

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 Transportation Committee

BILL: SB 906

INTRODUCER: Senator Smith

SUBJECT: Motor Vehicle Title Transfer

DATE: March 26, 2009

REVISED: 04/01/09

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Hansson	Meyer	TR	Fav/1 amendment
2.			JU	
3.			TA	
4.				
5.				
6.				

Please see Section VIII. for Additional Information:

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

I. Summary:

This bill places additional requirements on the notice of transfer of a motor vehicle. It requires that the owner or coowner of a vehicle, who has made a bona fide sale or transfer of a motor vehicle, notify the department within 30 days after the sale or transfer. The notification must include: the vehicle identification number; the buyer's full first name, middle initial, and last name; the buyer's personal or business identification (e.g., driver's license number, identification card number, or federal employer identification number); and other information required by the department.

This bill requires the department, when issuing a certificate of title, to inform the motor vehicle owner or coowner of these requirements with the issuance of each certificate of title to a motor vehicle. This information may be printed on the certificate of title or on a separate form included with the certificate.

This bill substantially amends s. 319.22 of the Florida Statutes.

II. Present Situation:

Section 319.22, F.S., establishes requirements governing the transfer of title for motor vehicles and mobile homes. A purchaser of a motor vehicle or mobile home cannot obtain marketable title unless he or she is issued a certificate of title. The law ceases to recognize the seller as owner or coowner when the title is properly endorsed and delivered to the purchaser or DHSMV. In the case of a private or casual sale (a sale between persons not licensed as dealers or insurers), the state will not transfer title unless the name of the seller is shown as the owner on the face of the title. In addition, the state will not transfer title unless the sales price is entered in the appropriate place on the face of the certificate.

When a motor vehicle is sold in a bona fide casual sale, the certificate of title is endorsed by the seller and the sales price is entered on the face of the certificate. The certificate or DHSMV-approved form is typically submitted *by the buyer* to the tax collector or DHSMV for transfer with an application for a new certificate of title and remittance of sales tax. A new certificate of title is then issued to the buyer. This process allows both for recording of ownership of the motor vehicle and provides an opportunity for sales tax to be assessed on the purchase.

A seller is entitled to submit a department-approved form notifying the DHSMV of a bona fide sale. The notification serves to sever liability for future liabilities related to the motor vehicle.

It is a first degree misdemeanor for a buyer or a seller to knowingly attempt to transfer title without the purchaser's name also appearing on the title. This requirement was adopted in 2002.¹

III. Effect of Proposed Changes:

This bill places additional requirements on the notice of transfer of a motor vehicle. It requires that the owner or coowner of a vehicle, who has made a bona fide sale or transfer of a motor vehicle, notify the department within 30 days after the sale or transfer. This notification must be made in the form prescribed by the department. The notification must include:

- The vehicle identification number;
- The buyer's full first name, middle initial, and last name;
- The buyer's personal or business identification (e.g., driver's license number, identification card number, or federal employer identification number); and
- Other information required by the department.

The notification requirements do not apply to any transfer or sale by a licensed motor vehicle dealer or to an insurer, taking possession of a motor vehicle or title pursuant to an insurance policy.

This bill requires the department, when issuing a certificate of title, to inform the motor vehicle owner or coowner of these requirements with the issuance of each certificate of title to a motor vehicle. This information may be printed on the certificate of title or on a separate form included with the certificate.

¹ See s. 9, 2002-235, Laws of Florida

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:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

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:

Barcode 930348 by the Committee on Transportation on April 1, 2009:

- Requires the department by July 1, 2010, to implement a system providing daily electronic notifications to motor vehicle floor-plan financiers when a motor vehicle is sold by a licensed motor vehicle dealer.

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- Authorizes the department to charge up to \$0.25 per motor vehicle record and directs such revenues to be deposited in to the Highway Safety Operating Trust Fund.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
