

**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 Committee on Transportation

BILL: SB 156

INTRODUCER: Senator Negron

SUBJECT: Motor Vehicle License Taxes

DATE: September 26, 2013      REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Everette	Eichin	TR	<b>Pre-meeting</b>
2.	_____	_____	ATD	_____
3.	_____	_____	AP	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

**I. Summary:**

Senate bill 156 reduces certain annual fees paid to register a motor vehicle. The fee reductions will result in an average savings of \$12 annually per motor vehicle registration. The bill specifically:

- reduces the fee for issuance of original, duplicate or transfer license plates, mobile home or validation stickers or transfer or duplicate registration certificates from \$5 to \$2.50;
- reduces a service charge from \$3 to \$1 when an automated vending facility or printer dispenser machine is used to issue a license plate validation sticker, vessel decal, and mobile home sticker;
- reduces the fee for motor vehicle registration or registration renewal license plates and validation stickers for retroreflection material from \$1.50 to 50 cents;
- reduces the surcharge on the license tax from \$4 to \$2; and
- reduces the juvenile programs surcharge on license tax from \$5.50 to \$1.

In all reductions, the decrease does not affect program or trust funds, and only reduces contributions to General Revenue. These lower motor vehicle registration surcharges and fees are rollbacks to amounts motor vehicle registrants paid prior to 2009.

This bill substantially amends sections: 320.04, 320.06, 320.0804 and 320.08046, F.S., and reenacts and amends s. 320.0807(4), F.S., to incorporate the amendment made to s. 320.06, of the Florida Statutes.

## II. Present Situation:

In 2009, the Legislature increased fees for annual motor vehicle registrations, along with other fees related to the issuance of driver's licenses, identification cards, driver's license reinstatements, motor vehicle titles, and driver's records. The revenues received from the increased fees were deposited into the General Revenue Fund.

### **Registration service charge**

Currently, there is a service charge of \$5 for each original, duplicate or transfer application for any license plate, mobile home sticker, or validation sticker or with transfer or duplicate issuance of any registration certificate. Of the \$5 service charge, \$2.50 is deposited into the General Revenue Fund, and the remainder is retained by the department or by the tax collector, as the case may be.

Also, \$3 service charge is collected and payable to the department for the use of the vending machines for the issuance of each license plate, validation sticker, vessel decal, and mobile home sticker issued from automated vending facilities or printer dispenser machines. Of the \$3 charged, \$1 is used to provide automated vending facilities or printer dispenser machines, which are used to dispense the stickers and decals by employees of tax collectors and license tag agents. The remaining \$2 is deposited into the General Revenue Fund.

In addition, tax collectors may impose a service charge of not more than 50 cents extra for transactions specified in the above paragraphs, or any transaction specified in ss. 319.32(2)(a)<sup>1</sup> or 328.48, F.S.,<sup>2</sup> when the transaction occurs at any tax collector's branch office.

### **Registration certificates, license plates, and validation stickers generally**

An additional \$1.50 is collected on each motor vehicle registration or motor vehicle renewal registration issued in the state so that all license plates and validation stickers can be fully treated with retroreflection material. \$1 of the \$1.50 collected is deposited into the General Revenue Fund and 50 cents deposited into the Highway Safety Operating Trust Fund.

### **Surcharge on license; trust funds**

A surcharge of \$4 is levied and imposed under s. 320.08, F.S.,<sup>3</sup> except those set forth in s. 320.08(11), F.S.,<sup>4</sup> collected in the same manner as the license tax. Of this amount, \$2 is deposited into the General Revenue Fund, \$1 deposited into the State Transportation Trust Fund, and \$1 deposited into the Highway Safety Operating Trust Fund.

### **Surcharge on license tax for Juvenile Programs**

A surcharge of \$5.50 is levied on each license tax imposed under s. 320.08, F.S., except those set forth in s. 320.08(11), F.S.<sup>5</sup> Of those surcharges, \$4.50 is deposited into the General Revenue Fund and \$1 deposited into the Grants and Donations Trust Fund in the Department of Juvenile Justice, and funds the juvenile justice partnership grants program.

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<sup>1</sup> Original or duplicate certificate of title for motor vehicle

<sup>2</sup> Registration fee for the issuance of duplicate or transfer of any certificate of title, except for motor vehicle for hire.

<sup>3</sup> <http://www.flsenate.gov/Laws/Statutes/2013/320.08>, License Taxes

<sup>4</sup> <http://www.flsenate.gov/Laws/Statutes/2013/320.08>, Mobile Homes

<sup>5</sup> Id.

**Special license plates for Governor and federal and state legislators**

The department may issue special license plates, respective of state-held offices to Members of the House of Representatives of Congress, state House of Representatives and Senators, after payment of fees prescribed in s. 320.0805, F.S.<sup>6</sup> Within 30 days of leaving office, the official makes application to the department for a replacement license plate, and he or she may return or retain the plates as a souvenir. The person may no longer continue to display on any vehicle the special/prestige license plate issued with respect to his or her former office.

**III. Effect of Proposed Changes:**

This bill reduces a number of motor vehicle registration surcharges that were increased in 2009, after the 2008 economic recession, to provide recurring revenue to the General Revenue Fund. The service charges lowers the fees to the amount of the fee prior to the 2009 increases in motor vehicle fees.

**Section 1** amends s. 320.04,(a) and (b), F.S., reducing the imposed service charge from \$5 to \$2.50 for each application handled in connection with issuance of original, duplicate or transfer license plates, mobile home or validation stickers or with transfer or duplicate issuance of registration certificates. This service charge will continue to be retained by the department or tax collectors, as the case may be.

This section also reduces an imposed service charge from \$3 to \$1 for the issuance of each license plate validation sticker, vessel decal, and mobile home sticker issued from an automated vending facility or printer dispenser machine by each tax collector's or license tag agent employee.

Further, the tax collector may impose an additional service charge of 50 cents for any transaction mentioned above, specified in ss. 319.32(2)<sup>7</sup> or 328.48, F.S.,<sup>8</sup> if the transaction is in a branch office.

**Section 2**, amends s. 320.06(3)(b), F.S., reducing an additional fee from \$1.50 to 50 cents for each motor vehicle registration or registration renewal for license plates and validation stickers for retroreflection material. The fee will be deposited into the Highway Safety Operating Trust Fund.

**Section 3**, amends s. 320.0804, F.S., reducing a surcharge from \$4 to \$2 on each license tax. \$2 will be deposited equally into the State Transportation Trust Fund and the Highway Safety Operating Trust Fund, thus, eliminating the \$2 contribution to the General Revenue Fund adopted in 2009.

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<sup>6</sup> <http://www.flsenate.gov/Laws/Statutes/2013/320.0805>, Personalized prestige license plates

<sup>7</sup> <http://www.flsenate.gov/Laws/Statutes/2013/319.32>, Fees; service charges; disposition

<sup>8</sup> [http://www.flsenate.gov/Laws/Statutes/2013/Chapter328/Part\\_II](http://www.flsenate.gov/Laws/Statutes/2013/Chapter328/Part_II), Vessel Registration, application, certificate, number, decal, duplicate certificate.

**Section 4**, amends s. 320.08046, F.S., reducing the service charge from \$5.50 to \$1 on each license tax. The \$1 service charge collected will continue to be deposited into the Grants and Donations Trust Fund in the Department of Juvenile Justice.

**Section 5**, reenacts s. 320.0807, F.S., incorporating technical, non-substantive changes made to amend s. 320.06, F.S, related to special license plates for elected officials.

The bill will take effective September 1, 2014.

**IV. Constitutional Issues:**

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

**V. Fiscal Impact Statement:**

A. Tax/Fee Issues:

This bill decreases the following motor vehicle registration fees to the amount of the fee prior to September 1, 2009.

<u>Vehicle Registration Fees</u>	<u>Current Fee</u>	<u>New Fee</u>
Registration Service Charge	\$5.00	\$2.50
Validation Sticker Service Charge	\$3.00	\$1.00
Retroflective Tag Sticker	\$1.50	\$0.50
License Tax Surcharge (STTF)	\$4.00	\$2.00
License Tax Surcharge (DJJ)	\$5.50	\$1.00

B. Private Sector Impact:

Private motor vehicle owners will be assessed lower service charges for certain motor vehicle registration transactions. The average savings to each applicant registering a vehicle will be \$12.

**C. Government Sector Impact:**

**Department of Highway Safety and Motor Vehicles  
Impact on General Revenue Only**

	Projected FY 2014-15 Revenue	Projected FY 2015-16 Revenue	Projected FY 2016-17 Revenue	Projected FY 2017-18 Revenue
GR Registration Service fee	-41,831,799	-54,618,840	-55,833,478	-56,919,867
Registration Receipt fee/Decal	-31,597,362	-41,538,501	42,458,896	-43,284,450
Material Processing/Retroreflective Fee	-14,724,969	-19,354,490	-19,783,495	-20,168,186
License Tax Surcharge – Transportation Trust Fund	-28,824,876	-37,926,477	-38,866,403	-39,780,269
License Tax Surcharge	-64,951,278	-85,454,795	-87,572,606	-89,631,703
<b>TOTAL</b>	<b>181,930,284</b>	<b>-238,893,103</b>	<b>-244,514,878</b>	<b>-249,784,475</b>

**VI. Technical Deficiencies:**

None.

**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.)

None.

**B. Amendments:**

None.