

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/CS/HB 87 Registration and Titling of Vehicles and Vessels
SPONSOR(S): State Affairs Committee, 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	22 Y, 0 N, As CS	Roth	Williamson

SUMMARY ANALYSIS

In Florida, there are annual registration fees 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 fee 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 vehicle registrations 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.

Beginning September 1, 2020, the bill changes the date of registration renewals for heavy trucks in the 5,001 to 7,999 pound weight classification and registered to natural persons from December to the registrant’s date of birth. In order to implement the change in renewal dates, the bill requires DHSMV to give customers the option to renew their registration on their date of birth in 2021 or 2022.

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 DHSMV or a 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 DHSMV and tax collectors to verify the necessary information through the electronic file of death records maintained by the Department of Health, in lieu of a death certificate, to verify the death of a motor vehicle or vessel registrant prior to transferring a motor vehicle registration or vessel title to the surviving spouse, new owner, or coowner.

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 reviewed the bill and estimated that the bill has a positive, non-recurring impact of \$1.6 million in revenue (\$400,000 to the General Revenue Fund and \$1.2 million to the State Transportation Trust Fund) for fiscal year 2020-2021.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

Registration of Heavy Trucks

In Florida, there are annual registration fees 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 registration fee depends on the type and size of the vehicle. Motor vehicles subject to registration under s. 320.08, F.S., can be renewed at a 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 These heavy trucks 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

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.

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 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 that are available electronically to tax collectors and DHSMV and would enable tax collectors and DHSMV 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 give customers the option to renew their registration on their date of birth in 2021 or 2022. Customers whose dates of

¹² Section 320.08(4)(a), F.S.

¹³ Section 320.08(4)(b), F.S.

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.

birth occur in the months of January through June may choose to renew for one to 18 months, and customers whose dates of birth occur in the months of July through December may choose to renew for seven to 24 months.

The bill amends ss. 320.0609 and 328.01, F.S., allowing DHSMV and tax collectors to use the electronic file of death records maintained by the Department of Health, in lieu of a death certificate, to verify the death of a registered owner of a motor vehicle or vessel prior to transferring a motor vehicle registration or vessel title to the surviving spouse, new owner, or surviving coowner.

The bill also makes conforming changes.

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:

The bill has been reviewed by the Revenue Estimating Conference on two separate occasions. As currently drafted, the bill is estimated to have a positive, non-recurring impact of \$1.6 million in revenue (\$400,000 to the General Revenue Fund and \$1.2 million to the State Transportation Trust Fund) for 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.¹⁹

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

¹⁹ Department of Highway Safety and Motor Vehicles, *HB 87 Analysis*, p. 5, available at <http://abar.laspbs.state.fl.us/ABAR/Attachment.aspx?ID=27498> (January 23, 2019).

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

In December 2020, heavy truck registrants whose dates of birth occur in the months of January through June may choose to renew their vehicle registration for one to 18 months, and customers whose dates of birth occur in the months of July through December may choose to renew their registration for seven to 24 months.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not Applicable. This bill does not appear to require counties or municipalities to spend funds or take action requiring the expenditure of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or reduce the percentage of state tax shared with counties or municipalities.

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.

On February 19, 2019, the State Affairs Committee adopted an amendment and reported the bill favorably as a committee substitute. The amendment:

- Removed the requirement that DHSMV develop a methodology for prorating motor vehicle registration renewal fees.
- Removed the prohibition on prorating motor vehicle registration renewal fees in certain instances.
- Clarified that DHSMV and the tax collectors may use the electronic file of death records maintained by the Department of Health to verify the death of a motor vehicle or vessel registrant, in lieu of the death certificate, when transferring the registration.

This analysis is written to the committee substitute as reported favorably by the State Affairs Committee.