

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 Infrastructure and Security

BILL: SPB 7092

INTRODUCER: Infrastructure and Security Committee

SUBJECT: Highway Safety and Motor Vehicle Fees

DATE: March 21, 2019

REVISED: _____

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Proctor	Miller		Pre-meeting

I. Summary:

SPB 7092 provides the Department of Highway Safety and Motor Vehicles (DHSMV) may collect fees pertaining to:

- Payment for expedited shipping of driver license (DL) and identification (ID) cards at the request of an individual for online transactions;
- Costs incurred by the DHSMV to obtain an order requiring a person to obey a subpoena, in whole or in part, and such fees must be charged to the subpoenaed person; and
- The \$28.00 initial validation sticker and any renewed annual validation stickers for an apportionable vehicle.

SPB 7092 takes effect on the same date that SPB 7090 or similar legislation takes effect, if such legislation is adopted in the same legislative session or an extension thereof and becomes a law.

Article VII, s. 19 of the Florida Constitution requires the imposition, authorization, or raising of a state tax or fee be contained in a separate bill that contains no other subject and be approved by two-thirds of the membership of each house of the Legislature. As such, Art. VII, s. 19 of the Florida Constitution may apply if the fee provisions in the bill are interpreted to be a new fee.

II. Present Situation:

The present situation for each fee issue in the bill is discussed below in conjunction with the Effect of the Proposed Changes.

III. Effect of Proposed Changes:

Subpoena and Investigative Authority

Present Situation

The DHSMV has jurisdiction over multiple chapters of Florida Statutes, for which they do not have subpoena authority, without which they are often unable to obtain documents and testimony

from third-party entities (banks, tow companies, etc.) to conduct administrative or criminal investigations.

Effect of Proposed Changes

SPB 7090 creates s. 322.71, F.S., and amends ss. 319.25 and 320.861, F.S., authorizing DHSMV to exercise the power of subpoena and to administer oaths or affirmations, examine witnesses, require affidavits, take depositions, and compel the attendance of witnesses and the production of books, papers, documents, records, and other evidence. The subpoena is to be used for investigations or examinations conducted by DHSMV for suspected violations of Chapters 319, 320, and 322, F.S., and may be served by an authorized representative of DHSMV.

If a person refuses to obey the subpoena, DHSMV may petition a court in the county in which the person or business is located. The court may direct the person to obey the subpoena, and any court costs incurred by DHSMV in the process, must be paid by the subpoenaed person.

SPB 7092 allows the DHSMV to collect the court costs incurred during petitioning a court to direct a person to obey a subpoena.

Issuance of Apportionable Vehicle Plates

Present Situation

Florida law requires all apportionable vehicles domiciled in Florida to be registered in accordance with the International Registration Plan (IRP) and to display required license plates.¹

Section 320.06, F.S., provides for motor vehicle registration certificates, license plates, and validation stickers. Registration license plates, which bear a graphic symbol and alphanumeric system of identification, most are issued for a ten-year period. However, “Apportioned” license plates issued to vehicles registered under the IRP are issued annually.² Apportioned vehicles are also issued an annual cab card that denotes the declared gross vehicle weight for each apportioned jurisdiction where the vehicle is authorized to operate.³

Section 320.0607, F.S., provides for replacement license plates, validation decals, or mobile home stickers. It requires that upon the issuance of an original license plate (whether every ten years or annually for apportioned vehicles), the applicant pay a fee of \$28 to be deposited into the Highway Safety Operating Trust Fund (HSOTF).

Effect of Proposed Changes

SPB 7090 repeals s. 320.06(1)(b)2., F.S., on October 1, 2019, which provides that an apportioned vehicle must be issued an annual license plate and cab card denoting the declared gross vehicle weight.

¹ Section 320.0715(1), F.S.

² Section 320.06(1)(b)1., F.S.

³ See IRP, Inc., *State of Florida Apportioned Cab Card Sample*,

http://c.ymcdn.com/sites/www.irponline.org/resource/resmgr/cab_cards/fl_cc_sample.pdf (last visited Jan. 15, 2018).

Additionally, SPB 7090 amends s. 320.06, F.S., providing that upon implementation of a new operating system for apportioned vehicle registration, a vehicle registered in accordance with the IRP, will be issued a license plate for a five-year period, an annual cab card denoting the declared gross vehicle weight, and an annual validation sticker showing the month and year of expiration. The license plate and validation sticker will be issued based on the applicant's appropriate renewal period. The registration period for an apportionable vehicle is for 12 months and the validation sticker is valid for 12 months. The annual fee for an original and renewed validation sticker (rather than license plate) is \$28, which is deposited into the Highway Safety Operating Trust Fund. If the license plate is damaged or worn it may be replaced at no charge by applying to DHSMV and surrendering the current license plate.

SPB 7090 amends s. 320.0607(5), F.S., providing that upon implementation of a new operating system for apportioned vehicle registration, the \$28 fee for a replacement license plate does not apply to vehicles registered under the IRP and issued an apportionable license plate. Instead, vehicles registered under the IRP will be issued an annual cab card and validation sticker for the same \$28 fee.

SPB 7092 allows the DHSMV to charge and collect the \$28 fee for deposit into the Highway Safety Operating Trust Fund.

Expedited Shipping Service

Present Situation

The DHSMV has the authority to charge a service fee for individuals to receive expedited service on title transfers, title issuances, duplicate titles, and recordation of liens.⁴ A fee of \$10.00 is charged for this service⁵, which is in addition to the standard fees on title transfers, title issuances, duplicate titles, and recordation of liens.⁶ The fee, minus deductions for odometer fraud prevention and detection⁷ and \$3.50 to be retained by the processing agency, are deposited into the General Revenue Fund.⁸ Application for expedited service may be made by mail or in person and the DHSMV must issue each title within five working days after receipt of the application, except for an application for a duplicate title certificate covered by s. 319.23(4), F.S., in which case the title must be issued within five working days after compliance with the DHSMV's verification requirements.⁹

Currently, the law does not provide the authority for the DHSMV to collect an expedited shipping cost related to DLs and ID cards from customers. For example, Florida residents needing an immediate DL or ID card issuance, such as a replacement or renewal, often call the DHSMV customer service center to request expedited shipping of their transaction via the online

⁴ Section 319.323, F.S.

⁵ *Id.*

⁶ Section 319.32, F.S.

⁷ Section 319.324, F.S.

⁸ Section 319.323, F.S.

⁹ *Id.*

portal. To assist these individuals, the DHSMV must have the individual pre-pay directly to a mail courier service for the expedited shipping cost.¹⁰

Effect of Proposed Changes

The SPB 7090 creates s. 322.21(10), F.S., to provide that an applicant who submits an application for a renewal or replacement DL or ID card to the DHSMV for online transactions must be provided with an option for expedited shipping in which the DHSMV, at the applicant's request, must issue the DL or ID card within five working days after receipt of the application and ship the DL or ID card using an expedited mail service. Fees collected for the expedited shipping option will be deposited into the HSOTF.

SPB 7092 amends s. 322.21, F.S., to allow the DHSMV to collect the fee for an expedited mail service, which may not exceed the cost of the expedited mail service.

Effective Date

SPB 7092 takes effect on the same date that SPB 7090 or similar legislation takes effect, if such legislation is adopted in the same legislative session or an extension thereof and becomes a law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

Article VII, s. 19 of the Florida Constitution requires the imposition, authorization, or raising of a state tax or fee be contained in a separate bill that contains no other subject and be approved by two-thirds of the membership of each house of the Legislature. As such, Art. VII, s. 19 of the Florida Constitution may apply if the fee provisions in the bill are interpreted to be a new fee.

E. Other Constitutional Issues:

None.

¹⁰ Department of Highway Safety and Motor Vehicles, 2019 Legislative Concepts (on file with Infrastructure and Security).

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

None.

B. Private Sector Impact:

Those compelled by a court to obey a DHSMV subpoena may incur a cost to reimburse the DHSMV for court costs for the enforcement of the subpoena.

C. Government Sector Impact:

The bill is anticipated to have a net zero impact to the state.

The bill allows the DHSMV to collect court costs incurred during petitioning a court to direct a person to obey a subpoena.

The bill allows the DHSMV to charge and collect the \$28 fee for deposit into the Highway Safety Operating Trust Fund on the initial validation sticker, and each renewal validation sticker. Under existing statute, the \$28 fee is paid upon initial issuance and annual reissuance of the “Apportioned” license plates issued to vehicles registered under the IRP.¹¹

The bill allows the DHSMV to collect expedited mail service costs in relation to an expedited request for a DL or ID card, and use those fees to pay a shipping company for the expedited shipping. Fees collected by the DHSMV for the expedited shipping option will be deposited into the HSOTF and may not exceed the cost of the expedited mail service.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

The bill substantially amends sections 319.1414, 320.06, 320.861, 322.21, and 322.71 of the Florida Statutes.

¹¹ Section 320.06(1)(b)1., F.S.

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.
