

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 509 Veterans

SPONSOR(S): Zapata and others

TIED BILLS: IDEN./SIM. BILLS: SB 644

	REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1)	Military & Local Affairs Policy Committee	12 Y, 0 N	Fudge	Hoagland
2)	Economic Development & Community Affairs Policy Council	14 Y, 0 N	Fudge	Tinker
3)	Finance & Tax Council	13 Y, 0 N	Wilson	Langston
4)	Full Appropriations Council on General Government & Health Care		Edwards	Leznoff
5)				

SUMMARY ANALYSIS

Current law exempts honorably discharged 100-percent totally and permanently disabled veterans from certain license or permit fees of counties and municipalities. This fee waiver allows the veteran to make improvements such as ramps and widening of doors, necessary to make the dwelling habitable for veterans confined to wheelchairs.

Current law authorizes the second \$100,000 generated from specified "stamped motor vehicle license plates" to be deposited into the State Homes for Veterans Trust Fund and used to construct, operate, and maintain domiciliary and nursing homes for veterans.

Current law authorizes any veteran or other eligible student one educational assistance deferment each academic year and an additional deferment each time there is a delay in receiving the specified benefits.

HB 509 removes the requirement that an honorably discharged 100-percent permanently and totally disabled veteran must be confined to a wheelchair before being eligible for waiver of county or municipality license or permit fees. The bill authorizes a fee waiver for improvements that would make the residence safe for the veteran.

The bill also removes the cap on revenues that are deposited into the State Homes for Veterans Trust Fund. Finally, the bill expands the list of veterans eligible for deferments to include individuals with at least 90 days of aggregate service on or after September 11, 2001, or individuals discharged with a service-connected disability after 30 days pursuant to the Post 9/11 Veterans Educational Assistance benefits under ch. 33 of Title 38, U.S.C.

It is estimated that the State Homes for Veterans Trust Fund will receive an additional \$250,000 from these specialty license plates. The Florida Department of Transportation (FDOT) states that this will have a \$1.25M impact on its 5-year work program. In addition, the FDOT, indicates that this is a further reduction of the STTF which contribute to a cumulative impact during time of budget constraints.

This bill provides an effective date of 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:

##### **Current Situation**

##### License and Permit Fees

Section 295.16, F.S., exempts honorably discharged 100-percent totally and permanently disabled veterans from certain license or permit fees of counties and municipalities. This fee waiver allows the veteran to make improvements such as ramps and widening of doors, necessary to make the dwelling habitable for veterans confined to wheelchairs.

##### License Plate Revenues

"Specialty license plates" are available to any owner or lessee of a motor vehicle who is willing to pay an annual 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.<sup>1</sup>

However, "stamped plates" are issued by the Department of Highway Safety and Motor Vehicles (DHSMV) based on certain qualifying criteria. The Governor, members of Congress and the Legislature,<sup>2</sup> members of the National Guard and U. S. Armed Forces Reserve, Pearl Harbor survivors, combat wounded veterans awarded the Purple Heart, and veterans of service in Operation Iraqi Freedom and Operation Enduring Freedom qualify for special license plates, or "stamped plates".<sup>3</sup> License taxes for these special plates are the same as any other motor vehicle plate as prescribed in s. 320.08, F.S.

The revenues for these "stamped plates" currently generate approximately \$450,000. The first \$100,000 of revenues are deposited into the Grants and Donations Trust Fund under the Veterans' Nursing Homes of Florida Act. Any additional revenues, up to \$100,000, are deposited into the State Homes for Veterans Trust Fund and used to construct, operate, and maintain domiciliary and nursing

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<sup>1</sup> Sections 320.08056 and 320.08058, F.S.

<sup>2</sup> Section 320.0807, F.S.

<sup>3</sup> Section 320.089, F.S.,

homes for veterans. Any surplus, currently \$250,000, is deposited into the Department of Transportation State Transportation Trust Fund.

## Deferment of Fees

Section 1009.27, F.S., authorizes any veteran or other eligible student one deferment each academic year and an additional deferment each time there is a delay in receiving the following benefits:

- All Volunteer Force Educational Assistance Program<sup>4</sup>
- Training and Rehabilitation for Veterans with Service Connected Disabilities<sup>5</sup>
- Post-Vietnam Era Veterans Educational Assistance<sup>6</sup>
- Veterans Educational Assistance<sup>7</sup>
- Survivors and Dependents Educational Assistance<sup>8</sup>; or
- Educational Assistance for Members of the Selected Reserve<sup>9</sup>

In 2008, the Post 9/11 Veterans Educational Assistance benefits (Post 9/11 GI Bill) was passed and goes into effect August 1, 2009. Based on the length of active duty service, a veteran is entitled to a percentage of the following:

- Cost of tuition and fees, not to exceed the most expensive in-state undergraduate tuition at a public institution of higher education (paid to school);
- Monthly housing allowance equal to the basic allowance for housing payable to a military E-5 with dependents, in the same zip code as your school (paid to veteran);
- Yearly books and supplies stipend of up to \$1000 per year (paid to veteran); and a one-time payment of \$500 paid to certain individuals relocating from highly rural areas.

## Effect of Proposed Changes

HB 509 removes the requirement that an honorably discharged 100-percent permanently and totally disabled veteran must be confined to a wheelchair before being eligible for exemption from county or municipality license or permit fees. The bill further provides an exemption from fees for improvements that would make the residence safe for the veteran.

The bill also removes the \$100,000 cap on revenues that are deposited into the State Homes for Veterans Trust Fund.

Finally, the bill amends s. 1009.27, F.S., to authorize deferment for any veteran or other eligible student who receives Post 9/11 Veterans Educational Assistance benefits under ch. 33 of Title 38, U.S.C.<sup>10</sup>

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<sup>4</sup> 38 U.S.C. § 30.

<sup>5</sup> 38 U.S.C. § 31.

<sup>6</sup> 38 U.S.C. § 32.

<sup>7</sup> 38 U.S.C. § 34.

<sup>8</sup> 38 U.S.C. § 35.

<sup>9</sup> 10 U.S.C. § 106.

<sup>10</sup> Approximately 160,000 young men and women deployed in the Global War on Terrorism list Florida as their Home of Record. While it is uncertain how many will apply for their GI Bill benefits, the post Vietnam War era saw approximately 76% of those eligible taking advantage of their GI Bill benefits.

**B. SECTION DIRECTORY:**

Section 1: Amends s. 295.16, F.S., removing a provision which limits the exemption of license and permit fees to veterans confined to wheelchairs.

Section 2: Amends s. 320.089, F.S., removing the cap on license plate revenues deposited into the State Homes for Veterans Trust Fund.

Section 3: Amends s. 1009.27, F.S., allowing deferment for any veteran or other eligible student who receives Post 9/11 Veterans Educational Assistance benefits.

Section 4: Provides an effective date of July 1, 2009, for sections 1 and 2 and an effective date of August 1, 2009, for section 3.

**II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

**A. FISCAL IMPACT ON STATE GOVERNMENT:**

1. Revenues:

The bill removes the \$100,000 cap on revenues that are deposited in the State Homes for Veterans Trust Fund from certain specialty license plates. Funds over this limit are currently deposited in the Florida Department of Transportation State Transportation Trust Fund (STTF). By removing the cap, revenues generated that may currently be deposited into the STTF, will instead be deposited in the State Homes for Veterans Trust Fund. In fiscal year 2007-08, the Florida Department of Transportation (FDOT) received approximately \$250,000 in the STTF generated by these specialty license plates.

The FDOT agrees that this will have a \$1.25M impact on its 5-year work program. In addition, the FDOT, indicates that this is a further reduction of the STTF which contribute to a cumulative impact during time of budget constraints.

2. Expenditures:

None.

**B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

1. Revenues:

An analysis provided by the Department of Veterans Affairs states:

Based upon federal VA compensation, there are fewer than 20,000 100-percent permanently and totally disabled veterans in Florida. The sub-set of those veterans not currently eligible and that live at home is small when spread throughout 67 counties. The fiscal impact of license and permit fee waivers is indeterminate but expected to be negligible.

2. Expenditures:

None.

**C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

None.

**D. FISCAL COMMENTS:**

None.

### **III. COMMENTS**

#### **A. CONSTITUTIONAL ISSUES:**

1. Applicability of Municipality/County Mandates Provision:

2. Other:

None.

#### **B. RULE-MAKING AUTHORITY:**

None.

#### **C. DRAFTING ISSUES OR OTHER COMMENTS:**

None.

### **IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES**