HOUSE RESEARCH ORGANIZATION bill analysis

4/17/2013

HB 519 Zerwas, Ratliff (CSHB 519 by Harper-Brown)

SUBJECT: Voluntary donations to the Glenda Dawson Donate Life-Texas Registry

COMMITTEE: Transportation — committee substitute recommended

VOTE: 9 ayes — Phillips, Martinez, Burkett, Fletcher, Guerra, Harper-Brown,

Lavender, Pickett, Riddle

0 nays

2 absent — Y. Davis, McClendon

WITNESSES: For — Pam Silvestri, Donate Life Texas; (Registered, but did not testify:

Marisa Finley, Scott & White Center for Healthcare Policy; David A. Marwitz, LifeGift; Marcus Mitias, Texas Health Resources; Laurie Reece,

Texas Transplantation Society; Melody Chatelle)

Against - None

On — Jann Melton-Kissel, Department of State Health Services; Michael Terry, Department of Public Safety; (Registered, but did not testify: Randy

Elliston, Texas Department of Motor Vehicles)

BACKGROUND: The Glenda Dawson Donate Life Texas Registry is a database of

individuals who have officially provided authorization to donate organs,

tissues, or eyes upon their deaths.

Donor registration can be done online at the Donate Life Texas website, local Department of Public Safety (DPS) offices when applying for or renewing a driver's license or identification card, or through the

renewing a driver's license or identification card, or through the

Department of Motor Vehicles when renewing registration. The program is funded through a \$1 voluntary contribution that can be made when renewing a driver's license or ID card or registering a motor vehicle.

Money from the voluntary contributions is appropriated to the Department of State Health Services (DSHS), then disbursed to Donate Life Texas

Inc., a nonprofit organization that operates the registry.

DIGEST: The bill would create the Glenda Dawson Life-Texas Registry trust fund

outside of the state treasury to be held by the comptroller and administered

HB 519 House Research Organization page 2

by the Department of State Health Services (DSHS). The trust would be funded by \$1 voluntary contributions collected by county assessor-collectors during motor vehicle registration transactions and collected by the Department of Public Safety (DPS) during driver's license and identification card transactions.

The bill would require a space on application forms and registration renewal notices for people to note a desire to donate \$1. It would allow county assessor-collectors and the DPS to deduct reasonable expenses up to 5 percent of collections for administering the collection of contributions.

CSHB 519 would transfer the administration of the Glenda Dawson Donate Life-Texas Registry from the Department of State Health Services (DSHS) to a designated nonprofit organization (Donate Life Texas, Inc.). The bill also would provide that the money be disbursed at least monthly directly to the nonprofit organization rather than through DSHS.

Money received by the nonprofit could be used only to manage the registry, provide donor education, and promote donor awareness. The nonprofit would be required to submit an annual report to the Legislature, comptroller, and DSHS, including the total amount received from the voluntary contributions.

The bill would repeal requirements for the nonprofit organization to submit an annual report to DSHS on the number of donors in the registry and their demographics, as well as requirements for DSHS in contracting for the registry program. It would remove a provision prohibiting the nonprofit organization from charging a fee for costs related to operating and maintaining the registry.

CSHB 519 would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2013.

SUPPORTERS SAY:

CSHB 519 would solve an ongoing problem stemming from state regulations that disallow the use of donated dollars for programs that would help incorporate national best practices for organ donor registries. Because these are not tax dollars but funds contributed to increase donor registrations and increase lives saved by organ donation, they should not be bound by state regulations or by what DSHS deems allowable. They

HB 519 House Research Organization page 3

should be used to support efforts that have proven successful and that align with national best practices to increase donation.

Concerns about the involvement of DSHS in the registry could be addressed through amendments. The author intends to offer an amendment that would remove duties from DSHS, such as administration of the trust fund and designation of the nonprofit organization, and transfer them to DPS. Another amendment would replace references to the tax assessor-collector with the Department of Motor Vehicles.

OPPONENTS SAY: While the bill would take steps to remove the Department of State Health Services (DSHS) from the administration of the registry, DSHS still would be responsible for designating the nonprofit organization that administered the registry. DSHS also would be the administrator of the trust fund. Transferring these duties to an entity involved in donor registration, such as the Department of Public Safety (DPS), would be more appropriate. Continuing to involve DSHS in a limited capacity would place an administrative burden on the department and require them to make decisions and have oversight over a program with which they have little interaction.

NOTES:

The committee substitute differs from the bill as introduced in that it would:

- create the Glenda Dawson Life-Texas Registry trust fund outside of the state treasury;
- transfer the administration of the Glenda Dawson Donate Life Texas Registry from the Department of State Health Services (DSHS) to a designated nonprofit organization;
- require that applications for motor vehicle registration include a space for the \$1 contribution;
- limit the voluntary contribution to \$1;
- limit the amount that tax assessor-collectors and DPS would be allowed to deduct for administration expenses to five percent of the money collected;
- expand the use of the money collected for the management of the registry to also include donor education and donor awareness; and
- repeal requirements for the nonprofit organization to submit an annual report to DSHS regarding the number of donors in the

HB 519 House Research Organization page 4

registry and their demographics and requirements for DSHS in contracting for the registry program.

According to the LBB's fiscal note, CSHB 519 would have a negative impact on general revenue of \$655,000 through the end of fiscal 2015. Under current law, collections are deposited to General Revenue Fund 0001. Future collections would be deposited to the new fund created by the bill.

The companion bill, SB 1815 by Zaffirini, was reported favorably from the Senate Transportation Committee on April 8 and recommended for the Local and Uncontested Calendar.

Rep. Zerwas plans to offer a floor amendment that would remove duties from the Department of State Health Services, such as administration of the trust fund and designation of the nonprofit organization, and transfer them to the Department of Public Safety. Another amendment would replace references to the tax assessor-collector with the Department of Motor Vehicles.