

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1337

Driver Licenses

SPONSOR(S): Ambler

TIED BILLS:

IDEN./SIM. BILLS: SB 2672

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Transportation Committee</u>	_____	<u>Thompson</u>	<u>Miller</u>
2) <u>Health Care General Committee</u>	_____	_____	_____
3) <u>Transportation & Economic Development Appropriations Committee</u>	_____	_____	_____
4) <u>State Infrastructure Council</u>	_____	_____	_____
5) _____	_____	_____	_____

SUMMARY ANALYSIS

Currently, the Department of Highway Safety & Motor Vehicles (DHSMV) mails renewal notices that direct eligible licensees to appear at a driver license office for in-person renewal or to transmit the completed renewal notice and the fees to the DHSMV by mail, electronically, or telephonically within the 30 days preceding the licensee's birthday for a license extension. DHSMV may issue 6-year license extensions by mail, electronic, or telephonic means without vision examinations for drivers who have no convictions or suspensions and who are not over 79 years of age. Licensed drivers are eligible for two consecutive license extensions without a required vision examination. Those individuals who are over 79 years of age are required to undergo a mandatory vision test and provide proof of meeting the statutory vision standards to be eligible to renew their driving privilege. The fees for license renewals are the same for all applicants, regardless of the validity period of the license.

HB 1337 requires all applicants, regardless of age, to submit to a vision test when applying for the renewal of a driver's license, either in person or through the submission of a report by an authorized and appropriate medical professional. The bill includes ophthalmologists in the list of medical professionals authorized to submit these reports. The bill also restricts the validity period of licenses for individuals in a specified age range and reduces the renewal costs to alleviate the increase in frequency of renewals:

<u>Age</u>	<u>License Period</u>	<u>Fee</u>
69 and under	4 or 6 Years	\$15.00
70 – 79	3 Years	\$7.50
80 – 89	2 Years	\$5.00
90 and over	1 Year	\$2.50

The bill's mandatory vision tests and revisions to the duration of renewal licenses issued to people 70 years of age and older would have a significant workload impact on DHSMV. The bill will require funding for an estimated 140 additional FTEs, facilities, equipment and programming at an estimated cost of \$10.1 million for the first year and \$7.6 million for the second year. See the Fiscal Comments section of this analysis for more details.

The bill would take effect July 1, 2006.

[Note: The bill's sponsor intends to offer an amendment to the bill that, if adopted, would delete the reduced license periods for drivers between 70 and 89 years old, and that would limit drivers 90 years old and older to a 1-year license.]

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

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DATE: 3/27/2006

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Provide Limited Government—HB 1337 requires vision exams for all driver license renewals and shortens the time between renewals for drivers over the age of seventy.

B. EFFECT OF PROPOSED CHANGES:

Present Situation

Driver's License Examination Requirements

The Department is currently required by s. 322.18, F.S to examine every first time applicant, regardless of age, prior to the issuance of an original Florida driver license. The examination includes a test of eyesight and hearing, ability to read and understand highway signs, knowledge of traffic laws, and a demonstration of motor vehicle operation skills. However, a new Florida resident with a valid out-of-state license may reciprocate his or her license and only be required to pass the eye exam.

Once a license is issued, the DHSMV continuously monitors driver performance through reexaminations of drivers appearing to be incompetent. On written notice of at least 5 days, the DHSMV, having good cause, may require a licensed driver to submit to an examination or reexamination¹. "Good cause" includes, but is not limited to, the recommendation from a court, a law enforcement agency, or a physician.

A licensee may also be subject to reexamination by the DHSMV upon renewal. The examination consists of tests of the licensee's eyesight and hearing and his or her ability to read and understand highway signs and pavement markings.

Driver's License Issuance Periods

Pursuant to, s. 322.18, F.S., an initial driver license issuance is generally valid for 6 years, concurrent with the applicant's birthday. If an applicant establishes his or her identity for a driver's license using either an employment authorization card or a proof of nonimmigrant classification (both are issued by the United States Department of Homeland Security), then the driver's license expires 2 years after the date of issuance or upon the expiration date cited on the Department of Homeland Security documents, whichever date first occurs. In addition, commercial driver's licenses with hazardous-materials endorsements are only valid for 4 years.

A renewal driver's license is valid for 4 years. However, if the applicant's driving record includes no convictions for the preceding 3 years, or no revocations, disqualifications, or suspensions over the preceding 7 years, the renewal driver's license is valid for 6 years.

Currently, the DHSMV may issue 4-year and 6-year license extensions by mail, electronic, or telephonic means without a vision examination for drivers who are not over 79 years of age, unless renewal applicants are directed by the DHSMV to appear for an in-person examination. Licensed drivers are eligible for two consecutive license extensions without a required examination by the DHSMV. Therefore, the maximum time from the original driver license issuance to the end of the second license renewal could be a maximum of 18 years (6-year original license and 2 mail-in or electronic renewal periods of 6 years each equaling 18 years.)

However, a licensee who is otherwise eligible for a renewal license and who is over 79 years of age must:

¹ Section 322.221, F.S.

- Submit to and pass a vision test administered at any driver's license office; or
- If applying for an extension by mail, submit to a vision test administered by a licensed physician or optometrist.

The physician or optometrist must send the results of the test to the DHSMV on the proper department form signed by the physician or optometrist, or may do so by electronic means. The renewal applicant must meet vision standards equivalent to DHSMV's vision test. Also, a licensee who is over 79 years of age may not submit an application for extension by electronic or telephonic means, unless a physician or optometrist has already electronically submitted the results of a vision test to DHSMV.

Driver's License Fees

The fee for an original operator's (class D) driver's license is \$20 and the fee for renewal or extension is \$15. Driver license fees are set out in s. 322.21, F.S. The renewal fee is applicable for both a 4 and 6-year license. Driver license fees are deposited into the General Revenue Fund.

Effect of Proposed Changes

Driver's License Examination Requirements

HB 1337 amends s. 322.18, F.S., to require all individuals to submit to a vision test when applying for the renewal of their driver's license, either in person or through the submission of a report by an authorized and appropriate medical professional. The request cannot be submitted more than six months prior to the application for renewal. The bill specifically includes ophthalmologists in the list of appropriate medical professionals authorized to submit these reports.

Driver's License Issuance Periods

The bill revises s. 322.18, F.S., to provide the following age-based issuance periods for driver licenses:

- 3 years for applicants who are at least 70 years old but less than 80 years old;
- 2 years for applicants who are at least 80 but less than 90; and
- 1 year for applicants who are 90 years old and older.

Driver's License Fees

This bill also amends s. 322.21, F.S., to revise the fee structure for licenses based on the reduced license issuance periods. The bill makes the following changes to the renewal or extension of a class E driver's license or of a license restricted to motorcycle use only:

- A license issued for 4 or 6 years would be \$15;
- A license issued for 3 years would be \$7.50;
- A license issued for 2 years would be \$5; and
- A license issued for 1 year would be \$2.50.

The following table summarizes the changes to driver's license issuance periods and fees that would result if the bill becomes law:

<u>Age</u>	<u>License Period</u>	<u>Fee</u>
69 and under	4 or 6 Years	\$15.00
70 – 79	3 Years	\$7.50
80 – 89	2 Years	\$5.00
90 and over	1 Year	\$2.50

According to DHSMV, approximately 2 million license renewals are issued annually through its field offices and headquarters' central issuance processing system. The vast majority of these would be subject to the mandatory vision-testing requirement of the bill. Because of the bill's vision test requirements, the percentage of individuals using either electronic or telephonic means to renew would

likely decrease as individuals may be more likely to renew at a field issuance office where vision tests are free of charge as opposed to visiting a licensed medical professional. This would result in a corresponding increase in the number of individuals who will go to a field issuance office to renew their driver's license. The bill's revisions to the duration of renewal licenses issued to people 70 years of age and older would have a significant workload impact on DHSMV.

Additional examiners and office manager positions would be required to process the increased number of individuals expected to renew in a field issuance office rather than utilizing a convenience method, as well as processing the additional renewal activity for those drivers aged 70 and older. For information on the fiscal impacts of the bill, see the Fiscal Comments section of this analysis.

C. SECTION DIRECTORY:

Section 1. Amends s. 322.18, F.S., to eliminate the age requirement for vision tests and to require a vision test for all license renewals; to add ophthalmologists to the list of people who may submit vision test results; to require the submission of the vision test results no more than 6 months prior to the date of the application for renewal; to limit the duration of licenses issued to applicants in specified age ranges.

Section 2. Amends s. 322.21, F.S., to provide for a schedule of reduced renewal fees for persons who must renew specified licenses more frequently.

Section 3. Provides an effective date of July 1, 2006.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

See FISCAL COMMENTS section, below.

2. Expenditures:

See FISCAL COMMENTS section, below.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

To the extent that the bill requires all applicants, regardless of age, to submit to a vision test when applying for the renewal of a driver's license, and adds ophthalmologists to the list of appropriate medical professionals authorized to submit reports for these tests, some individuals may visit ophthalmologists or other licensed physicians for these mandatory vision tests.

D. FISCAL COMMENTS:

According to the DHSMV, requiring all applicants regardless of age to submit to a vision test when applying for the renewal of a driver's license in person or through the submission of a report by an authorized and appropriate medical professional will result in approximately a \$9.4 million revenue loss to the General Revenue Fund over a 6 year period as a result of revenue deferral. The bill will also

require funding for 140 additional positions, facilities and equipment at an estimated cost of \$9.9 million for the first year and \$7.6 million for the second year. However, these estimates may be overstated to some degree because they are based on the assumption that all persons age 80 and over will renew their driver's licenses. DHSMV reports that in the last two years approximately 53 percent of drivers in this age bracket actually applied for renewal.

DHSMV also estimates that the bill will require contracted programming modifications to the Driver License Information System at a cost of \$162,000 to implement.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable because this bill does not appear to: require cities or counties to spend funds or take actions 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:

No exercise of rulemaking authority is required to implement the provisions of this bill.

C. DRAFTING ISSUES OR OTHER COMMENTS:

Agency Comments:

DHSMV recommends that the effective date be changed to February 1, 2007 to allow sufficient time for implementation of the bill's requirements.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES