

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** HB 1269 Vehicle and Vessel Registration Data

**SPONSOR(S):** Fernandez-Barquin

**TIED BILLS:** **IDEN./SIM. BILLS:** SB 1674

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Transportation & Infrastructure Subcommittee	13 Y, 0 N	Roth	Vickers
2) Transportation & Tourism Appropriations Subcommittee	11 Y, 0 N	Hicks	Davis
3) State Affairs Committee			

### SUMMARY ANALYSIS

Tax collectors are authorized agents of the Department of Highway Safety and Motor Vehicles (DHSMV/ Department) who issue motor vehicle and vessel registration certificates, motor vehicle registration license plates and validation stickers, vessel numbers and decals to applicants. Each tax collector must keep a full and complete record and account of all validation stickers, mobile home stickers, vessel decals, or other properties received by him or her from DHSMV. Both DHSMV and the tax collectors use third-party agents who provide information technology support, including online and mobile applications.

The Florida Real Time Vehicle Information System (FRVIS) is the database application maintained by DHSMV to issue and account for tags, titles, and registrations for motor vehicles and vessels. FRVIS must be installed in every tax collector's and license tag agent's office in accordance with a schedule established by DHSMV in consultation with the tax collectors and contingent upon funds being made available for the system by the state.

The bill provides, for the purpose of enhancing customer services provided by tax collectors on behalf of DHSMV, the Department must provide tax collectors and their agents with the same real-time access to the same data that DHSMV provides to all other third-parties. The bill specifies that this includes data related to motor vehicle and mobile home registration certificates, registration license plates, and validation stickers as well as vessel registration certificates and vessel numbers and decals including, but not limited to, each owner's current residential and electronic mail address.

DHSMV estimates a negative fiscal impact due to required programming and implementation costs. However, those costs can be absorbed within existing resources. See Fiscal Analysis for details.

The bill has an effective date of July 1, 2019.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

##### **Current Situation**

##### Registration Requirements

###### *Motor Vehicles*

The motor vehicle registration process is set out in s. 320.02, F.S. Applicants must provide the street address of the owner's permanent residence and a valid driver license, identification card, or passport.<sup>1</sup> Any vehicle registered outside the state must be accompanied by a sworn affidavit from the seller and purchaser verifying the vehicle identification number (VIN), or a copy of the outside state's departmental form indicating that the vehicle has been physically inspected and the VIN verified.<sup>2</sup> The owner of any motor vehicle registered in the state must notify the DHSMV in writing of any change of address within 30 days of such change.<sup>3</sup> Additionally, the owner of the vehicle must provide proof that personal injury protection benefits, property damage liability coverage, bodily injury or death coverage, and combined bodily liability insurance and property damage liability insurance have been purchased.<sup>4</sup>

Upon the receipt of an initial application for registration and payment of the appropriate license tax and other fees required by law, DHSMV must assign to the motor vehicle a registration license number consisting of letters and numbers and issue to the owner a certificate of registration and a registration license plate.<sup>5</sup>

License plates equipped with validation stickers subject to the registration period are valid for not more than 12 months and expire at midnight on the last day of the registration period. A registration license plate equipped with a validation sticker subject to the extended registration period is valid for not more than 24 months and expires at midnight on the last day of the extended registration period. For each registration period after the one in which the metal license plate is issued, and until the license plate is required to be replaced, a validation sticker showing the month and year of expiration shall be issued upon payment of the proper license tax amount and fees and is valid for not more than 12 or 24 months accordingly.<sup>6</sup>

###### *Vessels*

A purchaser of a new or used vessel has 30 days to title and register the vessel.<sup>7</sup> During the 30-day period before registration, the owner must have proof of the date of purchase aboard the vessel.<sup>8</sup> Section 328.48, F.S., establishes the steps for applying for vessel registration in Florida. DHSMV is responsible for issuing vessel registrations.<sup>9</sup> Applications for titles and registrations must be filed at a county tax collector office.<sup>10</sup> Every vessel operated, used, or stored on the waters of Florida must be registered unless it is:

- A vessel operated, used, and stored exclusively on private lakes and ponds;
- A vessel owned by the United States Government;
- A vessel used exclusively as a ship's lifeboat; or

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<sup>1</sup> Section 320.02(2)(a), F.S.

<sup>2</sup> Section 320.02(3), F.S.

<sup>3</sup> Section 320.02(4), F.S.

<sup>4</sup> Section 320.02(5)(a), F.S.

<sup>5</sup> Section 320.06(1)(a), F.S.

<sup>6</sup> Section 320.06(1)(c), F.S.

<sup>7</sup> Section 328.46(1), F.S.

<sup>8</sup> Section 328.46(1), F.S.

<sup>9</sup> Section 328.48(3), F.S.

<sup>10</sup> Section 328.48(1)(a), F.S.

- A non-motor-powered vessel less than 16 feet in length or a non-motor-powered canoe, kayak, racing shell, or rowing scull, regardless of length.<sup>11</sup>

Vessels that are required to be registered are classified for registration purposes according to a schedule set out in s. 328.72(1)(a), F.S. The certificate of registration must be pocket-sized and must be available for inspection on the vessel for which it is issued whenever such vessel is in operation.<sup>12</sup> Each certificate of registration issued must include (among other items):

- The numbers awarded to the vessel;
- The hull identification number;
- The name and address of the owner; and
- A description of the vessel.<sup>13</sup>

Additionally, a decal signifying the year or years during which the certificate is valid must be furnished by DHSMV with each certificate of registration issued and affixed to the front of the vessel.<sup>14</sup>

#### Florida Real Time Vehicle Information System

DHSMV maintains the Florida Real Time Vehicle Information System (FRVIS) that facilitates the collection of taxes and fees for tags, titles, and registrations associated with motor vehicles and vessels.<sup>15</sup> Local tax collector and tag agent offices throughout the state process tag, title, and registration transactions through FRVIS.<sup>16</sup> According to DHSMV, FRVIS processed approximately 404.6 million transactions for the collection of approximately \$3.26 billion in revenue from taxes and fees associated with tags, titles, and registrations for motor vehicles and vessels during Fiscal Year 2017-2018, including amounts retained by local tax collector and tag agent offices.<sup>17</sup> These funds, together with all other sources of the Department's revenue, are distributed through FRVIS to various state agencies, including the Department, and non-state entities in accordance with governing Florida Statutes.<sup>18</sup>

FRVIS is composed of two processing environments. The first is a distributed environment that consists of the servers at local tax collector and tag agent offices that process tag, title, and registration transactions throughout the state. The second environment is the host portion that consists of the back-end processing that is conducted centrally at DHSMV's primary data center.<sup>19</sup>

In addition to residential street addresses, DHSMV is authorized to collect and store (in FRVIS) e-mail addresses. E-mail addresses may be used, in lieu of the United States Postal Service, to provide certain renewal notices, including registration renewal notices, driver license renewal notices, and vessel registration renewal notices.<sup>20,21,22,23,24</sup>

<sup>11</sup> Section 328.48(2), F.S.

<sup>12</sup> Section 328.48(4), F.S.

<sup>13</sup> Section 328.48(4), F.S.

<sup>14</sup> Section 328.48(5), F.S.

<sup>15</sup> Department of Highway Safety and Motor Vehicles, *Florida Real Time Vehicle Information System (FRVIS): Information Technology Operational Audit*, at 1 (April 2014), available at [https://flauditor.gov/pages/pdf\\_files/2014-183.pdf](https://flauditor.gov/pages/pdf_files/2014-183.pdf) (last visited March 21, 2019).

<sup>16</sup> *Id.* at 1-2.

<sup>17</sup> E-mail from Kevin Jacobs, Deputy Legislative Affairs Director, Department of Highway Safety and Motor Vehicles, RE: FRVIS, (March 21, 2019).

<sup>18</sup> DHSMV, *supra* at 2, FN 15.

<sup>19</sup> *Id.*

<sup>20</sup> Section 319.40, F.S.

<sup>21</sup> Section 320.95, F.S.

<sup>22</sup> Section 322.08(10), F.S.

<sup>23</sup> Section 328.30, F.S.

<sup>24</sup> Section 328.80, F.S.

## Registration Duties of Tax Collectors

### *Motor Vehicles*

Tax collectors are authorized agents of DHSMV that issue registration certificates, registration license plates, validation stickers, and mobile home stickers to applicants.<sup>25</sup> DHSMV may require each tax collector to give a bond, payable to the Department, conditioned that the tax collector faithfully and truly perform the duties imposed upon him or her according to the requirements of law and the rules and regulations of DHSMV.<sup>26</sup> Each tax collector must keep a full and complete record and account of all validation stickers, mobile home stickers, or other properties received by him or her from DHSMV.<sup>27</sup> FRVIS must be installed in every tax collector's and license tag agent's office in accordance with a schedule established by DHSMV in consultation with the tax collectors and contingent upon funds being made available for the system by the state.<sup>28</sup>

### *Vessels*

Tax collectors must issue registration certificates and vessel numbers and decals to applicants, subject to the requirements of law and in accordance with the rules of DHSMV.<sup>29</sup> Each tax collector must keep a full and complete record and account of all vessel decals or other properties received by him or her from DHSMV and must make prompt remittance of moneys collected by him or her at the times and in the manner prescribed by law.<sup>30</sup>

### Registration Data Access Concerns

DHSMV provides tax collectors (and the tax collectors' third-party agents) with some, but not all, access to customer data available through FRVIS. For example, tax collectors are unable to run searches on bulk data in FRVIS because they are only authorized to look up customer vehicle or vessel data individually. This limits the tax collectors' ability to analyze the data that they enter on a weekly basis. Tax collectors believe that full access to real-time customer data will provide more efficiency within each tax collector's office, which will lead to better and more cost effective customer service.

### **Proposed Changes**

The bill amends s. 320.03, F.S., requiring DHSMV to provide tax collectors and their agents with the same real-time access to data that DHSMV provides to other third-parties. The accessible real-time data received from DHSMV should be related to motor vehicle and mobile home registration certificates, registration license plates, and validation stickers, including but not limited to, each owner's current residential and electronic mail address.

The bill amends s. 328.73, F.S., requiring DHSMV to provide tax collectors and their agents with the same real-time access to data that DHSMV provides to other third-parties. The accessible real-time data received from DHSMV should be related to vessel registration certificates and vessel numbers and decals, including but not limited to, each owner's current residential and electronic mail address.

#### **B. SECTION DIRECTORY:**

**Section 1:** Amends s. 320.03, F.S., relating to registration; duties of tax collectors; International Registration Plan.

**Section 2:** Amends s. 328.73, F.S., relating to registration; duties of tax collectors.

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<sup>25</sup> Section 320.03(1), F.S.

<sup>26</sup> Section 320.03(2), F.S.

<sup>27</sup> Section 320.03(3), F.S.

<sup>28</sup> Section 320.03(4)(b), F.S.

<sup>29</sup> Section 328.73(1), F.S.

<sup>30</sup> Section 328.73(2), F.S.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

#### 1. Revenues:

None.

#### 2. Expenditures:

DHSMV has identified one type of data access related to the provisions of this bill. The Department estimates that it will incur 500 hours of programming cost at an hourly rate of \$85 or \$42,500 in contracted resources to implement real-time data access in this instance. As new types of data access are identified, however, the costs will increase. DHSMV has indicated that all costs can be absorbed within existing resources.

### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

#### 1. Revenues:

Having real time access to data could allow Tax Collectors to handle additional transactions that they currently do not have the ability to process. They may see a positive indeterminate fiscal impact as a result.

#### 2. Expenditures:

None.

### C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

### D. FISCAL COMMENTS:

The bill may enable tax collectors and their agents to enhance the delivery of services to customers in several ways. For instance, providing tax collectors access to bulk data will allow tax collectors to make data driven decisions in planning for proper staffing for busy month-end periods, reallocate staff to branch offices with higher customer volume, and plan for office relocation or expansion. Additionally, tax collectors would be able to take payment for toll violations or traffic citations and immediately clear and renew certain registrations.

## III. COMMENTS

### A. CONSTITUTIONAL ISSUES:

#### 1. Applicability of Municipality/County Mandates Provision:

Not Applicable. This bill does not appear to affect county or municipal governments.

#### 2. Other:

None.

### B. RULE-MAKING AUTHORITY:

None.

### C. DRAFTING ISSUES OR OTHER COMMENTS:

The bill makes reference to "third parties" but does not define this term.

#### IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES