

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 263 Motor Vehicles
SPONSOR(S): Transportation & Economic Development Appropriations Committee, Llorente and Others
TIED BILLS: **IDEN./SIM. BILLS:** SB 842

| | REFERENCE | ACTION | ANALYST | STAFF DIRECTOR |
|----|--|------------------|----------------|-----------------------|
| 1) | Roads, Bridges & Ports Policy Committee | 13 Y, 0 N | Brown | Miller |
| 2) | Transportation & Economic Development Appropriations Committee | 13 Y, 0 N, As CS | Rayman | Creamer |
| 3) | Economic Development & Community Affairs Policy Council | | Brown | Tinker |
| 4) | | | | |
| 5) | | | | |

SUMMARY ANALYSIS

CS/HB 263 requires the Department of Highway Safety and Motor Vehicles to modify certain applications to allow a \$1 voluntary contribution to be made to Prevent Child Sexual Abuse. Specifically, the bill amends sections 320.02, 322.08, and 322.18, F.S., to require motor vehicle applications and renewals, as well as drivers' license applications and renewals, to include a \$1 check-off to Lauren's Kids, Inc., a non-profit 501(c)(3) organization, for the prevention of childhood sexual abuse.

DHSMV has certified that Lauren's Kids, Inc., has complied with s. 322.081, F.S., regarding requests to establish a voluntary check-off, by submitting its letter of request, \$10,000 application fee, and approved short- and long-term marketing plans.

The bill has an effective date of October 1, 2010.

HOUSE PRINCIPLES

Members are encouraged to evaluate proposed legislation in light of the following guiding principles of the House of Representatives

- Balance the state budget.
- Create a legal and regulatory environment that fosters economic growth and job creation.
- Lower the tax burden on families and businesses.
- Reverse or restrain the growth of government.
- Promote public safety.
- Promote educational accountability, excellence, and choice.
- Foster respect for the family and for innocent human life.
- Protect Florida's natural beauty.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

The bill amends section 320.02, F.S., to require motor vehicle applications and renewals to include a \$1 check-off to "Prevent Child Sexual Abuse." The money is paid to Lauren's Kids, Inc., a non-profit 501(c)(3) organization, for the prevention of childhood sexual abuse. DHSMV has provided notice that Lauren's Kids, Inc., has complied with s. 322.081, F.S., regarding requests to establish a voluntary check-off, by submitting its letter of request, \$10,000 application fee, and approved short- and long-term marketing plans.

The bill amends section 322.08, F.S., to provide a similar \$1 check-off on drivers' license applications, and repeals section 322.18(9), F.S., adding these provisions to section 322.08, F.S., to clarify current law.

About Drivers' License Check-offs

Section 322.081, F.S., provides the procedures an organization must follow prior to seeking legislative authorization to request the creation of a new voluntary contribution fee and establish a corresponding voluntary check-off on a driver's license application. The check-off allows a person applying for or renewing a Florida driver's license to voluntarily contribute to one or more of the authorized organizations during the driver's license transaction. Before the organization is eligible, it must submit the following to the DHSMV at least 90 days before the convening of the regular session of the Legislature:

- A request for the particular voluntary contribution being sought, describing it in general terms.
- An application fee of up to \$10,000 to defray the DHSMV's costs for reviewing the application and developing the check-off, if authorized. State funds may not be used to pay the application fee.
- A short and long-term marketing strategy and a financial analysis outlining the anticipated revenues and the planned expenditures of the revenues to be derived from the voluntary contributions.

The DHSMV must discontinue the check-off if less than \$25,000 has been contributed by the end of the fifth year, or if less than \$25,000 is contributed during any subsequent 5-year period.¹

Pursuant to s. 322.08(7), F.S., the driver's license application and renewal forms currently include the following seven voluntary contribution check-offs. (The eighth, for Prevent Blindness Florida, is authorized

¹ Section 322.081(4)(a), F.S.

in s. 322.18(9)(a), F.S.) The total revenue and revenue generated by each check-off in the last 5-year period are summarized in the chart below:²

| Driver License Check-offs/Voluntary Contribution | Statutory Authorization | Effective Date | Revenue Collected w/in last 5 years | Total Revenue Collected |
|---|--------------------------------|-----------------------|--|--------------------------------|
| Organ & Tissue Donor Education (\$1) | 1995-423, L.O.F. | 7/1/1995 | \$402,603 | \$1,091,209 |
| Prevent Blindness Florida (\$1) | 1995-333, L.O.F. | 10/01/1995 | \$2,092,878 | \$3,208,017 |
| Florida Council of the Blind (\$1) | 1996-413, L.O.F. | 6/5/1996 | \$185,343 | \$482,340 |
| Hearing Research Institute (\$2) | 2000-313, L.O.F. | 10/1/2000 | \$185,053 | \$320,988 |
| Juvenile Diabetes Foundation International (\$1) | 2000-313, L.O.F. | 10/1/2000 | \$592,835 | \$1,017,278 |
| Children's Hearing Help Fund (\$1) | 2005-68, L.O.F. | 7/1/2005 | \$260,763 | \$260,763 |
| Family First (\$1) | 2008-102, L.O.F. | 10/1/2008 | \$150,047 | \$150,047 |
| Stop Heart Disease (\$1) | 2009-100, L.O.F. | 10/1/2009 | \$0 | \$0 |
| Total | | | \$3,869,522 | \$6,530,642 |

About Motor Vehicle Registration Check-offs

During the 1998 Session, the Legislature created s. 320.023, F.S., which outlines the procedures which an organization must follow prior to seeking Legislative authorization to request the creation of a new voluntary contribution fee and establish a corresponding voluntary check-off on a motor vehicle registration application. The check-off allows a registered owner or registrant of a motor vehicle to voluntarily contribute to one or more of the authorized organizations during a motor vehicle registration transaction. Before the organization is eligible, it must submit the following requirements to DHSMV at least 90 days before the convening of the Regular Session of the Legislature:

- A request for the particular voluntary contribution being sought, describing it in general terms.
- An application fee of up to \$10,000 to defray DHSMV's costs for reviewing the application and developing the check-off, if authorized. State funds may not be used to pay the application fee.
- A short and long-term marketing strategy and a financial analysis outlining the anticipated revenues and the planned expenditures of the revenues to be derived from the voluntary contributions.

DHSMV must discontinue the check-off if less than \$25,000 has been contributed by the end of the fifth year, or if less than \$25,000 is contributed during any subsequent five-year period.

Section 320.02, F.S., specifies the language that must appear on the State of Florida vehicle's registration and renewal application forms. Included in s. 320.02, F.S., are options for voluntary contributions to the following corporations, trust funds, and organizations as shown in the chart below. The chart includes three additional voluntary contributions relating to registrations authorized in other sections of law.³

² The charts in this analysis were prepared by Senate staff as part of Senate Interim Report 2010-131, *Review of the Requirements for Establishing Specialty License Plates and Registration and Driver's License Check-Offs*, October 2009.

³ Specifically, s. 320.08047, F.S., allows a \$1 voluntary contribution to be deposited into the Health Care Trust Fund for organ and tissue donor education and for maintaining the organ and tissue donor registry. Section 328.72(11), F.S., requires that vessel registration and renewal application forms include a provision allowing for a voluntary contribution of \$2 or \$5 to the Save the Manatee Trust Fund to fund an impartial scientific benchmark census of the manatee population in the state and other activities intended to provide manatee and marine mammal protection and recovery efforts. Lastly, s. 328.72(16), F.S., requires the DHSMV to offer for sale with vessel registrations a marine turtle sticker for \$5 with proceeds deposited into the Marine Resource Conservation Trust Fund to be used for marine turtle protection, research, and recovery efforts.

| Registration Check-offs/Voluntary Contribution | Statutory Authorization | Effective Date | Revenue Collected w/in last 5 years | Total Revenue Collected |
|--|--------------------------------|-----------------------|--|--------------------------------|
| *Save the Manatee TF (\$2 or \$5) | 1984-338, L.O.F. | 7/1/1985 | \$478,310 | \$3,191,012 |
| Nongame Wildlife Trust Fund (\$1) | 1984-194, L.O.F. | 10/1/1984 | \$210,421 | \$19,244,868 |
| *Marine Resources Conservation TF (\$5) Turtle Sticker is issued | 1991-215, L.O.F. | 7/1/1992 | \$422,228 | \$1,067,533 |
| Organ & Tissue Donor Education (\$1) | 95-423, L.O.F. | 7/1/1995 | \$284,239 | \$586,143 |
| Highway Safety Operating Trust Fund, used to purchase child safety seats (\$2) | 1995-333, L.O.F. | 10/1/1995 | \$253,237 | \$649,751 |
| Transportation Disadvantaged Trust Fund (\$1) | 1994-306, L.O.F. | 7/1/1994 | \$155,605 | \$362,242 |
| Prevent Blindness Florida (\$1) | 1997-300, L.O.F. | 10/1/1997 | \$567,325 | \$968,679 |
| Florida Mothers Against Drunk Driving, Inc. (unspecified \$) | 1999-233, L.O.F. | 7/1/1999 | \$350,902 | \$542,973 |
| Southeastern Guide Dogs, Inc. (\$1) | 2005-254, L.O.F. | 7/1/2005 | \$225,256 | \$225,256 |
| Miami Heart Research Institute, Inc. (\$1) | 2006-44, L.O.F. | 7/1/2006 | \$98,465 | \$98,465 |
| Children's Hearing Help Fund (\$1) | 2007-50, L.O.F. | 10/1/2007 | \$63,886 | \$63,886 |
| State Homes for Veterans Trust Fund (\$1) | 2008-87, L.O.F. | 10/1/2008 | \$82,806 | \$82,806 |
| Family First (\$1) | 2008-102, L.O.F. | 10/1/2008 | \$16,365 | \$16,365 |
| Florida Sheriffs Youth Ranches, Inc. (\$1) | 2009-110, L.O.F. | 7/1/2009 | \$176 | \$176 |
| Total | | | \$3,209,221 | \$27,100,155 |

B. SECTION DIRECTORY:

- Section 1** Amends s. 320.02, F.S., adding a voluntary contribution to Lauren's Kids, Inc., to applications for motor vehicle registration and renewal forms.
- Section 2** Amends s. 322.08, F.S., adding a voluntary contribution to Lauren's Kids, Inc., and Prevent Blindness Florida to drivers' license applications.
- Section 3** Repeals s. 322.18 (9), F.S., removing the provisions requiring the application form for renewal issuance of a driver's license to include language permitting the applicant to make voluntary contributions Prevent Blindness Florida and Family First.
- Section 4** Provides an effective date of October 1, 2010.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

The bill will require programming modifications to DHSMV's Driver License and Motor Vehicle Information Systems, the cost of which will be paid from the \$10,000 application fee submitted by Lauren's Kids, Inc.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Motorists who decide to donate would pay an additional dollar for vehicle registrations and drivers' licenses. In fiscal year 2008-09, a total of \$1.5M was received in these voluntary contributions for the existing 24 entities in statute. These entities received contributions ranging from \$176.25 up to as much as \$387,221.24. An indeterminate amount of revenues may be received by Lauren's Kids, Inc., depending on participation.

D. FISCAL COMMENTS:

The Department of Highway Safety and Motor Vehicles is directed to collect and distribute voluntary contributions. Additional pass-through non-operating budget authority will be needed in the Department's Motor Vehicle License Clearing Trust Fund in an amount equal to the voluntary contributions received for Lauren's Kids, Inc. The bill has no impact on the Department's operations.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable because the bill does not appear to: require counties or cities to spend funds or take action requiring the expenditure of funds; reduce the authority that cities or counties have to raise revenues in the aggregate; or reduce the percentage of a state tax shared with cities or counties.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

N/A

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES

On February 4, 2010, the Transportation & Economic Development Appropriations Committee adopted one amendment and reported the bill favorably.

- Amendment-Repealed subsection (9) of s. 320.18, F.S., removing the provisions requiring the application form for renewal issuance of a driver's license to include language permitting the applicant to make voluntary contributions Prevent Blindness Florida and Family First and added these provisions to s. 320.08(7), F.S., to clarify existing law.