

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** CS/HB 329 Special License Plates  
**SPONSOR(S):** Ingram  
**TIED BILLS:** **IDEN./SIM. BILLS:** CS/SB 112

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Highway & Waterway Safety Subcommittee	11 Y, 0 N, As CS	Whittaker	Smith
2) Transportation & Economic Development Appropriations Subcommittee		Cobb	Davis
3) Economic Affairs Committee			

### SUMMARY ANALYSIS

The bill adds three new special use license plates for veterans awarded the Combat Action Ribbon, Air Force Combat Action Medal, or Distinguished Flying Cross Medal. Revenue generated from the sale of these three special use plates 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 support the Veterans' Homes Program.

The bill has an insignificant, negative fiscal impact on the Highway Safety Operating Trust Fund within the Department of Highway Safety and Motor Vehicles associated with creating the plate and computer programming costs.

The bill could have a positive, indeterminate fiscal impact on the Grants and Donations Trust fund and the State Homes for Veterans Trust Fund with the sale of the new special use license plates.

The bill shall take effect July 1, 2015.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

##### **Present Situation**

##### **Military Special Use License Plates**

There are currently 15 special use license plates authorized in s. 320.089, F.S., available to military service members or veterans for the following types of service:

- Veteran of the United States Armed Forces;
- Active or retired member of the Florida National Guard;
- Survivor of the attack on Pearl Harbor;
- Recipient of the Purple Heart Medal;
- Active or retired member of any branch of the United States Armed Forces Reserve;
- Recipient of the Combat Infantry Badge;
- Recipient of the Combat Medical Badge;
- Recipient of the Combat Action Badge;
- Former Prisoner of War;
- Veteran of the Korean War;
- Veteran of the Vietnam War;
- Service member or veteran of Operation Desert Shield;
- Service member or veteran of Operation Desert Storm;
- Service member or veteran of Operation Enduring Freedom;
- Service member or veteran of Operation Iraqi Freedom.

Special use license plates authorized under s. 320.089 (1)(a), F.S., are each stamped with words consistent with the type of special use plate issued. A likeness of the related campaign medal or badge appears on the plate followed by the serial number.

Applicants for special use license plates in s. 320.089, F.S., are required to pay the annual license tax in s. 320.08, F.S., 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>1</sup> The first \$100,000 of the general revenue generated annually from the issuance of the 15 aforementioned special use plates is deposited into the Grants and Donations Trust Fund under the Veterans' Nursing Homes of Florida Act, as described in s. 296.38(2), F.S.<sup>2</sup> Any additional general 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>3</sup> For Fiscal Year 2013-2014 the total revenue from these plates was \$2,087,743.<sup>4</sup>

##### **Combat Action Ribbon**

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<sup>1</sup> S. 320.089(2)(a), F.S.

<sup>2</sup> S. 320.089(1)(b), F.S.

<sup>3</sup> Id.

<sup>4</sup> Florida Department of Veterans' Affairs, 2015 Agency Bill Analysis: SB 112

The Combat Action Ribbon was instituted in 1969 and awarded to members of the Navy, Marine Corps, and Coast Guard (when the Coast Guard or units thereof operate under the control of the Navy) in the grade of captain/colonel and junior thereto, who have actively participated in ground or surface combat. The principal eligibility criterion is that the individual must have participated in a bona fide ground or surface combat fire fight or action during which he was under enemy fire and his performance while under fire was satisfactory.<sup>5</sup>

### **Air Force Combat Action Medal**

The Air Force Combat Action Medal was established on March 15, 2007 by the Secretary of the Air Force to recognize any military member of the Air Force (airman basic thru colonel) who actively participated in combat (ground or air). The principal eligibility criterion is that the individual must have been under direct and hostile fire while operating in unsecured space (outside the defended perimeter), or physically engaging hostile forces with direct and lethal fire.<sup>6</sup>

### **Distinguished Flying Cross**

The Distinguished Flying Cross is America's oldest military aviation award and was established on July 2, 1926. The decoration could be awarded to anyone in the Air Corps of the Army, Navy or Marine Corps after April 6, 1917, who distinguished himself by heroism or extraordinary achievement while participating in aerial flight.

The first Distinguished Flying Cross award citations were presented to the Pan American Flight crew on 2 May 1927 by President Coolidge, for their five ship, 22,000 mile flight five weeks before the medal was struck. The first recipient of the Distinguished Flying Cross medal was Charles A. Lindbergh, then a captain in the Army Reserve on 11 June 1927. The award recognized his 1927 transatlantic crossing in the Spirit of St. Louis.<sup>7</sup>

### **Proposed Change**

This bill amends s. 320.089, F.S., authorizing the Department of Highway Safety and Motor Vehicles (DHSMV) to create three new special use license plates for recipients of the Combat Action Ribbon, Air Force Combat Action Badge, or Distinguished Flying Cross. The plate will be stamped with the words "Combat Action Ribbon," "Air Force Combat Action Medal," or "Distinguished Flying Cross" with an image of the award, followed by the serial number. Revenue generated from the sale of the Combat Action Ribbon, Air Force Combat Action Badge, and Distinguished Flying Cross special use license plates will be administered in the same manner as the existing special use license plates in s. 320.089, F.S., and deposited into the Grants and Donations Trust Fund and the State Homes for Veterans Trust Fund within the Department of Veterans Affairs to support the State Veterans Homes Program.

## **B. SECTION DIRECTORY:**

Section 1      Amending s. 320.089, F.S., authorizing the Department of Highway Safety and Motor Vehicles to issue Combat Action Ribbon, Air Force Combat Action Medal, and Distinguished Flying Cross license plates; specifying qualifications and requirements for

<sup>5</sup> Combat Action Ribbon, *Award Replacement Certificates & Citations*, [http://www.3rdmarines.net/combat\\_action\\_ribbon.htm](http://www.3rdmarines.net/combat_action_ribbon.htm) (last viewed 2/23/15)

<sup>6</sup> Air Force Personnel Center, *Air Force Combat Action Medal*, <http://www.afpc.af.mil/library/factsheets/factsheet.asp?id=11444> (last viewed 2/23/15)

<sup>7</sup> The Distinguished Flying Cross Society, *The Medal*, <http://www.dfcsociety.net/the-medal/> (last viewed 2/23/15)

the plates; providing that the use of proceeds from the sale of the plates will be made according to certain established guidelines.

Section 2 Providing an effective date of July 1, 2015.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

#### 1. Revenues:

The bill could have a positive, indeterminate fiscal impact on both the Grants and Donations Trust Fund and the State Homes for Veterans Trust Fund with the sale of the new special use license plates.

#### 2. Expenditures:

The DHSMV would incur an initial startup cost (\$6,204) for the creation and manufacture of each new special use license plate. An initial order of 2,200 license plates would be made ( $2,200 \times \$2.82 = \$6,204$ ) for each newly created plate, and distributed to Tax Collector Offices statewide to meet public demand.<sup>8</sup> The total estimated cost to produce and distribute the three new special use license plates is approximately \$18,642.

Approximately 130 nonrecurring programming hours are required by the department for special use license plates at an estimated cost of \$5,200. These costs would be absorbed within existing resources.<sup>9</sup>

### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

#### 1. Revenues:

None

#### 2. Expenditures:

None

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

The Combat Action Ribbon, Air Force Combat Action Medal and Distinguished Flying Cross special use license plates would be available to a new group of registrants who are recipients of the Combat Action Ribbon, Air Force Combat Action Medal, or the Distinguished Flying Cross Medal.

### D. FISCAL COMMENTS:

None

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<sup>8</sup> Email correspondence from DHSMV on file with the Highway and Waterway Safety Subcommittee

<sup>9</sup> Id.

### **III. COMMENTS**

#### **A. CONSTITUTIONAL ISSUES:**

##### **1. Applicability of Municipality/County Mandates Provision:**

The bill does not require a municipality or county to expend funds or to take any action requiring the expenditure of funds. The bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate. The bill does not require a reduction of the percentage of state tax shared with municipalities or counties.

##### **2. Other:**

None

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

None

#### **C. DRAFTING ISSUES OR OTHER COMMENTS:**

None

### **IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES**

On February 17, 2015, The Highway & Waterway Safety Subcommittee adopted one amendment to HB 329 and reported the bill favorably as a committee substitute. The amendment provided:

- To create two new special use license plates for recipients of the Combat Action Ribbon and the Air Force Combat Action Medal.

This analysis is drafted to the committee substitute as reported by the Highway & Waterway Safety Subcommittee.