

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 1287 Voluntary Contributions on Registration, Driver License, and Identification Card Forms

SPONSOR(S): Economic Affairs Committee & Rep. Abruzzo and Others

TIED BILLS: **IDEN./SIM. BILLS:** CS/SB 1388

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Transportation & Highway Safety Subcommittee	15 Y, 0 N	Kiner	Kruse
2) Transportation & Economic Development Appropriations Subcommittee	13 Y, 0 N	Rayman	Davis
3) Economic Affairs Committee	16 Y, 0 N, As CS	Kiner	Tinker

SUMMARY ANALYSIS

CS/HB 1287 amends s. 320.02, F.S., and s. 322.08, F.S., to create a \$1 voluntary contribution check-off on a motor vehicle registration application (initial registration or renewal) and a driver's license or identification card application (initial, renewal, or replacement). The check-offs are created for the following entities and causes:

- Autism Services and Supports – contributions shall be distributed to Achievement and Rehabilitation Centers, Inc., Autism Services Fund.
- Support Our Troops – contributions shall be distributed to Support Our Troops, Inc., a Florida not-for-profit organization.

The bill has an insignificant fiscal impact.

The bill has an effective date of July 1, 2012.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

Requests to Establish Voluntary Check-off on Motor Vehicle Registration Application

Section 320.023, F.S., outlines the procedure an organization must follow prior to seeking legislative authorization to request the creation of a new voluntary contribution fee and establish a corresponding voluntary contribution on a motor vehicle registration application (initial registration or renewal). The contribution allows a registered owner of a motor vehicle to voluntarily contribute to one or more of the authorized organizations. To become eligible, the organization must submit the following to the Florida Department of Highway Safety and Motor Vehicles ("DHSMV") at least 90 days before the convening of the next 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 (state funds may not be used) to defray DHSMV's costs for reviewing the application and developing the check-off, if authorized; and
- 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.¹

The authorized voluntary check-offs on a motor vehicle registration application are listed in s. 320.02, F.S.

Requests to Establish Voluntary Check-off on Driver's License Application

Section 322.081, F.S., outlines the procedure an organization must follow prior to seeking legislative authorization to request the creation of a new voluntary contribution fee and establish a corresponding voluntary contribution on a driver's license or identification card application (initial, renewal, or replacement). The contribution allows a person applying for, renewing, or replacing a Florida driver's license or identification card to voluntarily contribute to one or more of the authorized organizations during the transaction. To become eligible, the organization must submit the following to DHSMV at least 90 days before the convening of the next 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 (state funds may not be used) to defray the DHSMV's costs for reviewing the application and developing the check-off, if authorized; and
- 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 contribution 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.²

The authorized voluntary check-offs on a driver's license or identification card applications are listed in s. 322.08, F.S.

¹ s. 320.023(4)(a), F.S.

² s. 322.081(4)(a), F.S.

Moratorium on New Voluntary Check-offs

Chapter 2010-223, Laws of Florida,³ established a moratorium on new voluntary check-offs for both registration transactions (initial registration or renewal) and driver's license or identification card transactions (initial, renewal, or replacement). The moratorium ends on July 1, 2013. An organization is exempt from the moratorium if that organization has done the following:

- submitted a request to establish a voluntary contribution on a motor vehicle application or a driver's license or identification card application to DHSMV before May 1, 2010; and
- submitted a valid financial analysis, marketing strategy, and application fee before September 1, 2010; or
- filed a bill during the 2010 Legislative Session to establish a voluntary contribution and has met the requirements of s. 320.023, F.S., or s. 322.081, F.S.

According to DHSMV, Autism Services and Supports and Support Our Troops are exempt from the moratorium.⁴

Proposed Changes

New Voluntary Check-offs on Motor Vehicle Registration Application

The bill amends s. 320.02, F.S., to create a \$1 voluntary contribution check-off on an application and renewal form for a motor vehicle registration for the following entities and causes:

- Autism Services and Supports – contributions are distributed monthly to the Achievement and Rehabilitation Centers, Inc., Autism Services Fund.
- Support Our Troops – contributions shall be distributed monthly to Support Our Troops, Inc., a Florida not-for-profit organization.

New Voluntary Check-offs on Driver's License Application

The bill amends s. 322.08, F.S., to create a \$1 voluntary contribution check-off on an original, renewal, or replacement driver's license or identification card application. The check-offs are created for the following entities and causes:

- Autism Services and Supports – contributions shall be distributed to Achievement and Rehabilitation Centers, Inc., Autism Services Fund.
- Support Our Troops – contributions shall be distributed to Support Our Troops, Inc., a Florida not-for-profit organization.

The bill does not set a schedule for the distribution of contributions to the recipient organizations.

Effective Date

The bill has an effective date of July 1, 2012.

B. SECTION DIRECTORY:

- Section 1: Amends s. 320.02, F.S., creating a \$1 voluntary contribution check-off on an application and renewal form for a motor vehicle registration for specified entities and causes.
- Section 2: Amends s. 320.08, F.S., creating a \$1 voluntary contribution check-off on an application for an original, renewal, or replacement driver's license or identification card for specified entities and causes.

³ Ch. 2010-223, L.O.F.

⁴ Letter from DHSMV Executive Director Julie L. Jones to the Florida House of Representatives, Transportation and Highway Safety Subcommittee, January 19, 2011. This letter is on file with the Transportation & Highway Safety Subcommittee.

Section 3: Provides an effective date of July 1, 2012.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

Non-Recurring or First Year

Start Up Effects:

Amount
Year 1
FY 2012-2013

1. Revenues:

Highway Safety Operating Trust Fund:
Application Fee \$ 40,000

The above amount reflects the \$10,000 application fee paid by the Achievement and Rehabilitation Centers, Inc., Autism Services Fund and Support Our Troops, Inc., a Florida not-for-profit organization, for the motor vehicle application and for the driver's license application.

2. Expenditures:

Highway Safety Operating Trust Fund:
Programming Costs \$ 40,000

The amount above reflects the programming cost to develop the new application form.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

Tax Collector offices will be minimally impacted by collecting additional funds when an individual elects to make one or both of the voluntary contributions.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Individuals who elect to donate to a charitable cause on a motor vehicle registration application or renewal, or on a driver's license or identification card application, renewal, or replacement, will be required to pay an additional \$1 for each check-off they elect. It is impossible to determine how many people will elect to donate. Therefore, the aggregate impact to the private sector cannot be determined.

D. FISCAL COMMENTS:

The bill provides the application form for motor vehicle registration (initial or renewal) shall include language permitting the voluntary contribution of \$1 per applicant for two additional charitable organizations that have met the filing requirements set forth in s. 320.023, F.S. The application fee for the organizations is already on deposit with DHSMV to cover the costs for reviewing the application and developing the contribution. The bill provides this same authorization regarding driver's license applications (initial, renewal, or replacement).

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

None.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

DHSMV requests the effective date be changed to October 1, 2012, to allow sufficient time for programming modifications.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On February 8, 2012, the Economic Affairs Committee adopted a technical title amendment to correct a bill drafting error. The title amendment changed the title to include driver licenses and identification card forms. Specifically, the bill's title was changed from "An act relating to motor vehicle registration forms" to "An act relating to voluntary contributions on registration, driver license, and identification card forms."

The analysis is drafted to the bill as amended.