

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 Committee on Transportation

BILL: SB 322

INTRODUCER: Senator Book

SUBJECT: Fees Charged by Tax Collectors

DATE: November 8, 2017

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Jones	Miller	TR	Pre-meeting
2.			ATD	
3.			AP	

I. Summary:

SB 322 authorizes tax collectors to retain a portion of fees when they administer subsequent driver license examinations or reinstate driver licenses. Specifically, the bill requires tax collectors to retain:

- \$10, less an eight percent general revenue (GR) service charge, when they administer a subsequent knowledge test as part of the driver license examination;
- \$20, less an eight percent GR service charge, when they administer a subsequent skills test as part of the driver license examination;
- \$15, less an eight percent GR service charge, of the \$45 fee when they process a reinstatement of a suspended driver license; and
- \$20, less an eight percent GR service charge, of the \$75 fee when they process a reinstatement of a disqualified or revoked driver license.

The Revenue Estimating Conference (REC) estimates that allowing local tax collectors to retain such fees or portions of fees will shift approximately \$5 million from the Highway Safety Operating Trust Fund (HSOTF) each year to the local tax collectors. The bill does not impact the GR Fund.

The bill takes effect July 1, 2018.

II. Present Situation:

In 2010, the Florida Legislature required all state driver license issuance services be transferred from many Department of Highway Safety and Motor Vehicles (DHSMV) offices to tax collectors who are constitutional officers under s. 1(d), Art. VIII of the State Constitution by June 30, 2015.¹ As part of that transfer, tax collectors retain portions of specified fees when

¹ Chapter 2010-163, Laws of Florida and s. 322.02(1), F.S.

processing certain driver license services. Additionally, tax collectors charge a \$6.25 service fee for completing such services.²

Tax collectors are not currently able to retain portions of fees for some services that the tax collectors are regularly performing. For example, an applicant who fails his or her initial driving knowledge or skills test is required to pay a \$10 or \$20 fee, respectively, to be issued any subsequent test. These fees are deposited into the HSOTF, regardless of whether the DHSMV or the tax collectors administer the exam.³

Similarly, service fees required to reinstate a suspended, revoked, or disqualified driver license, collected pursuant to s. 322.21(8), F.S., are deposited into the GR Fund and HSOTF, regardless of whether the reinstatement was conducted by the DHSMV or tax collectors. Of the \$45 service fee to reinstate a driver license suspension, \$15 is deposited in the GR Fund and \$30 in the HSOTF. Of the \$75 service fee to reinstate a driver license revocation or commercial driver license disqualification, \$35 is deposited in the GR Fund and \$40 in the HSOTF.

In the past year, tax collector offices administered 70 percent of subsequent driver license examinations, 79 percent of suspended and revoked driver license reinstatements, and 61 percent of disqualified commercial driver license reinstatements.⁴

Section 215.20, F.S., requires an eight percent service charge be paid to the GR Fund from all income of a revenue nature deposited in all state trust funds excluding those exempt pursuant to s. 215.22, F.S.

III. Effect of Proposed Changes:

Section 1 of the bill amends s. 322.12, F.S., to require, for subsequent driver license examinations, that the tax collector retain:

- \$10, less an eight percent GR service charge, when they administer a subsequent knowledge test as part of the driver license examination;
- \$20, less an eight percent GR service charge, when they administer a subsequent skills test as part of the driver license examination;

Section 2 amends s. 322.21, F.S., to require the tax collectors to retain a portion of service fees when processing driver license reinstatements. If the reinstatement is processed by the tax collector:

- Of the \$45 fee for suspension reinstatement, \$15 shall be retained by the tax collector, less an eight percent GR service charge, and \$15 shall be deposited into the HSOTF; and
- Of the \$75 fee for revocation or disqualification reinstatement, \$20 shall be retained by the tax collector, less an eight percent GR service charge, \$20 shall be deposited into the HSOTF, and \$35 shall be deposited into the GR Fund.

² Section 322.135(1)(c), F.S.

³ Section 322.12(1), F.S.

⁴ REC, *Highway Safety Fees – HB 185 and SB 322* (Nov. 3, 2017), available at

http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2018/_pdf/Impact1103.pdf at p. 83 (last visited Nov. 6, 2017).

The bill takes effect July 1, 2018.

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:

The REC estimates that allowing tax collectors to retain fees or portions of fees for administering subsequent driver license examinations and reinstating driver licenses will shift approximately \$5 million of revenue each year from the HSOTF to the local tax collectors.⁵

B. Private Sector Impact:

The bill does not appear to impact the private sector.

C. Government Sector Impact:

The bill will have a negative impact on the HSOTF and a positive fiscal impact on local tax collectors.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 322.12 and 322.21.

⁵ *Id.* at p. 84.

IX. Additional Information:

- A. **Committee Substitute – Statement of Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

- B. **Amendments:**

None.

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