

**STORAGE NAME:** h3413s1.tr

**DATE:** April 6, 1998

**HOUSE OF REPRESENTATIVES  
COMMITTEE ON  
TRANSPORTATION  
BILL RESEARCH & ECONOMIC IMPACT STATEMENT**

**BILL #:** CS/HB 3413

**RELATING TO:** Motor Vehicle Registration/MADD

**SPONSOR(S):** Committee on Transportation and Representatives Ogles, Fasano, Merchant, and Heyman

**COMPANION BILL(S):** CS/SB 938 (c)

**ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:**

- (1) TRANSPORTATION YEAS 10 NAYS 0
- (2) LAW ENFORCEMENT & PUBLIC SAFETY
- (3) GOVERNMENTAL RULES & REGULATIONS
- (4)
- (5)

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I. SUMMARY:

The bill authorizes the Department of Highway Safety and Motor Vehicles (DHS&MV) to collect voluntary donations for Florida Mothers Against Drunk Driving, Inc., (MADD) as part of the motor vehicle registration process. Such voluntary contributions would be transferred monthly to MADD.

The bill also establishes requirements for entities seeking to create a new voluntary checkoff on motor vehicle registration and driver's license renewals. The requirements are similar to those used for specialty license plates and include the following:

- A formal application process.
- Criteria for the discontinuance of an authorized voluntary contribution.
- Audit and accountability requirements for organizations receiving funds through voluntary contributions.

The bill would require DHS&MV to modify its computer software system at a cost of approximately \$9,000.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

Chapters 320, 322, and 327 F.S., authorize DHS&MV to accept voluntary contributions for specified trust funds and organizations during the motor vehicle and vessel registration process and the driver's license issuance process. During FY 1996-97, DHS&MV collected the following amounts as voluntary contributions:

<b>Voluntary Contribution Revenues Fiscal Year 1996-97</b>				
<b>Type</b>	<b>Driver License</b>	<b>Vessels</b>	<b>License Plates</b>	<b>Total</b>
Prevent Blindness	\$127,229			\$127,229
Non Game Wildlife TF			\$39,768	\$39,768
Election Campaign TF	\$19,544	\$881	\$17,780	\$38,205
Organ and Tissue Donor TF	\$64,440		\$21,923	\$86,363
Save the Manatee		\$134,669		\$134,669
Marine Turtle Protection		\$71,097		\$71,097
Transportation Disadvantaged TF			\$22,255	\$22,255
Child Safety Seats			\$29,487	\$29,487
Blindness Council	<u>\$18,212</u>	_____	_____	<u>\$18,212</u>
Total	<u>\$229,425</u>	<u>\$206,647</u>	<u>\$131,213</u>	<u>\$567,285</u>

B. EFFECT OF PROPOSED CHANGES:

**Additional Voluntary Contribution**

The bill authorizes DHS&MV to collect voluntary donations for MADD as part of the motor vehicle registration process. Such voluntary contributions would be transferred monthly to MADD.

**Application Requirements**

The bill also establishes requirements for entities seeking to create a voluntary checkoff on motor vehicle registration and driver's license renewals. The new requirements are similar to the application requirements used for specialty license plates. The requesting

organization must submit the following to DHS&MV at least 90 days before the next regular legislative session:

- A request that describes the proposed voluntary contribution in general terms.
- An application fee, not to exceed \$10,000 to defray the Department's cost for reviewing the application and developing the voluntary contribution checkoff. State funds cannot be used to pay the application fee.
- A marketing strategy outlining short-term and long-term marketing plans for the requested voluntary contribution, and a financial analysis outlining the anticipated revenues and planned expenditures from the voluntary contribution.

### **Requirements for the Continuation of a Voluntary Contribution Checkoff**

The bill provides that DHS&MV must discontinue the voluntary contribution if less than \$25,000 has been contributed by the end of the 5th year, or less than \$25,000 is contributed during any subsequent 5 year period. In addition, the Department is authorized to discontinue the voluntary contribution and distribution of associated proceeds if the organization ceases to exist, if the organization stops providing services that are authorized to be funded from the voluntary contributions, or if the organization requests that the voluntary contribution be discontinued.

### **Monitoring Use of Donations**

The bill prohibits the use of voluntary donation proceeds for commercial or for-profit activities. Similarly, voluntary contributions may not be used to fund general or administrative expenses of the recipient organization, except as authorized by law or to pay the cost of the required audit or report.

The bill requires that organizational recipients of any voluntary contribution in excess of \$15,000, not otherwise subject to annual audit by the Auditor General, must submit an audit of expenditures. In lieu of an annual audit, any organization receiving less than \$15,000 in voluntary contributions may annually report, under penalties of perjury, that proceeds were used in compliance with law. The bill stipulates that voluntary contributions authorized by law must be distributed to an organization under an appropriation by the Legislature.

The bill provides that by February 1, of each year, DHS&MV must determine which recipients have complied with the audit and accountability requirements. If DHS&MV determines that an organization has not complied with the requirements, the Department must discontinue the distribution of funds until it determines that the organization is in compliance. If the organization fails to comply within 12 months, the proceeds are to be deposited into the Highway Safety Operating Trust Fund to offset Department costs. Finally, the Auditor General and the Department are authorized to examine all records pertaining to the use of funds from the voluntary contributions authorized.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

N/A

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

The bill creates an additional voluntary contribution on motor vehicle registrations. Local tax collectors will be accountable for collecting and managing the additional funds.

(3) any entitlement to a government service or benefit?

The Florida Mothers Against Drunk Driving, Inc., would receive the donated funds.

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

N/A

b. Does the bill require or authorize an increase in any fees?

N/A

c. Does the bill reduce total taxes, both rates and revenues?

N/A

d. Does the bill reduce total fees, both rates and revenues?

N/A

e. Does the bill authorize any fee or tax increase by any local government?

N/A

3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

N/A

b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

Tax collectors would be responsible for collecting the voluntary contributions for the Florida Mothers Against Drunk Driving, Inc.

4. Individual Freedom:

a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

N/A

b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

N/A

5. Family Empowerment:

a. If the bill purports to provide services to families or children:

(1) Who evaluates the family's needs?

N/A

(2) Who makes the decisions?

N/A

(3) Are private alternatives permitted?

N/A

(4) Are families required to participate in a program?

N/A

(5) Are families penalized for not participating in a program?

N/A

b. Does the bill directly affect the legal rights and obligations between family members?

N/A

c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

D. STATUTE(S) AFFECTED:

s. 320.02, F.S.

E. SECTION-BY-SECTION RESEARCH:

N/A

III. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

The bill would require DHS&MV to modify its computer software system at a cost of \$9,000.

2. Recurring Effects:

N/A

3. Long Run Effects Other Than Normal Growth:

N/A

4. Total Revenues and Expenditures:

Insignificant

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

N/A

2. Recurring Effects:

Local tax collectors will be accountable for collecting and managing the additional funds.

3. Long Run Effects Other Than Normal Growth:

N/A

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

N/A

2. Direct Private Sector Benefits:

The Mothers Against Drunk Driving Inc., would receive revenue to support their programs. The revenue generated from this voluntary contribution is indeterminate since data is unavailable to predict how many Florida citizens would contribute.

3. Effects on Competition, Private Enterprise and Employment Markets:

N/A

D. FISCAL COMMENTS:

DHSMV is required to collect an application fee to offset its costs for reviewing and developing the voluntary checkoff. DHSMV has had to absorb these costs in the past.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

N/A

B. REDUCTION OF REVENUE RAISING AUTHORITY:

N/A

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

N/A

V. COMMENTS:

N/A

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

On April 2, 1998, the House Transportation Committee adopted one amendment to HB 3413. The amendment establishes requirements for entities seeking to create a voluntary check off on motor vehicle registration and driver's license renewals.



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**PAGE 9**

VII. SIGNATURES:

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