

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

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

Date: March 31, 1998 Revised: _____

Subject: License Plates

	<u>Analyst</u>	<u>Staff Director</u>	<u>Reference</u>	<u>Action</u>
1.	<u>Caridi</u>	<u>Johnson</u>	<u>TR</u>	<u>Favorable/CS</u>
2.	_____	_____	<u>WM</u>	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

I. Summary:

This committee substitute directs the Department of Highway Safety and Motor Vehicles to develop a Choose Life specialty license plate for the support of nongovernmental, not for profit, agencies which provide services limited to counseling and meeting the needs of pregnant women who are committed to placing their children for adoption or the needs of an infant awaiting placement. Such plates would be available upon payment of appropriate license taxes, a \$2 processing fee and an annual use fee of \$20. The \$20 annual use fee shall be forwarded to each county in accordance with the ratio of collection each county bears to the state total. Each county will be responsible for the revenue distribution to the agencies which meet the guidelines set out in the bill, within the county. Each agency will submit an annual audit to the county. The Office of Policy Analysis and Governmental Accountability will review the funds expenditure every 3 years.

This bill substantially amends sections 320.08056 and 320.08058 of the Florida Statutes.

II. Present Situation:

Choose Life specialty license plates are not authorized by current law.

The organization proposing this bill, Choose Life, Inc. has met all requirements established by the 1995 Florida Legislature under s. 320.08056, F.S.:

- ▶ Submitted request for a particular plate and a proposed general description
- ▶ Submitted petition with 10,000 signatures of Florida residents intending to purchase the plate.
- ▶ Paid \$30,000 as an application fee for administrative costs of application review and plate development.

- ▶ Submitted a short and long-term marketing strategy consisting of a short and long term plan and a fiscal analysis of anticipated revenue and planned expenditures.

III. Effect of Proposed Changes:

Choose Life specialty license plates would be made available upon payment of appropriate license taxes, a \$2 processing fee, and an annual use fee of \$20.

The \$20 annual use fee would be distributed to each county in the ratio of that county's collection to the state total. Each county would be responsible for the revenue distribution to nongovernmental agencies within the county that provide services limited to counseling and meeting the physical needs of pregnant women who are committed to placing their children for adoption or the needs of an infant awaiting placement.

Agencies receiving the funds must use 70% to provide for the material needs of the pregnant women assisted by the agency and the infants awaiting placement with adoptive parents. Material needs include such items as clothing, housing, food, medical care, utilities and transportation. The remaining 30% may be used for adoption, counseling, training or advertising. Funds may not be used for administrative expenses, legal expenses, or capital expenditures.

Each agency receiving funds must submit an annual audit, prepared by a certified public accountant, to the county from which the funds are distributed. If over 10% of the funds distributed to an agency are unused in the fiscal year they were received, they are to be returned to the county for distribution to other qualified agencies. The county may conduct a consolidated audit in lieu of the annual audit. The expenditure of funds will be reviewed every 3 years by the Office of Policy Analysis and Governmental Accountability.

A qualified agency may not be involved or associated with abortion activities such as counseling for abortions, referrals to abortion clinics, advertisements for abortion or provisions for medical abortion-related procedures. No funds may be distributed to any agency that charges women for its services.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

Article III, section 19(f)(1), of the Florida Constitution provides that no trust fund of the state or other public body may be created by law without three-fifths vote of the membership of each house of the legislature in a separate bill for that purpose only.

V. **Economic Impact and Fiscal Note:**

A. Tax/Fee Issues:

The department would receive the proceeds of the annual \$2 processing fee imposed on the issuance of the Choose Life specialty plate under s. 320.08056 F.S. The amount of such proceeds cannot be determined because the number of specialty license plates that will be sold is unknown.

B. Private Sector Impact:

Persons who apply for the Choose Life specialty plate would have to pay \$20 dollars for the annual use fee.

Qualifying nongovernmental, not for profit, agencies would receive the revenue of the \$20 fees, allocated by county percentage. The revenue would be used for the material, counseling and training needs of pregnant woman and of infants awaiting adoption.

C. Government Sector Impact:

DHSMV

Year One

The Highway Safety Operating Trust Fund would receive the \$30,000 application fee. The department would incur total costs of \$42,780 due to the following expenditures:

- ▶ Initial programming costs of \$20,280.
- ▶ Purchasing costs of \$22,500 for the required initial 10,000 plates at \$2.25 each.

Years Two and Beyond

The department would incur total costs of \$22,500 for the minimum 10,000 plate order. The department would receive the \$2 dollar processing fee per plate sold.

COUNTY

Each county would receive a ratio of the total state collected revenue from the Choose Life plate equal to the amount that county collected. That portion of the revenue will be distributed by each county to qualifying agencies within the county.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
