

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 Appropriations Subcommittee on Transportation, Tourism, and Economic
Development

BILL: CS/SB 252

INTRODUCER: Infrastructure and Security Committee and Senator Flores

SUBJECT: Motor Vehicle Registration Applications

DATE: March 5, 2019

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Proctor</u>	<u>Miller</u>	<u>IS</u>	<u>Fav/CS</u>
2.	<u>Wells</u>	<u>Hrdlicka</u>	<u>ATD</u>	<u>Pre-meeting</u>
3.	<u> </u>	<u> </u>	<u>AP</u>	<u> </u>

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 252 requires the Department of Highway Safety and Motor Vehicles (DHSMV) to include an option on the motor vehicle registration application to make a voluntary contribution of \$1 or more to the Live Like Bella Childhood Cancer Foundation. Such contributions will be distributed by the DHSMV to the foundation.

The bill repeals the requirement that the DHSMV include an option on the motor vehicle registration application to make a voluntary contribution of \$1 or more to the Auto Club Group Traffic Safety Foundation, Inc.

The bill has an insignificant fiscal impact on the DHSMV.

This bill takes effect on July 1, 2019.

II. Present Situation:

Motor Vehicle Registration Voluntary Contributions

The application form for motor vehicle registration and renewal of registration¹ provides a voluntary contributions section that allows applicants to make a donation by checking a box on the form.²

The Florida Statutes specifically authorize which organizations can receive a voluntary contribution. Section 320.023, F.S., establishes the requirements for organizations seeking to establish a voluntary contribution on the motor vehicle registration application. It requires:

- A request for the particular voluntary contribution being sought, describing the proposed voluntary contribution in general terms;
- An application fee,³ not to exceed \$10,000 to defray the DHSMV's cost for reviewing the application and developing the voluntary contribution checkoff, if authorized;⁴
- 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 the planned expenditures of the revenues to be derived from the voluntary contribution.

This information must be submitted to the DHSMV at least 90 days before the next regular session of the Legislature convenes.

Section 320.023, F.S., also establishes a threshold for discontinuation of the voluntary contribution and oversight for organizations approved for a voluntary contribution on the motor vehicle registration application. It requires:

- The DHSMV to include any voluntary contributions approved by the Legislature on the motor vehicle registration application;
- The DHSMV to 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 five-year period.
- Any voluntary contribution, or any interest earned from those contributions, not to be used for commercial or for-profit activities or for general or administrative expenses;
- An organization to submit its audit to the DHSMV for review to determine if any voluntary contribution, or any interest earned from those contributions, was used for commercial or for-profit activities or for general or administrative expenses; and
- All organizations required to operate under the Solicitation of Contributions Act, as provided in ch. 496, F.S., to meet the requirements of that act before funds may be distributed.

The DHSMV is authorized to examine all records pertaining to the use of funds from the voluntary contributions by the organizations.

¹ As used in this document, the phrase "motor vehicle registration application" refers to the application form for motor vehicle registration and renewal of registration.

² Section 320.02(16), F.S., provides motor vehicle registration applicants with 21 options for voluntary contributions.

³ State funds may not be used to pay the application fee. See s. 320.023(1)(b), F.S.

⁴ If the voluntary contribution is not approved by the Legislature, the application fee must be refunded to the requesting organization. Section 320.03(2), F.S.

Live Like Bella Childhood Cancer Foundation

The Live Like Bella Childhood Cancer Foundation was founded in 2013⁵ “to promote and increase community awareness of childhood cancers and diseases and the need for research and development of medical treatments for children through the dissemination of information to the general public; to use funds to support such activities; and to make grants, loans, or other distributions...”⁶ The Live Like Bella Childhood Cancer Foundation is named after Bella Rodriguez-Torres, who passed away at the age of 10 from pediatric cancer. The foundation’s mission is to help children with cancer maintain a love for life. As of September 2017, the Live Like Bella Childhood Cancer Foundation has served families in 44 states and 11 countries, having surpassed \$4 million in donations. To date, donations have been used for on-going research, memorial support, compassionate use, and in-treatment support.⁷

Pediatric Cancer Research

According to the National Cancer Institute, cancer remains the leading cause of death from disease among children. The most common types of cancer diagnosed in children ages 0 to 14 years, are:

- Leukemia;
- Brain and other central nervous system (CNS) tumors; and
- Lymphoma.⁸

Pediatric cancer death rates have declined by 65 percent from 1970 to 2016;⁹ however, even when long-term survival is achieved, many survivors of childhood cancer may experience long-term adverse effects from the disease or its treatment. Research is needed to develop treatments for childhood cancer that are more effective and safe for children.¹⁰

Pediatric cancer is relatively uncommon, representing less than one percent of all new cases of cancer diagnosed in the United States each year. According to the National Cancer Institute, this presents a major challenge in conducting pediatric cancer research. “As clinical trials are increasingly restricted to smaller numbers of patients who are defined by the molecular characteristics of their tumors, rather than where the tumors originated in the body, collaboration among children’s cancer centers and a strong national clinical research program will continue to

⁵ Florida Department of State, Division of Corporations, Sunbiz, *Live Like Bella, Inc.*, Document No. F13000004224, September 30, 2013, <http://search.sunbiz.org/Inquiry/CorporationSearch/ByName> (last visited February 25, 2019).

⁶ Florida Department of State, Division of Corporations, Live Like Bella, Inc., *Application by Foreign Not For Profit Corporation For Authorization to Conduct Its Affairs in Florida*, p. 4, September 30, 2013, <http://search.sunbiz.org/Inquiry/CorporationSearch/ConvertTiffToPDF?storagePath=COR%5C2013%5C1008%5C00217040.Tif&documentNumber=F13000004224> (last visited February 25, 2019).

⁷ Live Like Bella Childhood Cancer Foundation, *About Us*, <http://livelikebella.org/aboutus.html> (last visited February 25, 2019).

⁸ National Cancer Institute, *Childhood Cancers*, <https://www.cancer.gov/types/childhood-cancers> (last visited February 25, 2019).

⁹ Id.

¹⁰ National Cancer Institute, *Childhood Cancers Research*, <https://www.cancer.gov/research/areas/childhood> (last visited February 25, 2019).

be essential to ensure that trials enroll sufficient numbers of participants to produce meaningful results.”¹¹

Securing adequate funding to support pediatric cancer research and clinical trials is a challenge. In 2017, pediatric cancer research awarded by the National Institutes of Health totaled approximately \$220 million, which represented only 2.5 percent of the total funding allocated for research. Florida received a fraction of the total amount awarded for pediatric cancer research with only \$10,256,609 awarded to Florida-based institutions in 2017.¹²

Auto Club Group Traffic Safety Foundation, Inc.

Effective October 1, 2011, Tampa-based AAA Auto Club South and Dearborn, Michigan-based, The Auto Club Group, affiliated and combined operations.¹³ The enterprise is known as The AAA - Auto Club Group and provides membership, travel, insurance, and financial services to members in 11 states, including Florida, and two United States territories.¹⁴

The Auto Club Group Traffic Safety Foundation, Inc., was founded in 2010, as a nonprofit corporation under s. 501(c)(3) of the Internal Revenue Code,¹⁵ as a unit of the AAA – The Auto Club Group. In 2013 a \$1 voluntary contribution checkoff for the Auto Club Group Traffic Safety Foundation, Inc., was authorized for the application forms for an original, renewal, or replacement driver’s license or identification card and motor vehicle registration. Funds received by the foundation were to be used to improve traffic safety culture in communities through effective outreach, education, and activities in the state designed to save lives, reduce injuries, and prevent crashes.^{16 17}

The AAA – The Auto Club Group is winding down the operations of the Auto Club Group Traffic Safety Foundation, Inc., and plans to dissolve the entity with an effective date no later than January 1, 2020. The foundation requested the DHSMV remove the voluntary checkoff for the foundation from the forms.¹⁸

III. Effect of Proposed Changes:

The bill requires the DHSMV to include an option on the motor vehicle registration application to make a voluntary contribution of \$1 or more to the Live Like Bella Childhood Cancer

¹¹ Id.

¹² National Institutes of Health, National Cancer Institute, Search: *Fiscal Year: 2017, Research Topic: Childhood Cancers*, <https://fundedresearch.cancer.gov/nciprotfolio/search/get?sic=Childhood+Cancers&fy=PUB2017> (last visited February 25, 2019). Analysis of data by Senate staff.

¹³ Travel Weekly, *AAA clubs in Tampa and Detroit area merge*, October 7, 2011, <https://www.travelweekly.com/Travel-News/Travel-Agent-Issues/AAA-clubs-in-Tampa-and-Detroit-area-merge> (last visited February 25, 2019).

¹⁴ LinkedIn, *The Auto Club Group, About Us*, <https://www.linkedin.com/company/the-auto-club-group> (last visited February 20, 2019).

¹⁵ Florida Department of State, Division of Corporations, Sunbiz, *Auto Club Group Traffic Safety Foundation, Inc.*, Document No. N10000003249, <http://search.sunbiz.org/Inquiry/CorporationSearch/ByName> (last visited February 25, 2019).

¹⁶ Chapter 2013-160, ss. 28 and 47, Laws of Fla. Sections 320.02(16)(t) and 322.08(8)(r), F.S.

¹⁷ Section 322.08(8)(r), F.S.

¹⁸ Karen Morgan (AAA-The Auto Club Group), letter to Paula Stanfield (DHSMV Division of Motorist Services), January 10, 2019 (on file with the Committee on Infrastructure and Security).

Foundation. Such contributions will be distributed by the DHSMV to the Live Like Bella Childhood Cancer Foundation.

The bill exempts the Live Like Bella Childhood Cancer Foundation from the application process and \$10,000 application fee to establish a voluntary contribution on the motor vehicle registration application.

The bill amends s. 320.02, F.S., to repeal the requirement that the DHSMV must include an option to make a voluntary contribution to the Auto Club Group Traffic Safety Foundation, Inc., on the motor vehicle registration application.

This bill is effective July, 1, 2019.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The DHSMV estimates approximately 660 programming hours will be required to implement the bill.¹⁹ The estimated equivalent of \$36,480 in FTE and contracted resources for programming hours can be absorbed within existing resources.

VI. Technical Deficiencies:

None.

VII. Related Issues:

Section 322.08(8)(r), F.S., also allows an applicant for an original, renewal, or replacement driver license or identification card to choose to voluntarily contribute \$1 to the Auto Club Group Traffic Safety Foundation, Inc. The foundation also requested the DHSMV to remove the voluntary checkoff for the foundation from that application form.

VIII. Statutes Affected:

This bill amends section 320.02 of the Florida Statutes.

IX. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Infrastructure and Security on February 19, 2019:

The committee substitute repeals the requirement that the DHSMV application form for motor vehicle registration and renewal of registration include language permitting a voluntary contribution to the Auto Club Group Traffic Safety Foundation, Inc.

The CS also modifies the notwithstanding language for the voluntary contribution to the Live Like Bella Childhood Cancer Foundation to only include ss. 320.023(1) and (2), F.S., which relate to the application process for organizations seeking to establish a voluntary contribution.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

¹⁹ DHSMV, *2019 Agency Legislative Bill Analysis – SB 252*, February 28, 2019 (on file with the Appropriations Subcommittee on Transportation, Tourism, and Economic Development).