

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 831 Driver's License Fees
SPONSOR(S): Llorente & others
TIED BILLS: IDEN./SIM. BILLS: SB 920

Table with 4 columns: REFERENCE, ACTION, ANALYST, STAFF DIRECTOR. Row 1: Committee on Infrastructure, 9 Y, 0 N, Creamer, Miller. Row 2: Economic Expansion & Infrastructure Council, Creamer, Tinker.

SUMMARY ANALYSIS

HB 831 increases the nonrefundable service charge collected by driver license offices, the clerk of the courts, or a driver licensing agent prior to reinstatement of the driver's license. A portion of the fee increases will be used to establish a recruitment and retention plan for the Department of Highway Safety's Florida Highway Patrol. Specifically the bill:

- Increases the nonrefundable service charge established in s. 318.15 (2), F.S., for reinstatement of a driver's license, from \$47.50 to \$60.00.
Increases the fees established in s. 322.21, F.S., for reinstating a suspended driver's license or commercial driver's license from \$35.00 to \$45.00.
Increases the service fee established in s. 322.21, F.S., to clear a revocation or disqualification from \$60.00 to \$75.00.
Increases the administrative fee collected when the revocation or suspension of the driver's license was for violation of s. 316.193, or for refusal to submit to a lawful breath, blood, or urine test from \$115 to \$130.

The bill is estimated to generate approximately \$2.7 million in the first year based on a January 1st implementation date. The annualized impact is approximately \$5.5 million. The funds resulting from the proposed increases to the driver license reinstatement fees are to be deposited into the Highway Safety Operating Trust Fund. The bill authorizes the department to use revenue generated from reinstatement fees to establish a recruitment and retention salary payment plan for officers of the Florida Highway Patrol.

This bill is effective January 1, 2009.

Note: An amendment is traveling with HB 831 which significantly revised the distribution of funds generated by the bill. Please see Section IV of this analysis for a description of the amendment's fiscal impact.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Ensure Lower Taxes- authorizes fee increases to be used for the recruitment and retention of the Florida Highway Patrol law enforcement officers.

Maintain Public Security- increases public safety by providing funding for the recruitment and retention of Florida Highway Patrol law enforcement officers.

B. EFFECT OF PROPOSED CHANGES:

Current Situation

1. Suspension of Driver's License Fees

Section 318.15 (2), F.S., provides if a person fails to comply with the civil penalties within the specified time period, fails to attend driver improvement school, or fails to appear at a scheduled hearing, the clerk of the court shall notify the department of such failure within 10 days. Upon receipt of such notice, the department shall immediately issue an order suspending the driver's license and privilege to drive of that person effective 20 days after the date the order of suspension is mailed. Any such suspension of the driving privilege which has not been reinstated, including a similar suspension imposed outside Florida, shall remain on the records of the department for a period of 7 years from the date imposed and shall be removed from the records after the expiration of 7 years from the date it is imposed.

In addition to suspensions related to civil penalties, s. 322.245, F.S., provides a driver's license shall be suspended if a person charged with specified offense under Chapter 316, Chapter 320, or this chapter fails to comply with directives ordered by traffic court or upon failure to pay child support cases, as provided in Chapter 61, F.S., or fails to pay any financial obligation in any other criminal case.

Every person applying for the return of a license suspended under s. 318.15, F.S., or s. 322.245, F.S., shall present to the department certification from the court that he or she has complied with all obligations and penalties imposed on the person pursuant to s. 318.15, F.S., or in the case of a suspension pursuant to s. 322.245, F.S., that the person has complied with all directives of the court and the requirements of s. 322.245, F.S., and shall pay to the department a nonrefundable service fee of \$47.50, of which \$37.50 shall be deposited into the General Revenue Fund and \$10.00 shall be deposited into the Highway Safety Operating Trust Fund. If reinstated by the clerk of the court or tax collector, \$37.50 shall be retained and \$10.00 shall be remitted to the Department of Revenue for deposit into the Highway Safety Operating Trust Fund. However, the service fee is not required if the person is required to pay a \$35 fee or \$60 fee under the provisions of s. 322.21, F.S.

2. Reinstatement of Driver's License Fees

Section 322.21, F.S., provides that any person who applies for reinstatement following the suspension or revocation of a driver's license shall pay a service fee of \$35.00 following a suspension, and \$60 following a revocation. Any person who applies for reinstatement of a commercial driver's license following the disqualification of the person's privilege to operate a commercial motor vehicle shall pay a service fee of \$60.00. The department shall collect all of these fees at the time of reinstatement. At the time of collection, the department shall issue proper receipts for such fees and transmit all funds received by it as follows:

- Of the \$35.00 fee received from a licensee for reinstatement following a suspension, the department shall deposit \$15.00 in the General Revenue Fund and \$20.00 in the Highway Safety Operating Trust Fund.
- Of the \$60.00 fee received from a licensee for reinstatement following a revocation or disqualification, the department shall deposit \$35.00 in the General Revenue Fund and \$25.00 in the Highway Safety Operating Trust Fund.

If the revocation or suspension of the driver's license was for a violation of s. 316.193, or for refusal to submit to a lawful breath, blood, or urine test, an additional fee of \$115.00 must be charged. The department shall collect the \$115.00 fee and deposit the fee into the Highway Safety Operating Trust Fund at the time of reinstatement of the person's driver's license, but the fee may not be collected if the suspension or revocation is overturned.

Proposed Changes

1. Suspension of Driver's License Fees

HB 831 amends s. 318.15 (2), F.S., and s. 322.29, F.S., to increase the nonrefundable service charge from \$47.50 to \$60.00 collected by a driver license office, the clerk of the court, or a driver licensing agent prior to reinstatement of the driver's license.

This bill increases the amount to be deposited into the Highway Safety Operating Trust Fund from \$10.00 to \$22.50.

2. Reinstatement of Driver's License Fees

This bill amends s. 322.21, F.S., and increases the fees for reinstating a suspended or revoked driver's license or commercial driver's license. The service fee to clear a suspension is increased \$10.00, from \$35.00 to \$45.00. The service fee to clear a revocation or disqualification is increased \$15.00, from \$60.00 to \$75.00. The bill provides for disposition of these proceeds as follows:

- The Department shall deposit \$15.00 in the General Revenue Fund and \$30.00 in the Highway Safety Operating Trust Fund of the \$45.00 service fee received for reinstatement following a suspension.
- The Department shall deposit \$35.00 in the General Revenue Fund and \$40.00 in the Highway Safety Operating Trust Fund from the \$75.00 service fee received for reinstatement following a revocation or disqualification.
- Requires that of the driver's license reinstatement fee that is deposited into the Highway Safety Operating Trust Fund, \$15.00 shall be used to establish a recruitment and retention salary payment plan for officers of the highway patrol.
- Authorizes the Director of the Division of the Florida Highway Patrol to use the funds from the deposited reinstatement fees to structure a pay scale for highway patrol officers which is competitive with the average of the salaries of the six highest paid law enforcement agencies in the state. The director may develop a pay scale for members of the highway patrol which is based on an officer's years of service with the patrol and his or her job performance with respect to established patrol duty requirements.

Increases the administrative fee collected when the revocation or suspension of the driver's license was for violation of s. 316.193, F.S., or for refusal to submit to a lawful breath, blood, or urine test is increased from \$115.00 to \$130.00.

C. SECTION DIRECTORY:

Section 1: Amends s. 318.15 (2), F.S., increases the nonrefundable service charge paid to the Department of Highway Safety and Motor Vehicles to reinstate a suspended driver's license and privilege to drive.

Section 2: Amends s. 322.21, F.S., increases the fees for reinstating a suspended or revoked driver's license or commercial motor vehicle license; and requires that funds be appropriated to establish a recruitment plan for officers of the highway patrol and for a salary scale to ensure that the salary of highway patrol officers remains competitive with other law enforcement agencies.

Section 3: Amends 322.29, F.S., making conforming provisions to changes made by the act.

Section 4: Provides an effective date of January 1, 2009.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

This bill will generate approximately \$2.7 million in the first year based on a January 1st implementation date. The annualized impact is approximately \$5.5 million.

2. Expenditures:

If enacted, this bill will require contracted programming for modifications to the driver license software systems of which the cost will be absorbed within the Department's existing resources.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

HB 831 increases the nonrefundable service charge to reinstatement of the driver's license. Persons reinstating their driver's license would pay an increased reinstatement fee. This reinstatement fee only applies to drivers with suspensions, revocations, and disqualifications of their drivers license for violation of current laws.

D. FISCAL COMMENTS:

The projected revenue increase is based on actual fiscal year 2006-2007 activity and the fee increases as provided in this bill.

According to the Department of Highway Safety and Motor Vehicles, based on the number of nonrefundable service charges, reinstatement fees, and administrative fees paid in fiscal year 2006-07, all increased fees could generate an estimated \$2,772,821 for the six months in fiscal year 2008-09 and \$5,545,640 the following years. However, of this revenue increase, only \$791,485 in fiscal year 2008-09 and \$1,582,970 the following years would be provided to fund the recruitment and retention plan for the Florida Highway Patrol. The remaining revenues would be used to fund general operating costs of DHSMV. The remaining funds generated would be deposited into the Highway Safety Operating Trust Fund, but are not specifically addressed as to their use.

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:

For clarification, it is suggested that the language of the newly created s. 322.21(8)(c), F.S., be inserted completely after the administrative fees are addressed in s. 322.21(8)(b) and after the service charges are addressed in s. 318.15(2). While this bill states that the additional penalties and fees are to be deposited into the Highway Safety Operating Trust Fund, it provides that only the \$15 reinstatement fee for a suspended or disqualified driver's license be used to fund a recruitment and retention plan for the Florida Highway Patrol. This bill does not provide that the additional \$12.50 civil penalty service fee, the additional \$10 reinstatement fee following a suspension, or the additional \$15 administrative fee will be used to fund the Florida Highway Patrol recruitment and retention plan.

D. STATEMENT OF THE SPONSOR

No statement submitted.

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES

HB 831 was considered by the Infrastructure Committee on March 20, 2008. An amendment was adopted that clarifies that the administrative fees addressed in s. 322.21(8)(b), F.S., and the service charges addressed in s. 318.15(2), F.S., are to be deposited into the Highway Safety Operating Trust Fund and must be used to fund the Florida Highway Patrol recruitment and retention plan. The fiscal impact of the amendment could generate \$16.8 million in FY 2008-09 to fund the Florida Highway Patrol recruitment and retention plan.