

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 1048

INTRODUCER: Senator Joyner

SUBJECT: Motor Vehicle Registration Fees

DATE: April 1, 2009

REVISED: 4/6/09

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Meyer	Meyer	TR	Fav/1 amendment
2.			FT	
3.			TA	
4.			WPSC	
5.				
6.				

Please see Section VIII. for Additional Information:

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

I. Summary:

The bill increases, from \$1.50 to \$3.00, the amount of motor vehicle registration fees to be charged and deposited into the Transportation Disadvantaged Trust Fund. The expected increase to the Transportation Disadvantaged Trust Fund is \$20.2 million per fiscal year. These funds would be used to provide additional services to the transportation disadvantaged.

This bill substantially amends s. 320.03, F.S.

II. Present Situation:

The Transportation Disadvantaged (TD) Program, created in 1979 by the Legislature pursuant to Part I of ch. 427, F.S., coordinates a network of local and state programs providing transportation services for elderly, disabled, and low income citizens. The Legislature created the Commission for the Transportation Disadvantaged (commission) in 1989 as an independent entity within the Department of Transportation (DOT). The mission of the commission is to ensure the availability of efficient, cost-effective and quality transportation services for transportation disadvantaged persons. The TD Program is administered through a decentralized network of state and local organizations (see Exhibit). The commission is the state entity responsible for ensuring the

coordination and delivery of TD services in a cost-effective manner throughout the state. Various state agencies provide funding for specific client groups. At the local level, coordination of TD services is accomplished through planning agencies, local advisory boards, community transportation coordinators and transportation operators.

The commission also administers the Medicaid Non-Emergency Transportation Program and the TD Trust Fund. The TD Trust Fund receives moneys from a \$1.50 fee on the initial and renewal registration of vehicles pursuant to s. 320.03(9), F.S., and other sources of revenue designated by the Legislature. The TD Trust Fund is used to subsidize trips, provide funding for TD eligible persons not otherwise funded, and provide for administrative expenses.¹

Over the years, the Legislature has modified the program's administrative structure, program responsibilities, and funding. A 7-member commission sets state policy and oversees its statewide implementation, and distributes a share of its budgeted funds to the local providers, based on the commission's criteria. Commissioners represent the non-transportation business community and disabled individuals who use the transportation disadvantaged system. Appointments to the commission are made by the Governor.

Currently, the commission's membership includes:

- Seven voting members appointed by the Governor, in accordance with the requirements of s. 20.052, F.S. Two of the members must be persons with a disability and who use the transportation disadvantaged system. Five of the members must have significant experience in the operation of a business. In addition, when making an appointment, it is the intent of the Legislature that the Governor selects persons who reflect the broad diversity of the business community in the state, as well as the racial, ethnic, geographical, and gender diversity of the population of this state.

In addition, the top executive or their designee, from each of the following entities, will serve as ex officio, nonvoting advisors of the commission:

- The Department of Transportation (DOT);
- The Department of Children and Family Services;
- The Agency for Workforce Innovation;
- The Department of Veterans' Affairs;
- The Department of Elderly Affairs;
- The Agency for Health Care Administration (AHCA);
- The Agency for Persons with Disabilities; and
- A county manager or administrator who is appointed by the Governor.

The commission is required to meet at least quarterly, or more frequently at the call of the chairperson. Four members of the commission constitute a quorum, and a majority vote of the members present is necessary for any action taken by the commission.

¹ Persons are considered transportation disadvantaged when physical or mental disability, income status, or age make them unable to transport themselves or to purchase transportation. These conditions cause them to rely on others to obtain access to health care, employment, education, shopping, or other life-sustaining activities. Handicapped children or children at-risk or high-risk are also eligible for services under this program. See s. 427.011, F.S.

The commission is housed within the DOT for administrative and fiscal accountability purposes only.

Florida's 67 counties are divided into TD service areas. While most urban counties are single-county service areas, some rural counties are organized into multi-county service areas. All 67 counties have some level of TD service for their elderly, disabled, or needy residents. According to the commission's most recent annual report, in fiscal year 2007-2008, 50.2 million trips were provided to clients.

Total funding for TD services in Florida – from public and private – was \$361.7 million in fiscal year 2007-2008. Not all of those funds were expended directly by the commission.

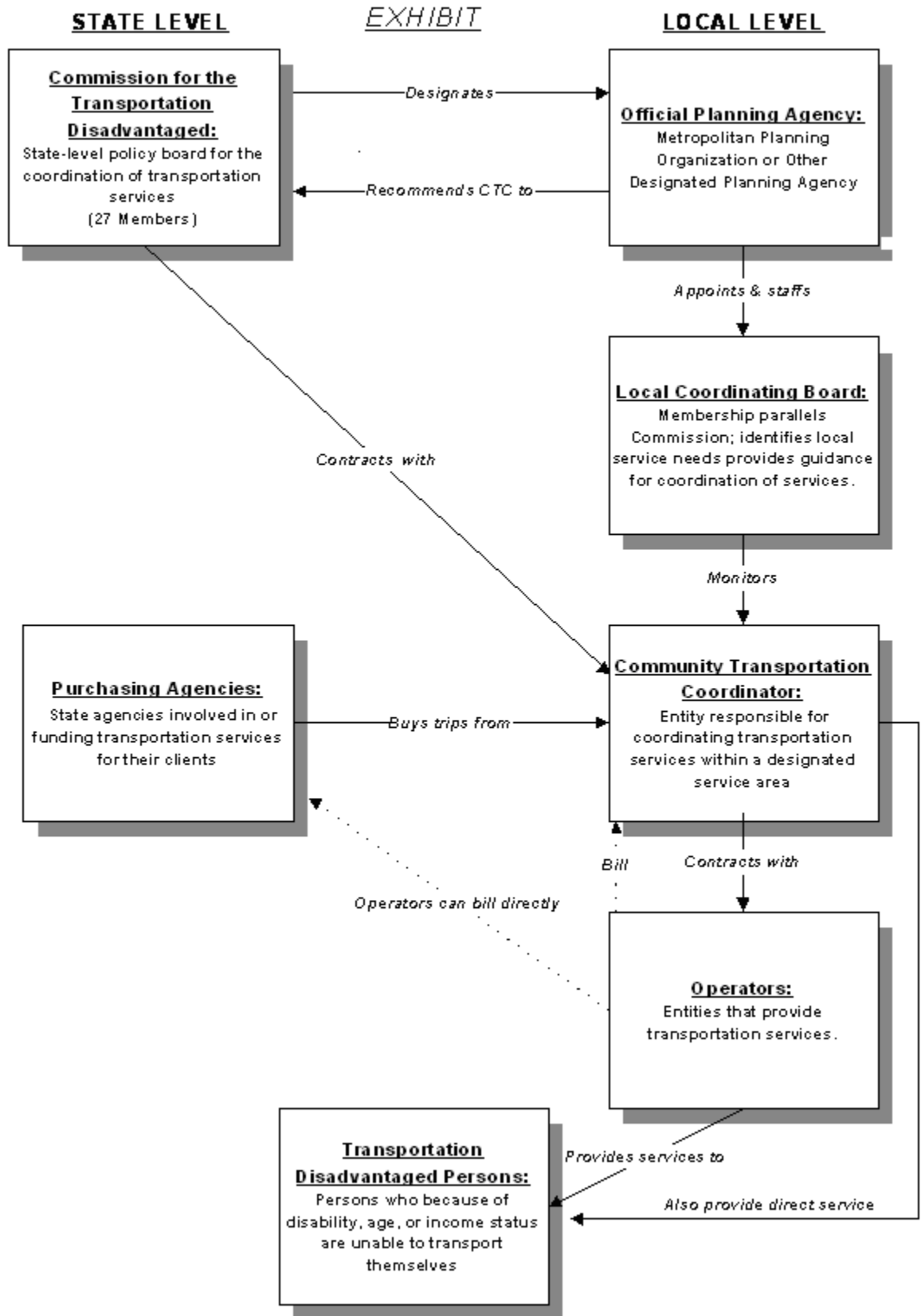
For fiscal year 2007-2008, its state appropriation was \$37.1 million. As of November 1, 2004, with the signing of a memorandum of agreement with the AHCA, the commission also oversees an additional \$54.3 million in Medicaid funds for non-emergency transportation (NET) services for Medicaid clients.

The commission uses the following structure to coordinate TD services. Briefly:

- At the statewide level, the commission assists communities in establishing coordinated transportation systems; manages contracts and memoranda of agreement; ensures state agencies purchase transportation services from within the TD coordinated system, unless a more cost-effective provider outside the coordinated system can be found by the purchasing agency; and approves the local entities that manage the delivery of transportation services to eligible clients.
- At the local level, the TD program is implemented through a network of planning agencies, local advisory boards, community transportation coordinators (CTCs), and transportation operators. Local planning agencies, such as a metropolitan planning organization (MPO) or regional planning council, appoint and staff each local coordinating board. A local elected official chairs each coordinating board. These local boards also recommend the CTCs to the commission.

The CTCs are the entities responsible for the actual arrangement or delivery of transportation services within their local service area. A CTC may be a government entity, a transit agency, a private not-for-profit agency or a for-profit company. A CTC may function as a sole-source provider of TD services, or it may broker part or all of the trips to transportation operators. The commission enters into a memorandum of agreement for services with a CTC. This agreement identifies the anticipated service population, service area, information regarding any subcontractors, and rates for services.

OVERVIEW OF THE TRANSPORTATION DISADVANTAGED PROGRAM



III. Effect of Proposed Changes:

The bill amends s. 320.03(9), F.S., and increases, from \$1.50 to \$3.00, the amount of motor vehicle registration fees to be charged and deposited into the Transportation Disadvantaged Trust Fund. The expected increase to the Transportation Disadvantaged Trust Fund is \$20.2 million annually.

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:**

The bill amends s. 320.03(9), F.S., and increases, from \$1.50 to \$3.00, the amount of motor vehicle registration fees to be charged and deposited into the Transportation Disadvantaged Trust Fund. The expected increase to the Transportation Disadvantaged Trust Fund is \$20.2 million annually.

B. Private Sector Impact:

The additional funds would be used to provide additional services to the transportation disadvantaged.

C. Government Sector Impact:

The TD Commission would receive additional funds to be used to provide additional services to the transportation disadvantaged.

VI. Technical Deficiencies:

None.

VII. Related Issues:

The Department of Highway Safety and Motor Vehicles recommends the effective date be amended to October 1, 2009, this would reduce the revenues collected in the first fiscal year to an estimated \$15.2 million.

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 173616 by Transportation on 4/6/09:

Changes the effective date to October 1, 2009, to allow sufficient time for implementation to make necessary programming modifications, which addresses a concern made by the Department of Highway Safety and Motor Vehicles.