

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** CS/CS/HB 915 Commercial Motor Vehicle Registration

**SPONSOR(S):** Commerce Committee, Tourism, Infrastructure & Energy Subcommittee, Melo and others

**TIED BILLS:** IDEN./SIM. BILLS: SB 1582

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Tourism, Infrastructure & Energy Subcommittee	15 Y, 0 N, As CS	Johnson	Keating
2) Infrastructure & Tourism Appropriations Subcommittee	14 Y, 0 N	Hicks	Davis
3) Commerce Committee	20 Y, 0 N, As CS	Johnson	Hamon

### SUMMARY ANALYSIS

Under current law, each commercial motor vehicle (CMV) registered under the International Registration Plan (IRP) must pay a \$28 fee annually for a new license plate along with a cab card denoting its declared vehicle weight.

Beginning July 1, 2024, the bill requires the Department of Highway Safety and Motor Vehicles (DHSMV) to issue a license plate valid for three years to vehicles registered under the IRP. At the end of the three-year period, the plate must be replaced upon renewal. Each license plate must include a validation sticker reflecting the month that the plate expires. Under the bill, an annually issued cab card, including payment of a \$28 annual fee, is still required. The bill provides that the \$28 annual fee must be deposited into the Highway Safety Operating Trust Fund and authorizes DHSMV to replace a damaged or worn license plate at no cost to an applicant surrendering the current license plate.

The bill will likely have an insignificant positive impact on DHSMV expenditures due to the CMV license plate renewal cycle changing from an annual renewal to a three-year renewal cycle. There is no change in annual revenues.

The bill has an effective date of July 1, 2022.

# FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

### A. EFFECT OF PROPOSED CHANGES:

#### Current Situation

The International Registration Plan (IRP) is a reciprocity agreement among states of the United States, the District of Columbia and provinces of Canada which recognizes the registration of commercial motor vehicles (CMVs)<sup>1</sup> registered by other jurisdictions. The plan provides for payment of apportioned licensing fees based on the total distance operated in all member jurisdictions.<sup>2</sup>

Current law requires the Department of Highway Safety and Motor Vehicles (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.<sup>3</sup> License plates are issued for a ten-year period and must be replaced upon renewal at the end of the ten-year period. The fee for license plate replacement is \$28, \$2.80 of which is paid each year before the plate is replaced, 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.<sup>4</sup>

CMVs registered in accordance with the IRP,<sup>5</sup> known as "apportioned vehicles,"<sup>6</sup> are 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.<sup>7</sup> The \$28 license plate replacement fee is paid annually upon initial registration and subsequent renewal and includes issuance of a cab card.

#### Effect of the Bill

The bill removes, effective June 30, 2024, the requirement that DHSMV issue an annual license plate to vehicles registered under the IRP.

The bill provides that effective July 1, 2024, DHSMV must issue a license plate valid for three years to vehicles registered under the IRP. The license plate must be replaced upon renewal at the end of the three-year period and, as under current law, each license plate must include a validation sticker reflecting the month that the license plate expires.

Under the bill, an annually issued cab card, including payment of a \$28 annual fee, is still required. The \$28 fee must be deposited into Highway Safety Operating Trust Fund.

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

The bill has an effective date of July 1, 2022.

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<sup>1</sup> Section 320.01(25), F.S., defines the term "commercial motor vehicle" to mean 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 axes regardless of weight, or is used in combination when the weight of such combination exceeds 26,001 pounds gross vehicle weight.

<sup>2</sup> International Registration Plan, Inc., *Welcome to IRP, Inc.* <https://www.irponline.org/> (last visited Nov. 3, 2021).

<sup>3</sup> 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.

<sup>4</sup> Section 320.06(1)(b), F.S.

<sup>5</sup> Department of Highway Safety and Motor Vehicles, *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 Jan 28, 2022).

<sup>6</sup> 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.

<sup>7</sup> Section 316.06(1)(b), F.S.

**B. SECTION DIRECTORY:**

**Section 1:** Amends s. 320.06, F.S., relating to registration certificates, license plates, and validation stickers generally.

**Section 2:** Provides an effective date.

**II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

**A. FISCAL IMPACT ON STATE GOVERNMENT:**

1. Revenues:

None.

2. Expenditures:

DHSMV will likely see an insignificant reduction in expenditures associated with changing the issuance of CMV license plates from an annual renewal to a three-year renewal cycle, effective July 1, 2024.

**B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

1. Revenues:

None.

2. Expenditures:

None.

**C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

**D. FISCAL COMMENTS:**

None.

**III. COMMENTS**

**A. CONSTITUTIONAL ISSUES:**

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to impact county or municipal governments.

2. Other:

None

**B. RULE-MAKING AUTHORITY:**

This bill does not require or authorize rulemaking.

**C. DRAFTING ISSUES OR OTHER COMMENTS:**

None

**IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES**

On February 3, 2022, the Tourism, Infrastructure & Energy Subcommittee considered a proposed committee substitute and reported the bill favorably as a committee substitute. The proposed committee substitute:

- Removed provisions providing that a motor carrier's requirement to add certain safety improvements to a vehicle may not be considered when evaluating an individual's status as an employee or independent contractor.
- Authorized CMVs registered under the IRP to replace their license plates once every three years.
- Authorized CMV license plates to be replaced free of charge if, prior to the end of the three-year replacement period, they become damaged or worn.

On February 23, 2023, the Commerce Committee adopted one amendment and reported the bill favorably as a committee substitute. The amendment changed the start date of the three-year license plate replacement period from January 1, 2024, to July 1, 2024.

This analysis is drafted to the committee substitute as approved by the Commerce Committee.