of meeting the 3,000 plate minimum sales threshold and determining the 150 plate limit. Standard independent college and university license plates must be ordered directly from DHSMV.[24] However, the law is silent as to what happens to an independent college or university's existing collegiate license plate once the college or university elects to use the standard independent college and university license plate.

Effect of the Bill

The bill clarifies provisions that authorize refunds of specialty license plate vouchers if a plate has met the presale requirements, but has not been issued. The bill also clarifies that DSHMV may not issue, instead of make available for design or issuance, any new specialty license plates until the number of plates being issued does not exceed 150.

The bill also provides that if an independent college or university elects to use the standard template license plate, DHSMV must discontinue the existing independent college or university's specialty license plate.

Florida State Parks License Plate

Current Situation

Founded in 1993, the Florida State Parks Foundation, Inc., 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

[14] S. 320.08053(3)(b), F.S.
[15] S. 320.08056(1), F.S.
[16] S. 320.08056(2), F.S.
[17] *See* ss. 320.06(3)(a), 320.0657(2)(a), 320.08(12) and 320.08056(2)(b) and (c), F.S.
[18] DHSMV's authorized agents are the county tax collectors.
[19] Motor vehicle license taxes are set forth in s. 320.08, F.S.
[20] The $5 processing fee is deposited into the Highway Safety Operating Trust Fund.
[21] Section 320.06(1)(b), F.S., provides for a $2.80 annual license plate replacement fee.
[22] S. 320.08056(3), F.S.
[23] *See* s. 320.08058(3), F.S.
[24] Section 320.08056(12), F.S.

supplement state funding. The foundation is a non-profit Florida corporation under s. 501(c)(3) of the Internal Revenue Code.[25]

Effect of the Bill
The bill creates the Florida State Parks license plate, with an annual use fee of $25.[26] The plate must bear DHSMV-approved colors and designs, with "Florida" appearing at the top of the plate and "Explore Our State Parks" appearing at the bottom of the plate.

The annual use fees from the sale of the plate are distributed to the Florida State Parks Foundation, Inc. Up to 10 percent of the fees from the sale of the plate may be used for marketing the plate and costs directly associated with the administration of the Florida State Parks Foundation.

Honor Flight License Plate

Current Situation
Honor Flight's mission is to transport America's veterans to Washington, D.C., to visit the memorials dedicated to honoring those who have served and sacrificed for our country. It is a national network of independent hubs working together to further Honor Flight's 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.[27] Florida's Honor Flight Network hubs are non-profit corporations under s. 501(c)(3) of the Internal Revenue Code. Honor Flight Hubs in Florida include Collier-Lee, First Coast, Central Florida, West Central Florida, South Florida, Tallahassee, Southeast Florida, Southwest Florida, Space Coast, and Villages.[28]

Effect of the Bill
The bill creates the Honor Flight license plate, with an annual use fee of $25. The plate must bear DHSMV-approved colors and designs, with "Florida" appearing at the top of the plate and "Honor Flight" appearing at the bottom of the plate.

The annual use fees from the sale of the plate are distributed equally among Florida's Honor Flight Network Hubs. Up to 10 percent of the fees from the sale of the plate may be used for marketing the plate and costs directly associated promoting and marketing the license plate. The remaining fees must be used to further Honor Flight.

The bill also authorizes fees collected from the sale of the Honor Flight license plate to be spent outside of the State of Florida.

Biscayne Bay License Plate

Current Situation
Established in 1967, The Miami Foundation (foundation) is focused on building a stronger Miami and has invested more than $400 million into the community. The foundation has partnered with individuals, families, and corporations who have created more than 1,000 personalized, philanthropic funds, and it has awarded $350 million in grants.[29] The foundation is registered as a not-for-profit corporation with the Department of State.

Biscayne Bay is the largest estuary on the coast of southeast Florida and is contiguous with the southern Florida Everglades and Florida Bay.[30]

Effect of the Bill

[25] Florida State Parks Foundation Website, https://floridastateparksfoundation.org/About-Us1 (last visited Jan. 14, 2021).
[26] The $25 annual use fee is provided for in existing s. 320.08056(3)(d), F.S.
[27] Honor Flight, https://www.honorflight.org/about-us.html (last visited Feb. 2, 2021).
[28] Honor Flight, https://www.honorflight.org/regional-honor-flight-hubs.html#florida (last visited Mar. 5, 2021).
[29] The Miami Foundation Website, https://miamifoundation.org/about (last visited Feb. 3, 2021).
[30] Discover Biscayne Bay Website: http://www.discoverbiscaynebay.org/ (last visited Feb. 3, 2021).

The bill creates the Biscayne Bay specialty license plate, with an annual use fee of $25. The plate must bear DHSMV-approved colors and designs, with “Florida” appearing at the top of the plate and “Protect Biscayne Bay” appearing at the bottom of the plate.

The annual use fees from the sale of the plate are distributed to The Miami Foundation to be used as follows:

- Up to 10 percent of the fees may be used for promotion and marketing the license plate and for direct reimbursement for administrative costs, startup costs, and costs incurred in the development and approval process of the license plate. All vendors associated with administrative costs must be selected by competitive bid.
- The remaining fees must be used to raise awareness and support the mission and efforts of conserving Biscayne Bay. The Miami Foundation’s Board of Trustees must approve and is accountable for all such expenditures.

Disease Prevention & Early Detection License Plate

Current Situation
Established in 2005 with the goal of providing at-risk women access to early detection and proper treatment for breast cancer, Women’s Breast & Heart Initiative (WBHI) created a door-to-door neighborhood outreach program that increases awareness of breast health and the importance of early detection, as well as provides access to mammograms for women who are uninsured and underserved. In 2013, WBHI incorporated education and awareness of heart disease – the leading cause of death in women – into its grassroots campaigns.[31] The Woman’s Breast & Heart Initiative, Florida Affiliate, Inc., is registered as a not for profit corporation with the Department of State.

Effect of the Bill
The bill creates the Disease Prevention & Early Detection specialty license plate, with an annual use fee of $25. The plate must bear DHSMV-approved colors and designs, with “Florida” appearing at the top of the plate and “Disease Prevention & Detection” appearing at the bottom of the plate.

The annual use fees from the sale of the plate are distributed to The Women’s Breast and Heart Initiative, Florida Affiliate, Inc., which may use up to 10 percent of the proceeds to promote and market the plate. The remainder of the proceeds must be used by The Women’s Breast & Heart Initiative, Florida Affiliate, Inc., to provide increased education and awareness relating to early detection, prevention, and screening of breast and heart issues.

Protect Marine Wildlife License Plate

Current Situation
The Protect Wild Dolphins Alliance, Inc., is a not-for-profit 501(c)3 organization supporting and research, scientific, and educational activities for the protection and preservation of marine mammals. These programs include release to the wild programs, the rescue, rehabilitation, release or retirement of marine mammals as well as the establishment and operation of a safe haven for unwanted or surplus dolphins and other marine mammals.[32]

Effect of the Bill
The bill creates a Protect Marine Wildlife license plate with an annual use fee of $25. The plate must bear DHSMV-approved colors and designs, with "Florida" appearing at the top of the plate, and "Protect Marine Wildlife" appearing at the bottom of the plate.

The annual use fees from the sale of the plate are distributed to the Protect Wild Dolphins Alliance, Inc., which may use up to 10 percent of the proceeds for administration, promotion, and marketing of the plate. All remaining proceeds must be used by the Protect Wild Dolphins Alliance, Inc., to fund its

[31] The Women’s Breast & Heart Initiative, *Our Story*: https://flbreasthealth.com/about-us/ (Last visited Feb. 2, 2021).
[32] Protect Wild Dolphins Alliance, https://protectwilddolphinsalliance.com/index.html#:~:text=Protect%20Wild%20Dolphins%20Alliance%20rescues,sick%20and%20injured%20marine%20animals. (last visited Apr. 17, 2021).

conservation, research, and educational programs that focus on the conservation of Florida's threatened and protected marine wildlife species.

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

B. SECTION DIRECTORY:

Section 1 Amends s. 320.08053, F.S., relating to the establishment of specialty license plates.

Section 2 Amends s. 320.08056, F.S., relating to specialty license plates.

Section 3 Amends s. 320.08058, F.S., relating to specialty license plates.

Section 4 Provides an effective date of October 1, 2021.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

   None.

2. Expenditures:

   DHSMV will incur programming costs associated with the creation of this specialty license plate. One specialty license plate with a single distribution recipient will require between 200 and 250 hours of programming at a rate of $35 to $40 per hour.[33] This programing can be done using existing DHSMV resources.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

   None.

2. Expenditures:

   None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Once a new specialty license plate goes into production, the recipient organizations may see an increase in revenues associated with the sale of the license plate.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

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

[33] Email from Kevin Jacobs, Legislative Affairs Director, Florida Department of Highway Safety and Motor Vehicles, RE: Specialty License Plates, (Jan. 26, 2021).

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill does not require rulemaking, nor does it provide a grant of rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES