

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: PCS/CS/SB 1072 (959396)

INTRODUCER: Appropriations Subcommittee on Transportation, Tourism, and Economic Development; Transportation Committee; and Senator Evers

SUBJECT: Registration of Agriculture Transport Vehicles

DATE: April 6, 2015

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Jones</u>	<u>Eichin</u>	<u>TR</u>	<u>Fav/CS</u>
2.	<u>Wells/Miller</u>	<u>Miller</u>	<u>ATD</u>	<u>Recommended: Fav/CS</u>
3.	<u> </u>	<u> </u>	<u>AP</u>	<u> </u>

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

PCS/CS/SB 1072 defines the term “melon hauling vehicle” and establishes a restricted license plate for an annual flat fee of \$87.75.

The Department of Highway Safety and Motor Vehicles (DHSMV) reports there would be an indeterminate revenue loss to both the General Revenue Fund and the State Transportation Trust Fund due to the lower vehicle license tax for melon hauling vehicles.

The bill provides for an effective date of July 1, 2015.

II. Present Situation:

Agricultural Vehicle License Taxes

Annual license taxes for the operation of motor vehicles registered in Florida are provided in s. 320.08, F.S. The owner of a truck with a net weight of less than 5,000 pounds is taxed based on the weight ranging from a \$14.50 flat tax to \$32.50. A “heavy truck” weighs over 5,000 pounds, and is taxed based on gross vehicle weight, which ranges from a \$60.75 flat tax to \$1,322.

A reduced flat tax is available for the operation of certain heavy trucks used as agricultural vehicles. Specifically, a truck tractor or heavy truck, not operated as a for-hire vehicle, engaged exclusively in transporting raw, unprocessed, and nonmanufactured agricultural or horticultural products within 150-miles of its home address, is eligible for a restricted license plate for a fee of¹:

- \$87.75 flat, if such vehicle's declared gross weight is less than 44,000 pounds; or
- \$324, flat, if such vehicle's gross weight is 44,000 pounds or more and such vehicle only transports from:
 - Point of production to point of primary manufacturer;
 - Point of production to the point of assembling the same;
 - Point of production to a shipping point by rail, water, or motor transportation company.

Similarly, a reduced flat tax is available for the operation of a "goat," which is a motor vehicle designed, constructed, and used principally for the transportation of crops on farms,² and other vehicles used in the field by a farmer, or in the woods for the purpose of harvesting crop, and which *is not principally operated* on the roads of the state has an annual license tax of \$7.50.³

III. Effect of Proposed Changes:

The bill defines "melon hauling vehicle" to mean a vehicle with a declared gross vehicle weight of less than 44,000 pounds which is used for the purpose of transporting melons from a farm or harvest place to the first point of processing, storage, or sale within 150 miles of the farmer's farm.

The bill provides that a "melon-hauling vehicle" has an \$87.75 flat annual license tax. From this fee, \$22.75 will be deposited into the General Revenue Fund. The balance of the fee will be distributed to the Capital Outlay and Debt Service Fund of the Board of Education, as required by the Florida Constitution,⁴ and to the State Transportation Trust Fund.

The bill takes effect July 1, 2015.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

¹ Section 320.08(4)(n), F.S.

² Section 320.08(3)(d), F.S.

³ *Id.*

⁴ Fla. Const. art. XII, s.9.

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

None.

B. Private Sector Impact:

PCS/CS/SB 1072 will have a positive fiscal impact for owners of modified agricultural vehicles due to the decreased annual license tax.

C. Government Sector Impact:

The DHSMV reports there would be a revenue loss to both the General Revenue Fund and the State Transportation Trust Fund due to the lower vehicle registration fees created in the bill. Because it is unknown how many vehicles would register as “melon hauling vehicles”, the amount of lost revenue is indeterminate. The department estimates that programming changes for the implementation of the bill will cost \$12,240⁵.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill amends section 320.08 of the Florida Statutes..

IX. Additional Information:**A. Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)**CS/CS by Appropriations Subcommittee on Transportation, Tourism, and Economic Development on April 2, 2015:**

The committee substitute:

- Provides for a flat fee of \$87.75 for a restricted license plate for a melon-hauling vehicle.
- Redefines “melon-hauling vehicle.”
- Removes melon-hauling drivers from the list of persons who are exempt from the requirement of obtaining a commercial driver license.

CS by Transportation on March 12, 2015:

The CS makes the following changes to the bill:

⁵ DHSMV, *2015 Agency Legislative Bill Analysis*, (March 10, 2015).

- Removes the term “modified agricultural vehicle”;
- Defines “melon hauling vehicle”; and
- Requires that drivers of melon hauling vehicles still maintain compliance with certain federal regulations.

B. Amendments:

None.

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