#### HOUSE OF REPRESENTATIVES STAFF FINAL BILL ANALYSIS

BILL #:CS/CS/HB 915Commercial Motor Vehicle RegistrationSPONSOR(S):Commerce Committee and Tourism, Infrastructure & Energy Subcommittee, Melo and othersTIED BILLS:IDEN./SIM. BILLS:SB 1582

FINAL HOUSE FLOOR ACTION: 115 Y'S 0 N'S GOVERNOR'S ACTION: Approved

#### SUMMARY ANALYSIS

CS/CS/HB 915 passed the House on March 2, 2022, and subsequently passed the Senate on March 4, 2022.

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 was approved by the Governor on May 18, 2022, ch. 2022-128, L.O.F., and will become effective on July 1, 2022.

## I. SUBSTANTIVE INFORMATION

### A. EFFECT OF 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.

<sup>&</sup>lt;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 axles regardless of weight, or is used in combination when the weight of such combination exceeds 26,001 pounds gross vehicle weight.

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

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

<sup>&</sup>lt;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>&</sup>lt;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 displaylicense plates.

# **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:

None.

D. FISCAL COMMENTS:

None.