

**HOUSE OF REPRESENTATIVES STAFF ANALYSIS**

**BILL #:** HB 965 Driver License, Identification Card, and Motor Vehicle Registration Applications

**SPONSOR(S):** Gottlieb, Arrington and others

**TIED BILLS:** IDEN./SIM. **BILLS:** SB 996

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Transportation & Modals Subcommittee	16 Y, 0 N	Johnson	Hinshelwood
2) Infrastructure & Tourism Appropriations Subcommittee		Hicks	Davis
3) Infrastructure Strategies Committee			

**SUMMARY ANALYSIS**

Under Florida law, if specified statutory requirements are met, an organization may receive a voluntary contribution to the organization on a motor vehicle registration application or a driver license and identification card application. Best Buddies International has met such statutory requirements for both the motor vehicle registration application and the driver license and identification card application.

Best Buddies International is the world’s largest organization dedicated to ending the social, physical, and economic isolation of people with intellectual and developmental disabilities.

The bill creates a \$1 voluntary contribution on the motor vehicle registration application for Best Buddies International. The bill also creates a \$1 or more voluntary contribution for Best Buddies International for the driver license and identification card application.

The bill has a negative fiscal impact on the Highway Safety Operating Trust Fund due to the costs associated with required programming and implementation for the voluntary contributions. However, those costs can be absorbed within existing resources. See Fiscal Analysis Section.

The bill has an effective date of July 1, 2023.

# FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

### A. EFFECT OF PROPOSED CHANGES:

#### Current Situation

#### Voluntary Contributions on Motor Vehicle Registration and Driver License and Identification Card Applications

Under Florida law, an organization seeking authorization to establish a voluntary contribution on a motor vehicle registration application or a driver license and identification card application must submit to the Department of Highway Safety and Motor Vehicles (DHSMV):

- A request for the particular voluntary contribution being sought, describing the proposed voluntary contribution in general terms.
- An application fee, not to exceed \$10,000 to defray DHSMV's cost for reviewing the application and developing the voluntary contribution checkoff, if authorized.<sup>1</sup>
- 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.

The information required above must be submitted to DHSMV at least 90 days before the convening of the next regular session of the Legislature.<sup>2</sup> If the voluntary contribution is not approved by the Legislature, the application fee is refunded to the requesting organization.<sup>3</sup>

DHSMV must include any voluntary contributions approved by the Legislature on the motor vehicle registration application form or driver license and identification card application form when DHSMV reprints the forms.<sup>4</sup>

DHSMV must discontinue the voluntary contribution if:

- Less than \$25,000 has been contributed by the end of the fifth year.
- Less than \$25,000 is contributed during any subsequent five-year period.<sup>5</sup>

DHSMV may discontinue the voluntary contribution and distribution of associated proceeds if the organization no longer exists, if the organization has stopped providing services that are authorized to be funded from the voluntary contributions, or pursuant to an organizational recipient's request. Organizations must immediately notify DHSMV to stop warrants for voluntary contributions if any of the above conditions exist, and must meet the applicable audit or attestation requirements for any period of operation during the fiscal year.<sup>6</sup>

A voluntary contribution collected and distributed, or any interest earned from those contributions, may not be used for commercial or for-profit activities or for general or administrative expenses, except as authorized by law.

- All organizations that receive annual use fee proceeds from DHSMV are responsible for ensuring that proceeds are used in accordance with law.
- Any organization not subject to audit pursuant to the Florida Single Audit Act<sup>7</sup> must annually attest, under penalties of perjury, that such proceeds were used in compliance with law.
- Any voluntary contributions authorized by law are deposited into and distributed from the Motor Vehicle License Clearing Trust Fund to the specified recipients.

<sup>1</sup> State funds may not be used to pay the application fee.

<sup>2</sup> Ss. 320.023(1) and s. 322.081(1), F.S.

<sup>3</sup> Ss. 320.023(2) and 322.081(2), F.S.

<sup>4</sup> Ss. 320.023(3) and 322.081(3), F.S.

<sup>5</sup> Ss. 320.023(4)(a) and 322.081(4)(a), F.S.

<sup>6</sup> Ss. 320.023(4)(b) and 322.081(4)(b), F.S.

<sup>7</sup> S. 215.97, F.S.

- Any organization subject to audit pursuant to the Florida Single Audit Act must submit an audit report in accordance with rules promulgated by the Auditor General. The annual attestation must be submitted to DHSMV for review within 9 months after the end of the organization's fiscal year.<sup>8</sup>

Within 90 days after receiving an organization's audit or attestation, DHSMV determines which recipients have not complied with the audit or attestation requirement. If DHSMV determines that an organization has not complied or has failed to use the revenues in accordance with law, DHSMV must discontinue the distribution of the revenues to the organization until the department determines that the organization has complied. If an organization fails to comply within 12 months after the voluntary contributions are withheld, the proceeds are deposited into the Highway Safety Operating Trust Fund to offset DHSMV's costs.<sup>9</sup>

DHSMV is authorized to examine all records pertaining to the use of funds from the authorized voluntary contributions.<sup>10</sup>

All organizations seeking to establish a voluntary contribution on a motor vehicle registration application or a driver license and identification card application that are required to operate under the Solicitation of Contributions Act,<sup>11</sup> must do so before these funds may be distributed.<sup>12</sup>

Best Buddies International has met the statutory requirements for voluntary contributions for the motor vehicle registration application and the driver license and identification card application.<sup>13</sup>

### Best Buddies International

Best Buddies International, a 501(c)(3) nonprofit organization, is the world's largest organization dedicated to ending the social, physical, and economic isolation of individuals with intellectual and developmental disabilities. Its programs empower the special abilities of individuals with intellectual and developmental disabilities by helping them form meaningful friendships with their peers, secure successful jobs, live independently, improve public speaking, self-advocacy and communication skills, and feel valued by society.<sup>14</sup>

Best Buddies International, Inc., is registered with the Department of State as a foreign not for profit corporation.<sup>15</sup> The organization is also registered with the Department of Agriculture and Consumer Services as a charitable organization in order to solicit contributions in Florida.<sup>16</sup>

### **Effect of the Bill**

The bill requires the application form for a motor vehicle registration and renewal to include language providing for a voluntary contribution of \$1 to Best Buddies International. DHSMV must distribute these contributions monthly to Best Buddies International.

The bill requires the application form for an original, a renewal, or a replacement driver license or identification card to include language providing for a voluntary contribution of \$1 or more per applicant

<sup>8</sup> Ss. 320.023(5) and 322.081(5), F.S.

<sup>9</sup> Ss. 320.023(6) and 322.081(6), F.S.

<sup>10</sup> Ss. 320.023(7) and 322.081(7), F.S.

<sup>11</sup> Ch. 496, F.S.

<sup>12</sup> Ss. 320.023(8) and 322.081(8), F.S.

<sup>13</sup> E-mail from Rachel Fleury-Charles, Legislative Liaison, Department of Highway Safety and Motor Vehicles, RE: Bill Analysis Request HB 965. (Feb. 21, 2022).

<sup>14</sup> Best Buddies International, <https://www.bestbuddies.org/what-we-do/mission-vision-goals/> (last visited Mar. 2, 2023).

<sup>15</sup> Department of State, Division of Corporations, Best Buddies International, <https://search.sunbiz.org/Inquiry/CorporationSearch/SearchResultDetail?inquiryType=EntityName&directionType=Initial&searchNameOrder=BESTBUDDIESINTERNATIONAL%20P373411&aggregateld=fomp-p37341-e85f1ce9-c17d-4bfe-874f-ecc895908b23&searchTerm=Best%20Buddies&listNameOrder=BESTBUDDIES%20N13000006010> (last visited Mar. 2, 2023).

<sup>16</sup> Department of Agriculture and Consumer Services Registration No. CH2971.

<https://csapp.fdacs.gov/CSPublicApp/CheckACharity/CheckACharity.aspx> (last visited Mar. 2, 2023). See also ch. 496, F.S.

to Best Buddies International. DSHMV must distribute these contributions monthly to Best Buddies International.

**B. SECTION DIRECTORY:**

**Section 1.** Amends section 320.02, F.S., relating to registration required; application for registration; forms.

**Section 2.** Amends section 322.08, F.S., relating to application for license; requirements for license and identification card forms.

**Section 3.** Provides an effective date of July 1, 2023.

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

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

1. Revenues:

Best Buddies International has paid the one-time \$10,000 application fee specified in statute, which is intended to defray DSHMV's costs.

2. Expenditures:

The fiscal impact is indeterminate; however, DSHMV reports that FTE and contracted resources are required for programming and implementation associated with creating the voluntary contributions on motor vehicle, driver license, and identification card application forms. The application fee and existing department resources will cover all related costs.

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

1. Revenues:

None.

2. Expenditures:

None.

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

Best Buddies International may see additional revenues associated with these voluntary contributions on motor vehicle, driver license, and identification card application forms to support its mission to end the social, physical, and economic isolation of people with intellectual and developmental disabilities.

**D. FISCAL COMMENTS:**

None.

**III. COMMENTS**

**A. CONSTITUTIONAL ISSUES:**

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to impact county or municipal governments.

2. Other:

None.

**B. RULE-MAKING AUTHORITY:**

None

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

None.

**IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES**

Not applicable.