

**HOUSE OF REPRESENTATIVES
FINAL BILL ANALYSIS**

BILL #:	HB 185	FINAL HOUSE FLOOR ACTION:		
SUBJECT/SHORT TITLE	Redirection of Fees to Tax Collectors	107	Y's 0	N's
SPONSOR(S):	Mariano and others	GOVERNOR'S ACTION: Approved		
COMPANION BILLS:	SB 322			

SUMMARY ANALYSIS

HB 185 passed the House on January 25, 2018, and subsequently passed the Senate on March 8, 2018.

Driver license testing can be administered at state driver license offices or by tax collector licensing agents, Driver Education Licensing Assistance Programs, and authorized third party testers. Any applicant who fails to pass the initial driver license knowledge test incurs a \$10 fee for each subsequent test, while any applicant who fails to pass the initial driver license skills test incurs a \$20 fee for each subsequent test. Currently, the fees for subsequent tests, regardless of whether the test is administered by the Department of Highway Safety and Motor Vehicles (DHSMV) or a tax collector, are deposited into the Highway Safety Operating Trust Fund.

A driver license can be suspended or revoked if the driver breaks laws or becomes an unsafe driver. Any person who applies for reinstatement following the suspension or revocation of the person's driver license must pay a service fee of \$45 following a suspension and \$75 following a revocation. Any person who applies for reinstatement of a commercial driver license following a disqualification must pay a service fee of \$75. DHSMV is required to collect all of these fees at the time of reinstatement and deposit them into the Highway Safety Operating Trust Fund and General Revenue Fund.

The bill provides that when the tax collector administers a subsequent driver license knowledge test, the tax collector retains the \$10 fee, minus the general revenue surcharge. Additionally, the bill provides that for a subsequent driver license skills test administered by the tax collector, the tax collector retains the \$20 fee, minus the general revenue surcharge.

The bill also provides that when the tax collector processes the \$45 fee for reinstatement of a driver license following a suspension, the tax collector retains \$15 (minus the general revenue surcharge), \$15 is deposited into the Highway Safety Operating Trust Fund, and \$15 is deposited into the General Revenue Fund. Additionally, the bill provides that when the tax collector processes the \$75 fee received from a licensee for reinstatement of a driver license following a revocation or disqualification, the tax collector retains \$20 (minus the general revenue surcharge), \$20 is deposited into the Highway Safety Operating Trust Fund, and \$35 is deposited into the General Revenue Fund.

On November 3, 2017, the Revenue Estimating Conference reviewed the bill and projected it would have a negative, annualized recurring impact of \$4.9 million on state revenues and a positive fiscal impact for local tax collectors.

The bill was approved by the Governor on March 30, 2018, ch. 2018-129, L.O.F., and will become effective on July 1, 2018.

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

STORAGE NAME: h0185z1.GAC

DATE: April 4, 2018

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Current Situation

Examination of Driver License Applicants

Current law requires every applicant for an original driver license to pass an examination. However, the Department of Highway Safety and Motor Vehicles (DHSMV) may waive the examination for an applicant who is otherwise qualified and who surrenders a valid driver license from another state or a province of Canada, or a valid driver license issued by the United States Armed Forces, if the driver applies for a Florida license of an equal or lesser classification.¹

The applicant must demonstrate that he or she:

- Reads and understands road signs, traffic signals, and highway markings;
- Knows Florida driving laws;
- Meets minimum vision standards;
- Has the knowledge, skills, and experience to drive safely; and
- Has no physical or mental condition that affects his or her ability to drive safely.²

In order to demonstrate the above-mentioned abilities and skills, the applicant is required to take three exams: vision and hearing screening, knowledge exam, and driving skills exam.³ The knowledge exam consists of 50 multiple-choice questions about Florida traffic laws, safe driving practices, and identifying traffic controls.⁴ Some of the skills tested on the driving skills exam include three-point turning, parking, backing up, passing, and following at a safe distance.⁵

Driver license testing can be administered at state driver license offices or by tax collector licensing agents, Driver Education Licensing Assistance Programs, or authorized third party testers.⁶

Any applicant who fails to pass the initial knowledge test incurs a \$10 fee for each subsequent test, while any applicant who fails to pass the initial skills test incurs a \$20 fee for each subsequent test.⁷ The fees for subsequent tests, regardless of where the test is administered, are deposited into the Highway Safety Operating Trust Fund.⁸

According to DHSMV, the county tax collectors perform the subsequent driver license knowledge and skills tests while the fees associated with these tests are remitted to DHSMV.⁹

Suspension and Revocation of a Driver License

A driver license can be suspended¹⁰ or revoked¹¹ if the driver breaks laws or becomes an unsafe driver. Some of the reasons a driver license can be suspended include:

- Failure to stop for a school bus;¹²
- Failure to carry insurance on the vehicle;¹³

¹ Section 322.12(1), F.S.

² Section 322.12(3), F.S.

³ Department of Highway Safety and Motor Vehicles, *The Official Handbook: Florida Class E Driver License* (2017), p. 87, available at <https://www.flhsmv.gov/handbooks/englishdriverhandbook.pdf> (last visited March 13, 2018).

⁴ *Id.* at 88.

⁵ *Id.* at 89.

⁶ Section 322.56(1), F.S.

⁷ Section 322.12(1), F.S.

⁸ Section 322.12(1), F.S.

⁹ Email from Jennifer Langston, Legislative Affairs Director, Department of Highway Safety and Motor Vehicles, RE: HB 545-Additional Questions (February 16, 2017).

¹⁰ Section 322.01(40), F.S., defines "suspension" as "the temporary withdrawal of a licensee's privilege to drive a motor vehicle."

¹¹ Section 322.01(36), F.S., defines "revocation" as "the termination of a licensee's privilege to drive."

¹² Section 318.18(5), F.S.

- Refusal to take a test to show if the driver is driving while under the influence of alcohol or drugs;¹⁴ and
- Failure to pay child support.¹⁵

Likewise, some of the reasons a driver license can be revoked include:

- Driving while under the influence of alcohol, drugs, or other controlled substances;¹⁶
- Conviction of murder resulting from the operation of a motor vehicle;¹⁷
- Failure to stop and render aid as required in the event of a motor vehicle crash resulting in the death or personal injury of another;¹⁸ and
- Any felony in the commission of which a motor vehicle is used.¹⁹

There are different driver license reinstatement processes and fees depending on the type of suspension or revocation issued. Section 322.21(8), F.S., provides that any person who applies for reinstatement following the suspension or revocation of the person's driver license must pay a service fee of \$45 following a suspension and \$75 following a revocation, which is in addition to the fee for a license. Any person who applies for reinstatement of a commercial driver license following the disqualification²⁰ of the person's privilege to operate a commercial motor vehicle must pay a service fee of \$75, which is in addition to the fee for a license. DHSMV must collect all of these fees at the time of reinstatement, issue proper receipts for such fees, and promptly transmit all funds as follows:

- Of the \$45 fee received from a licensee for reinstatement following a suspension, DHSMV deposits \$15 in the General Revenue Fund and \$30 in the Highway Safety Operating Trust Fund.
- Of the \$75 fee received from a licensee for reinstatement following a revocation or disqualification, DHSMV deposits \$35 in the General Revenue Fund and \$40 in the Highway Safety Operating Trust Fund.

According to DHSMV, the county tax collectors process some driver license reinstatements; however, the tax collectors do not receive any of the fees associated with providing these services.²¹

Proposed Changes

The bill amends s. 322.12(1), F.S., to provide that when the tax collector administers a subsequent knowledge test, the tax collector retains the \$10 fee minus the general revenue surcharge (which is currently 8 percent). Additionally, the bill amends s. 322.12(1), F.S., to provide that for a subsequent skills test administered by the tax collector, the tax collector retains the \$20 fee minus the general revenue surcharge.

The bill amends s. 322.21(8), F.S., to provide that when the tax collector processes the \$45 fee received from a licensee for reinstatement of a driver license following a suspension, the tax collector retains \$15 (minus the general revenue surcharge), \$15 is deposited into the Highway Safety Operating Trust Fund, and \$15 is deposited into the General Revenue Fund. Additionally, the bill provides that when the tax collector processes the \$75 fee received from a licensee for reinstatement of a driver license following a revocation or disqualification, the tax collector retains \$20 (minus the general revenue surcharge), \$20 is deposited into the Highway Safety Operating Trust Fund, and \$35 is deposited into the General Revenue Fund.

¹³ Section 316.646(3), F.S.

¹⁴ Section 322.2615, F.S.

¹⁵ Section 322.245, F.S.

¹⁶ Section 322.28, F.S.

¹⁷ Section 322.26(1)(a), F.S.

¹⁸ Section 322.26(4), F.S.

¹⁹ Section 322.26(3), F.S.

²⁰ Section 320.01(15), F.S., defines "disqualification" as "a prohibition, other than an out-of-service order, that precludes a person from driving a commercial motor vehicle."

²¹ *Supra* note 9.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

On November 3, 2017, the Revenue Estimating Conference (REC) reviewed the bill.²² The consensus estimate was that the bill would result in a negative recurring fiscal impact of \$4.9 million to the Highway Safety and Operating Trust Fund.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

On November 3, 2017, the REC reviewed the bill.²³ The consensus estimate was that the bill would result in a positive recurring fiscal impact of \$4.9 million in additional revenue for the local tax collectors.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

²² Revenue Estimating Conference, Analysis of 2018 House Bill 185, p. 83 (November 3, 2017).

²³ *Id.*