

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 Appropriations Subcommittee on Transportation, Tourism, and Economic
Development

BILL: CS/SB 574

INTRODUCER: Transportation Committee and Senator Gibson

SUBJECT: Motor Vehicle Registration Certificate Cards

DATE: January 25, 2022

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Proctor</u>	<u>Vickers</u>	<u>TR</u>	<u>Fav/CS</u>
2.	<u>Wells</u>	<u>Hrdlicka</u>	<u>ATD</u>	<u>Pre-meeting</u>
3.	_____	_____	<u>AP</u>	_____

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 574 requires the application form for motor vehicle registration and renewal of registration to include language permitting an applicant to request a registration certificate card in addition to the required registration certificate. The bill defines a registration certificate card to mean a card, the approximate size of a driver license, which contains all of the information provided on a motor vehicle certificate of registration.

The bill also amends several statutes to allow for a registration certificate card to be used in place of a motor vehicle registration certificate.

The bill will have a negative fiscal impact to the Department of Highway Safety and Motor Vehicles (DHSMV). CS/SB 576 is linked to this bill and authorizes the imposition of certain service charges related to the issuance of a registration certificate card which may offset costs incurred by the DHSMV. See Section V. for the fiscal impact.

The bill is effective July 1, 2022

II. Present Situation:

Motor Vehicle Registration Requirements

Except as otherwise provided in ch. 320, F.S., every owner or person in charge of a motor vehicle that is operated or driven on the roads of Florida must register their vehicle. The owner or person in charge must apply to the DHSMV or to its authorized agent for registration of each such vehicle on a form prescribed by the DHSMV. A registration is not required for any motor vehicle that is not operated on the roads of this state during the registration period.¹

A vehicle must have a valid registration to operate on Florida roads, and vehicles with out-of-state registrations are required by law to be registered within 10 days of the owner either becoming employed, placing children in public school, or establishing residency in Florida.² A complete registration consists of the following and is evidence of having paid the registration taxes and fees on a motor vehicle:

- A plate (the number on the plate must match the number provided on the registration certificate and decal) attached to the vehicle in the designated area;³
- A registration certificate in the possession of the operator of the motor vehicle or carried in the vehicle at all times;⁴ and
- A registration decal, which is a sticker that is provided on the registration certificate. The validation decal should be affixed in the square provided in the upper right-hand corner of the Florida license plate.⁵

The owner of a motor vehicle may renew his or her vehicle registration for a period of one or two years and may renew up to three months in advance of the registration expiration. The registration period may not exceed 27 months.⁶

If transferring a license plate or decal to another vehicle, the applicant must submit the previous vehicle registration or license plate and decal number.⁷

Except for certain migrant and seasonal workers, any person who is not a resident of Florida and is temporarily employed in the state is required to register their motor vehicle.⁸ Upon payment of the required fees and proof of insurance coverage as required by the applicant's resident state, the DHSMV must provide a temporary registration plate and a registration certificate valid for 90 days to an applicant who is temporarily employed in this state. The temporary registration plate may be renewed one time for an additional 90-day period. At the end of the 180-day period of temporary registration, the applicant must apply for a permanent registration if there is a further need to remain in this state.⁹

¹ Section 320.02(1), F.S.

² DHSMV, *License Plates & Registrations – Motor Vehicle Registrations*, available at <https://www.flhsmv.gov/motor-vehicles-tags-titles/license-plates-registration/motor-vehicle-registrations/> (last visited January 20, 2022).

³ Section 316.605, F.S.

⁴ Section 320.0605, F.S.

⁵ Section 320.06(1)(b), F.S.

⁶ Section 320.071(1)(a), F.S.

⁷ Section 320.0609, F.S.

⁸ See s. 320.38, F.S.

⁹ Section 320.1325, F.S.

The DHSMV appoints license inspectors and supervisors to enforce the registration and other related motor vehicle laws and issue uniform traffic violations as appropriate. Any person who fails or refuses to surrender his or her driver license, registration certificate, and license plate upon lawful demand of a license inspector, supervisor, or authorized agent of the DHSMV commits a misdemeanor of the second degree, punishable as provided in ss. 775.082 or 775.083, F.S.¹⁰

Motor Vehicle Registration Certificates

Upon the receipt of an initial application for registration and payment of the appropriate license tax and other fees required by law, the DHSMV must assign to the motor vehicle a registration license number consisting of letters and numerals or numerals and issue to the owner or lessee a certificate of registration.¹¹ The certificate of registration is printed on a paper material with dimensions of 8 ¼ inches across and 4 inches high, and may be folded.¹²

The registration certificate or an official copy, a true copy or an electronic copy of rental or lease documentation issued for a motor vehicle or issued for a replacement vehicle in the same registration period, a temporary receipt printed upon self-initiated electronic renewal of a registration via the internet, or a cab card issued for a vehicle registered under the International Registration Plan must, at all times while the vehicle is being used or operated on the roads of Florida, be in the possession of the operator or be carried in the vehicle for which issued.

The registration certificate must be exhibited upon demand of any authorized law enforcement officer or any agent of the DHSMV, except for a vehicle registered under s. 320.0657, F.S., as a fleet vehicle. This does not apply during the first 30 days after purchase of a replacement vehicle. A violation is a noncriminal traffic infraction, punishable as a nonmoving violation as provided in ch. 318, F.S.¹³

The DHSMV collects a registration service charge of \$2.50 for each application that is handled in connection with transfer or duplicate issuance of a registration certificate. The service charge is retained by the DHSMV or by the tax collector, as the case may be, as other fees accruing to those offices.¹⁴ The tax collector may impose an additional service charge of up to 50 cents on the transfer or duplicate issuance of a registration certificate if the transaction occurs at a tax collector's branch office.¹⁵ In addition, if a tax collector elects to exercise its authority to contract with a license plate agent, the tax collector may determine additional service charges to be collected by privately owned license plate agents approved by the tax collector. Additional service charges must be fully itemized and disclosed to the person paying the service charges to

¹⁰ Section 320.58(2), F.S.

¹¹ Section 320.06(1)(a), F.S.

¹² Email from Kevin Jacobs, Legislative Affairs Director, Department of Highway Safety and Motor Vehicles, *Registration Certificate Dimensions* (November 29, 2021) (on file with the Senate Committee on Transportation).

¹³ Section 320.0605(1)(a), F.S.

¹⁴ Section 320.04(1)(a), F.S.

¹⁵ Section 320.04(1)(c), F.S.

the license plate agent. The license plate agent must enter into a contract with the tax collector regarding the disclosure of additional service charges.¹⁶

The registration service charges collected by the DHSMV on all applications handled directly from its office and any fees returned to it by the tax collector must be paid into the Highway Safety Operating Trust Fund.¹⁷

The DHSMV and tax collectors may at the request of the applicant use United States mail service to deliver registration certificates and renewals.¹⁸ A mail service charge may be collected for each registration certificate and validation sticker mailed by the DHSMV or tax collector. Each registration certificate and validation sticker must be mailed by first-class mail unless otherwise requested by the applicant. The amount of the mail service charge is the actual postage required, rounded to the nearest 5 cents, plus a 25 cent handling charge. The mail service charge is in addition to any other service charge and must be deposited into the Highway Safety Operating Trust Fund.¹⁹

A person may not alter the original appearance of a motor vehicle registration certificate. To do so is a noncriminal traffic infraction, punishable as a moving violation as provided in ch. 318, F.S.²⁰

Some entities advise against keeping a vehicle registration certificate inside of the vehicle in order to help protect against identity theft, property theft, and home invasions.²¹

III. Effect of Proposed Changes:

Section 1 of the bill amends s. 320.01, F.S., to provide for a definition of a registration certificate card to mean a card, the approximate size of a driver license, which contains all of the information provided on a motor vehicle certificate of registration.

Section 2 of the bill amends s. 320.02, F.S., to require the application form for motor vehicle registration and renewal of registration must include language permitting an applicant to request a registration certificate card in addition to the required registration certificate.

Sections 3 through 15 of the bill amend several statutes to allow for a registration certificate card to be used in place of a vehicle registration certificate, including amending s. 320.031, F.S., to allow a registration certificate card to be delivered by U.S. mail; and amending s. 320.0609, F.S., to provide that no additional tax, other than the \$4.50 transfer fee, applies to the transfer or exchange of a new license plate and the issuance, at the request of the owner, of a new registration certificate card.

¹⁶ Section 320.04(3), F.S.

¹⁷ Section 320.04(2), F.S.

¹⁸ Section 320.031(1), F.S.

¹⁹ Section 320.031(2), F.S.

²⁰ Section 320.061, F.S.

²¹ Jim Gorzelany, *Here's Why You Shouldn't Leave Your Registration In The Car*, Carfax, (June 8, 2020) available at <https://www.carfax.com/blog/never-leave-registration-in-your-car> (last visited January 5, 2022).

The bill is effective July 1, 2022.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

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.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

CS/SB 576, which is linked to this bill, authorizes the collection of a mail service charge and a \$2.50 registration service charge in connection with the issuance or transfer of a registration certificate card, similar to other transactions under current law.

B. Private Sector Impact:

Individuals may elect to receive a registration certificate card in addition to their vehicle registration certificate, which may be used in place of a vehicle registration certificate. Should individuals make this election they will incur a \$2.50 registration service charge in connection with the issuance of each registration certificate card and a mail service charge.

C. Government Sector Impact:

The bill will have a negative fiscal impact to the DHSMV. The DHSMV will incur a nonrecurring cost of \$167,245 for the purchase of equipment to be provided to the tax

collectors and \$465,567 in recurring costs for card paper, printer maintenance, and supplies.²²

CS/SB 576 (2022), which is linked to this bill, authorizes the DHSMV and tax collectors to also collect a mail service charge and a \$2.50 registration service charge in connection with the issuance or transfer of each registration certificate card, similar to other transactions under current law. The service charges may offset any fiscal impact to the DHSMV and tax collectors.

VI. Technical Deficiencies:

None.

VII. Related Issues:

The DHSMV may need additional time beyond the July 1, 2022, effective date of the bill for implementation due to required programming of the Florida Real-Time Vehicle Information System and distribution of equipment and materials necessary to print the new registration certificate card.²³

CS/SB 576, which is linked to this bill, authorizes the collection of a mail service charge for delivery of a registration certificate card and provides that a registration certificate card application is subject to a registration service charge of \$2.50, similar to other transactions under current law.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 320.01, 320.02, 320.031, 320.055, 320.06, 320.0605, 320.0609, 320.061, 320.07, 320.0843, 320.086, 320.1325, 320.58, 320.27, and 322.121.

IX. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Transportation on December 1, 2021:

Provides for a definition of a registration certificate card to mean a card, the approximate size of a driver license, which contains all of the information provided on a motor vehicle certificate of registration.

²² 2022 Agency Legislative Bill Analysis, Department of Highway Safety and Motor Vehicles, SB 574, December 2, 2021.

²³ Conversation with Kevin Jacobs, Legislative Affairs Director, Department of Highway Safety and Motor Vehicles (November 22, 2021).

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
