

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 87 Registration and Titling of Vehicles and Vessels
SPONSOR(S): Transportation & Infrastructure Subcommittee, Ponder and others
TIED BILLS: IDEN./SIM. **BILLS:** SB 234

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Transportation & Infrastructure Subcommittee	12 Y, 0 N, As CS	Roth	Vickers
2) Transportation & Tourism Appropriations Subcommittee	10 Y, 0 N	Cobb	Davis
3) State Affairs Committee			

SUMMARY ANALYSIS

In Florida, there are annual license taxes for the operation of motor vehicles, which are paid to the Department of Highway Safety and Motor Vehicles (DHSMV) upon the registration or renewal of each vehicle. The amount of the tax depends on the type and size of the vehicle. Heavy trucks are a category of motor vehicle that must be registered and renewed. A "heavy truck" is defined as any motor vehicle with a net vehicle weight of more than 5,000 pounds that is designed or used for the carriage of goods.

Most motor vehicles are renewed during the primary registrant's birth month; however, since 1983 all heavy trucks have been required to be renewed in December. Some specific examples of heavy trucks that fall into the weight classification of 5,001 to 7,999 pounds are the Chevrolet Silverado, Ford F-150, Nissan Titan, Dodge Ram, GMC Sierra, and Toyota Tundra.

The bill changes, effective September 1, 2020, the date of registration renewals for heavy trucks in the 5,001 to 7,999 pound weight classification that are registered to natural persons from December to the registrant's date of birth.

Currently, the surviving spouse of a deceased registered owner of a motor vehicle who requests a registration certificate and transfer of the registration license plate from the deceased spouse to the surviving spouse must submit an application and present the decedent's death certificate to the Department of Highway Safety and Motor Vehicles or tax collector's office. Similarly, a death certificate is required in order to transfer a vessel title from a deceased title owner in the event there is not a probated last will and testament or letters of administration.

The bill allows for the utilization of an electronic file of death records maintained by the Department of Health in lieu of a death certificate for a motor vehicle registration or vessel title transfer.

DHSMV estimates that 459 hours, or the equivalent of \$25,305 in FTE and contracted resources will be required in order to implement the programming costs associated with the bill. This cost can be absorbed within existing resources.

The Revenue Estimating Conference met on January 18, 2019, and estimated that the bill has a nonrecurring positive fiscal impact of \$400,000 to general revenue, and \$1.2 million to the State Transportation Trust Fund in fiscal year 2020-2021.

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

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

Registration of Heavy Trucks

Motor Vehicles subject to registration under s. 320.08, F.S., can be renewed at a Department of Highway Safety and Motor Vehicles (DHSMV) service center, a tax collector's office, or via DHSMV's Virtual Office website. Heavy trucks are a category of motor vehicle that must be registered and renewed. A "heavy truck" is defined as:

Any motor vehicle with a net vehicle weight of more than 5,000 pounds, which is registered on the basis of gross vehicle weight in accordance with s. 320.08(4), and which is designed or used for the carriage of goods or designed or equipped with a connecting device for the purpose of drawing a trailer that is attached or coupled thereto by means of such connecting device and includes any such motor vehicle to which has been added a cabinet box, a platform, a rack, or other equipment for the purpose of carrying goods other than the personal effects of the passengers.¹

As of January 1, 2019, there are approximately 766,663 heavy trucks in the gross vehicle weight (GVW) classification of 5,001 to 7,999 pounds, registered in the state of Florida.² The heavy trucks in the above weight range can be renewed for 12 or 24 months.³ Most motor vehicles are renewed during the primary registrant's birth month;⁴ however, since 1983 all heavy trucks have been required to be renewed in December.^{5,6} Some specific examples of heavy trucks that fall into the 5,001 to 7,999 GVW classification are the Chevrolet Silverado, Ford F-150, Nissan Titan, Dodge Ram, GMC Sierra, and Toyota Tundra.

Approximately 11.4 percent (87,472) of heavy trucks in the 5,001 to 7,999 GVW classification are registered to businesses that do not have a birth month.⁷ Therefore, approximately 679,191 heavy trucks in the 5,001 to 7,999 GVW classification are registered to individuals who likely have a birth month other than December.⁸ Based on transaction volume, more heavy truck renewals occur in tax collector offices, causing more customers to come into the offices in December.⁹ In fiscal year 2017-2018, approximately 84 percent of all heavy truck renewals were conducted via a tax collector's office or a DHSMV service center.¹⁰ Additionally, individuals who own both a heavy truck and another classification of vehicle, vessel, or trailer, must renew during their birth month and again in December.¹¹

Heavy trucks weighing 5,001 to 5,999 pounds have a registration renewal fee of \$60.75,¹² while heavy trucks weighing 6,000 to 7,999 pounds have a registration renewal fee of \$87.75.¹³

¹ Section 320.01(10), F.S.

² Email from Kevin Jacobs, Deputy Legislative Affairs Director, Department of Highway Safety and Motor Vehicles, RE: Heavy truck, (January 18, 2019).

³ Section 320.055(1)(b), F.S.

⁴ Section 320.055(1)(a), F.S.

⁵ Section 320.055(5), F.S.

⁶ Florida Department of Highway Safety and Motor Vehicles, *Heavy Truck Renewal Report*, November 15, 2018, at p. 1 (on file with the Transportation & Infrastructure Subcommittee).

⁷ Email from Kevin Jacobs, *supra*, at FN 2.

⁸ *Id.*

⁹ Florida Department of Highway Safety and Motor Vehicles, *supra*, at FN 6, p. 2.

¹⁰ *Id.* at p. 1.

¹¹ *Id.* at p. 2.

¹² Section 320.08(4)(a), F.S.

¹³ Section 320.08(4)(b), F.S.

A registrant of any motor vehicle registered in Florida can renew his or her registration any time during the three months preceding the date of expiration of the registration period.¹⁴

Transfer of Registration and Title from a Deceased Person

The surviving spouse of a deceased registered owner of a motor vehicle who requests a registration certificate and transfer of the registration license plate from the deceased spouse to the surviving spouse must submit an application¹⁵ and present the decedent's death certificate to the tax collector's office or DHSMV.¹⁶ The surviving spouse must also provide a marriage certificate (unless the name of the surviving spouse is on the death certificate) and proof of identity.¹⁷

If a surviving spouse does not bring an original copy of the deceased spouse's death certificate to the tax collector's office or DHSMV, the registration certificate and license plate cannot be transferred into the name of the surviving spouse. Instead, the surviving spouse must leave the office, retrieve the death certificate, and make another trip back to the tax collector's office or DHSMV to produce the document.

The new owner or surviving owner of a vessel who wants to transfer the title from a deceased title owner must submit an application along with the original certificate of title and the decedent's probated last will and testament or letters of administration appointing the personal representative. If the probated will and letters of administration are unavailable, the surviving owner may provide a copy of the decedent's death certificate, a copy of the decedent's last will and testament, and an affidavit by the decedent's surviving spouse or heirs affirming rights of ownership may be accepted by DHSMV.¹⁸

If the new owner or surviving owner of a vessel does not bring the decedent's probated last will and testament or letters of administration, the individual must bring a copy of the decedent's death certificate. If the individual does not have a copy of the death certificate, he or she will not be able to transfer the title and will have to make a return visit to the tax collector's office or DHSMV in order to produce the document.

Currently, tax collectors are unable to print death certificates within their offices. After consulting with the Department of Health, DHSMV and the tax collectors have identified certain death records maintained by the Department of Health and available electronically to tax collectors that would enable tax collectors to verify, in lieu of a death certificate, the status of the deceased vehicle or vessel owner.

Proposed Changes

Effective September 1, 2020, the bill amends s. 320.055, F.S., changing the date of heavy truck renewals for trucks weighing 5,001 to 7,999 pounds and registered to natural persons, from December to the registrant's date of birth. Businesses registering heavy trucks weighing 5,001 to 7,999 pounds would continue to register their vehicles in December. Similarly, all owners of heavy trucks weighing 8,000 pounds or more would continue to register their vehicles in December.

The bill provides that in order to implement the change in renewal dates, DHSMV must develop methodology to prorate registration renewal fees for applicable motor vehicles. The methodology will give customers the option to renew their registration on their date of birth in 2021 or 2022. Customers whose dates of birth occur in the months of January through June may choose to renew for 1 to 18 months, and customers whose dates of birth occur in the months of July through December may

¹⁴ Section 320.071, F.S.

¹⁵ Department of Highway Safety and Motor Vehicles, *Application for Surviving Spouse Transfer of Florida Certificate of Title for a Motor Vehicle*, available at <https://www.flhsmv.gov/pdf/forms/82152.pdf> (last visited January 9, 2019).

¹⁶ Section 320.0609(7), F.S.

¹⁷ Department of Highway Safety and Motor Vehicles, *Getting a Hassle Free Title Frequently Asked Questions*, available at <https://www.flhsmv.gov/title-faq/> (last visited January 9, 2019).

¹⁸ Section 328.01(3)(c), F.S.

choose to renew for 7 to 24 months. The bill specifies that proration is limited to the renewal of an unexpired registration or a registration that has been expired for no more than 30 days.

The bill amends ss. 320.0609 and 328.01, F.S., allowing for the utilization of an electronic file of death records maintained by the Department of Health in lieu of a death certificate for a motor vehicle registration or vessel title transfer.

The bill provides technical and conforming changes in ss. 320.07 and 320.0705, F.S.

B. SECTION DIRECTORY:

Section 1: Amends s. 320.055, F.S., relating to registration periods; renewal periods.

Section 2: Allows the Department to develop methodology to implement changes in specified registration renewal periods.

Section 3: Amends s. 320.0609, F.S., relating to transfer and exchange of registration license plates; transfer fee.

Section 4: Amends s. 320.07, F.S., relating to expiration of registration; renewal required; penalties.

Section 5: Amends s. 320.0705, F.S., relating to semiannual registration or renewal of vehicles.

Section 6: Amends s. 328.01, F.S., relating to application for certificate of title.

Section 7: Provides an effective date of July 1, 2019, except as otherwise expressly provided.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

Based on the timing of the renewals, the Revenue Estimating Conference met on January 18, 2019, and estimated that the bill has a nonrecurring positive fiscal impact of \$400,000 to general revenue, and \$1.2 million to the State Transportation Trust Fund in fiscal year 2020-2021.

2. Expenditures:

DHSMV estimates that 459 hours, or the equivalent of \$25,305 in FTE and contracted resources will be required in order to implement programming costs associated with the bill. This cost can be absorbed within existing resources.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

In December of 2020, heavy truck registrants whose dates of birth occur in the months of January through June may choose to renew for 1 to 18 months, and customers whose dates of birth occur in the

months of July through December may choose to renew for 7 to 24 months. Registrants may elect to pay a larger or lesser prorated amount depending on when they choose to renew their registration.

D. FISCAL COMMENTS:

None.

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:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On January 23, 2019, the Transportation & Infrastructure Subcommittee adopted amendments and reported the bill favorably as a committee substitute. The amendments:

- Specified a methodology for prorating certain heavy truck registration renewal fees.
- Provided that an electronic file of death records maintained by the Department of Health may be used in lieu of a copy of the decedent's death certificate.

This analysis is written to the committee substitute as reported favorably by the Transportation & Infrastructure Subcommittee.