

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 Appropriations

BILL: SB 1582

INTRODUCER: Senator Harrell

SUBJECT: Commercial Motor Vehicle Registration

DATE: February 25, 2022

REVISED: _____

| | ANALYST | STAFF DIRECTOR | REFERENCE | ACTION |
|----|--------------|-----------------|------------|-----------------------------|
| 1. | <u>Price</u> | <u>Vickers</u> | <u>TR</u> | Favorable |
| 2. | <u>Wells</u> | <u>Hrdlicka</u> | <u>ATD</u> | Recommend: Favorable |
| 3. | <u>Wells</u> | <u>Sadberry</u> | <u>AP</u> | Pre-meeting |

I. Summary:

SB 1582 addresses the issuance of license plates and cab cards for commercial motor vehicles registered in accordance with the International Registration Plan (apportioned vehicles).

Currently apportioned vehicles are issued an annual license plate and a cab card denoting the declared vehicle weight for each apportioned jurisdiction in which the vehicle is authorized to operate. Beginning January 1, 2024, the bill requires apportioned vehicles to be issued a license plate for a 3-year period, at which time the plate must be replaced upon renewal.

Under the bill, the cab card still must be renewed annually. The existing \$28 fee still applies, but payment of the fee is triggered solely by annual issuance of the cab card, rather than by annual issuance of both the license plate and the cab card.

The bill also authorizes the Department of Highway Safety and Motor Vehicles (DHSMV) to replace a damaged or worn license plate at no cost to an applicant surrendering the current license plate.

The bill presents no apparent fiscal impact.

The bill takes effect July 1, 2022.

II. Present Situation:

Generally, current law requires the DHSMV, upon receipt of an application and payment of the appropriate fees, to issue to a vehicle owner or lessee a certificate of registration and a license

plate.¹ Registration license plates are issued for a 10-year period and must be replaced upon renewal at the end of the 10-year period. The fee for plate replacement is \$28, and such fees must be deposited into the Highway Safety Operating Trust Fund. A validation sticker must also be issued, reflecting the owner's birth month, license plate number, and the year of expiration, or the appropriate renewal period if the owner is not a natural person.²

However, a commercial motor vehicle³ registered in accordance with the International Registration Plan,⁴ also known as "apportioned vehicles," must be issued an *annual* license plate, as well as a cab card denoting the declared gross vehicle weight for each apportioned jurisdiction in which the vehicle is authorized to operate.⁵ The \$28 plate renewal fee is paid upon initial registration and then annually upon subsequent renewal.

Industry representatives have described difficulties associated with annual replacement of apportioned vehicle license plates:

[The] IRP plates must be physically changed each year on the truck. This process is onerous on carriers who have several hundred registered vehicles across the country. [The] proposal would still require the annual registration (and maintain all existing fees paid annually)...⁶

A license plate that is damaged or defaced may be required to be replaced. The registrant applies to the DHSMV for a replacement plate and pays a \$28 fee, which is deposited into the Highway Safety Operating Trust Fund.⁷

III. Effect of Proposed Changes:

The bill amends s. 320.06(1)(b), F.S., to allow apportioned vehicles to be issued a license plate for a 3-year period, instead of the current annual issuance, beginning January 1, 2024. The plate must be replaced upon renewal at the end of the 3-year period and, as under current law, each plate must include a validation sticker reflecting the month of expiration of the plate. The current

¹ Section 320.06(1)(a), F.S. See s. 320.0706, F.S., for license plate display requirements for commercial trucks with a gross vehicle weight of 26,001 pounds or more and for dump trucks and truck tractors.

² Section 320.06(1)(b)1., F.S. Renewed based on registration periods and renewal periods established in current law. See s. 320.055, F.S.

³ Defined in s. 320.01(25), F.S., for purposes of vehicle registration as any vehicle not owned or operated by a governmental entity, which uses special fuel or motor fuel on the public highways, and which has a gross vehicle weight of 26,001 pounds or more, or has three or more axles regardless of weight, or is used in combination when the weight of such combination exceeds 26,001 pounds gross vehicle weight.

⁴ Section 320.0715(1), F.S., requires all apportionable vehicles domiciled in this state to be registered in accordance with the International Registration Plan and to display license plates. The International Registration Plan (IRP) is "a reciprocal agreement, meaning that when the vehicle is registered in the jurisdiction where the motor carrier is based, the registration is valid in all the other IRP member jurisdictions. Additionally, the IRP registration is 'apportioned' because the fees paid to the base jurisdiction are divided among all the member jurisdictions in which the vehicle(s) operated. IRP member jurisdictions are the lower 48 states, the District of Columbia, and the 10 Canadian provinces." DHSMV, Commercial Motor Vehicle Drivers, *International Registration Plan*, available at <https://www.flhsmv.gov/driver-licenses-id-cards/commercial-motor-vehicle-drivers/international-registration-plan/> (last visited January 28, 2022).

⁵ Section 320.06(1)(b)1., F.S.

⁶ See email to Senate Transportation Committee staff, October 25, 2021 (on file in the Senate Transportation Committee).

⁷ Section 320.0607, F.S.

requirement for the issuance of annual license plates to apportioned vehicles expires on December 31, 2023.

Under the bill, the cab card still must be renewed annually. The existing \$28 fee still applies, but payment of the fee is triggered solely by annual issuance of the cab card, rather than by annual issuance of both the license plate and the cab card. The fee also continues to be deposited into the Highway Safety Operating Trust Fund.

Lastly, the bill provides that if the license plate is damaged or worn, the plate may be replaced at no charge by applying to the DHSMV and surrendering the current plate.

The bill takes effect July 1, 2022.

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 prohibits the imposition or authorization of a new state tax or fee except through legislation approved by two-thirds of the membership of each house of the legislature and approval by the Governor. If the bill imposes a new fee, a two-thirds vote of the membership of each house may be required.

As noted, payment of the \$28 fee under the bill is triggered solely by annual issuance of the cab card, rather than by annual issuance of both the license plate and the cab card. The applicant pays the same fee under current law as under the bill; thus, the bill does not appear to impose a new fee.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None. The provisions of the bill changing how long an apportioned vehicle's license plate is valid do not apply until January 1, 2024. The \$28 renewal fee continues to be required with the issuance of the renewed cab card. There may be some minimal cost savings related to manufacture and mailing of plates as apportioned vehicles transition to the 3-year plate renewal period and there may be minimal costs related to replacement of damaged plates at no cost to the registrant.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 320.06 of the Florida Statutes.

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.