



Full Appropriations Council on Education & Economic Development

March 23, 2009

3:00 p.m.

Morris Hall, 17 House Office Building

Meeting Packet

REVISED 1

**Larry Cretul
Speaker**

**David Rivera
Chair**



The Florida House of Representatives

Full Appropriations Council on Education & Economic Development

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Meeting Agenda
Monday, March 23, 2009
Morris Hall, 17 House Office Building
3:00 p.m.

- I. Call to Order**
- II. Roll Call**
- III. Consideration of the following bills:**

HJR 81 – Repeal of Public Campaign Financing Requirement by Representative Hays

CS/HB 83 – Public Campaign Financing by Transportation & Economic Development Appropriations Committee and Representative Hays

CS/HB 293 – Motor Vehicle Title Transfer by Economic Development & Community Affairs Policy Council and Representative Rogers

CS/HB 403 – State University Tuition and Fees by State Universities & Private Colleges Policy Committee and Representative Weatherford

HB 687 – Motor Vehicle Registration Applications by Representative Boyd

HB 7061 – Welfare Transition Trust Fund/DMA by Transportation & Economic Development Appropriations Committee and Representative Glorioso

- IV. Budget Workshop**
- V. Adjournment**

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:

Present Situation

Currently, the Florida Constitution requires public campaign financing for statewide candidates (Governor and cabinet officers), with implementation by general law. Article VI, s. 7, Fla. Const., provides:

It is the policy of this state to provide for state-wide elections in which all qualified candidates may compete effectively. A method of public financing for campaigns for state-wide office shall be established by law. Spending limits shall be established for such campaigns for candidates who use public funds in their campaigns. The legislature shall provide funding for this provision. General law implementing this paragraph shall be at least as protective of effective competition by a candidate who uses public funds as the general law in effect on January 1, 1998.

The Constitutional provision has been in place since 1998, after being proposed by the Constitution Revision Commission and approved by the voters in the 1998 general election.¹ The program itself, however, has been in place since 1986.²

The matching funds program is provided by general law in ss. 106.30-106.355, F.S., and administered by the Department of State's Division of Elections (Division). The program can be summarized as follows:

- Participating statewide candidates must have opposition;
- Only personal contributions from state residents are eligible for matching;³ corporate and political committee contributions are not eligible for matching;

¹ The 1998 amendments were part of Revision 11 proposed by the Constitution Revision Commission, and were approved by 64 percent of the voters. Revision 11 was an omnibus proposal made up of several election-related changes. It provided that ballot access requirements for independent and minor party candidates cannot be greater than requirements for majority party candidates, allowed all voters, regardless of party, to vote in any party's primary election if the winner will have no general election opposition, provided *public financing of campaigns for statewide candidates*, permitted candidates for governor to run in primary elections without a lieutenant governor, made school board elections nonpartisan and corrected the required voting age of 21 for voters of presidential electors.

² Chapter 86-276, Laws of Fla.

- Contributions received after September 1 of the calendar year preceding the election are eligible for matching;
- Participating candidates must raise an initial amount of \$150,000 (for gubernatorial candidates) or \$100,000 (for candidates for Cabinet offices); and
- The threshold amounts above are matched on a two-to-one basis, and after that, a contribution is eligible to be matched on a one-to-one basis, up to \$250. Thus, if a person makes a \$250 contribution, it is matched with \$250 from the state.

Participating candidates must complete a form declaring their intention to apply for public campaign financing at the time of qualifying and after this declaration, submit their contributions for audit by the Division to determine eligibility for the match. The Division audits the submissions and makes payment to the candidate, beginning immediately on the 32nd day before the primary election and every seven days thereafter.

Participating candidates must abide by certain expenditure limits, pursuant to s. 106.34, F.S. In 2005, the Legislature increased those expenditure limits (ch. 2005-278, Laws of Fla.) to the following amounts:

Gov./Lt. Gov. – Increased from \$5 million to \$2.00 per each Florida-registered voter, or roughly \$20.5 million.⁴

Cabinet Offices – Increased from \$2 million to \$1.00 per each Florida-registered voter, or roughly \$10.2 million.

The program originally was funded from the Election Campaign Financing Trust Fund, which was established in 1986. The Trust Fund was funded with filing fees, assessments and civil penalties collected by the Florida Elections Commission. The Trust Fund expired by operation of s. 19(f), Article III, Fla. Const., on November 4, 1996, which requires state trust funds in existence prior to 1992 to terminate not more than four years from November 4, 1992, unless recreated. Since the Trust Fund terminated, the program has been funded from General Revenue.

A number of other states have some form of public matching funds program in place, whether it be partial matching from a variety of sources such as legislative funding or taxpayer check-offs, or a "Clean Elections" program, whereby a campaign is fully funded with state funds once he or she has raised sufficient "seed" money.⁵

New Jersey operates a public financing program similar to that of Florida, whereby a gubernatorial candidate must initially raise \$300,000 to qualify. After the candidate qualifies and declares intent to participate in the program, the candidate receives \$6,000 from the state for every \$3,000 raised from private sources. Participating candidates must also agree to limit their expenditures in the primary and general elections.

Maine has operated a "Clean Elections" program since 2000. Gubernatorial candidates must initially collect 2,500 contributions of \$5 each. State house and senate candidates also are eligible to participate in the program. Once a candidate has raised the requisite "seed money," the candidate is prohibited from receiving additional private funds.

³ In 2001, the Legislature enacted a law that excluded out-of-state contributions from eligibility for matching. (s. 69, ch. 2001-40, Laws of Fla.)

⁴ As of May 2007, there were 10,251,312 registered voters in the State of Florida.

⁵ National Conference of State Legislatures web site, www.ncsl.org/programs/legismgt/elect/elect.htm

The following states have some form of public campaign funds program that is available to candidates.⁶

Candidate Public Financing Programs			
State	Candidates Eligible	Type of Program	Full/Partial Funding
Arizona	All statewide offices Legislature	"Clean Elections"	Full
Connecticut ⁷	All statewide offices Legislature	"Clean Elections"	Full
Florida	Governor Cabinet members	Matching grants	Partial
Hawaii	Governor/Lt. Gov. Offc. Hawaiian Affairs	Matching grants	Partial
Maine	Governor Legislature	"Clean Elections"	Full
Maryland	Governor/Lt. Gov.	Matching grants	Partial
Massachusetts	All statewide offices	Matching grants	Partial
Michigan	Governor	Matching grants & fixed subsidy	Partial
Minnesota	All statewide offices Legislature	Fixed subsidy	Partial
Nebraska	All statewide offices Legislature	Matching grants	Partial
New Jersey ⁸	Governor	Matching grants	Partial
	Select legislative districts pilot program	"Clean Elections"	Full
New Mexico	Public Regulation Commission Statewide judicial offices	"Clean Elections"	Full
North Carolina	Judicial offices	"Clean Elections"	Full
Rhode Island	All statewide offices	Matching grants	Partial
Vermont	Governor/Lt. Gov.	"Clean Elections"	Full
Wisconsin	All statewide offices State Supreme Court Legislature	Fixed subsidy	Partial

Proposed Changes

HJR 81 is a joint resolution that would repeal Florida's public financing program for statewide candidates and must be approved by a 3/5 vote of the membership of each house of the Legislature. If enacted, the proposal will be presented to the electors of Florida at the November 2, 2010, general election. Approval requires a favorable vote from 60 percent or more of the electors voting on the measure.⁹

If approved, HJR 81 would take effect January 4, 2011.

B. SECTION DIRECTORY:

None.

⁶ Report by the National Conference of State Legislatures, *Public Financing of Election Campaigns: An Overview*, Jennie Drage Bowser, May 2007.

⁷ Connecticut's program took effect in 2008 for legislative offices, and takes effect in 2010 for statewide offices.

⁸ New Jersey has had a "Clean Elections" pilot program for candidates since 2005; however, it has been suspended for 2009.

⁹ Art. XI, sec. 5(e), Fla. Const.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

In excess of \$11 million from the General Revenue Fund was disbursed in 2006 to participating candidates. In the prior three election cycles (normally every 4 years), the following aggregate amounts were distributed to statewide candidates from the General Revenue Fund:

- 1998 - \$4.6 million
- 2000 - \$914,885¹⁰
- 2002 - \$5.2 million

Based upon the costs involved in the 2008 election for advertising a proposed constitutional amendment, the total cost for advertising this proposed constitutional amendment is estimated to be \$14,722. The cost is determined by multiplying the total number of words in the proposed amendment by the average per word cost of \$92.01.¹¹

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

There is an indeterminate cost to local government for possible costs related to the printing of the ballot. There could be a cost if additional pages were needed to print the language that appears on the ballot.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

If the proposal is adopted, candidates would no longer be able to depend on matching funds from the program to help fund their statewide campaigns.

D. FISCAL COMMENTS:

This joint resolution would potentially avoid future state expenditures from the General Revenue Fund by an indeterminate amount.

¹⁰ In 2000, a non-gubernatorial election year, the two cabinet offices of State Treasurer and Commissioner of Education were up for election. At the time, Bill Nelson, as the State Treasurer, resigned from that office to run for U.S. Senate. Tom Gallagher, as the Commissioner of Education, ran for the State Treasurer post vacated by Nelson. Charlie Crist then ran for the Commissioner of Education post vacated by Mr. Gallagher. Crist, Gallagher and John Cosgrove received matching funds from the program in the 2000 election in the total amount listed above.

¹¹ Based on information and methodology received from staff of the Department of State.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable – joint resolution proposes constitutional amendment to be approved by voters.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES

None.

1 House Joint Resolution

2 A joint resolution proposing the repeal of Section 7 of
3 Article VI of the State Constitution, relating to public
4 financing of campaigns of candidates for elective
5 statewide office who agree to campaign spending limits.

6

7 Be It Resolved by the Legislature of the State of Florida:

8

9 That the repeal of Section 7 of Article VI of the State
10 Constitution is agreed to and shall be submitted to the electors
11 of this state for approval or rejection at the next general
12 election or at an earlier special election specifically
13 authorized by law for that purpose.

14 BE IT FURTHER RESOLVED that the following statement be
15 placed on the ballot:

16

CONSTITUTIONAL AMENDMENT

17

ARTICLE VI, SECTION 7

18

19 REPEAL OF PUBLIC CAMPAIGN FINANCING REQUIREMENT.--Proposing
20 the repeal of the provision in the State Constitution that
21 requires public financing of campaigns of candidates for
elective statewide office who agree to campaign spending limits.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 83 Public Campaign Financing
SPONSOR(S): Transportation & Economic Development Appropriations Committee; Hays and others
TIED BILLS: HJR 81 IDEN./SIM. BILLS: SB 564

Table with 4 columns: REFERENCE, ACTION, ANALYST, STAFF DIRECTOR. Contains 5 rows of committee and action details.

SUMMARY ANALYSIS

CS/HB 83 makes the necessary statutory deletions to complete a repeal of the Florida Election Campaign Financing Act, as provided in ss. 106.30-106.36, F.S. The bill is tied to HJR 81, which proposes a repeal of the public campaign financing program found in Article VI, s. 7, Fla. Const. That section provides:

It is the policy of this state to provide for state-wide elections in which all qualified candidates may compete effectively. A method of public financing for campaigns for state-wide office shall be established by law. Spending limits shall be established for such campaigns for candidates who use public funds in their campaigns. The legislature shall provide funding for this provision. General law implementing this paragraph shall be at least as protective of effective competition by a candidate who uses public funds as the general law in effect on January 1, 1998.

CS/HB 83 deletes references to the Election Campaign Financing Trust Fund, which expired November 4, 1996. It also corrects cross-references and makes conforming changes.

This bill would potentially avoid future state expenditures from the General Revenue Fund by an indeterminate amount. State expenditures for the past four statewide election cycles have been: in excess of \$11 million for 2006; \$5.2 million for 2002; \$915,000 for 2000; and \$4.6 million for 1998.

CS/HB 83 is effective upon approval by the electors of HJR 81 at the November 2010 general election.

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:

Present Situation

Currently, the Florida Constitution requires public campaign financing for statewide candidates (Governor and cabinet officers), with implementation by general law. Article VI, s. 7, Fla. Const., provides:

It is the policy of this state to provide for state-wide elections in which all qualified candidates may compete effectively. A method of public financing for campaigns for state-wide office shall be established by law. Spending limits shall be established for such campaigns for candidates who use public funds in their campaigns. The legislature shall provide funding for this provision. General law implementing this paragraph shall be at least as protective of effective competition by a candidate who uses public funds as the general law in effect on January 1, 1998.

The above provision has been in place since 1998 after being proposed by the Constitution Revision Commission and approved by the voters in the 1998 general election. The statutory component, however, has been in place since 1986.¹

Public campaign financing or matching funds program is provided by general law in ss. 106.30-106.355, F.S., and administered by the Department of State's Division of Elections (Division). The program can be summarized as follows:

- Participating statewide candidates must have opposition;
- Only personal contributions from state residents are eligible for matching;² corporate and political committee contributions are not eligible for matching;
- Contributions received after September 1 of the calendar year preceding the election are eligible for matching;
- Participating candidates must raise an initial amount of \$150,000 (for gubernatorial candidates) or \$100,000 (for candidates for Cabinet offices); and

¹ Chapter 86-276, Laws of Fla.

² In 2001, the Legislature enacted a law that excluded out-of-state contributions from eligibility for matching. (s. 69, ch. 2001-40, Laws of Fla.)

- The threshold amounts above are matched on a two-to-one basis, and after that, a contribution is eligible to be matched on a one-to-one basis, up to \$250. Thus, if a person makes a \$250 contribution, it is matched with \$250 from the state. But, if for example, a person makes a \$500 contribution, only \$250 of that contribution will be matched.

Candidates for statewide office must complete a form declaring their intention to apply for public campaign financing at the time of qualifying and after this declaration, submit their contributions for audit by the Division to determine eligibility for the match. The Division then audits the submissions and makes payment to the candidate, beginning immediately after the qualifying period ends and every seven days thereafter.

Participating candidates must abide by certain expenditure limits, pursuant to s. 106.34, F.S. In 2005, the Legislature increased those expenditure limits³ as follows:

Gov./Lt. Gov. – Increased from \$5 million to \$2.00 per each Florida-registered voter, or roughly \$20.5 million.⁴

Cabinet Offices – Increased from \$2 million to \$1.00 per each Florida-registered voter, or roughly \$10.2 million.

Proposed Changes

CS/HB 83 makes the necessary statutory deletions to complete a repeal of the Florida Election Campaign Financing Act, as provided in ss. 106.30-106.36, F.S. The bill is effective upon approval of a constitutional amendment contained in HJR 81 which repeals the public campaign financing program found in Article VI, s. 7, Fla. Const. HJR 81, if enacted by the Legislature, will appear on the ballot at the November 2010 general election. Proposed constitutional amendments require approval by 60 percent of the electors voting on the measure.

CS/HB 83 revises expenditure limits for any candidate for Governor and Lieutenant Governor or Cabinet officer who requests contributions from the Election Campaign Financing Trust Fund. These limits are revised as follows:

- Governor and Lieutenant Governor: \$5 million for each Florida-registered voter as opposed to \$2.00 each currently in law.
- Cabinet officer: \$2 million for each Florida-registered voter as opposed to \$1.00 each currently in law.

In addition, the bill requires the expenditure limit to be adjusted by the Secretary of State quadrennially to reflect the rate of inflation or deflation consistent with the Consumer Price Index or similar inflation factor.

CS/HB 83 also deletes references to the Election Campaign Financing Trust Fund, which expired effective November 4, 1996, by operation of s. 19(f), Art. III, Fla. Const. In addition, it corrects cross-references and conforms other provisions of law throughout the Florida Election Code (chs. 97-106, F.S.).

B. SECTION DIRECTORY:

Section 1. Repeals ss. 106.30 – 106.36, F.S., the “Florida Election Campaign Financing Act.”

Sections 2-7. Amends ss. 106.07, 106.141, 106.22, 106.265, 328.72, and 607.1622, F.S., to delete references to the Election Campaign Financing Trust Fund and to correct cross-references.

³ Section 48, ch. 2005-278, Laws of Fla.

⁴ As of May 2007, there were 10,251,312 registered voters in the State of Florida.

Section 8. Amends s. 106.34, F.S., Revises public campaign finance expenditure limits for certain candidates for statewide office.

Section 9. Provides a contingent effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

In excess of \$11 million from the General Revenue Fund was disbursed in 2006 to participating candidates. In the prior three election cycles (normally every 4 years), the following aggregate amounts were distributed to statewide candidates from the General Revenue Fund:

- 1998 - \$4.6 million
- 2000 - \$914,885⁵
- 2002 - \$5.2 million

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

If the program is repealed, statewide candidates would no longer be able to depend on matching funds from the program to help fund their campaigns.

D. FISCAL COMMENTS:

If the program is repealed, statewide candidates would no longer be able to depend on matching funds from the program to help fund their campaigns.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. The bill does not appear to require a county or municipality to spend funds or take an action requiring expenditures; reduce the authority that counties and municipalities had as of February 1, 1989, to raise revenues in the aggregate; or reduce the percentage of a state tax shared in the aggregate with counties and municipalities as of February 1, 1989.

⁵ In 2000, a non-gubernatorial election year, the two cabinet offices of State Treasurer and Commissioner of Education were up for election. At the time, Bill Nelson, as the State Treasurer, resigned from that office to run for U.S. Senate. Tom Gallagher, as the Commissioner of Education, ran for the State Treasurer post vacated by Nelson. Charlie Crist then ran for the Commissioner of Education post vacated by Mr. Gallagher. Crist, Gallagher and John Cosgrove received matching funds from the program in the 2000 election in the total amount listed above.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES

The bill was considered by the Transportation and Economic Development Appropriations Committee on March 12, 2009, and the bill was reported favorably with one amendment:

- Amendment 1 revises public campaign finance expenditure limits for certain candidates for statewide office.

1 A bill to be entitled
 2 An act relating to public campaign financing; repealing
 3 ss. 106.30-106.36, F.S., the "Florida Election Campaign
 4 Financing Act"; amending ss. 106.07, 106.141, 106.22,
 5 106.265, 328.72, and 607.1622, F.S.; deleting references
 6 to the Election Campaign Financing Trust Fund, which
 7 expired, effective November 4, 1996, by operation of s.
 8 19(f), Art. III of the State Constitution; amending s.
 9 106.34, F.S.; revising expenditure limits for certain
 10 candidates for statewide office until and unless repealed;
 11 providing contingent effective dates.

12
 13 Be It Enacted by the Legislature of the State of Florida:

14
 15 Section 1. Sections 106.30, 106.31, 106.32, 106.33,
 16 106.34, 106.35, 106.353, 106.355, and 106.36, Florida Statutes,
 17 are repealed.

18 Section 2. Subsection (1) of section 106.07, Florida
 19 Statutes, is amended to read:

20 106.07 Reports; certification and filing.--

21 (1) Each campaign treasurer designated by a candidate or
 22 political committee pursuant to s. 106.021 shall file regular
 23 reports of all contributions received, and all expenditures
 24 made, by or on behalf of such candidate or political committee.
 25 Reports shall be filed on the 10th day following the end of each
 26 calendar quarter from the time the campaign treasurer is
 27 appointed, except that, if the 10th day following the end of a
 28 calendar quarter occurs on a Saturday, Sunday, or legal holiday,

29 the report shall be filed on the next following day which is not
 30 a Saturday, Sunday, or legal holiday. Quarterly reports shall
 31 include all contributions received and expenditures made during
 32 the calendar quarter which have not otherwise been reported
 33 pursuant to this section.

34 (a) ~~Except as provided in paragraph (b),~~ Following the
 35 last day of qualifying for office, the reports shall be filed on
 36 the 32nd, 18th, and 4th days immediately preceding the primary
 37 and on the 46th, 32nd, 18th, and 4th days immediately preceding
 38 the election, for a candidate who is opposed in seeking
 39 nomination or election to any office, for a political committee,
 40 or for a committee of continuous existence.

41 ~~(b) Following the last day of qualifying for office, any~~
 42 ~~statewide candidate who has requested to receive contributions~~
 43 ~~from the Election Campaign Financing Trust Fund or any statewide~~
 44 ~~candidate in a race with a candidate who has requested to~~
 45 ~~receive contributions from the trust fund shall file reports on~~
 46 ~~the 4th, 11th, 18th, 25th, and 32nd days prior to the primary~~
 47 ~~election, and on the 4th, 11th, 18th, 25th, 32nd, 39th, 46th,~~
 48 ~~and 53rd days prior to the general election.~~

49 (b)(e) Following the last day of qualifying for office,
 50 any unopposed candidate need only file a report within 90 days
 51 after the date such candidate became unopposed. Such report
 52 shall contain all previously unreported contributions and
 53 expenditures as required by this section and shall reflect
 54 disposition of funds as required by s. 106.141.

55 (c)(d)1. When a special election is called to fill a
 56 vacancy in office, all political committees and committees of

57 continuous existence making contributions or expenditures to
 58 influence the results of such special election shall file
 59 campaign treasurers' reports with the filing officer on the
 60 dates set by the Department of State pursuant to s. 100.111.

61 2. When an election is called for an issue to appear on
 62 the ballot at a time when no candidates are scheduled to appear
 63 on the ballot, all political committees making contributions or
 64 expenditures in support of or in opposition to such issue shall
 65 file reports on the 18th and 4th days prior to such election.

66 (d)~~(e)~~ The filing officer shall provide each candidate
 67 with a schedule designating the beginning and end of reporting
 68 periods as well as the corresponding designated due dates.

69 Section 3. Subsection (4) of section 106.141, Florida
 70 Statutes, is amended to read:

71 106.141 Disposition of surplus funds by candidates.--

72 ~~(4)(a) Except as provided in paragraph (b),~~ Any candidate
 73 required to dispose of funds pursuant to this section shall, at
 74 the option of the candidate, dispose of such funds by any of the
 75 following means, or any combination thereof:

76 (a)1- Return pro rata to each contributor the funds that
 77 have not been spent or obligated.

78 (b)2- Donate the funds that have not been spent or
 79 obligated to a charitable organization or organizations that
 80 meet the qualifications of s. 501(c)(3) of the Internal Revenue
 81 Code.

82 (c)3- Give not more than \$10,000 of the funds that have
 83 not been spent or obligated to the political party of which such
 84 candidate is a member, except that a candidate for the Florida

85 Senate may give not more than \$30,000 of such funds to the
 86 political party of which the candidate is a member.

87 (d)4. Give the funds that have not been spent or
 88 obligated:

89 1.a. In the case of a candidate for state office, to the
 90 state, to be deposited in ~~either the Election Campaign Financing~~
 91 ~~Trust Fund or the General Revenue Fund,~~ as designated by the
 92 ~~candidate;~~ or

93 2.b. In the case of a candidate for an office of a
 94 political subdivision, to such political subdivision, to be
 95 deposited in the general fund thereof.

96 ~~(b) Any candidate required to dispose of funds pursuant to~~
 97 ~~this section who has received contributions from the Election~~
 98 ~~Campaign Financing Trust Fund shall return all surplus campaign~~
 99 ~~funds to the Election Campaign Financing Trust Fund.~~

100 Section 4. Subsection (6) of section 106.22, Florida
 101 Statutes, is amended to read:

102 106.22 Duties of the Division of Elections.--It is the
 103 duty of the Division of Elections to:

104 (6) Make, from time to time, audits and field
 105 investigations with respect to reports and statements filed
 106 under the provisions of this chapter and with respect to alleged
 107 failures to file any report or statement required under the
 108 provisions of this chapter. ~~The division shall conduct a~~
 109 ~~postelection audit of the campaign accounts of all candidates~~
 110 ~~receiving contributions from the Election Campaign Financing~~
 111 ~~Trust Fund.~~

112 Section 5. Subsections (3), (4), and (5) of section
 113 106.265, Florida Statutes, are amended to read:

114 106.265 Civil penalties.--

115 (3) Any civil penalty collected pursuant to the provisions
 116 of this section shall be deposited into the General Revenue
 117 ~~Election Campaign Financing Trust~~ Fund.

118 ~~(4) Notwithstanding any other provisions of this chapter,~~
 119 ~~any fine assessed pursuant to the provisions of this chapter,~~
 120 ~~which fine is designated to be deposited or which would~~
 121 ~~otherwise be deposited into the General Revenue Fund of the~~
 122 ~~state, shall be deposited into the Election Campaign Financing~~
 123 ~~Trust Fund.~~

124 (4)~~(5)~~ In any case in which the commission determines that
 125 a person has filed a complaint against another person with a
 126 malicious intent to injure the reputation of the person
 127 complained against by filing the complaint with knowledge that
 128 the complaint contains one or more false allegations or with
 129 reckless disregard for whether the complaint contains false
 130 allegations of fact material to a violation of this chapter or
 131 chapter 104, the complainant shall be liable for costs and
 132 reasonable attorney's fees incurred in the defense of the person
 133 complained against, including the costs and reasonable
 134 attorney's fees incurred in proving entitlement to and the
 135 amount of costs and fees. If the complainant fails to pay such
 136 costs and fees voluntarily within 30 days following such finding
 137 by the commission, the commission shall forward such information
 138 to the Department of Legal Affairs, which shall bring a civil

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139 | action in a court of competent jurisdiction to recover the
 140 | amount of such costs and fees awarded by the commission.

141 | Section 6. Subsection (11) of section 328.72, Florida
 142 | Statutes, is amended to read:

143 | 328.72 Classification; registration; fees and charges;
 144 | surcharge; disposition of fees; fines; marine turtle stickers.--

145 | (11) VOLUNTARY CONTRIBUTIONS.--The application form for
 146 | boat registration shall include a provision to allow each
 147 | applicant to indicate a desire to pay an additional voluntary
 148 | contribution to the Save the Manatee Trust Fund to be used for
 149 | the purposes specified in s.379.2431(4). This contribution shall
 150 | be in addition to all other fees and charges. The amount of the
 151 | request for a voluntary contribution solicited shall be \$2 or \$5
 152 | per registrant. A registrant who provides a voluntary
 153 | contribution of \$5 or more shall be given a sticker or emblem by
 154 | the tax collector to display, which signifies support for the
 155 | Save the Manatee Trust Fund. All voluntary contributions shall
 156 | be deposited in the Save the Manatee Trust Fund and shall be
 157 | used for the purposes specified in s. 379.2431(4). ~~The form~~
 158 | ~~shall also include language permitting a voluntary contribution~~
 159 | ~~of \$5 per applicant, which contribution shall be transferred~~
 160 | ~~into the Election Campaign Financing Trust Fund. A statement~~
 161 | ~~providing an explanation of the purpose of the trust fund shall~~
 162 | ~~also be included.~~

163 | Section 7. Subsection (1) of section 607.1622, Florida
 164 | Statutes, is amended to read:

165 | 607.1622 Annual report for Department of State.--

166 (1) Each domestic corporation and each foreign corporation
 167 authorized to transact business in this state shall deliver to
 168 the Department of State for filing a sworn annual report on such
 169 forms as the Department of State prescribes that sets forth:

170 (a) The name of the corporation and the state or country
 171 under the law of which it is incorporated.†

172 (b) The date of incorporation or, if a foreign
 173 corporation, the date on which it was admitted to do business in
 174 this state.†

175 (c) The address of its principal office and the mailing
 176 address of the corporation.†

177 (d) The corporation's federal employer identification
 178 number, if any, or, if none, whether one has been applied for.†

179 (e) The names and business street addresses of its
 180 directors and principal officers.†

181 (f) The street address of its registered office and the
 182 name of its registered agent at that office in this state.†

183 ~~(g) Language permitting a voluntary contribution of \$5 per~~
 184 ~~taxpayer, which contribution shall be transferred into the~~
 185 ~~Election Campaign Financing Trust Fund. A statement providing an~~
 186 ~~explanation of the purpose of the trust fund shall also be~~
 187 ~~included; and~~

188 (g) ~~(h)~~ Such additional information as may be necessary or
 189 appropriate to enable the Department of State to carry out the
 190 provisions of this act.

191 Section 8. Section 106.34, Florida Statutes, is amended to
 192 read:

193 106.34 Expenditure limits.--

194 (1) Any candidate for Governor and Lieutenant Governor or
 195 Cabinet officer who requests contributions from the Election
 196 Campaign Financing Trust Fund shall limit his or her total
 197 expenditures as follows:

198 (a) Governor and Lieutenant Governor: \$5 million ~~\$2.00 for~~
 199 ~~each Florida-registered voter.~~

200 (b) Cabinet officer: \$2 million ~~\$1.00 for each Florida-~~
 201 ~~registered voter.~~

202 (2) The expenditure limit for any candidate with primary
 203 election opposition only shall be 60 percent of the limit
 204 provided in subsection (1).

205 (3) The expenditure limit shall be adjusted by the
 206 Secretary of State quadrennially to reflect the rate of
 207 inflation or deflation as indicated in the Consumer Price Index
 208 for All Urban Consumers, U.S. City Average, All Items, 1967=100,
 209 or successor reports as reported by the United States Department
 210 of Labor, Bureau of Labor Statistics. ~~For purposes of this~~
 211 ~~section, "Florida-registered voter" means a voter who is~~
 212 ~~registered to vote in Florida as of June 30 of each odd-numbered~~
 213 ~~year. The Division of Elections shall certify the total number~~
 214 ~~of Florida-registered voters no later than July 31 of each odd-~~
 215 ~~numbered year. Such total number shall be calculated by adding~~
 216 ~~the number of registered voters in each county as of June 30 in~~
 217 ~~the year of the certification date. For the 2006 general~~
 218 ~~election, the Division of Elections shall certify the total~~
 219 ~~number of Florida-registered voters by July 31, 2005.~~

220 (4) For the purposes of this section, the term
 221 "expenditure" does not include the payment of compensation for

CS/HB 83

2009

222 | legal and accounting services rendered on behalf of a candidate.

223 | Section 9. Sections 1 through 7 of this act shall take
 224 | effect on the effective date of House Joint Resolution 81, or a
 225 | similar joint resolution having substantially the same specific
 226 | intent and purpose, if that joint resolution is approved by the
 227 | electors at the general election to be held in November 2010;
 228 | and section 8 of this act and this section shall take effect
 229 | upon this act becoming a law.

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (01)

Bill No. **CS/HB 83**

COUNCIL/COMMITTEE ACTION

ADOPTED ___ (Y/N)
ADOPTED AS AMENDED ___ (Y/N)
ADOPTED W/O OBJECTION ___ (Y/N)
FAILED TO ADOPT ___ (Y/N)
WITHDRAWN ___ (Y/N)
OTHER _____

1 Council/Committee hearing bill: Full Appropriations Council on
2 Education & Economic Development
3 Representative Hays offered the following:
4

5 **Amendment (with title amendment)**

6 Remove lines 191-229 and insert:

7 Section 8. Section 106.34, Florida Statutes, is amended to
8 read:

9 (Substantial rewording of section. See
10 s. 106.34, F.S., for present text.)

11 106.34 Expenditure limits.--

12 (1) Any candidate for Governor, Lieutenant Governor, or
13 Cabinet officer who requests contributions from the Election
14 Campaign Financing Trust Fund shall limit his or her total
15 expenditures as follows:

16 (a) Governor or Lieutenant Governor: \$7 million.

17 (b) Cabinet officer: \$3 million.

18 (2) The expenditure limit for any candidate who has
19 primary election opposition only is 60 percent of the limit
20 provided in subsection (1).

21 (3) The expenditure limit shall be adjusted quadrennially

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (01)

22 by the Secretary of State to reflect the rate of inflation or
23 deflation as indicated in the Consumer Price Index for All Urban
24 Consumers, U.S. City Average, All Items, 1967=100, or successor
25 reports as reported by the Bureau of Labor Statistics of the
26 United States Department of Labor.

27 (4) As used in this section, the term "expenditure" does
28 not include the payment of compensation for legal and accounting
29 services rendered on behalf of a candidate.

30 Section 9. Sections 1 through 7 of this act shall take
31 effect on the effective date of House Joint Resolution 81, or a
32 similar joint resolution having substantially the same specific
33 intent and purpose, if that joint resolution is approved by the
34 electors at the general election to be held in November 2010,
35 and section 8 of this act shall take effect January 1, 2010.
36
37



38 -----
39 **T I T L E A M E N D M E N T**

40 Remove lines 9-11 and insert:

41 106.34, F.S.; providing expenditure limits for certain
42 candidates for statewide office; providing effective dates, one
43 of which is contingent.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 293 Motor Vehicle Title Transfer
SPONSOR(S): Economic Development & Community Affairs Policy Council; Rogers
TIED BILLS: **IDEN./SIM. BILLS:** SB 906

	REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1)	Roads, Bridges & Ports Policy Committee	20 Y, 0 N	Brown	Miller
2)	Economic Development & Community Affairs Policy Council	14 Y, 0 N, As CS	Brown	Tinker
3)	Full Appropriations Council on Education & Economic Development		Rayman 	Martin 
4)				
5)				

SUMMARY ANALYSIS

CS/HB 293 amends s. 319.22, F.S., relating to requirements governing the transfer of title for motor vehicles and mobile homes. The bill requires a transferred certificate of title or other DHSMV-approved form to be submitted within 30 days of a transfer between parties (excluding licensed motor vehicle dealers or insurers). Notification is currently authorized, but not required.

The bill requires the Department of Highway Safety and Motor Vehicles (DHSMV) to collect certain information and provide certain notices to buyers and sellers. The certificate of title or department-approved form must include the vehicle information number, the buyer's full name and personal or business information along with other information required by DHSMV.

The bill also provides an exception to current forfeiture requirements regarding abandoned vehicles in s. 319.33(7)(a), F.S. CS/HB 293 provides that un-identifiable motor vehicles or mobile homes found on private property may, under certain limited circumstances, be disposed of through the lost and unclaimed property provisions of s. 705.103, F.S., rather than being treated as contraband under the Florida Contraband Forfeiture Act. This may only be accomplished if the following criteria are met:

- the motor vehicle or mobile home is found abandoned on private property;
- there is no discernable manner by which an owner, potential owner, or anyone having any interest in the vehicle can be ascertained by a law enforcement agency; and
- if the owner of the private property disclaims any ownership interest in the vehicle whatsoever.

The bill does not appear to have a significant fiscal impact, and has 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:

Section 319.22, F.S., establishes requirements governing the transfer of title for motor vehicles and mobile homes. A purchaser of a motor vehicle or mobile home cannot obtain marketable title until he or she is issued a certificate of title.¹ The law ceases to recognize the seller as owner or co-owner when the title is properly endorsed and delivered to the purchaser or DHSMV.² In the case of a private or casual sale (a sale between persons not licensed as dealers or insurers), the state will not transfer title unless the name of the seller is shown as the owner on the face of the title.³ In addition, the state will not transfer title unless the sales price is entered in the appropriate place on the face of the certificate.⁴

When a motor vehicle is sold in a bona fide casual sale, the certificate of title is endorsed by the seller and the sales price is entered on the face of the certificate. The certificate or department-approved form is typically submitted *by the buyer* to the tax collector or DHSMV for transfer with an application for a new certificate of title and remittance of sales tax. A new certificate of title is then issued to the buyer. This process allows both for recording of ownership of the motor vehicle and provides an opportunity for sales tax to be assessed on the purchase.

A seller is entitled to submit a department-approved form notifying the DHSMV of a bona-fide sale. This notification serves to sever any liability for future liabilities related to the motor vehicle.⁵

It is a first degree misdemeanor for a buyer or a seller to knowingly attempt to transfer a title without the purchaser's name also appearing on the title.⁶ This requirement was adopted in 2002.⁷

¹ S. 319.22(1), F.S.

² S. 319.22(2)(a)1.-2., F.S.

³ S. 319.22(3), F.S.

⁴ S. 319.22(4), F.S.

⁵ S. 319.22(2)(a), F.S.

⁶ S. 319.22(5), F.S.

⁷ See S. 9, 2002-235, Laws of Florida

It is unlawful to forge or falsify a certificate of title to a motor vehicle or mobile home,⁸ to give false identifying information regarding a title,⁹ or to attempt to obtain or pass a title, knowing that the motor vehicle or mobile home is stolen.¹⁰

It is also unlawful to possess, sell, conceal, or dispose of a motor vehicle or mobile home, or a major component of a motor vehicle or mobile home, on which the Vehicle Identification Number (VIN) or other identifying number used by a state agency, has been "removed, covered, altered, or defaced," with knowledge of such defacement.¹¹

Violations of these provisions are third-degree felonies, and any motor vehicle used in violation of s. 319.33, F.S., may be seized by a law enforcement agency, among other punishments provided in ss. 775.082, 775.083, and 775.084, F.S.

Section 319.33(7), F.S., provides that a motor vehicle or mobile home rendered un-identifiable because its identifying numbers have been removed, defaced, or otherwise obscured, shall be treated as contraband by a "seizing law enforcement agency," and disposed of pursuant to the Florida Contraband Forfeiture Act (ss. 932.701 - 932.704, F.S.)

The Florida Contraband Forfeiture Act (FCFA) is currently used to impound and sell vehicles used to transport illegal drugs¹² and a myriad of other illegal or unlicensed items, from gambling paraphernalia¹³ to cigarettes¹⁴ to undocumented cars,¹⁵ boats,¹⁶ and planes.¹⁷

Section 705.103, F.S., establishes procedures for lost and abandoned property generally. For large abandoned items such as vehicles, the statute requires law enforcement officers to place a large (at least 8" by 10") weatherproof sign on the property, providing a notice to the owner "and all persons interested in the attached property." The sign puts such persons on notice that the item must be removed within 5 days, or it will be disposed of "pursuant to chapter 705, Florida Statutes."

This section also requires that if the abandoned item is a vehicle, the local law enforcement agency must contact DHSMV, and must ascertain and send certified notices to any owners-of-record and to lienholders.

If the owner or interested party has not removed the vehicle or item within the required timeframes, local law enforcement may take abandoned property and:

- Retain it for local use,
- Trade it to another local or state agency,
- Donate the property to a charity,
- Sell the property, or
- Notify the appropriate refuse removal service.

⁸ Section 319.33(1)(a), F.S.

⁹ Section 319.33(1)(e), F.S.

¹⁰ Section 319.33(1)(c), F.S.

¹¹ Section 319.33(1)(d), F.S.

¹² Section 893.12, F.S.

¹³ Section 849.36, F.S.

¹⁴ Section 210.185, F.S.

¹⁵ Section 320.20, F.S.

¹⁶ Section 328.07, F.S.

¹⁷ Section 329.11, F.S.

If the property is sold at auction, the law enforcement agency must reserve the proceeds for one year (less expenses), and the rightful owner of the property has one year to claim the net proceeds of the sale. At the expiration of this period, if the proceeds are unclaimed, the balance shall be deposited into the State School Fund.

Potential Changes

HB 293 requires sellers to acknowledge a bona fide sale by submitting the department-approved form within 30 days of the transfer. The bill also amends s. 319.22, F.S., to ensure that DHSMV collects certain information and provides certain notices to buyers and sellers.

The certificate of title or department-approved form must include the VIN, the buyer's full name and personal or business information (e.g., driver's license number, identification card number, or federal employer identification number), along with other information required by DHSMV.

The bill amends s. 319.33(7)(a), F.S., to provide that if certain conditions are met, an abandoned and unidentifiable motor vehicle or mobile home need not be disposed of pursuant to the Florida Contraband Forfeiture Act, but may instead be disposed of by the procedure for lost or unclaimed property contained in s. 705.103, F.S. This alternative is available if:

- the motor vehicle or mobile home is found abandoned on private property;
- there is no discernable manner by which an owner, potential owner, or anyone having any interest in the vehicle can be ascertained by a law enforcement agency; and
- if the owner of the private property disclaims any ownership interest in the vehicle whatsoever.

B. SECTION DIRECTORY:

- Section 1** Amends s. 319.22, F.S., providing additional requirements for notice of transfer to DHSMV; requiring an owner or co-owner who has made a sale or transfer of a motor vehicle to notify DHSMV; providing requirements for such notification; providing applicability; requiring the department to provide certain information to the motor vehicle owner or co-owner when issuing a certificate of title.
- Section 2** Amends s. 319.33(7)(a), F.S.; providing alternative disposition for certain motor vehicle and mobile homes abandoned on private property.
- Section 3** Provides an effective date of July 1, 2009.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:
N/A
2. Expenditures:
N/A

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

N/A

2. Expenditures:

N/A

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

DHSMV has indicated that there will be no fiscal impact as a result of HB 293.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable because this bill does not appear to: require the counties or cities to spend funds or take an action requiring the expenditure of funds; reduce the authority that cities or counties have to raise revenues in the aggregate; or reduce the percentage of a state tax shared with cities or counties.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill permits the Department to make the additional information available to buyers and sellers "on the certificate of title or on a separate form that is included with the certificate." This language presumably permits the Department to use its current rulemaking authority to add material to relevant documents.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES

On March 4, 2009, the Roads, Bridges, and Ports Policy Committee reported the bill favorably without amendment.

On March 11, 2009, the Economic Development & Community Affairs Policy Council adopted an amendment and reported the bill favorably as a committee substitute. The amendment provides that un-identifiable motor vehicles or mobile homes found on private property may, under certain limited circumstances, be disposed of through the lost and unclaimed property provisions of s. 705.103, F.S., rather than being treated as contraband under the Florida Contraband Forfeiture Act.

1 A bill to be entitled
2 An act relating to motor vehicle title transfer; amending
3 s. 319.22, F.S.; revising provisions for limitation of
4 liability for the operation of a motor vehicle that has
5 been sold or transferred; providing requirements for
6 notice of transfer to the Department of Highway Safety and
7 Motor Vehicles; requiring an owner or coowner who has made
8 a sale or transfer of a motor vehicle to notify the
9 Department of Highway Safety and Motor Vehicles; providing
10 requirements for such notification; providing
11 applicability; requiring the department to provide certain
12 information to the motor vehicle owner or coowner when
13 issuing a certificate of title; amending s. 319.33, F.S.;
14 providing alternate disposition procedures for certain
15 motor vehicles and mobile homes abandoned on private
16 property; providing an effective date.

17
18 Be It Enacted by the Legislature of the State of Florida:

19
20 Section 1. Subsection (2) of section 319.22, Florida
21 Statutes, is amended to read:

22 319.22 Transfer of title.--

23 (2) (a) An owner or coowner who has made a bona fide sale
24 or transfer of a motor vehicle or mobile home and has delivered
25 possession thereof to a purchaser shall not, by reason of any of
26 the provisions of this chapter, be deemed the owner or coowner
27 of such vehicle or mobile home so as to be subject to civil
28 liability for the operation of such vehicle or mobile home

29 thereafter by another when such owner or coowner has fulfilled
 30 either of the following requirements:

31 1.~~(a)~~ When such owner or coowner has made proper
 32 endorsement and delivery of the certificate of title as provided
 33 by this chapter. Proper endorsement shall be:

34 a.1.~~1.~~ When a motor vehicle or mobile home is registered in
 35 the names of two or more persons as coowners in the alternative
 36 by the use of the word "or," such vehicle shall be held in joint
 37 tenancy. Each coowner shall be deemed to have granted to the
 38 other coowner the absolute right to dispose of the title and
 39 interest in the vehicle or mobile home, and the signature of any
 40 coowner shall constitute proper endorsement. Upon the death of a
 41 coowner, the interest of the decedent shall pass to the survivor
 42 as though title or interest in the vehicle or mobile home was
 43 held in joint tenancy. This provision shall apply even if the
 44 coowners are husband and wife.

45 b.2.~~2.~~ When a vehicle or mobile home is registered in the
 46 names of two or more persons as coowners in the conjunctive by
 47 the use of the word "and," the signature of each coowner or his
 48 or her personal representative shall be required to transfer
 49 title to the vehicle or mobile home.

50
 51 The department shall adopt suitable language to appear upon the
 52 certificate of title to effectuate the manner in which the
 53 interest in or title to the motor vehicle or mobile home is
 54 held.

55 2.~~(b)~~ When such owner or coowner has delivered to the
 56 department, or placed in the United States mail, addressed to

57 | the department, either the certificate of title properly
58 | endorsed or a notice in the form prescribed by the department.
59 | In addition to the information required by the department under
60 | this subparagraph, the notice must also contain the information
61 | required under paragraph (b) when the title being transferred is
62 | to a motor vehicle.

63 | (b) An owner or coowner who has made a bona fide sale or
64 | transfer of a motor vehicle and has delivered possession thereof
65 | to a purchaser shall notify the department within 30 days after
66 | the sale or transfer in the form prescribed by the department.
67 | Notice by such owner or coowner under this paragraph shall
68 | satisfy the notice requirement under subparagraph (a)2. for
69 | limitation of liability under paragraph (a). The notification
70 | shall include the vehicle identification number and the buyer's
71 | full first name, middle initial, last name, and personal or
72 | business identification, which may include, but need not be
73 | limited to, a driver's license number, Florida identification
74 | card number, or federal employer identification number, and any
75 | information required by the department. This paragraph shall not
76 | apply to any transfer or sale to or by a licensed motor vehicle
77 | dealer or to an insurer who has taken possession or is taking
78 | possession of the vehicle or the title thereto pursuant to a
79 | policy of insurance.

80 | (c) The department shall inform the motor vehicle owner or
81 | coowner of the requirements of this subsection with the issuance
82 | of each certificate of title to a motor vehicle. The information
83 | may be printed on the certificate of title or on a separate form
84 | that is included with the certificate.

85 Section 2. Paragraph (a) of subsection (7) of section
 86 319.33, Florida Statutes, is amended to read:

87 319.33 Offenses involving vehicle identification numbers,
 88 applications, certificates, papers; penalty.--

89 (7)(a)1. If all identifying numbers of a motor vehicle or
 90 mobile home do not exist or have been destroyed, removed,
 91 covered, altered, or defaced, or if the real identity of the
 92 motor vehicle or mobile home cannot be determined, the motor
 93 vehicle or mobile home shall constitute contraband and shall be
 94 subject to forfeiture by a seizing law enforcement agency,
 95 pursuant to applicable provisions of ss. 932.701-932.704. Such
 96 motor vehicle shall not be operated on the streets and highways
 97 of the state unless, by written order of a court of competent
 98 jurisdiction, the department is directed to assign to the
 99 vehicle a replacement vehicle identification number which shall
 100 thereafter be used for identification purposes. If the motor
 101 vehicle is confiscated from a licensed motor vehicle dealer as
 102 defined in s. 320.27, the dealer's license shall be revoked.

103 2. If such motor vehicle or mobile home is found abandoned
 104 on private property and there is no discernable manner by which
 105 an owner, potential owner, or anyone having any interest in the
 106 motor vehicle or mobile home can be ascertained by a law
 107 enforcement agency and the owner of the private property
 108 disclaims any ownership interest in the motor vehicle or mobile
 109 home whatsoever, the law enforcement agency may follow the
 110 procedures for abandoned property contained in s. 705.103 in
 111 lieu of the forfeiture provisions of ss. 932.701-932.704.

112 Section 3. This act shall take effect July 1, 2009.

COUNCIL/COMMITTEE ACTION

ADOPTED	___	(Y/N)
ADOPTED AS AMENDED	___	(Y/N)
ADOPTED W/O OBJECTION	___	(Y/N)
FAILED TO ADOPT	___	(Y/N)
WITHDRAWN	___	(Y/N)
OTHER	_____	

1 Council/Committee hearing bill: Full Appropriations Council on
 2 Education and Economic Development
 3 Representative(s) Rogers offered the following:



Amendment

On page 4, between lines 111 and 112 insert:

7 Notwithstanding the provisions of paragraph (7)(a)1., the
 8 department may assign to such vehicle a replacement vehicle
 9 identification number which shall thereafter be used for
 10 identification purposes and it shall not be necessary for such
 11 assignment to be directed by court order.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 403 State University Tuition and Fees
SPONSOR(S): State Universities & Private Colleges Policy Committee; Weatherford
TIED BILLS: **IDEN./SIM. BILLS:** SB 762

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) State Universities & Private Colleges Policy Committee	11 Y, 0 N, As CS	Thomas	Tilton
2) State Universities & Private Colleges Appropriations Committee	8 Y, 0 N	Smith	Trexler
3) Full Appropriations Council on Education & Economic Development		Smith 	Martin 
4)			
5)			

SUMMARY ANALYSIS

CS/HB 403 authorizes each state university to charge a tuition differential subject to approval by the Board of Governors. In addition to the five state universities that currently charge the tuition differential—the University of Florida, Florida State University, the University of South Florida, the University of Central Florida, and Florida International University—the remaining six state universities would be authorized to establish a tuition differential, as well.

Seventy percent of the tuition differential would be used to promote improvements in undergraduate education and thirty percent would be used to provide financial aid to undergraduate students who exhibit financial need. The aggregate sum of tuition and the tuition differential could not increase by more than 15 percent of the total charged for these fees in the previous year. The total undergraduate tuition and fees per credit hour could not exceed the national average for undergraduate tuition and fees at 4-year degree-granting public postsecondary educational institutions.

The current requirements of the tuition differential would continue to apply to students, as follows:

- The tuition differential is not covered by the Bright Futures Scholarship Program;
- Students who were in attendance at the qualifying institution prior to July 1, 2007, and who maintain continuous enrollment may not be charged the tuition differential;
- A university may waive the tuition differential for students who demonstrate unmet financial need under the criteria for the Florida Public Student Assistance Grant (FSAG); and
- Beneficiaries having prepaid tuition contracts in the Prepaid College Tuition Program in effect on July 1, 2007, and which remain in effect, are exempt from the payment of the tuition differential.

The Board of Governors must issue a report to the President of the Senate, the Speaker of the House of Representatives, and the Governor regarding the implementation of the tuition differential.

Because the tuition differential is authorized, not required, and may vary by institution, the fiscal impact is indeterminate. See FISCAL COMMENTS for additional information.

The effective date of this act is 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:

Background

Tuition Differential

The 2007 Legislature authorized the Board of Governors of the State University System to establish a tuition differential for research universities with a cap of 30 percent or 40 percent of tuition, depending on the classification of the institution.¹ The tuition differential is a supplemental fee that is charged for undergraduate instruction. Under the criteria established in 2007, Florida State University and the University of Florida met the criteria for a differential capped at 40 percent of tuition, and the University of South Florida met the criteria for a differential capped at 30 percent. The three institutions that were eligible to impose a tuition differential in 2007 delayed imposing the tuition differential for one year. The 2008 Legislature revised the eligibility criteria for the tuition differential that is capped at 30 percent, and two more universities, Florida International University and the University of Central Florida, became eligible to impose a tuition differential². In the 2008-2009 academic year, all five universities that are authorized to do so imposed a tuition differential for undergraduate students.

<i>University</i>	<i>Criteria Met³</i>	<i>Tuition Differential</i>
Florida International University	\$100 Million R&D Expenditures	\$6.96
Florida State University	Funding Level 1	\$6.96
University of Central Florida	\$100 Million R&D Expenditures	\$2.32
University of Florida	Funding Level 1	\$6.96
University of South Florida	\$100 Million R&D Expenditures	\$6.96

¹ Ch. 2007-225, L.O.F.; The classifications for the funding levels were based on the 2005 Carnegie Classifications for research universities.

² Ch. 2008-193, L.O.F.

³ The BOG authorized universities meeting the criteria for either Funding Level 1 or \$100 million R&D expenditures to establish the 2008-2009 tuition differential at no more than \$6.96 per credit hour above the \$82.03 tuition established in the General Appropriations Act (see Specific Appropriation 151, § 2, ch. 2008-152, L.O.F.). This increase, combined with the six percent increase authorized by the Legislature, results in the maximum allowable 15 percent annual increase above the 2007-2008 tuition of \$77.39 per credit hour. See BOG Minutes of May 8, 2008, Telephone Conference Call, available at http://www.flbog.org/pressroom/meeting_archive.php.

The revenue generated from the tuition differential must be spent solely for improving the quality of direct undergraduate instruction and support services.⁴

The tuition differential is subject to the following conditions:⁵

- ❖ The sum of tuition and the tuition differential may not be increased by more than 15 percent of the total charged for these fees in the preceding fiscal year.
- ❖ The tuition differential is not covered by Bright Futures Scholarships.
- ❖ Beneficiaries with prepaid tuition contracts for university plans which were in effect on July 1, 2007, and which remain in effect, are exempt from the payment of the tuition differential.
- ❖ The tuition differential may not be charged to any student who was in attendance at the university before July 1, 2007, and who maintains continuous enrollment.
- ❖ The tuition differential may be waived for students who meet the eligibility requirements for the Florida Public Student Assistance Grant.⁶
- ❖ A university board of trustees that has been authorized by the BOG to establish a tuition differential may establish it at a rate lower than that authorized, but may not exceed the maximum tuition differential established by the BOG.

The Prepaid College Board is authorized to offer advance payment contracts for a community college tuition plan, a university tuition plan, a community college plus university tuition plan, a university dormitory plan, a local fee plan, and a tuition differential fee plan.⁷ Beneficiaries with prepaid tuition contracts for university plans which were in effect on July 1, 2007, and which remain in effect, are exempt from the payment of the tuition differential.⁸

Education Estimating Conference

Section 216.136(4), F.S., directs the Education Estimating Conference to provide official information relating to the state's public and private educational system as the conference determines is needed for the state's planning and budgeting system. This includes forecasts of student enrollments, the number of students that qualified for state financial aid programs and for the Florida Resident Access Grant Program and the appropriation required to fund the full award amounts for each program, fixed capital outlay needs, and Florida Education Finance Program formula needs.⁹ The Education Estimating Conference is one of several consensus estimating conferences defined in s. 216.133, F.S. The term "official information" means the data, forecasting, estimates, analyses, studies, and other information which the principals of a consensus estimating conference unanimously adopt for purposes of the state planning and budgeting system. The principals of the conference consist of professional staff from the Executive Office of the Governor, the coordinator of the Office of Economic and Demographic Research, and professional staff of the Senate and House of Representatives. All of the principals of a consensus estimating conference must reach unanimous consent in order to produce an official estimate. Each state agency must use the official information developed by the consensus estimating conference in carrying out their duties under the state planning and budgeting system.¹⁰ For purposes of fiscal affairs of the state, appropriations acts, legislative budgets, and approved budgets, the term "state agency" is defined to mean any official, officer, commission, board, authority, council, committee, or department of the executive branch of state government.¹¹

Average Tuition and Fees

Information on average tuition and fees is available from a variety of sources.

⁴ Section 1009.24(16)(g), F.S.

⁵ Section 1009.24(16), F.S.

⁶ See s. 1009.50, F.S.

⁷ Section 1009.98(2), F.S.; see <http://www.myfloridaprepaid.com/plans> (last visited February 24, 2009).

⁸ Section 1009.24(16)(c), F.S.

⁹ See s. 216.136(4)(a), F.S.

¹⁰ See s. 216.135, F.S.

¹¹ See s. 216.011(1)(qq), F.S.

The National Center for Education Statistics annually publishes the *Digest of Education Statistics*, which includes information on the average undergraduate tuition and required fees for full-time students in degree-granting institutions by type and control of institution and state or jurisdiction. The US average reported for in-state students at public 4-year institutions for 2006-07 was \$5,685. The average reported for Florida for in-state students at public 4-year institutions for 2006-07 was \$3,050.¹²

The College Board reports that the average published tuition and fees amount for in-state students at public 4-year colleges and universities was \$6,585 for 2008-09. The amount reported for Florida was \$3,792. Tuition and fee figures are based on charges to full-time students over the course of a nine-month academic year of 30 semester hours or 45 quarter hours.¹³

State University Fees

Current law authorizes state universities to charge a financial aid fee to provide funds for financial aid awards. A minimum of 75 percent of funds from the financial aid fee used for new awards must provide aid based on absolute need.¹⁴ According to the Board of Governors, all of the universities met the requirement for need-based financial aid awards in Fiscal Year 2006-07.¹⁵

Effect of Proposed Changes

CS/HB 403 authorizes each state university to charge a tuition differential subject to approval by the Board of Governors. In addition to the five state universities that currently charge the tuition differential—the University of Florida, Florida State University, the University of South Florida, the University of Central Florida, and Florida International University—the remaining six state universities would be authorized to establish a tuition differential, as well. The aggregate sum of tuition and the tuition differential could not increase by more than 15 percent of the total charged for these fees in the previous year. The total undergraduate tuition and fees per credit hour could not exceed the national average for undergraduate tuition and fees at 4-year degree-granting public postsecondary educational institutions.

Uses of the Tuition Differential

The tuition differential must be used to promote improvements in the quality of undergraduate education and to provide financial aid to students who exhibit financial need. Seventy percent of the tuition differential would be used for undergraduate education and thirty percent would be used to provide financial aid to undergraduate students who exhibit financial need.

Uses of the tuition differential for undergraduate education may include, but are not limited to, increasing course offerings, improving graduation rates, increasing the percentage of undergraduate students who are taught by faculty, decreasing student-faculty ratios, providing salary increases for faculty who have a history of excellent teaching in undergraduate courses, improving the efficiency of the delivery of undergraduate education through academic advisement and counseling, and reducing the percentage of students who graduate with excess hours. The bill prohibits using the tuition differential to pay the salaries of graduate teaching assistants.

The thirty percent of the tuition differential that must be expended for need-based financial aid may not supplant the amount of need-based financial aid the university provided to undergraduate students in the preceding fiscal year from financial aid fee revenues or the direct appropriation for financial assistance provided to state universities in the General Appropriations Act.

¹² National Center for Education Statistics, Table 321 at http://nces.ed.gov/programs/digest/d07/tables/dt07_321.asp (last visited February 19, 2009).

¹³ See Trends in College Pricing at <http://www.collegeboard.com/html/costs/pricing/introduction.html> (last visited February 24, 2009).

¹⁴ Section 1009.24(7), F.S.

¹⁵ Telephone conversation with Board of Governors staff (March 19, 2009).

Procedures for Establishing a Tuition Differential

A university board of trustees may submit a proposal to the Board of Governors to implement a tuition differential for one or more undergraduate courses. The proposal must indicate:

- The course or courses for which the tuition differential would be assessed;
- The amount that would be assessed for each tuition differential proposed;
- The purpose of the tuition differential;
- How the revenues from the tuition differential would be used; and
- How the university would monitor the success of the tuition differential in achieving the purpose for which it is being assessed.

The Board of Governors must review each proposal and advise the university board of trustees of approval of the proposal, the need for additional information or revision to the proposal, or denial of the proposal.

By January 1, 2010, and no later than January 1 each year thereafter, the Board of Governors must submit a report to the President of the Senate, the Speaker of the House of Representatives, and the Governor that summarizes the proposals received by the board during the preceding fiscal year and the actions taken by the board in response to such proposals. The report must provide information concerning the courses for which the tuition differential was assessed, the revenues generated, and waivers authorized. The report must also include data regarding changes in retention rates, graduation rates, pass rates on licensure exams, students graduating with excess hours, the number of undergraduate course offerings, the percentage of undergraduate students who are taught by faculty, student-faculty ratios, and the average salaries of faculty who teach undergraduate courses.

The current requirements of the tuition differential would continue to apply to students, as follows:

- The tuition differential is not covered by the Bright Futures Scholarship Program;
- Students who were in attendance at the qualifying institution prior to July 1, 2007, and who maintain continuous enrollment may not be charged the tuition differential;
- A university may waive the tuition differential for students who demonstrate unmet financial need under the criteria for the Florida Public Student Assistance Grant (FSAG); and
- Beneficiaries having prepaid tuition contracts in the Prepaid College Tuition Program in effect on July 1, 2007, are exempt from the payment of the tuition differential.

A state university would not be required to lower a tuition differential that was approved by the Board of Governors prior to January 1, 2009, in order to comply with the requirements of this bill.

The Education Estimating Conference

CS/HB 403 requires the Education Estimating Conference to develop information relating to the national average of tuition and fees at public postsecondary educational institutions.

Financial Aid Fee

The bill requires 75 percent of financial aid fee revenues to be spent on need-based aid. According to the Board of Governors, most of the state universities would meet or exceed this requirement, based on prior year data.¹⁶

B. SECTION DIRECTORY:

Section 1. Amends s. 216.136, F.S., requiring the Education Estimating Conference to develop information relating to the national average of tuition and fees.

¹⁶ Telephone conversation with Board of Governors staff (March 19, 2009).

- Section 2. Amends s. 1009.01, F.S., revising the definition of the term "tuition differential."
- Section 3. Amends s. 1009.24, F.S. revising provisions relating to the use of the student financial aid fee; deleting obsolete provisions; revising provisions relating to the establishment of a tuition differential; providing requirements for the assessment and expenditure of a tuition differential; providing requirements for a university board of trustees to submit a proposal to the Board of Governors to implement a tuition differential; requiring the Board of Governors' review and approval of a proposal; requiring the Board of Governors to report specified information annually to the Legislature and the Governor.
- Section 4. Provides an effective date of July 1, 2009.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:
See FISCAL COMMENTS
2. Expenditures:
See FISCAL COMMENTS

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:
See FISCAL COMMENTS
2. Expenditures:
See FISCAL COMMENTS

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

D. FISCAL COMMENTS:

The bill authorizes university boards of trustees to establish a tuition differential upon receipt of approval from the Board of Governors. There is no requirement that a university board of trustees establish a tuition differential.

The bill caps the sum of undergraduate tuition and fees per credit hour at the national average. Universities that impose the differential to the maximum extent allowable would realize significantly more revenue as the cost of tuition and fees reached the national average of tuition and fees.

Assuming no increase in tuition by the Legislature and assuming the tuition differential grows by the maximum 15 percent of the total of tuition and the tuition differential each year, by the year 2013-2014 the cost per credit hour would increase from \$130.66 per credit hour to \$224.77¹⁷ per credit hour at the five universities that currently have a tuition differential. If the six universities that do not currently impose a tuition differential did so and increased it by 15 percent each year, students at those universities, who now pay \$123.70 per credit hour, would pay \$210.77¹⁸ per credit hour in 2013-2014.

¹⁷ This amount includes a five percent technology fee beginning in fall 2009.

¹⁸ This amount includes a five percent technology fee beginning in fall 2009.

Recipients of Bright Futures Scholarships could bear increasing responsibility for the cost of their education. If the tuition differential increased by 15 percent per year, by 2013-2014, Bright Futures Academic Scholars would pay approximately 45 percent of the cost of their education at UF, FSU, USF, FIU, and UCF. At the other six state universities, they would pay approximately 41 percent of the cost of their education.

Other Potential Implications:

The Florida Prepaid College Board is authorized to provide advance payment contracts for the tuition differential. As of February 12, 2009, the board has sold 17,845 prepaid contracts to cover the cost of the tuition differential. Those contracts were sold using actuarial assumptions under the existing tuition differential program.¹⁹ The revisions to the tuition differential in the bill could reduce the actuarial reserves in the Florida Prepaid College Trust Fund by \$124 million.²⁰

Future Florida Prepaid College Program contracts for tuition would not cover the cost of the tuition differential. The cost of the tuition differential contract eventually could be as high as the cost of the tuition contract, and parents would have to buy both contracts in order to cover the cost of a child's education.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

2. Other:

The Board of Governors has challenged the Legislature's authority over the State University System.²¹ One of the issues in that lawsuit is a challenge to the Legislature's authority in setting university tuition and fees.

B. RULE-MAKING AUTHORITY:

C. DRAFTING ISSUES OR OTHER COMMENTS:

¹⁹ Florida Prepaid College Board analysis of HB 403.

²⁰ As of February 16, 2009, the Florida Prepaid College Board and the Board of Governors have entered into a tentative agreement concerning the payment of tuition, tuition differential fees, local fees and dormitory fees for pre-existing prepaid contracts. The agreement is contingent upon ratification by the Florida Prepaid College Board and the Board of Governors and legislative enactment authorizing the Florida Prepaid College Board to pay the amounts specified in the agreement to the state universities attended by beneficiaries of pre-existing prepaid contracts. If the agreement's payment provisions are enacted by the Legislature, the Florida Prepaid College Board staff states that this bill would have no actuarial impact upon the Florida Prepaid College Trust Fund. However, according to the board, in the absence of that agreement becoming effective, the board's actuary, Ernst & Young, estimates that the bill would reduce the actuarial reserve of the Florida Prepaid College Trust by approximately \$124 million.

²¹ *Bob Graham et al v. Ken Pruitt, President of the Florida Senate and Marco Rubio, Speaker of the Florida House of Representatives*, Case No. 2007-CA-1818.

IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES

On March 3, 2009, the State Universities & Private Colleges Policy Committee adopted one amendment to HB 403 and reported the bill favorably as a committee substitute. The amendment clarifies that a university would have flexibility in determining the uses of the tuition differential.

1 A bill to be entitled
 2 An act relating to state university tuition and fees;
 3 amending s. 216.136, F.S.; requiring the Education
 4 Estimating Conference to develop information relating to
 5 the national average of tuition and fees; amending s.
 6 1009.01, F.S.; revising the definition of the term
 7 "tuition differential"; amending s. 1009.24, F.S.;
 8 revising provisions relating to the use of the student
 9 financial aid fee; deleting obsolete provisions; revising
 10 provisions relating to the establishment of a tuition
 11 differential; providing requirements for the assessment
 12 and expenditure of a tuition differential; providing
 13 requirements for a university board of trustees to submit
 14 a proposal to the Board of Governors to implement a
 15 tuition differential; requiring the Board of Governors'
 16 review and approval of a proposal; requiring the Board of
 17 Governors to report specified information annually to the
 18 Legislature and the Governor; providing for application;
 19 providing an effective date.

20
 21 Be It Enacted by the Legislature of the State of Florida:

22
 23 Section 1. Paragraph (a) of subsection (4) of section
 24 216.136, Florida Statutes, is amended to read:

25 216.136 Consensus estimating conferences; duties and
 26 principals.--

27 (4) EDUCATION ESTIMATING CONFERENCE.--

28 (a) The Education Estimating Conference shall develop such
 29 official information relating to the state public and private
 30 educational system, including forecasts of student enrollments,
 31 the national average of tuition and fees at public postsecondary
 32 educational institutions, the number of students qualified for
 33 state financial aid programs and for the William L. Boyd, IV,
 34 Florida Resident Access Grant Program and the appropriation
 35 required to fund the full award amounts for each program, fixed
 36 capital outlay needs, and Florida Education Finance Program
 37 formula needs, as the conference determines is needed for the
 38 state planning and budgeting system. The conference's initial
 39 projections of enrollments in public schools shall be forwarded
 40 by the conference to each school district no later than 2 months
 41 prior to the start of the regular session of the Legislature.
 42 Each school district may, in writing, request adjustments to the
 43 initial projections. Any adjustment request shall be submitted
 44 to the conference no later than 1 month prior to the start of
 45 the regular session of the Legislature and shall be considered
 46 by the principals of the conference. A school district may amend
 47 its adjustment request, in writing, during the first 3 weeks of
 48 the legislative session, and such amended adjustment request
 49 shall be considered by the principals of the conference. For any
 50 adjustment so requested, the district shall indicate and
 51 explain, using definitions adopted by the conference, the
 52 components of anticipated enrollment changes that correspond to
 53 continuation of current programs with workload changes; program
 54 improvement; program reduction or elimination; initiation of new
 55 programs; and any other information that may be needed by the

56 | Legislature. For public schools, the conference shall submit its
 57 | full-time equivalent student consensus estimate to the
 58 | Legislature no later than 1 month after the start of the regular
 59 | session of the Legislature. No conference estimate may be
 60 | changed without the agreement of the full conference.

61 | Section 2. Subsection (3) of section 1009.01, Florida
 62 | Statutes, is amended to read:

63 | 1009.01 Definitions.--The term:

64 | (3) "Tuition differential" means the supplemental fee
 65 | charged to a student ~~for instruction provided~~ by a public
 66 | university in this state pursuant to s. 1009.24(16).

67 | Section 3. Subsections (7) and (16) of section 1009.24,
 68 | Florida Statutes, are amended to read:

69 | 1009.24 State university student fees.--

70 | (7) A university board of trustees is authorized to
 71 | collect for financial aid purposes an amount not to exceed 5
 72 | percent of the tuition and out-of-state fee. The revenues from
 73 | fees are to remain at each campus and replace existing financial
 74 | aid fees. Such funds shall be disbursed to students as quickly
 75 | as possible. A minimum of 75 percent of funds from the student
 76 | financial aid fee ~~for new financial aid awards~~ shall be used to
 77 | provide financial aid based on absolute need. ~~A student who has~~
 78 | ~~received an award prior to July 1, 1984, shall have his or her~~
 79 | ~~eligibility assessed on the same criteria that were used at the~~
 80 | ~~time of his or her original award.~~ The Board of Governors shall
 81 | develop criteria for making financial aid awards. Each
 82 | university shall report annually to the Board of Governors and
 83 | the Department of Education on the revenue collected pursuant to

84 this subsection, the amount carried forward, the criteria used
 85 to make awards, the amount and number of awards for each
 86 criterion, and a delineation of the distribution of such awards.
 87 The report shall include an assessment by category of the
 88 financial need of every student who receives an award,
 89 regardless of the purpose for which the award is received.
 90 Awards which are based on financial need shall be distributed in
 91 accordance with a nationally recognized system of need analysis
 92 approved by the Board of Governors. An award for academic merit
 93 shall require a minimum overall grade point average of 3.0 on a
 94 4.0 scale or the equivalent for both initial receipt of the
 95 award and renewal of the award.

96 (16) Each university board of trustees may establish a
 97 tuition differential for undergraduate courses upon receipt of
 98 approval from the Board of Governors. The tuition differential
 99 shall promote improvements in the quality of undergraduate
 100 education and shall provide financial aid to undergraduate
 101 students who exhibit financial need.

102 (a) Seventy-percent of the revenues from the tuition
 103 differential shall be expended for purposes of undergraduate
 104 education. Such expenditures may include, but are not limited
 105 to, increasing course offerings, improving graduation rates,
 106 increasing the percentage of undergraduate students who are
 107 taught by faculty, decreasing student-faculty ratios, providing
 108 salary increases for faculty who have a history of excellent
 109 teaching in undergraduate courses, improving the efficiency of
 110 the delivery of undergraduate education through academic
 111 advisement and counseling, and reducing the percentage of

112 students who graduate with excess hours. This expenditure for
 113 undergraduate education may not be used to pay the salaries of
 114 graduate teaching assistants. The remaining 30 percent of the
 115 revenues from the tuition differential shall be expended to
 116 provide financial aid to undergraduate students who exhibit
 117 financial need to meet the cost of university attendance. This
 118 expenditure for need-based financial aid shall not supplant the
 119 amount of need-based aid provided to undergraduate students in
 120 the preceding fiscal year from financial aid fee revenues or the
 121 direct appropriation for financial assistance provided to state
 122 universities in the General Appropriations Act.

123 (b) Each tuition differential is subject to the following
 124 conditions:

125 1. The tuition differential may be assessed on one or more
 126 undergraduate courses or on all undergraduate courses at a state
 127 university.

128 2. The tuition differential may vary by course or courses,
 129 campus or center location, and by institution.

130 3. The aggregate sum of tuition and the tuition
 131 differential charged for a given course or courses may not be
 132 increased by more than 15 percent of the total charged for the
 133 aggregate sum of these fees in the same course or courses in the
 134 preceding fiscal year.

135 4. The aggregate sum of undergraduate tuition and fees per
 136 credit hour, including the tuition differential, may not exceed
 137 the national average of undergraduate tuition and fees at 4-year
 138 degree-granting public postsecondary educational institutions.

139 5. The tuition differential may not be calculated as a
 140 part of the scholarship programs established in ss. 1009.53-
 141 1009.538.

142 6. Beneficiaries having prepaid tuition contracts pursuant
 143 to s. 1009.98(2)(b) which were in effect on July 1, 2007, and
 144 which remain in effect, are exempt from the payment of the
 145 tuition differential.

146 7. The tuition differential may not be charged to any
 147 student who was in attendance at the university before July 1,
 148 2007, and who maintains continuous enrollment.

149 8. The tuition differential may be waived by the
 150 university for students who meet the eligibility requirements
 151 for the Florida public student assistance grant established in
 152 s. 1009.50.

153 9. Subject to approval by the Board of Governors, the
 154 tuition differential authorized pursuant to this subsection may
 155 take effect with the 2009 fall term.

156 (c) A university board of trustees may submit a proposal
 157 to the Board of Governors to implement a tuition differential
 158 for one or more undergraduate courses. At a minimum, the
 159 proposal shall:

160 1. Identify the course or courses for which the tuition
 161 differential will be assessed.

162 2. Indicate the amount that will be assessed for each
 163 tuition differential proposed.

164 3. Indicate the purpose of the tuition differential.

165 4. Indicate how the revenues from the tuition differential
 166 will be used.

167 5. Indicate how the university will monitor the success of
 168 the tuition differential in achieving the purpose for which the
 169 tuition differential is being assessed.

170 (d) The Board of Governors shall review each proposal and
 171 advise the university board of trustees of approval of the
 172 proposal, the need for additional information or revision to the
 173 proposal, or denial of the proposal. The Board of Governors
 174 shall establish a process for any university to revise a
 175 proposal or appeal a decision of the board.

176 (e) The Board of Governors shall submit a report to the
 177 President of the Senate, the Speaker of the House of
 178 Representatives, and the Governor describing the implementation
 179 of the provisions of this subsection no later than January 1,
 180 2010, and no later than January 1 each year thereafter. The
 181 report shall summarize proposals received by the board during
 182 the preceding fiscal year and actions taken by the board in
 183 response to such proposals. In addition, the report shall
 184 provide the following information for each university that has
 185 been approved by the board to assess a tuition differential:

186 1. The course or courses for which the tuition
 187 differential was assessed and the amount assessed.

188 2. The total revenues generated by the tuition
 189 differential.

190 3. With respect to waivers authorized under subparagraph
 191 (b)8., the number of students eligible for a waiver, the number
 192 of students receiving a waiver, and the value of waivers
 193 provided.

194 4. Detailed expenditures of the revenues generated by the
 195 tuition differential.

196 5. Changes in retention rates, graduation rates, the
 197 percentage of students graduating with more than 110 percent of
 198 the hours required for graduation, pass rates on licensure
 199 examinations, the number of undergraduate course offerings, the
 200 percentage of undergraduate students who are taught by faculty,
 201 student-faculty ratios, and the average salaries of faculty who
 202 teach undergraduate courses.

203 (f) No state university shall be required to lower any
 204 tuition differential that was approved by the Board of Governors
 205 and in effect prior to January 1, 2009, in order to comply with
 206 the provisions of this subsection. The Board of Governors may
 207 ~~establish a uniform maximum undergraduate tuition differential~~
 208 ~~that does not exceed 40 percent of tuition for all universities~~
 209 ~~that meet the criteria for Funding Level 1 under s. 1004.635(3),~~
 210 ~~and may establish a uniform maximum undergraduate tuition~~
 211 ~~differential that does not exceed 30 percent of tuition for all~~
 212 ~~universities that have total research and development~~
 213 ~~expenditures for all fields of at least \$100 million per year as~~
 214 ~~reported annually to the National Science Foundation. Once these~~
 215 ~~criteria have been met and the differential established by the~~
 216 ~~Board of Governors, the board of trustees of a qualified~~
 217 ~~university may maintain the differential unless otherwise~~
 218 ~~directed by the Board of Governors. However, the board shall~~
 219 ~~ensure that the maximum tuition differential it establishes for~~
 220 ~~universities meeting the Funding Level 1 criteria is at least 30~~
 221 ~~percent greater than the maximum tuition differential the board~~

222 ~~establishes for universities that meet the required criteria for~~
 223 ~~research and development expenditures. The tuition differential~~
 224 ~~is subject to the following conditions:~~

225 ~~(a) The sum of tuition and the tuition differential may~~
 226 ~~not be increased by more than 15 percent of the total charged~~
 227 ~~for these fees in the preceding fiscal year.~~

228 ~~(b) The tuition differential may not be calculated as a~~
 229 ~~part of the scholarship programs established in ss. 1009.53-~~
 230 ~~1009.537.~~

231 ~~(c) Beneficiaries having prepaid tuition contracts~~
 232 ~~pursuant to s. 1009.98(2)(b) which were in effect on July 1,~~
 233 ~~2007, and which remain in effect, are exempt from the payment of~~
 234 ~~the tuition differential.~~

235 ~~(d) The tuition differential may not be charged to any~~
 236 ~~student who was in attendance at the university before July 1,~~
 237 ~~2007, and who maintains continuous enrollment.~~

238 ~~(e) The tuition differential may be waived by the~~
 239 ~~university for students who meet the eligibility requirements~~
 240 ~~for the Florida public student assistance grant established in~~
 241 ~~s. 1009.50.~~

242 ~~(f) A university board of trustees that has been~~
 243 ~~authorized by the Board of Governors to establish a tuition~~
 244 ~~differential pursuant to this subsection may establish the~~
 245 ~~tuition differential at a rate lower than the maximum tuition~~
 246 ~~differential established by the board, but may not exceed the~~
 247 ~~maximum tuition differential established by the board.~~

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248 ~~(g) The revenue generated from the tuition differential~~
 249 ~~must be spent solely for improving the quality of direct~~
 250 ~~undergraduate instruction and support services.~~

251 ~~(h) Information relating to the annual receipt and~~
 252 ~~expenditure of the proceeds from the assessment of the tuition~~
 253 ~~differential shall be reported by the university in accordance~~
 254 ~~with guidelines established by the Board of Governors.~~

255 Section 4. This act shall take effect July 1, 2009.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS



BILL #: HB 687

Motor Vehicle Registration Applications

SPONSOR(S): Boyd

TIED BILLS:

IDEN./SIM. BILLS: SB 1394

	REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1)	Roads, Bridges & Ports Policy Committee	20 Y, 0 N	McVay	Miller
2)	Economic Development & Community Affairs Policy Council	12 Y, 0 N	McVay	Tinker
3)	Full Appropriations Council on Education & Economic Development		Rayman 	Martin 
4)				
5)				

SUMMARY ANALYSIS

HB 687 requires that application and renewal forms for motor vehicle registration include an option to make a voluntary contribution of \$1 to the Florida Sheriffs Youth Ranches, Inc. A voluntary check-off box would be added to the DHSMV application forms. Any contributions collected would be transferred by DHSMV each month to Florida Sheriffs Youth Ranches, Inc., a not-for-profit organization.

Florida Statutes require organizations seeking a voluntary contribution "check-off" to submit to the DHSMV a request for the particular contribution being sought, an application fee not to exceed \$10,000, a short-term and long-term marketing plan, and an analysis outlining anticipated revenues and planned expenditures of such revenues. DHSMV must receive this information at least 90 days before convening of the next regular session.

DHSMV has certified that the Florida Sheriffs Youth Ranches, Inc. 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 act shall take effect 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:

Section 320.02, (14) & (15) F.S., provides vehicle owners with an opportunity to make voluntary contributions to seven organizations or causes when registering a vehicle or when renewing a vehicle registration:

- Transportation Disadvantaged Trust Fund,
- Prevent Blindness Florida,
- Florida Mothers Against Drunk Driving, Inc.,
- Southeastern Guide Dogs, Inc.,
- Stop Heart Disease, and
- Children's Hearing Help Fund,
- State Homes for Veterans Trust Fund, and
- Family First

Currently, a contribution to the Florida Sheriffs Youth Ranches, Inc. is not an option for a voluntary contribution on motor vehicle registration and registration renewal forms.

Voluntary check-off contributions on vehicle registrations and driver's licenses must be authorized by a statutory change. Florida Statutes require organizations to submit to the DHSMV a request for the particular contribution being sought, an application fee not to exceed \$10,000, a short-term and long-term marketing plan, and an analysis outlining anticipated revenues and planned expenditures of such revenues. DHSMV must receive this information at least 90 days before convening of the next regular session. In addition, the law specifically prohibits the use of state funds to pay the application fee.

Effect of Proposed Changes:

HB 687 amends s. 320.02, F.S., to include voluntary donations to the Florida Sheriffs Youth Ranches, Inc., on motor vehicle registration and renewal of registration applications, respectively. DHSMV has certified that Florida Sheriffs Youth Ranches, Inc. has complied with s. 320.023, F.S. by timely

submitting its letter of request, \$10,000 application fee, and approved short- and long-term marketing plans.¹

Founded in 1957 by the Florida Sheriffs Association, the Youth Ranches is a non-profit, residential child-care and family service organization primarily dependent on gifts and support of donors. It is a nationally recognized, accredited agency with sites throughout the state of Florida.²

B. SECTION DIRECTORY:

Section 1 Adds a paragraph to subsection (15) of section 320.02, F.S., to include language permitting a voluntary contribution to Florida Sheriffs Youth Ranches, Inc. on the application form for motor vehicle registration and renewals of registration.

Section 2 Provides an effective date of July 1, 2009.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

	Amount Year 1 <u>FY 2009-10</u>	Amount Year 2 <u>FY 2010-011</u>	Amount Year 3 <u>FY 2011-12</u>
1. Revenues:			
Highway Safety Operating Trust Fund Application Fee	<u>\$ 10,000</u>	<u>\$ 0</u>	<u>\$ 0</u>

The revenue reflected above is the application fee required by s. 320.023, F.S., for the development of a new application form for motor vehicle registration and renewal.

2. Expenditures:

Highway Safety Operating Trust Fund Programming Cost	<u>\$ 10,000</u>	<u>\$ 0</u>	<u>\$ 0</u>
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The amount above reflects the programming cost to develop the new application form and is offset by the \$10,000 application fee.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

¹ Letter from Electra Theodorides-Bustle, Executive Director, Department of Highway Safety and Motor Vehicles, to the Roads, Bridges, and Ports Policy Committee, dated Dec. 31, 2008. This letter is on file with the committee.

² Information taken from the Florida Sheriffs Youth Ranches website at <http://www.youthranches.org/site/>. Last accessed March 6, 2009.

1. Direct private sector costs:
Individuals who choose to contribute to the Florida Sheriffs Youth Ranches, Inc. pay a \$1 fee.
2. Direct private sector benefits:
Collection of this voluntary contribution will benefit the Florida Sheriffs Youth Ranches, Inc., a not-for-profit organization.
3. Effects on competition, private enterprise and employment markets:
None.

D. FISCAL COMMENTS:

Revenue generated by this voluntary contribution for the Florida Sheriffs Youth Ranches, Inc. is based on public interest and is therefore indeterminate. The department indicates that the bill has a neutral effect on the Highway Safety Operating Trust Fund.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable because the bill does not appear to: require counties or cities to spend funds or take action requiring the expenditure of funds; reduce the authority that cities or counties have to raise revenues in the aggregate; or reduce the percentage of a state tax shared with cities or counties.

2. Other:

None

B. RULE-MAKING AUTHORITY:

None

C. DRAFTING ISSUES OR OTHER COMMENTS:

None

IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES

None.

1 A bill to be entitled
 2 An act relating to motor vehicle registration
 3 applications; amending s. 320.02, F.S.; directing the
 4 Department of Highway Safety and Motor Vehicles to include
 5 language on each application form for registration and
 6 renewal of registration permitting a contribution to
 7 Florida Sheriffs Youth Ranches, Inc.; requiring the
 8 department to transfer contributions collected each month
 9 to Florida Sheriffs Youth Ranches, Inc.; providing an
 10 effective date.

11
 12 Be It Enacted by the Legislature of the State of Florida:

13
 14 Section 1. Paragraph (h) is added to subsection (15) of
 15 section 320.02, Florida Statutes, to read:

16 320.02 Registration required; application for
 17 registration; forms.--

18 (15)

19 (h) The application form for motor vehicle registration
 20 and renewal of registration must include language permitting a
 21 voluntary contribution of \$1 to Florida Sheriffs Youth Ranches,
 22 Inc. Such contributions must be transferred by the department
 23 each month to Florida Sheriffs Youth Ranches, Inc., a not-for-
 24 profit organization.

25
 26 For the purpose of applying the service charge provided in s.
 27 215.20, contributions received under this subsection are not
 28 income of a revenue nature.

HB 687


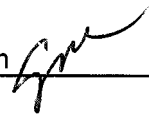
2009

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Section 2. This act shall take effect July 1, 2009.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 7061 PCB TED 09-02 Welfare Transition Trust Fund/DMA
SPONSOR(S): Transportation & Economic Development Appropriations Committee; Glorioso
TIED BILLS: **IDEN./SIM. BILLS:** SB 1292

	REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
Orig. Comm.:	Transportation & Economic Development Appropriations Committee	14 Y, 0 N	Rayman	Creamer
1)	Full Appropriations Council on Education & Economic Development		Rayman 	Martin 
2)				
3)				
4)				
5)				

SUMMARY ANALYSIS

The legislation continues the Welfare Transition Trust Fund, FLAIR number 62-2-401, within the Department of Military Affairs. The trust fund serves as a repository for funds collected from the Temporary Assistance to Needy Families Block Grant.

This bill repeals section 250.175(5)(d), Florida Statutes.

The bill has 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:

Article III, Section 19(f) of the Florida Constitution requires the termination of all state trust funds within four years of their initial creation, unless exempt by the Constitution or operation of law. The Welfare Transition Trust Fund will terminate on July 1, 2009, if no action is taken by the Legislature to re-create.

The Welfare Transition Trust Fund consists of funds collected from the Temporary Assistance for Needy Families (TANF) Block Grant. These moneys are used exclusively for providing services to individuals eligible for Temporary Assistance for Needy Families. The Forward March and About Face programs in the DMA are the recipients of these funds. In Fiscal Year 2008-2009, the Legislature appropriated \$2,000,000 for the Forward March and About Face programs, which was the anticipated amount of receipts.

Potential Changes:

The Welfare Transition Trust Fund within the Department of Military Affairs will be re-created prior to the scheduled termination date of July 1, 2009.

B. SECTION DIRECTORY:

Section 1. Recreates the Welfare Transition Trust Fund within the Department of Military Affairs.

Section 2. Repeals paragraph (d) of subsection (5) of section 250.175, Florida Statutes.

Section 3. Provides and effective date of July 1, 2009.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:
None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:
None.
2. Expenditures:
None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

N/A.

D. FISCAL COMMENTS:

N/A.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:
None.
2. Other:
None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES

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A bill to be entitled
An act relating to trust funds; re-creating the Welfare Transition Trust Fund within the Department of Military Affairs without modification; repealing s. 250.175(5)(d), F.S.; abrogating provisions relating to the termination of the trust fund, to conform; providing an effective date.

WHEREAS, the Legislature wishes to extend the life of the Welfare Transition Trust Fund within the Department of Military Affairs, which is otherwise scheduled to be terminated pursuant to constitutional mandate, and

WHEREAS, the Legislature has reviewed the trust fund before its scheduled termination date and has found it continues to meet an important public purpose, and

WHEREAS, the Legislature has found that existing public policy concerning the trust fund sets adequate parameters for its use, NOW, THEREFORE,

Be It Enacted by the Legislature of the State of Florida:

Section 1. The Welfare Transition Trust Fund within the Department of Military Affairs, FLAIR number 62-2-401, which is to be terminated pursuant to Section 19(f), Article III of the State Constitution on July 1, 2009, is re-created.

Section 2. Paragraph (d) of subsection (5) of section 250.175, Florida Statutes, is repealed.

Section 3. This act shall take effect July 1, 2009.



Full Appropriations Council on Education & Economic Development

March 23, 2009

3:00 p.m.

Morris Hall, 17 House Office Building

Meeting Packet

Addendum "A"

Added two (2) amendments on CS/HB 403

**Larry Cretul
Speaker**

**David Rivera
Chair**

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (01)

Bill No. **CS/HB 403**

COUNCIL/COMMITTEE ACTION

ADOPTED ___ (Y/N)
ADOPTED AS AMENDED ___ (Y/N)
ADOPTED W/O OBJECTION ___ (Y/N)
FAILED TO ADOPT ___ (Y/N)
WITHDRAWN ___ (Y/N)
OTHER _____

1 Council/Committee hearing bill: Full Appropriations Council on
2 Education & Economic Development
3 Representative(s) Weatherford offered the following:

4
5 **Amendment**

6 Remove line(s) 114-122 and insert:

7
8 graduate teaching assistants. The remaining 30 percent of the
9 revenues from the tuition differential, or an equivalent amount
10 of new revenue from private sources, shall be expended to
11 provide financial aid to undergraduate students who exhibit
12 financial need to meet the cost of university attendance. This
13 expenditure for need-based financial aid shall not supplant the
14 amount of need-based aid provided to undergraduate students in
15 the preceding fiscal year from financial aid fee revenues, from
16 the direct appropriation for financial assistance provided to
17 state universities in the General Appropriations Act, or from
18 existing private sources. Any revenue raised from private
19 sources to meet the requirements of this paragraph shall be
20 deposited in a separate account for need-based financial aid and

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (01)

21 shall not be commingled with funds from existing private
22 sources.

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (02)

Bill No. **CS/HB 403**

COUNCIL/COMMITTEE ACTION

ADOPTED ___ (Y/N)
ADOPTED AS AMENDED ___ (Y/N)
ADOPTED W/O OBJECTION ___ (Y/N)
FAILED TO ADOPT ___ (Y/N)
WITHDRAWN ___ (Y/N)
OTHER _____

1 Council/Committee hearing bill: Full Appropriations Council on
2 Education & Economic Development
3 Representative(s) Weatherford offered the following:

4
5 **Amendment**

6 Remove line(s) 194 and insert:

7
8 4. With respect to need-based financial aid provided under
9 paragraph (a), the number of students eligible for an award, the
10 number of students receiving an award, and the value of the
11 awards provided.

12 5. The amount of revenue from private sources used to meet
13 the requirements of paragraph (a) and documentation of
14 compliance with the supplanting provisions of paragraph (a).

15 6. Detailed expenditures of the revenues generated by the
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