

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.)

Prepared By: The Professional Staff of the Transportation Committee

BILL: SB 642

INTRODUCER: Senators Altman and Storms

SUBJECT: Autism Programs and Related Disabilities

DATE: March 19, 2009 REVISED: 03/25/09

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Hansson	Meyer	TR	Fav/1 amendment
2.			CF	
3.			HA	
4.				
5.				
6.				

Please see Section VIII. for Additional Information:

- | | | |
|------------------------------|-------------------------------------|---|
| A. COMMITTEE SUBSTITUTE..... | <input type="checkbox"/> | Statement of Substantial Changes |
| B. AMENDMENTS..... | <input type="checkbox"/> | Technical amendments were recommended |
| | <input type="checkbox"/> | Amendments were recommended |
| | <input checked="" type="checkbox"/> | Significant amendments were recommended |

I. Summary:

Section 1 and Section 2 of this bill requires the Department of Highway Safety and Motor Vehicles (DHSMV) to develop a license plate titled "Autism." The plate would be available to drivers wishing to pay an extra \$25 annual use fee, distributed to Achievement and Rehabilitation Centers, Inc. (organization), to fund service programs for autism and related disabilities throughout Florida and to operate and establish programs to support individuals with autism and related disabilities through direct services, evaluation, training, and awareness. The "Autism" license plate has met the statutory application requirements for a new specialty license plate and falls within the exception from the moratorium on new specialty license plates created by the 2008 Legislature, as the organization submitted its materials before May 2, 2008.

Section 3 of this bill requires DHSMV to include a checkoff for a voluntary contribution to the Autism License Plate Fund administered by Achievement and Rehabilitation Center, Inc., on each application and renewal form for motor vehicle registration. The organization has not completed the statutory requirements authorizing it to seek Legislative enactment of the voluntary contribution checkoff.

Section 4 of this bill requires DHSMV to include a check off for a voluntary contribution to the Autism License Plate Fund administered by Achievement and Rehabilitation Center, Inc., on each driver's license application form and application form for driver's license renewal issuance or renewal extension. The organization has not completed the statutory requirements authorizing it to seek Legislative enactment of the voluntary contribution check off.

This bill substantially amends sections 320.08056, 320.08058, 320.02, and 322.08 of the Florida Statutes.

II. Present Situation:

Specialty License Plates

The Florida Legislature created the first specialty license plates in 1986, one commemorating the seven astronauts who died when the space shuttle Challenger exploded after lift-off, and one for each of the nine universities then in the state university system.

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 organization 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.

Section 320.08053, F.S., provides an organization seeking authorization to establish a specialty license plate must submit the following:

- A request for the particular license plate with a description of the proposed plate in specific terms, including a sample plate conforming to the specifications set by DHSMV.
- The results of a scientific sample survey of Florida motor vehicle owners that indicates at least 30,000 motor vehicle owners intend to purchase the proposed specialty license plate at the increased costs. The Auditor General is required to validate the methodology, results, and any evaluation by DHSMV of the scientific sample survey prior to the submission of the specialty license plate for approval by the Legislature.
- An application fee, not to exceed \$60,000, to defray DHSMV's cost for reviewing the application and developing the specialty license plate, if authorized.
- A marketing strategy outlining both the short and long term marketing plans and a financial analysis outlining the anticipated revenue and the planned expenditures of the revenue from the requested specialty license plate.

The required documentation and fees must be submitted at least 90 days before the convening of the next regular session of the Florida Legislature. If a specialty license plate is approved by law, the organization must submit a proposed art design for the specialty plate to DHSMV no later than 60 days after the act becomes a law. If the specialty license plate is not approved by the Legislature, the application fee is refunded to the requesting organization.

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

Section 320.08056, F.S., provides DHSMV is responsible for developing the specialty license plates and must begin production and distribution within one year after approval of the specialty license plate by the Legislature. Specialty license plates must bear the design required by law for the appropriate specialty plate, and the designs and colors must be approved by DHSMV. In addition, the specialty license plate must bear the imprint of numerals from 1 to 999, inclusive, capital letters “A” through “Z”, or a combination thereof.

DHSMV is authorized to annually retain the first proceeds derived from the annual use fees collected in an amount sufficient to defray each specialty plate’s pro rata (proportionate) share of DHSMV’s costs directly related to issuing the specialty license plate. A person wishing to purchase a specialty license plate must pay, in addition to the required license plate fee and license tax, a license plate annual use fee (from \$15 to \$25) and a processing fee of \$2.

DHSMV must discontinue the issuance of an approved specialty plate if the number of valid specialty license plates in use falls below 1,000 plates for at least 12 consecutive months. DHSMV is authorized to discontinue the issuance and distribution of specialty plates if the organization no longer exists, if the organization has stopped providing services authorized to be funded, or if the organization requests it. To date, only four plates have ever been discontinued for lack of sales. These plates are the Girl Scouts plate, the Orlando Predators plate, the Miami Hooters plate, and the Tampa Bay Storm plate.

Annual use fees or any interest earned from those fees may not be used for commercial or for-profit activities, or for general administrative expenses (except as specifically authorized or to pay the cost of the audit or report required to ensure the proceeds are used as authorized).

Section 320.08058, F.S., lists the approved specialty license plates and specifies funding requirements.

Section 320.08062, F.S., requires all organizations receiving annual use fee proceeds from DHSMV to be responsible for ensuring proceeds are used in accordance with ss. 320.08056 and 320.08058, F.S. Each organization is either subject to an audit or is required to annually attest, under penalties of perjury, that such proceeds were used correctly. DHSMV can examine all records pertaining to the use of specialty license plate revenues.

The Legislature has authorized 111 specialty license plates to date. Sales of specialty license plates generated over \$35 million in annual use fee revenues during the 2008 Fiscal Year (July 2007-June 2008).

Motor Vehicle Registration Voluntary Checkoff

¹ S. 45, 2008-176, Laws of Florida

Section 320.023, F.S., outlines the procedures which an organization must follow prior to seeking Legislative authorization to establish a voluntary checkoff on a motor vehicle registration application. Before the organization is eligible, it must submit the following requirements to 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 checkoff, if authorized, and 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.

DHSMV must discontinue the checkoff 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.

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 following corporations, trust funds, and organizations:

- Nongame Wildlife Trust Fund (\$1)
- Highway Safety Operating Trust Fund, used to purchase child safety seats (\$2)
- Transportation Disadvantaged Trust Fund (\$1)
- Prevent Blindness Florida (\$1)
- Unspecified monetary contribution to Florida Mothers Against Drunk Driving, Inc.
- Southeastern Guide Dogs, Inc. (\$1)
- Miami Heart Research Institute, Inc. (\$1)
- Children's Hearing Help Fund (\$1)
- State Homes for Veterans Trust Fund (\$1)
- Family First (\$1)

Section 320.02, F.S., requires an explanation of the purpose of the trust fund established be included on the application form. Section 320.02, F.S., further provides none of the contributions are subject to the seven percent trust fund service charge as defined in s. 215.20, F.S., because the funds are not income of a revenue nature.

Driver's License Application Voluntary Checkoff

Section 322.081, F.S., provides the procedures which an organization must follow prior to seeking Legislative authorization to establish a voluntary check off on a driver's license application. Before the organization is eligible, it must submit the following requirements to 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, and 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.

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 5-year period.

Pursuant to s. 322.08, F.S., the driver's license application and renewal forms currently include the following six voluntary contribution check offs:

- A voluntary contribution of \$1 per applicant, which shall be deposited into the Health Care Trust Fund for organ and tissue donor education and for maintaining the organ and tissue donor registry.
- A voluntary contribution of \$1 per applicant, which shall be distributed to the Florida Council of the Blind.
- A voluntary contribution of \$2 per applicant, which shall be distributed to the Hearing Research Institute, Incorporated.
- A voluntary contribution of \$1 per applicant, which shall be distributed to the Juvenile Diabetes Foundation International.
- A voluntary contribution of \$1 per applicant, which shall be distributed to the Children's Hearing Help Fund.
- A voluntary contribution of \$1 per applicant, which shall be distributed to Family First, a nonprofit organization.

An organization requesting a driver's license check off must also provide a statement, which explains the purpose of the trust fund created through the check off. Some contributions received through driver's license check offs are exempted from the general revenue service charges as established in s. 215.20, F.S.

Achievement & Rehabilitation Centers, Inc.

Achievement and Rehabilitation Center, Inc., is a nonprofit organization providing support and assistance to children and adults with mental retardation, autism, Down's Syndrome, cerebral palsy, and other developmental diseases. The organization provides a full range of services and support, including: workforce development services; adult habilitation services; children's services; behavioral health care services; and outpatient health care services. The organization also provides nationally accredited preschool and early intervention services.

DHSMV has found that the “Autism” license plate has met the application requirements and falls within the exception from the moratorium on new specialty license plates created by the 2008 Legislature, as the organization submitted its materials before May 2, 2008.

However, the Center failed to meet the statutory requirements for the voluntary motor vehicle registration and voluntary driver’s license application checkoffs.

III. Effect of Proposed Changes:

Specialty License Plate

Section 1 and Section 2: The bill authorizes DHSMV to develop and issue an Achievement and Rehabilitation Center, Inc., license plate titled “Autism.” Drivers can purchase this specialty plate upon payment of the appropriate license taxes and fees and a \$25 annual use fee.

The first \$85,000 of annual use fees shall reimburse the organization for the costs of starting and developing the license plate. Thereafter, annual use fees shall be distributed to the Achievement and Rehabilitation Center, Inc., which may use up to 15 percent of the of the proceeds for the administrative costs 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. Thereafter, thirty-five percent of the proceeds 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.

Thereafter, the Center for Autism and Related Disabilities at the University of Miami shall receive 15 percent of the proceeds from the annual use fee for distribution, as determined appropriate by the director of that center, to the seven regional autism centers created under s. 1004.55, F.S. The regional centers shall use the proceeds to support the services they provide. The remaining proceeds shall be available to the Autism Services Grant Council for grants to nonprofit organization to operate direct services programs for individuals with autism and related disabilities and their families and for marketing the Autism license plate. All grant recipients, including Achievement and Rehabilitation Centers, Inc., and the Center for Autism and Related Disabilities, shall be required to provide to the Autism Services Grant Council an annual program and financial report regarding the use of grant funds. Such reports shall be made available to the public.

This section also directs the organization to develop an Autism Services Grant Council, which shall provide grants from available Autism license plate proceeds to nonprofit organizations for direct services and programs for individuals with autism and related disabilities and their families and shall include those who are on the Agency for Persons with Disabilities waiting lists for services. The organization shall also establish an Autism License Plate Fund. All funds received must be used in the state.

Motor Vehicle Registration Checkoff

Section 3: This bill would amend s. 320.02, F.S., to include a voluntary contribution checkoff option of \$25 on motor vehicle registration and renewal forms to the Autism License Plate Fund administered by Achievement and Rehabilitations Centers, Inc., a nonprofit organization. The DHSMV would receive voluntary contributions and transfer those funds monthly to the

organization. Contributions are not income of a revenue nature for purposes of applying the service charge provided in s. 215.20, F.S. According to DHSMV, the organization has not met the requirements set forth in s. 320.023, F.S.

Driver's License Application and Renewal Checkoff

Section 4: Amends s. 322.08, F.S., to require the DHSMV to include a check off for a voluntary \$5 contribution to the Autism License Plate Fund administered by Achievement and Rehabilitation Center, Inc., on each driver's license application form. The contributions donated to Stop Autism License Plate Fund through the driver's license check off will go towards the Achievement and Rehabilitation Center, Inc. This section also exempts the funds from the general revenue service charge.

The bill shall take effect July 1, 2009.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Persons wishing to purchase an "Autism" plate can do so for an additional charge of \$25 (plus \$2 processing fee) beyond the normal fees associated with buying a license plate. Achievement and Rehabilitation Center, Inc., has paid the \$60,000 application fee, which will be refunded if the plate is not approved by the Legislature.

Applicants for motor vehicle registration and renewals wishing to donate \$25 to Achievement and Rehabilitation Center, Inc., would have the option of doing so by selecting the checkoff option on the application form. Achievement and Rehabilitation Center, Inc., would benefit by receiving monthly donations.

Citizens wishing to contribute \$5 to Achievement and Rehabilitation Center, Inc., may do so by checking the organization on the driver's license application form or form for renewal issuance or renewal extension.

C. Government Sector Impact:

DHSMV is responsible for developing and distributing the "Autism" license plate. The cost of this effort is approximately \$60,000. This impact will be offset by the \$60,000 application fee that the organization has already paid.

The organization has not paid either application fee of \$10,000 to defray DHSMV's costs for reviewing the application and developing the motor vehicle registration or driver's license and license renewal or extension application voluntary checkoff.

VI. Technical Deficiencies:

None.

VII. Related Issues:

While the organization has paid the fee to develop the Autism license plate, they have not paid the \$10,000 fee for either the motor vehicle registration or the driver's license and license renewal or extension application voluntary checkoff.

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:

Barcode 533592 by the Committee on Transportation on March 25, 2009:

This amendment deletes Section 3, the motor registration voluntary checkoff, and Section 4, the driver's license application and renewal voluntary checkoff, and changes the title, accordingly.