

Save Our Tags: Nonprofits Say Higher Fees Hurt Bottom Line

Posted on March 25, 2010, 11:02 pm.

By John Kennedy
Associate Editor

Many nonprofits in Florida say they think the Legislature has just about killed the golden goose.

For more than 20 years, supporters of environmental programs, sports teams, universities – even Boy Scouts and anti-abortion advocates – have managed to get lawmakers to approve specialty license tags, with motorists' sales helping pump millions of dollars into their causes.

But advocates for many of the state's 114 specialty tags say the Legislature's decision last spring to sharply boost a host of motorist fees to help plug a more than \$300 million budget hole is prompting drivers to steer clear of the plates, which now look like a costly, discretionary purchase they can live without.

Higher rates for new license tags, renewals, vehicle registrations and other services climbed Sept. 1. And advocates for specialty tags saw their sales numbers quickly fall.

Sales of new specialty tags fell 67 percent statewide from November through February, the most recent month for which statistics were available, compared to the same time frame in 2008-09, according to Department of Highway Safety and Motor Vehicles reports.

"It's not the economy, because we were doing well through last summer – right until the new fees kicked in," says Michael Towner, a Boca Raton marketer who got lawmakers to approve the state's "Imagine" and "Support Soccer" tags.

"But once a specialty tag became so expensive, the demand just dropped off."

Renewals of specialty tags have remained relatively strong in recent months, Towner concedes. But overall sales are down 7 percent compared to last year, with specialty tag proponents now urging lawmakers to reduce the new fees, even though the state's punishing economy has left an even deeper budget gap to deal with this year.

The cost of getting a specialty tag also climbed in September as part of the new, more general motorists' fees. While organizations benefiting from specialty tags collect from \$15 to \$25 per plate – a rate unchanged – the state's cost of issuing a new plate has jumped to \$33, up from \$14 formerly.

\$58 for a tag?

That means obtaining a new "Save the Manatees" tag, University of Florida plate or any of the other many specialty tags now can cost as much as \$58 each.

Besides supporting the university, the "Gator" tag yielded \$2.5 million in state revenue in 2007, making it the biggest contributor to the \$33.5 million pulled into the treasury that year.

The University of Florida has said the declining sales are eroding the amount of money available for minority scholarships. Along with supporting the university, the "Gator" tag yielded \$2.5 million in state revenue in 2007 – the latest annual figures available – making it the biggest contributor to the \$33.5 million pulled into the treasury



The Florida Wildflower Foundation has seen a 75 percent decline in sales of its specialty tags in recent months.

Enter your email address
to receive our newest articles
via email :

Delivered by [FeedBurner](#)

[Log in](#)

TABLE OF CONTENTS

Florida Issues

[Agriculture](#)

[Arts and Culture](#)

[Economy & Economic
Development](#)

[Education](#)

[Elections & Politics](#)

[Fair Districts](#)

[Hometown Democracy](#)

[Energy](#)

[Environment](#)

[Everglades](#)

[Offshore Drilling](#)

[Water](#)

[Ethics](#)

[Foster Care](#)

[Growth Management](#)

[Hometown Democracy](#)

[Haiti](#)

[Health Care](#)

[Medicaid](#)

[Insurance](#)

[Auto](#)

[Property](#)

[Local Government](#)

[News Media](#)

[Philanthropy](#)

[Taxation & Budgeting](#)

[Transportation](#)

that year.

But specialty plates big and small are getting dented now.

Martin Boire, chairman of the Daytona Beach-based Support Our Troops organization, which helps finance a range of programs for Florida troops stationed overseas, said tag sales declined from 528 the last four months of 2008 to 194 during the same period last year.

“People may still want to give us \$25 for our tag, but with the new fees, it’s turned out to be too costly for a lot of drivers,” Boire says. “For us, it means we can’t rely on the money we had been taking in and have to turn to some of the other programs we run to keep things going.”

Lisa Roberts, executive director of the Florida Wildflower Foundation, says the wilting tag sales – a 75 percent decline for her organization in recent months – is likely to cost \$100,000 this year. Programs run by the foundation, including research, planting and promoting eco-tourism, will be scaled-back.

“It’s our only source of revenue,” Roberts says. “We’ve got some phenomenal things going on. But a lot of them just aren’t going to happen without the dollars coming in.”

Is a Rollback Realistic?

Most of those promoting specialty tags say lawmakers didn’t envision the sharp decline in sales when they approved the spate of new fees. But Sen. Don Gaetz, R-Niceville, a co-sponsor of legislation (SB 2036) that would roll back most of the fees, says the impact shouldn’t be a surprise.

“I didn’t study economics in college, but I walked by the classroom once,” Gaetz says. “When you raise the price on a discretionary purchase in the middle of a recession, you’re going to see demand for it drop.”

Gaetz’ bill cleared the Senate Transportation Committee on Wednesday, but faces an uncertain future in the Legislature’s closing month. Gaetz’ proposal reversing most motorist fees – and crediting those who already paid them – would cost \$320 million – cash that will prove hard to find with lawmakers already facing a \$3.2 billion budget shortfall.

While the Senate is advancing the rollback, the House has shown little interest in a similar approach proposed by Democratic Rep. Ron Saunders of Key West.

But Sen. Carey Baker, R-Eustis, said the prospect of cutting the fees isn’t dead yet. He suggested that if lawmakers weren’t concerned about reducing motorists’ costs or helping sustain specialty tags wasn’t a motive – political self-preservation might be.

“I can tell you that in other states, there’s been governors who have lost their races because they raised auto tag fees in the past,” Baker said. “In hindsight, that was probably a poorly chosen fee, which you and I know is actually a tax ... we’re trying to address that.”

Related Articles:

- [The Futile Quest for a ‘Fairest’ Tax](#)
- [Think: The Price of Not Investing in Arts and Culture](#)
- [Budget Balancing Tips, Courtesy of NASCAR](#)
- [Does Prison Spending Shackle Schools and Crime Prevention?](#)

Tags: [flabud](#), [Philanthropy](#)

Posted under: [Florida Issues](#), [Philanthropy](#), [Taxation & Budgeting Comment \(RSS\)](#) | [Trackback](#)



Email This Article To A Friend



Print This Post

Comment on this article

You must be [logged in](#) to post a comment.

[« We Need to Get Our ‘Mojo’ Back](#)

[FloridaThinkers](#)

[Just for Fun](#)

[Messages from the Publisher](#)



[ARCHIVES](#)

[March 2010](#)

[February 2010](#)

[January 2010](#)

