

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 239 Programs For Autism and Related Disabilities
SPONSOR(S): Glorioso and others
TIED BILLS: **IDEN./SIM. BILLS:** SB 642

| | REFERENCE | ACTION | ANALYST | STAFF DIRECTOR |
|----|---|------------------|----------------|-----------------------|
| 1) | Roads, Bridges & Ports Policy Committee | 18 Y, 0 N, As CS | McVay | Miller |
| 2) | Economic Development & Community Affairs Policy Council | | | |
| 3) | Full Appropriations Council on Education & Economic Development | | | |
| 4) | | | | |
| 5) | | | | |

SUMMARY ANALYSIS

CS/HB 239 provides for the creation of a "Support Autism Programs" license plate. The annual use fee of \$25 per tag shall be distributed to Achievement and Rehabilitation Centers, Inc. Up to 10 percent of the revenue may be used for promotion, marketing, and administrative costs. All remaining revenue shall be used to fund projects for autism and related disabilities. CS/HB 239 also requires the Department of Highway Safety and Motor Vehicles (DHSMV), to include language on the application form for motor vehicle registration and renewal of registration permitting a voluntary contribution of \$25 to the Autism License Plate Fund. Finally, CS/HB 239 requires the DMSMV to include language on the driver's license application permitting a voluntary contribution of \$5 per applicant to the Autism License Plate Fund.

As for the first portion of the bill, specialty license plates must be specifically authorized pursuant to Florida Statutes. Section 320.08053, F.S., establishes requirements that organizations must meet to create a new specialty license plate, including a scientific survey performed by an independent sampling firm indicating that 30,000 motor vehicle owners would purchase the proposed plate at the increased cost, long and short term marketing plans addressing revenues and expenditures, and a \$60,000 application fee, among other requirements.

The Achievement and Rehabilitation Centers, Inc., has been approved by DHSMV and the Auditor General to pursue legislation for the "Support Autism Programs" specialty license plate, and is not affected by the 2008 legislation limiting future specialty plates.

Florida Statutes require organizations seeking a voluntary contribution "check-off" to submit to the DHSMV a request for the particular contribution being sought, an application fee not to exceed \$10,000, a short-term and long-term marketing plan, and an analysis outlining anticipated revenues and planned expenditures of such revenues. DHSMV must receive this information at least 90 days before convening of the next regular session. The Achievement and Rehabilitation Centers, Inc. has not met these requirements.

This act shall take effect July 1, 2009.

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:

Present Situation

Currently, 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. Annual use fees ranging from \$15 to \$25, paid in addition to required license taxes and service fees, are distributed to an organization or organizations in support of a particular cause or charity signified in the plate's design and designated in statute. The Legislature may create a specialty license plate under its own initiative, or it can do so at the request of an organization. Under s. 320.08053, F.S., an organization may seek legislative authorization for a new specialty licensed plate by meeting a number of requirements.

An organization is first required to submit to the Department of Highway Safety and Motor Vehicles (DHSMV) the following:

- A request for the plate describing it in general terms.
- The results of a professional, independent, and scientific sample survey of Florida residents indicating that 30,000 vehicle owners intend to purchase the plate at the increased cost.
- An application fee of \$60,000 defraying the DHSMV's cost for reviewing the application, developing the new plate, and providing for the manufacture and distribution of the first run of plates.
- A marketing strategy for the plate and a financial analysis of anticipated revenues and planned expenditures.

These requirements must be satisfied at least 90 days prior to the convening of the next regular session of the Legislature. Once the requirements are met, DHSMV notifies the committees of the House of Representatives and Senate with jurisdiction over the issue, and the organization is free to find sponsors and pursue legislative action.

In 2008 the Legislature passed SB 1992, which included a moratorium on the issuance of specialty plates by DHSMV.¹ The moratorium is effective from October 1, 2008 to July 1, 2011, but contains an

¹ S. 45, 2008-176, Laws of Florida

exception “for [any] specialty license plate proposal which has submitted a letter of intent to the Department of Highway Safety and Motor Vehicles prior to May 2, 2008.”²

Section 320.02, F.S., provides vehicle owners with an opportunity to make voluntary contributions to six organizations or causes when registering a vehicle or when renewing a vehicle registration:

- Prevent Blindness Florida,
- Florida Mothers Against Drunk Driving, Inc.,
- Southeastern Guide Dogs, Inc.,
- Stop Heart Disease,
- Children's Hearing Help Fund, and
- Family First

Similarly, s. 322.08, F.S., provides driver license applicants with an opportunity to make voluntary contributions to six organizations or causes when applying for, or renewing a license:

- Florida Organ and Tissue Donor Education,
- Florida Council of the Blind,
- Hearing Research Institute, Incorporated,
- Juvenile Diabetes Foundation International,
- Children's Hearing Help Fund, and
- Family First

Effect of Proposed Changes

This bill amends ss. 320.08056 and 320.08058, F.S.; authorizing the DHSMV to develop and issue a “Support Autism Programs” license plate upon payment of the appropriate license taxes and a \$25 special use fee. It also requires that the Achievement and Rehabilitation Centers, Inc. establish an Autism Services Grant Council and an Autism License Plate Fund.

Annual use fees collected from the sale of this license plate shall be distributed to the Achievement and Rehabilitation Centers, Inc. They will administer the fees and will use the proceeds as follows:

- Up to 10% may be used for administration of the Autism License Plate Fund, the Autism Services Grant Council, and related matters
- Funds may be used as necessary for annual audit or compliance affidavit costs
- 35% of the proceeds from the annual use fee shall be used to establish and operate programs to support individuals with autism and related disabilities and their families through direct services, evaluation, training, and awareness in the state
- 15% shall be given to the Center for Autism and Related Disabilities at the University of Miami
- The remaining proceeds shall be available for the Autism Services Grant Council for grants to nonprofit organizations to operate direct services programs for individuals with autism and related disabilities and their families and for marketing the Autism License Plate.

The impact incurred by DHSMV as a result of this bill is approximately \$60,000. This impact is offset by the \$60,000 application fee the organization is required to pay. Revenue generated from the sale of this license plate is based on public interest and cannot be predicted.

The DHSMV has notified the Legislature that the Achievement and Rehabilitation Centers, Inc. has met the initial application and statutory requirements to pursue legislation for the “Support Autism Programs” specialty license plate. In conformity with s. 320.08053(1)(b), F.S., the Auditor General has issued a report validating the Center's survey.³ This report also found that the “Support Autism

² *Id.*

³ Report No. 2009-129, Auditor General, February 2009.

Programs” plate falls within exception from the moratorium on new specialty license plates created by the 2008 Legislature, as the Museum submitted their materials before May 2, 2008.⁴

Currently, the Autism License Plate Fund is not an option for a voluntary contribution on motor vehicle registration and registration renewal forms, or on driver’s license applications. HB 239 requires the DHSMV, to include language on the application form for motor vehicle registration and renewal of registration permitting a voluntary contribution of \$25 to the Autism License Plate Fund. HB 239 also requires the DMSMV to include language on the driver’s license application permitting a voluntary contribution of \$5 per applicant to the Autism License Plate Fund. By adding a voluntary check-off box for the Autism License Plate Fund to the forms, the bill will give applicants the option to contribute funds to this cause.

Voluntary check-off contributions on vehicle registrations and driver’s licenses must be authorized by a statutory change. Florida Statutes require organizations to submit to the DHSMV a request for the particular contribution being sought, an application fee not to exceed \$10,000, a short-term and long-term marketing plan, and an analysis outlining anticipated revenues and planned expenditures of such revenues. DHSMV must receive this information at least 90 days before convening of the next regular session. The Achievement and Rehabilitation Centers, Inc. has not met these requirements. However, CS/HB 239 does contain a provision that requires the first \$10,000 in proceeds generated from the voluntary contributions be retained by the DHSMV to offset the cost of implementation.

B. SECTION DIRECTORY:

- Section 1 Amends s. 320.08056(4), F.S., providing for a \$25 annual use for the “Support Autism Programs” specialty license plate.

- Section 2 Amends s. 320.08058(69), F.S., creating the “Support Autism Programs” specialty license plate: providing for plate design and providing for the distribution and uses of the annual use fees.

- Section 3 Amends 320.02, F.S., requiring the DHSMV to include language permitting a voluntary contribution of \$25 to the Autism License Plate fund on each application form for motor vehicle registration and renewal of registration

- Section 4 Amends 322.08, F.S., requiring the DHSMV to include language permitting a voluntary contribution of \$5 per applicant to the Autism License Plate Fund on each application for a driver’s license

- Section 5 Provides an effective date of July 1, 2009

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

- 1. Revenues:
See fiscal comments below.

- 2. Expenditures:
See fiscal comments below.

⁴ *Id.*

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Individuals who apply for a "Support Autism Programs" license plate will be required to pay a \$25 annual use fee. It is impossible to determine how many people will purchase the plates because the sale of this license plate will be based on public interest. Therefore, the aggregate impact to the private sector cannot be determined.

Additionally, motorists who decide to donate would pay the additional fee for vehicle registrations and driver's licenses. Revenue generated by this optional contribution to the Achievement and Rehabilitation Centers, Inc. is based on public interest and is therefore indeterminate.

D. FISCAL COMMENTS:

The impact incurred as a result of the specialty license plate provisions of this bill is approximately \$60,000. This impact is offset by the \$60,000 application fee the organization is required to pay. Revenue generated from the sale of this license plate is based on public interest and cannot be predicted. Achievement and Rehabilitation Centers, Inc. may retain all revenue from the annual use fees up to \$85,000 until all startup costs for developing and establishing the plate have been recovered. Thereafter, up to 10 percent of the annual use fee revenue may be used for administration of the Autism Plate Fund, the Autism Services Grant Council, and related matters.

In order to implement the voluntary check-off provisions, this bill will require programming modifications to the Department's Florida Driver License Information System. According to DHSMV, the Achievement and Rehabilitation Centers, Inc has not paid the \$10,000 application fee to offset these programming costs. However, CS/HB 239 does contain a provision that requires the first \$10,000 in proceeds generated from the voluntary contributions be retained by the DHSMV to offset the cost of implementation.

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 March 4, 2009, the Roads, Bridges, and Ports Policy Committee reported the bill favorably with three amendments. The first amendment adopted by the Committee requires that the first \$10,000 in proceeds generated from the voluntary contributions be retained by the DHSMV to offset the cost of implementation.

The second amendment adopted by the Committee reduces from \$25 to \$5, the voluntary contribution amount that is to be listed on the renewal and registration forms.

The third amendment adopted by the Committee reduces from 15 percent to 10 percent, the amount of the annual use fee revenue that may be used by the Achievement and Rehabilitation Centers, Inc. for administrative costs, promotion, and marketing costs.