

## **FINAL BILL ANALYSIS**

**BILL #:** HB 431

**FINAL HOUSE FLOOR ACTION:**

115 Y's 0 N's

**SPONSOR:** Rep. Sands

**GOVERNOR'S ACTION:** Approved

**COMPANION BILLS:** SB 904

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## **SUMMARY ANALYSIS**

HB 431 passed the House on April 20, 2011, and subsequently passed the Senate on May 3, 2011. The bill was approved by the Governor on June 17, 2011, chapter 2011-166, Laws of Florida, and becomes effective July 1, 2011.

The bill creates a new \$1 checkoff on driver license applications for the Disabled American Veterans. Specifically, the bill amends s. 322.08, F.S., to require driver license applications and renewals to include a \$1 voluntary contribution to Disabled American Veterans, Department of Florida, a non-profit 501(c)(3) organization.

The Department of Highway Safety and Motor Vehicles has certified that Disabled American Veterans, Department of Florida, has complied with s. 322.081, F.S., regarding requests to establish a voluntary check-off, by submitting its letter of request, \$10,000 application fee, and approved short- and long-term marketing plans.

**This document does not reflect the intent or official position of the bill sponsor or House of Representatives.**

## I. SUBSTANTIVE INFORMATION

### A. EFFECT OF CHANGES:

The bill amends s. 320.08, F.S., to require driver license applications and renewals to include a \$1 check-off to the Disabled American Veterans, Department of Florida, a non-profit 501(c)(3) organization.

The Department of Highway Safety and Motor Vehicles (DHSMV) has provided notice that Disabled American Veterans, Department of Florida, has complied with s. 322.081, F.S., regarding requests to establish a voluntary check-off, by submitting its letter of request, \$10,000 application fee, and approved short- and long-term marketing plans.

#### *About Driver License Check-Offs*

Section 322.081, F.S., provides the procedures an organization must follow prior to seeking legislative authorization to request the creation of a new voluntary contribution fee and establish a corresponding voluntary check-off on the driver's license application. Before the organization is eligible it must submit the following to DHSMV:<sup>1</sup>

- 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. (State funds may not be used to pay the application fee.)
- Short- and long-term marketing strategies and a financial analysis outlining the anticipated revenues and the planned expenditures of the revenues received.

Once a contribution is enacted, DHSMV must discontinue it 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.<sup>2</sup>

Prior to the 2010 legislative session, s. 322.08, F.S., authorized seven voluntary contributions while s. 322.18(19), F.S., authorized an eighth. In 2010, the Florida Legislature enacted three bills that addressed driver license contributions:

- 2010 HB 971 (ch. 2010-223, L.O.F.) added two additional checkoffs for the League Against Cancer and the State Homes for Veterans Trust Fund administered by the Florida Department of Veterans Affairs.
- 2010 HB 399 (ch. 2010-86, L.O.F.) added three additional checkoffs for Senior Vision Services, The Arc of Florida, and Ronald McDonald House Charities of Tampa Bay.
- 2010 HB 263 (ch. 2010-82, L.O.F.) added an additional checkoff for Lauren's Kids, Inc.<sup>3</sup>

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<sup>1</sup> These items must be delivered at least 90 days before the convening of the regular session of the Legislature.

<sup>2</sup> Section 322.081(4)(a), F.S.

<sup>3</sup> In addition to creating the checkoff for Lauren's Kids, Inc., ch. 2010-82, Laws of Florida, streamlined the application process by eliminating s. 322.18(19), F.S., and clarifying that the checkoffs required in s. 322.08(7), F.S., must appear on all license applications, including applications for renewal or replacement. This change reflects the fact that DHSMV uses a single application form for all such purposes.

In addition to creating the League Against Cancer and State Homes for Veterans check offs, ch. 2010-223, L.O.F., established a moratorium on new voluntary check offs. DHSMV “may not establish any new voluntary contributions on the motor vehicle registration application form under s. 320.023, F.S., or the driver’s license application form under s. 322.081, F.S., between July 1, 2010, and July 1, 2013.”

An exemption to the moratorium in ch. 2010-223, L.O.F., allows those charities that were in the process of complying with s. 322.081, F.S., in 2010 to continue to seek a check-off. DHSMV has identified five charitable organizations that fall within the exemption from the moratorium. Disabled American Veterans, Department of Florida is one of these charities.<sup>4</sup>

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

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

#### **1. Revenues:**

None.

#### **2. Expenditures:**

The bill will require programming modifications to DHSMV’s Driver License and Motor Vehicle Information Systems, the cost of which will be paid from the \$10,000 application fee submitted by the Disabled American Veterans, Department of Florida.

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

#### **1. Revenues:**

None.

#### **2. Expenditures:**

None.

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

Motorists who decide to donate would pay an additional dollar for vehicle registrations and drivers’ licenses.

### **D. FISCAL COMMENTS:**

There will be minimal operational impact on Tax Collectors to collect this revenue.

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<sup>4</sup> Letter from DHSMV Executive Director Julie L. Jones to the Florida House of Representatives, Transportation and Highway Safety Subcommittee, January 19, 2011. This letter is on file with the subcommittee.