The Florida Senate BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

| | Prep | pared By: The Professional | Staff of the Transpo | rtation Committe | ee | | |
|------------|----------------------------------|----------------------------|----------------------|------------------|--------|--|--|
| BILL: | SB 556 | | | | | | |
| NTRODUCER: | Senator Montford | | | | | | |
| SUBJECT: | Motor Vehicle Registration Forms | | | | | | |
| DATE: | January 24 | 1, 2012 REVISED: | | | | | |
| ANA | LYST | STAFF DIRECTOR | REFERENCE | | ACTION | | |
| . Abrams | | Buford | TR | Favorable | | | |
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I. Summary:

This bill amends section 320.02(15), F.S., to require the application and renewal forms for motor vehicle registrations to include a \$1 (one dollar) voluntary contribution option for the Florida Association of Food Banks, Inc.

II. Present Situation:

Motor Vehicle Registration Voluntary Check-offs

During the 1998 Session, the Legislature created s. 320.023, F.S., which outlines the procedures that 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 Department of Highway Safety and Motor Vehicles (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.

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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.

| Registration Check- offs/Voluntary Contribution | Statutory Authorization | Effective Date | Revenue Collected in 10-11 | Total Revenue Collected between FY 2004-05 and 2010-11 |
|--|----------------------------|----------------|-------------------------------|---|
| Save the Manatee TF (\$2 or \$5) | 1984-338, L.O.F. | 7/1/1985 | \$61,317 | \$606,701 |
| Nongame Wildlife Trust Fund (\$1) | 1984-194, L.O.F. | 10/1/1984 | \$59,745 | \$334,241 |
| Marine Resources Conservation TF (\$5) Turtle Sticker is issued | 1991-215, L.O.F. | 7/1/1992 | \$59,196 | \$541,221 |
| Organ & Tissue Donor Education (\$1) | 95-423, L.O.F. | 7/1/1995 | \$30,318 | \$350,246 |
| Highway Safety Operating Trust Fund, used to purchase child safety seats (\$2) | 1995-333, L.O.F. | 10/1/1995 | \$25,125 | \$312,797 |
| Transportation Disadvantaged Trust Fund (\$1) | 1994-306, L.O.F. | 7/1/1994 | \$18,231 | \$195,876 |
| Prevent Blindness Florida (\$1) | 1997-300, L.O.F. | 10/1/1997 | \$35,163 | \$647,857 |
| Florida Mothers Against Drunk Driving, Inc. (unspecified \$) | 1999-233, L.O.F. | 7/1/1999 | \$45,251 | \$451,971 |
| Southeastern Guide Dogs, Inc. (\$1) | 2005-254, L.O.F. | 7/1/2005 | \$42,430 | \$312,607 |
| Miami Heart Research Institute, Inc. (\$1) | 2006-44, L.O.F. | 7/1/2006 | 27,280 | 156,751 |
| Children's Hearing Help Fund (\$1) | 2007-50, L.O.F. | 10/1/2007 | \$24,444 | \$120,740 |
| State Homes for Veterans Trust Fund (\$1) | 2008-87, L.O.F. | 10/1/2008 | \$75,109 | \$216,545 |
| Family First (\$1) | 2008-102, L.O.F. | 10/1/2008 | \$15,652 | \$64,910 |
| Florida Sheriffs Youth Ranches, Inc. (\$1) | 2009-110, L.O.F. | 7/1/2009 | \$36,709 | \$81,860 |
| Florida Network of Children's Advocacy Centers, Inc. (\$1) | 2010-186, L.O.F. | 7/1/2010 | \$11,624 | \$11,624 |
| League Against Cancer (\$1) | 2010-223, L.O.F. | 9/1/2010 | \$81,707 | \$81,707 |
| Lauren's Kid's Inc. (\$1) | 2010-82, L.O.F. | 10/1/2010 | \$194,185 | \$194,185 |
| Florida Association of Agencies Serving the Blind, Inc. (\$1) | 2010-86, L.O.F. | 10/1/2010 | \$41,442 | \$41,442 |
| The ARC of Florida (\$1) | 2010-86, L.O.F. | 10/1/2010 | \$14,963 | \$14,963 |
| Ronald McDonald House Charities of Tampa Bay, Inc. (\$1) | 2010-86, L.O.F. | 10/1/2010 | \$76,117 | \$76,117 |
| Total | | \$639,015 | \$27,739,170 | |

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 above corporations, trust funds, and organizations as shown in the chart above. The chart includes three additional voluntary contributions relating to registrations authorized in other sections of law. ²

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¹ The numbers for this chart come from the DHSMV: Florida Department of Highway Safety and Motor Vehicles, *Drivers License and Motor Vehicle Voluntary Contributions FY 2004-05 through 2010-11* (on file with Senate Transportation Committee).

² 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

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These contributions are not income revenue and are not subject to the trust fund service charge detailed in s. 215.20, F.S., with the exception of the Organ and Tissue Donor trust fund.³

In 2010, the Legislature passed HB 971, which included a moratorium on the creation of new voluntary contributions on motor vehicle registration and driver's license forms by DHSMV. The moratorium is effective from July 1, 2010 to July 1, 2013, but contains an exception to "establish a voluntary contribution for an organization that has submitted a request to the Department of Highway Safety and Motor Vehicles before May 1, 2010, and submitted a valid financial analysis, marketing strategy, and application fee before September 1, 2010," or "which was included in a bill filed during the 2010 Legislative Session and met the requirements." According to DHSMV, five organizations met the moratorium exceptions as set forth in s. 320.023, F.S. The Florida Association of Food Banks, Inc., is one of these five organizations.

III. Effect of Proposed Changes:

Section 320.02(15), F.S., is amended to include a voluntary contribution check-off option of \$1 on motor vehicle registration and renewal forms to Florida Association of Food Banks, Inc. The department must distribute the proceeds monthly to the Florida Association of Food Banks, Inc., a non-profit 501(c)(3) corporation to be used for the purpose of ending hunger in Florida. Contributions are not income of a revenue nature for the purposes of applying the service charge provided in s. 215.20, F.S.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

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.

³ Sections 320.02 and 322.081, F.S.

⁴ Section 45, 2008-176, Laws of Florida

⁵ Florida Department of Highway Safety And Motor Vehicles, 2011 Voluntary Contributions—Motor Vehicle and Driver License (September 7, 2010) (on file with Senate Transportation Committee).

⁶ Department of Highway Safety and Motor Vehicles, SB 556 Bill Analysis – MV Registration Forms_FL Association of Food Banks Voluntary Contribution (October 24, 2011) (on file with Senate Transportation Committee).

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V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Persons who elect to donate to Florida Association of Food Banks, Inc., on motor vehicle registration applications or renewals will be required to pay an additional \$1 (one dollar). It is impossible to determine how many people will elect to donate on applications or renewals. Thus, the aggregate impact to the private sector cannot be determined.⁷

C. Government Sector Impact:

According to DHSMV, the cost to redesign the application form for motor vehicle registration is approximately \$10,000, but the impact is offset by the \$10,000 application fee required under s. 320.023, F.S. Additionally, Tax Collector Offices will be minimally impacted by collecting additional funds when a motorist elects to contribute to Florida Association of Food Banks, Inc. 9

The Information Systems Administration (ISA) of the DHSMV will require approximately 120 hours, non-recurring, to implement the provisions of this bill. These hours can be incorporated into ISA's normal workload.¹⁰

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

⁷ *Id*.

⁸ *Id*.

[[]Id.

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