

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 137 Live the Dream License Plates
SPONSOR(S): Economic Expansion and Infrastructure Council and Carroll
TIED BILLS: **IDEN./SIM. BILLS:** CS/SB 136

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Committee on Infrastructure</u>	<u>8 Y, 0 N</u>	<u>Creamer</u>	<u>Miller</u>
2) <u>Economic Expansion & Infrastructure Council</u>	<u>14 Y, 0 N, As CS</u>	<u>Creamer</u>	<u>Tinker</u>
3) <u>Policy & Budget Council</u>	<u>(W/D)</u>		
4) _____	_____	_____	_____
5) _____	_____	_____	_____

SUMMARY ANALYSIS

Under current law, the annual use fees for the Live the Dream License Plate are distributed to The Dream Foundation, Inc., which is dedicated to assisting the indigent and less fortunate through direct and indirect programs and grants. The foundation retains a portion of the fees for administrative, startup and approval process costs. Thereafter, twenty-five percent is to be used for continuing promotion and marketing of the license plate and concept. The remaining funds are distributed to the following organizations:

- twenty-five percent to be used as grants for registered sickle cell organizations that provide research, care, and treatment for sickle cell disease;
- twenty-five percent to the Florida chapter of the March of Dimes for programs and services that improve the health of babies through the prevention of birth defects and infant mortality;
- ten percent to the Florida Association of Healthy Start Coalitions for help in decreasing racial disparity in infant mortality, to increase healthy birth outcomes, and for use by local Healthy Start Coalitions;
- ten percent to the Community Partnership for Homeless, Inc., for programs that provide relief from poverty, hunger, and homelessness; and
- five percent to be used by the foundation for administrative costs directly associated with operations related to the management and distribution of proceeds.

This bill redirects the twenty-five percent of allocated funds for general grants for research, care, and treatment of sickle cell disease to be distributed equally among the eight sickle cell organizations in Florida, currently registered with the Department of State's Division of Corporations.

The bill will not have a fiscal impact on the state or local governments.

This bill is effective July 1, 2007.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

This bill does not appear to implicate any of the House principles.

B. EFFECT OF PROPOSED CHANGES:

Current Situation

Specialty license plates are listed in s. 320.08058, F.S. These specialty license plates are available to any owner or lessee of a motor vehicle who is willing to pay an annual use fee for the privilege of using a specialty license plate instead of the standard plate. The legislature has enacted 109 specialty license plates to date, though only 99 are currently available for purchase. Section 320.08056, F.S., specifies annual use fees ranging from \$15 to \$25 for the various specialty plates, which are paid in addition to required license taxes and service charges.

Funds derived from these annual use fees are distributed to an organization or organizations in support of a particular cause or charity signified on the plate's design and designated in s. 320.08058, F.S. This section also provides for the uses of funds derived for each plate from its annual use fee. There is wide variation on the uses of these fees regarding administrative costs and marketing or promotion expenses.

The Dream Foundation, Inc., is dedicated to assisting the indigent and less fortunate through direct and indirect programs and grants. The Foundation's principal mission is to address the increasing problem with respect to access to affordable medical and dental treatment for the underprivileged.

Section 320.008058 (49), F.S., provides that the first \$60,000 of revenues generated from the collection of the \$25 annual use fee for "Live the Dream" specialty plate must be distributed to The Dream Foundation, Inc., to cover start up and administration costs. All funds distributed thereafter are to be allocated as follows:

- twenty-five percent to the Live the Dream Foundation, Inc., for marketing and promotional costs associated with the plate;
- **twenty-five percent distributed as grants for research, treatment, and care programs for sickle cell disease to registered sickle cell organizations;**
- twenty-five percent to the Florida chapter of the March of Dimes for child and infant health programs;
- ten percent to the Florida Association of Healthy Start Coalition to decrease racial disparity, infant mortality rates, and increase healthy births;
- ten percent to the Community Partnership for the Homeless to provide relief for poverty, homelessness, and hunger; and
- five percent to the Live the Dream Foundation, Inc., for administrative costs associated with production, management, and distribution of the proceeds.

The "Live the Dream" license plate was created by the legislature in 2004 and has raised \$109,225.00 from July 1, 2004 to present. \$60,000 of revenues generated from the collection of annual fees for the "Live the Dream" specialty plate has been distributed to The Dream Foundation, Inc., to cover start up and administration costs; the remaining \$49,225 has been made available to be distributed as described in s. 320.008058, F.S. Twenty-five percent of this amount, or approximately \$12,306, would be available for grants for research, treatment, and care programs for sickle cell disease. To date, only

one organization has made application for a sickle cell research, treatment, and care program grant, that organization was the Sickle Cell Disease Association of Volusia County. This organization was awarded \$10,000 in 2005. This left a balance of \$2,306 available for grants to other registered sickle cell organizations in Florida for research, treatment, and care programs for sickle cell disease.

Proposed Changes

The intent of the bill is to eliminate the grant application process and to make these funds available to all registered sickle cell organizations in the state. This bill provides that the twenty-five percent of allocated funds which are currently distributed as general grants for research, care, and treatment of sickle cell disease will be distributed equally among sickle cell organizations registered in the state.

Historically, this license plate has generated approximately \$54,612 annually. Assuming that revenues from the plate continue at this rate, \$13,653 would be made available for research, treatment, and care programs pertaining to sickle cell disease. This amount would be distributed equally to the eight registered sickle cell organizations in the state.

C. SECTION DIRECTORY:

Section 1. Amends s. 320.08058, F.S., providing for redirection of allocated funds from the sale of the Live the Dream license plate.

Section 2. Provides an effective date of July 1, 2007.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None

2. Expenditures:

None

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

This bill does not appear to have a significant direct economic impact on the private sector. However, sickle cell organizations that could potentially receive grant funding from the twenty-five percent allocation could be affected negatively because they would no longer be able to apply for the grants awarded to programs that provide research, care, and treatment for sickle cell disease, but rather would receive an equal share of available funds distributed among all registered sickle cell organizations. The registered organizations that are currently not receiving grant funding would benefit from the bill's new equal distribution method.

D. FISCAL COMMENTS:

None

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:

None

C. DRAFTING ISSUES OR OTHER COMMENTS:

None

D. STATEMENT OF THE SPONSOR

No statement submitted.

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES

On April 4, 2007, one amendment was adopted by the Economic Expansion and Infrastructure Council. The Council adopted the bill as amended and reported it favorably as a Proposed Council Substitute.