

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Appropriations Subcommittee on Transportation, Tourism, and Economic Development

BILL: CS/SB 62

INTRODUCER: Transportation Committee and Senator Hays

SUBJECT: Low-Speed Vehicles

DATE: February 12, 2013 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Price	Eichin	TR	Fav/CS
2.	Smith	Hrdlicka	CM	Favorable
3.	Carey	Martin	ATD	Pre-meeting
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

Please see Section VIII. for Additional Information:

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|------------------------------|-------------------------------------|---|
| A. COMMITTEE SUBSTITUTE..... | <input checked="" type="checkbox"/> | Statement of Substantial Changes |
| B. AMENDMENTS..... | <input type="checkbox"/> | Technical amendments were recommended |
| | <input type="checkbox"/> | Amendments were recommended |
| | <input type="checkbox"/> | Significant amendments were recommended |

I. Summary:

CS/SB 62 establishes procedures to allow a vehicle titled or branded and registered as a low-speed vehicle (LSV) to be administratively converted to a golf cart upon verification of the conversion by the Department of Highway Safety & Motor Vehicles (DHSMV), which is accomplished by the owner's submittal of an affidavit, surrender of the registration license plate and current certificate of title, payment of a \$40 administrative fee, and placement of a specified decal on the rear of the converted vehicle.

This bill will have an indeterminate, but insignificant negative revenue impact on the General Revenue Fund and the State Transportation Trust Fund and an indeterminate, but positive impact to the Highway Safety Operating Trust Fund.

This bill amends section 319.14, Florida Statutes.

II. Present Situation:

While there are many types, LSVs generally resemble golf carts cosmetically but differ in that LSVs are manufactured and configured for street use. An LSV may be electrically or gasoline-

powered. Some models carry up to eight passengers. As of December 2012, there were 5,818 LSVs registered in the state.

Federal Law

Federal rule defines “low-speed vehicle” as a four-wheeled motor vehicle with a top speed of between 20 and 25 miles per hour on a paved level surface, and a gross vehicle weight rating of less than 3,000 pounds.¹ The rule requires that LSVs be equipped with headlamps, front and rear turn signal lamps, tail lamps, stop lamps, reflex reflectors, mirrors, parking brakes, windshields, seat belts, and vehicle identification numbers. LSVs are not required to meet any criteria for vehicle crashworthiness.²

In 1998, the National Highway Traffic Safety Administration (NHTSA) established a limited set of safety standards for LSVs intended for vehicles used “to make short trips for shopping, social and recreational purposes primarily within retirement or other planned communities with golf courses.”³ In its discussion, NHTSA explained its determination to exclude conventional golf carts (which, by definition, are incapable of traveling more than 20 miles per hour) from application of the safety standards and to limit application to LSVs:

“The crash forces that 20 to 25 mile-per-hour vehicles will experience are significantly greater than those for 15 to 20 mile-per-hour golf cars and much greater than those for sub-15 mile-per-hour golf cars. Those greater forces make it necessary to require that LSVs be equipped with more safety features than the states and their local jurisdictions currently require for conventional golf cars used on-road.”⁴

Federal law, specifically 23 U.S.C. s. 217(h), prohibits any motorized vehicle on pedestrian walkways except for maintenance purposes; snowmobiles when snow conditions and state or local regulations permit; motorized wheelchairs; electric bicycles when state or local regulations permit; and such other circumstances as the Secretary of Transportation deems appropriate.

Section 30 of Title 26 of the United States Code provides for a tax credit for low-speed vehicles⁵ acquired after February 17, 2009, and before January 1, 2012, and that otherwise meet the requirements for receipt of the credit. The credit is limited to \$2,500. Taxpayers are authorized to apply for the credit on the basis of the manufacturer’s specified certification to the purchaser that an eligible vehicle meets all requirements that must be satisfied to claim the credit.

¹ 49 C.F.R. s. 571.3 (2003).

² 49 C.F.R. s. 571.500 (2003).

³ “Federal Motor Vehicle Safety Standards; Final Rule,” 63 Federal Register 116 (17 June 1998), pp. 33194 – 33217, at 33194.

⁴ Id. at 33198.

⁵ Defined as a vehicle that has at least four wheels; is manufactured primarily for use on public streets, roads and highways; is not manufactured primarily for off-road use, such as primarily for use on a golf course; whose speed attainable in one mile is more than 20 miles per hour and not more than 25 miles per hour on a paved level surface; and whose gross vehicle weight rating is less than 3,000 pounds. See *Notice 2009-58, 2009-30 Internal Revenue Bulletin 163*.

State Law

In 1999, the Legislature first authorized the operation of LSVs and set speed limits for LSVs and golf carts consistent with the final federal rule.⁶ Current state law is described below.

Low-speed Vehicles

Section 320.01(42), F.S., defines “low-speed vehicle” as any four-wheeled vehicle whose top speed is greater than 20 miles per hour but not greater than 25 miles per hour, including, but not limited to, neighborhood electric vehicles. A revision by the 2012 Legislature removed language restricting LSVs to electrical power, effectively expanding the definition to include gasoline-powered vehicles. LSVs must comply with the safety standards in 49 C.F.R. s. 571.500 and s. 316.2122, F.S.

Section 316.2122, F.S., authorizes the operation of LSVs on any road with the following restrictions:

- An LSV may be operated only on streets where the posted speed limit is 35 miles per hour or less. This does not prohibit an LSV from crossing a road or street at an intersection where the road or street has a posted limit of more than 35 miles per hour.
- An LSV must be equipped with headlamps, stop lamps, turn signal lamps, tail lamps, reflex reflectors, parking brakes, rearview mirrors, windshields, seat belts, and vehicle identification numbers.
- An LSV must be registered and insured in accordance with s. 320.02, F.S., and titled pursuant to ch. 319, F.S.
- Any person operating an LSV must have in his or her possession a valid driver’s license.
- A county or municipality may prohibit the operation of LSVs on any road under its jurisdiction if the governing body of the county or municipality determines that such prohibition is necessary in the interest of safety.
- The Florida Department of Transportation (FDOT) may prohibit the operation of LSVs on any road under its jurisdiction if it determines that such prohibition is necessary in the interest of safety.

Operation of an LSV on sidewalks or sidewalk areas is not authorized under Florida law.

Golf Carts

Florida law defines a golf cart as a motor vehicle designed and manufactured for operation on a golf course for sporting or recreational purposes and is not capable of exceeding speeds of 20 miles per hour.⁷

Section 322.04(1)(d), F.S., exempts a person operating a golf cart from provisions requiring the operator to have a driver license, and s. 320.105, F.S., exempts golf carts from provisions requiring the registration of vehicles or the display of license plates when operated in accordance with s. 316.212, F.S., or s. 316.2126, F.S.

⁶ Chapter 99-163, L.O.F.

⁷ ss. 316.003(68) and 320.01(22), F.S.

Generally, golf carts may not be used on the public roads or streets. Section 316.212, F.S., prohibits the operation of a golf cart upon the public roads or streets except that:

- A golf cart may be operated only upon a county road or municipal street that has been designated by the respective county or municipality for use by golf carts provided that certain actions are taken by the local government.
- A golf cart may be operated on a part of the State Highway System (SHS) only under the following conditions:
 - To cross a portion of the SHS if FDOT has reviewed and approved the location and design.
 - To cross, at midblock, a part of the SHS where a golf course is constructed on both sides of the highway if FDOT has reviewed and approved the location and design.
- A golf cart may be operated for the purpose of crossing a street or highway where a single mobile home park is located on both sides and is divided by that street or highway, provided that the location of the crossing is approved by the appropriate governmental authority.
- A golf cart may be operated on a road that is part of the State Park Road System if the posted speed limit is 35 miles per hour or less, when approved by the Department of Environmental Protection.

In all cases where a golf cart may be used on a public road, the golf cart must be equipped with efficient brakes, reliable steering apparatus, safe tires, a rearview mirror, and red reflectorized warning devices in both the front and rear.⁸ Further, a golf cart may be operated only during the hours between sunrise and sunset, unless the responsible governmental entity determines that a golf cart may be operated during the hours between sunset and sunrise and the golf cart is equipped with headlights, brake lights, turn signals, and a windshield.⁹ In no case may a golf cart be operated on a public road by any person under the age of 14.¹⁰

Under certain conditions, a local governmental entity may enact an ordinance allowing golf cart operation on sidewalks adjacent to public roads.¹¹ Where allowed, golf carts may not be operated at speeds above 15 miles per hour.

Section 316.2125, F.S., authorizes the reasonable operation of a golf cart, equipped and operated as provided in s. 316.212(5), (6), and (7), F.S., within any self-contained retirement community unless a county, municipality, or FDOT, for any street or highway under their respective jurisdictions, prohibits such operation in the interest of safety. A local governmental entity may enact a more restrictive ordinance regarding golf cart operation and equipment that applies only to an unlicensed driver and, upon enactment, must post appropriate signs or otherwise inform residents that such an ordinance exists and will be enforced.

⁸ Section 316.212(6), F.S.

⁹ Section 316.212(5), F.S.

¹⁰ Section 316.212(7), F.S.

¹¹ Section 316.212(8)(b), F.S.

Current law provides additional authorized uses of both LSVs and golf carts. Section 316.2126, F.S., authorizes municipal employees to operate golf carts upon any state, county, or municipal road within the corporate limits of such municipalities, upon certain sidewalks, and to cross a portion of the SHS under specified conditions; and state employees, state park volunteers, and state park visitors are authorized to operate golf carts upon public roads within the boundaries of state parks subject to specified conditions. Seasonal delivery personnel are also authorized to use LSVs and golf carts under the conditions specified from midnight October 15 until midnight December 31 of each year. Lastly, s. 316.21265, F.S., authorizes law enforcement agencies to operate LSVs and golf carts, under the conditions specified, on any street, road, or highway in this state while carrying out its official duties.

DHSMV currently maintains a procedure allowing golf carts to be converted to LSVs, consistent with existing federal law, but current Florida law does not allow for conversion of an LSV to a golf cart. DHSMV has no mechanism for canceling the title and registration of a converted LSV or for removing an LSV vehicle identification number from its records.

Several manufacturers' lines currently offer vehicles which are identical in outward appearance, but can be configured as either an LSV or a golf cart. The only difference between the configurations is internal gearing which provides for a 20 miles per hour maximum speed in the golf cart configuration and a 25 miles per hour maximum speed for the LSV model. With no outwardly apparent difference between the vehicles, law enforcement officers would be unable to ascertain whether a vehicle is required to be registered. Similarly, owners may be unaware of the need to title, register, and insure the vehicle, and unaware of the different allowable conditions under which the vehicle may be operated.

III. Effect of Proposed Changes:

This bill creates s. 319.14(10), F.S., to authorize the conversion of a vehicle titled or branded and registered as an LSV to be converted to a golf cart pursuant to the following procedures:

- The owner of the converted vehicle must contact the DHSMV regional office to verify the conversion, surrender the registration plate and the current certificate of title, and pay a \$40 fee to cover DHSMV's cost of verification and associated administrative costs.
- The owner of the converted vehicle must provide an affidavit to DHSMV attesting that the vehicle has been modified to comply with the speed restrictions provided in s. 320.01(42), F.S., and acknowledging that the vehicle must be operated in accordance with s. 316.212, s. 316.2125, s. 316.2126, or s. 316.21265, F.S.
- Upon verification of the conversion, DHSMV must note in the vehicle record that the LSV has been converted to a golf cart and cancel the certificate of title and the registration of the vehicle.
- DHSMV must issue a decal reflecting the conversion of the vehicle to a golf cart, upon which is clearly legible the following text: "CONVERTED VEHICLE. Max speed 20 mph." The decal must be displayed on the rear of the vehicle, so that the decal is plainly visible.

The owner is no longer required to register the vehicle, display a license plate on the vehicle, or insure the vehicle. The vehicle operator is no longer required to have in his or her possession a valid driver license and a person 14 years of age or older may legally operate the vehicle in accordance with s. 316.212, F.S. In order to qualify for the conversion and meet the definition of a “golf cart” under current law, the vehicle must no longer be capable of exceeding 20 miles per hour. If the vehicle, despite the administrative process provided in the bill, continues to be capable of exceeding 20 miles per hour, the vehicle does not qualify as a “golf cart,” remains an LSV as defined in current law, and must be titled, licensed, and insured. Further, the vehicle may only be operated pursuant to provisions governing LSVs.

Reclassification to a golf cart will result in the converted vehicle no longer being able to be legally operated on public roads as currently permitted under s. 316.2122, F.S. However, the converted vehicle could be legally driven on public roads authorized for golf carts. Further, as a golf cart, the converted vehicle (which may weigh up to 2,999 pounds) could share certain sidewalks with pedestrians when the sidewalk has been authorized for golf cart use.¹² For comparison, a 2012 Honda Civic has a curb weight of 2,617 pounds.

DHSMV will verify the conversion of LSVs to golf carts on the basis of the affidavit signed by the owner of the vehicle verifying that the statements required by the bill and contained in the affidavit are true. Upon receipt of the affidavit, surrender of the title and registration, and payment of the fee, DHSMV will cancel the certificate of title and the registration of the vehicle, remove the vehicle identification number from its records, and issue the required decal, without any independent verification of the vehicle’s capable speed. The owner of the converted vehicle must display the decal on the rear of the vehicle so that the decal is plainly visible.

Other Potential Implications:

The bill does not provide a process for owners of unregistered LSVs to convert their vehicles to a golf cart.

Converting an LSV for which a federal tax credit was taken may thwart the presumed purpose of the tax credit.

The potential severity of crashes between non-motorists (*e.g.*, bicyclists and pedestrians) and golf carts may be increased due to larger vehicles using sidewalks (where permitted) and other facilities generally reserved for non-motorized travel.

In those areas where golf carts may be legally operated on sidewalks and sidewalk areas, such facilities may be damaged by the larger converted vehicles, which can weigh up to 2,999 pounds.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

¹² *Id.* and s. 316.008(7), F.S.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

Vehicle owners choosing to convert an LSV to a golf cart must pay the \$40 registration fee. The practical effect of a conversion is to eliminate the need to register and insure the vehicle. If conversion is desired due to loss of ability to obtain a driver license required for operation of an LSV, and if authorized operation of the converted golf cart meets the owner's mobility needs, the owner's mobility is preserved. Vehicle owners will incur expenses associated with modification of the vehicle to ensure it is incapable of exceeding speeds of 20 miles per hour.

C. Government Sector Impact:

The fiscal impact is indeterminate as there is no way to conclude how many of the 5,818 LSV's may be converted. However, there may be a small negative fiscal impact to both the General Revenue Fund and to the State Transportation Trust Fund as LSV's will no longer be subject to the annual vehicle license tax required in s. 320.08, F.S. The Highway Safety Operating Trust should see a small positive fiscal impact resulting from the \$40 administrative fee.

According to DHSMV, its Information Systems Administration (ISA) will require approximately 93 hours, non-recurring, in order to implement the provisions of this bill. DHSMV states that these hours can be incorporated into ISA's normal workload.¹³

Due to fewer vehicles being insured, potential property damage, personal injury, and fatalities may result in increased litigation costs and utilization of court system resources.

VI. Technical Deficiencies:

None.

¹³ Department of Highway Safety and Motor Vehicles, *Agency Bill Analysis: SB 36*, (January 7, 2013, on file with the Senate Commerce and Tourism Committee).

VII. Related Issues:

None.

VIII. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Transportation on January 17, 2013:

The CS requires the owner of a converted vehicle to submit a specified affidavit to DHSMV, requires DHSMV to issue a specified decal, and requires the owner of the vehicle to display the decal on the rear of the converted vehicle.

B. Amendments:

None.