

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 Transportation

BILL: SB 488

INTRODUCER: Senator Massullo

SUBJECT: Department of Highway Safety and Motor Vehicles

DATE: January 9, 2026

REVISED: _____

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Shutes	Vickers	TR	Pre-Meeting
2. _____	_____	ATD	_____
3. _____	_____	FP	_____

I. Summary:

SB 488 amends various provisions related to the Department of Highway Safety and Motor Vehicles (DHSMV), including motor vehicle registration, licensing, and tax-related requirements. Specifically, the bill:

- Revises the short title of s. 207.001, F.S., to the “Florida Motor Fuel Use Tax Act.”
- Specifies the requirements for calculating and reporting the motor fuel use tax and updates other definitions and requirements under the Florida Motor Fuel Use Tax Act.
- Creates penalties for counterfeiting or illegally altering fuel tax licenses and the related permits.
- Amends the required procedures for due dates, electronic submissions, and methods of communications related to motor carriers and fuel taxes.
- Revises penalties and interest calculations for delinquent tax payments and revises the provisions related to the inspection and discontinuation of business operations for motor carriers.
- Provides penalties for specific offenses related to the misuse of motor fuel-tax related documents and establishes detailed requirements for recordkeeping by motor carriers.
- Increases the amount of estimated damage resulting from a crash that is required to be reported to law enforcement from \$500 to \$2,000.
- Amends requirements related to the application process for motor vehicle registrations.
- Expands the types of transactions and circumstances in which DHSMV may use email in lieu of the United States Postal Service to communicate with customers.
- Updates the definition of a “tank vehicle” to place Florida in compliance with the Federal Motor Carrier Safety Regulations.

The bill may have an indeterminate positive fiscal impact on the DHSMV’s expenditures through the use of electronic mail. **See Section V., Fiscal Impact Statement.**

The bill takes effect July 1, 2026.

II. Present Situation:

Florida Diesel Fuel and Motor Fuel Use Tax Act of 1981

In 1981, the Florida Legislature passed Chapter 207, F.S., as the “Florida Diesel and Fuel Motor Use Tax Act of 1981,” which levied taxes for the privilege of operating any commercial motor vehicle upon the public highways of this state. In 1987, responsibility was moved from the Department of Revenue to the Department of Highway Safety and Motor Vehicles (DHSMV) and authority to enter into a cooperative reciprocal agreement with other states was enacted. In 1991, the International Fuel Tax Agreement (IFTA) was formed.

In 1992, Florida joined IFTA, and in 1996, Congress enacted 49 USC 31701-31707, requiring all states (except Alaska and Hawaii) to join IFTA. The legislation provided authority to each state to establish, maintain, or enforce a law or regulation requirement, including any tax reporting form, only if the requirement conforms with IFTA. It also detailed how payment, collection, and proportional sharing of fuel use taxes would work among member states. Chapter 207, F.S., contains language that no longer conforms with the federal IFTA Articles of Agreement.¹

International Fuel Tax Agreement (IFTA)

The IFTA simplifies fuel tax reporting for interstate carriers, such as commercial motor vehicles. Commercial motor vehicles qualify for IFTA if they are used, designed, or maintained for the interstate transportation of persons or property and:

- Have two axles and a gross vehicle weight (GVW) or registered GVW exceeding 26,000 pounds; or
- Have three or more axles, regardless of weight; or
- Are used in combination with a trailer, for a combined GVW or registered GVW in excess of 26,000 pounds.²

The IFTA is a reciprocal agreement, meaning that an IFTA license issued by the jurisdiction where the motor carrier is based, is valid in all the other IFTA member jurisdictions. Additionally, the licensee reports and pays all motor fuel taxes to the base jurisdiction, which handles distribution to all the other member jurisdictions in which the licensee travelled and incurred motor fuel use tax liability. The IFTA member jurisdictions are the lower 48 states and the 10 Canadian provinces.³

IFTA Credentials

Each calendar year, Florida will issue an IFTA license and a set of two IFTA decals per each qualified vehicle. The original IFTA license is kept with the carrier’s records, and copies of the original must be kept in each vehicle, and IFTA decals must be affixed to the outside of each of those vehicles. By having copies of the licenses, and the decals affixed to the outside of the

¹ DHSMV, *2026 Legislative Bill Analysis: SB 488* (October 3, 2025) at p. 3 (on file with the Senate Transportation Committee).

² Department of Highway Safety and Motor Vehicles, *International Fuel Tax Agreement*, <https://www.flhsmv.gov/driver-licenses-id-cards/commercial-motor-vehicle-drivers/international-fuel-tax-agreement/> (last visited December 30, 2025).

³ *Id* at 2.

vehicles, it qualifies them to be operational in all other IFTA jurisdictions without the need for obtaining additional licenses from those jurisdictions.⁴ The IFTA licenses and decals are valid for one calendar year (January 1 – December 31), and reporting for motor fuel taxes is divided into four reporting periods. There is no annual fee associated with the IFTA license, and IFTA decals are \$4.00 per set.⁵

Crash Reporting – Damage Thresholds

A driver of a vehicle involved in a crash that results in injury or death of any person, or results in damage to any vehicle or other property in an apparent amount of at least \$500, must give immediate notification to local law enforcement whether a municipality, county, or Florida Highway Patrol. A violation of this provision is a noncriminal traffic infraction, punishable as a nonmoving violation. The statutory base fine is \$30, but with additional fees and court costs, the total fine may be up to \$108.⁶

In 1989, the amount of property damage necessary to require notification to law enforcement was increased from \$100 to \$500.⁷ Currently, the normal amount for a deductible for vehicle insurance contracts within the insurance industry is between \$500 and \$1,500.⁸ From 2021 to the present, the typical vehicle crash damage repair cost ranged between \$1,000 to \$1,499. The second highest percentage was \$2,000 to \$2,499. Within the same period 60 percent of the vehicle crashes resulted in more than \$2,500 in damage.⁹

Application and Issuance for Certificate of Title

If a certificate of title has not previously been issued for a motor vehicle or mobile home in this state, the application, unless otherwise provided, must be accompanied by a proper bill of sale or sworn statement of ownership, or a duly certified copy thereof, or by a certificate of title, bill of sale, or other evidence of ownership required by the state or county from which the motor vehicle or mobile home was brought into this state.¹⁰ The application must also be accompanied by:

- A sworn affidavit from the seller and purchaser verifying that the vehicle identification number shown on the affidavit is identical to the vehicle identification number shown on the motor vehicle; or
- An appropriate DHSMV form evidencing that a physical examination has been made of the motor vehicle by the owner and by a duly constituted law enforcement officer in any state, a licensed motor vehicle dealer, a license inspector as provided by s. 320.58, F.S., or a notary public commissioned by this state, and that the vehicle identification number shown on such form is identical to the vehicle identification number shown on the motor vehicle; and

⁴ *Id.*

⁵ *Id.*

⁶ Florida Association of Clerks of Court, *2023 Distribution Schedule*, p. 39.

https://cdn.ymaws.com/www.flclerks.com/resource/resmgr/publicationsanddocuments/2023_Distribution_Schedule_e.pdf (last visited December 30, 2025).

⁷ Section 1, Chapter 89-271, Laws of Florida.

⁸ Insurance, L. M. (n.d.). Car Insurance Deductibles: Frequently Asked Questions, *Liberty Mutual*.

<https://www.libertymutual.com/insurance-resources/auto/car-insurance-deductibles-faqs> (last visited December 30, 2025).

⁹ *Id.* at 2.

¹⁰ Section 319.23(3), F.S.

- If the vehicle is a used car original, a sworn affidavit from the owner verifying that the odometer reading shown on the affidavit is identical to the odometer reading shown on the motor vehicle in accordance with the requirements of certain federal regulations.

Verification of the vehicle identification number is not required for any new motor vehicle; any mobile home; any trailer or semitrailer with a net weight of less than 2,000 pounds; or any travel trailer, camping trailer, truck camper, or fifth-wheel recreation trailer.¹¹

Vehicle Registration Requirements – Permanent Address

With limited exceptions, every owner or person in charge of a motor vehicle that is operated or driven on the roads must register the vehicle in this state. The owner or person in charge must apply to the DHSMV or to its authorized agent for registration of each 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.¹²

The application for registration must include the street address of the owner's permanent residence or the address of his or her permanent place of business and be accompanied by personal or business identification information. An individual applicant must provide a valid driver license or identification card issued by Florida or another state or a valid passport. A business applicant must provide a federal employer identification number, if applicable, or verification that the business is authorized to conduct business in the state, or a Florida municipal or county business license or number.¹³

If the owner does not have a permanent residence or permanent place of business, or if the owner's permanent residence or permanent place of business cannot be identified by a street address, the application must include:

- If the vehicle is registered to a business, the name and street address of the permanent residence of an owner of the business, an officer of the corporation, or an employee who is in a supervisory position.
- If the vehicle is registered to an individual, the name and street address of the permanent residence of a close relative or friend who is a resident of this state.¹⁴

If the vehicle is registered to an active-duty member of the Armed Forces of the United States who is a Florida resident, the active-duty member is exempt from the requirement to provide the street address of a permanent residence.¹⁵

¹¹ *Id.*

¹² Section 320.02(1), F.S.

¹³ Section 320.02(2)(a), F.S.

¹⁴ *Id.*

¹⁵ *Id.*

Electronic Notification to Customers – Use of Email

Notices related to the cancellation, suspension, revocation, or disqualification issued under the provisions of chs. 318, 320, 322, 324, or ss. 627.732-627.734, F.S.,¹⁶ must be given via personal delivery to the customer via the United States Postal Service at which it is placed in an envelope, first class, postage prepaid and addressed to the customer at his or her last known mailing address that has been furnished to the DHSMV.

Currently, the DHSMV is authorized to collect and utilize email addresses for the limited purpose of providing certain motor vehicle registration and driver's license renewal notices.

Definition of Tank Vehicles

Section 322.01(44), F.S. defines a “tank vehicle” as a vehicle that is designed to transport any liquid or any liquid gaseous material within a tank either permanently or temporarily attached to the vehicle, if such tank has a designed capacity of 1,000 gallons or more.

According to the DHSMV, this definition is not currently aligned with the Federal Motor Carrier Safety Administration (FMSCA) definition.¹⁷ The FMSCA has the power to withhold federal funding from the state should they find that the DHSMV is not in compliance with the applicable federal legal requirements.¹⁸

III. Effect of Proposed Changes:

International Fuel Tax Agreement

The bill amends various sections of ch. 207, F.S., to update Florida law to reflect the changes in federal regulations pertaining to IFTA so that Florida remains compliant with those federal regulations. For example, the bill:

- Specifies the requirements for calculating and reporting the motor fuel use tax and updates other definitions and requirements under the Florida Motor Fuel Use Tax Act.
- Establishes a licensing system for motor carriers in lieu of registration and mandates electronic submission for tax and licensing documents.
- Creates penalties for counterfeiting or illegally altering fuel tax licenses and the related permits.
- Amends the required procedures for due dates, electronic submissions, and methods of communications related to motor vehicles and fuel taxes.

¹⁶ These chapters govern the disposition of traffic infractions, motor vehicle registration, driver licensing, financial responsibility, and motor vehicle insurance.

¹⁷ 49 CFR 383.5, provides that a “tank vehicle” means any commercial motor vehicle that is designed to transport any liquid or gaseous materials within a tank or tanks having an individual rated capacity of more than 119 gallons and an aggregate rated capacity of 1,000 gallons or more that is either permanently or temporarily attached to the vehicle or the chassis. A commercial motor vehicle transporting an empty storage container tank, not designed for transportation, with a rated capacity of 1,000 gallons or more that is temporarily attached to a flatbed trailer is not considered a tank vehicle.

¹⁸ DHSMV, *2025 Legislative Bill Analysis: SB 1290* (February 26, 2025) at p. 5 (on file with the Senate Transportation Committee).

- Revises penalties and interest calculations for delinquent tax payments and revises the provisions related to the inspection and discontinuation of business operations for motor carriers.
- Provides penalties for specific offenses related to the misuse of motor fuel-tax related documents and establishes detailed requirements for recordkeeping by motor carriers.
- Incorporates numerous conforming provisions throughout ch. 207, F.S.

Crash Reporting – Damage Thresholds

The bill amends s. 316.065, F.S., to require the driver of a vehicle that is involved in a crash that results in injury or death of any person, or results in damage to any vehicle or other property in an apparent amount of at least \$2,000 (currently \$500), must give immediate notification to local law enforcement or the Florida Highway Patrol.

Motor Vehicle Registration – Permanent Address

The bill amends s. 320.02, F.S., to provide that an application for registration of a motor vehicle must include the street address of the owner's Florida residence or the address of his or her permanent place of business in Florida and be accompanied by specified personal or business identification. The bill repeals the current authorization for a vehicle owner who does not have a permanent address or place of business in Florida to register a vehicle under certain conditions.

Specifically, the bill provides that an applicant for a motor vehicle registration is required to have a valid, REAL ID compliant driver's license or identification card issued by Florida or another state, a valid unexpired United States passport, or a valid, unexpired passport issued by another country and an unexpired Form I-94 issued by the United States Bureau of Customs and Border Protection. According to the DHSMV, there are currently 262,167 driver licenses in Florida that are not yet REAL-ID compliant, and the federal REAL-ID deadline is May 7, 2025.¹⁹

The bill also stipulates that if a vehicle is registered to a service member of the U.S. Armed Forces as defined in s. 322.57(4)(a), F.S., who is a Florida resident, the registrant is exempt from the requirement to provide a street address for a permanent Florida residence.

Electronic Notification of Customers Via Email

The bill amends ss. 320.95, 322.08, 322.18, 322.21, 322.251, 322.2616, 322.64, 324.091, and 328.30, F.S., to expand the types of transactions and circumstances in which DHSMV may use email in lieu of the United States Postal Service to communicate with customers. Specifically, the bill authorizes email to be used as a method of general notification for various notices and orders issued by DHSMV, including, but not limited to, notices related to driver licenses, identification cards, motor vehicle registrations, motor vehicle insurance, and vessel registrations.

¹⁹ *Id* at p. 6

SB 490, which is linked to this bill, expands provisions related to current public record exemptions for email addresses held by the DHSMV used in connection with:

- Motor vehicle title transactions.
- Motor vehicle registration renewal notices.
- Driver license renewal notices.
- Vessel title transactions and liens.

Definition of Tank Vehicles

The bill amends s. 322.01(44), F.S., to change the definition of a “tank vehicle” to a vehicle designed to transport any liquid or gaseous material within one or more tanks, each with a capacity above 119 gallons and an aggregate rated capacity of 1,000 gallons or more. A commercial motor vehicle transporting an empty storage container that is not designed for transportation but that is temporarily attached to a flatbed trailer is not a tank vehicle. This change places Florida in substantial compliance with Parts 383 and 384 of the FMCSA.

The bill includes various conforming provisions and corrects several cross-references.

This bill takes effect July 1, 2026.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

Not applicable.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

Not applicable. The bill does not impose or raise a state tax or fee nor repeal a state credit or exemption.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The bill may have an indeterminate positive fiscal impact on state government as DHSMV's expenditures could decrease as a result of notices and orders being provided via electronic mail and not through the United States Postal Service.

According to the DHSMV, FHP and tax collector training will be required to implement several provisions of the bill.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 207.001, 207.002, 207.003, 207.004, 207.005, 207.007, 207.008, 207.011, 207.013, 207.014, 207.019, 207.023, 207.0281, 212.08, 316.065, 316.545, 318.15, 319.35, 320.02, 320.95, 320.95, 322.01, 322.08, 322.18, 322.21, 322.251, 322.2616, 322.64, 324.091, 324.091, 324.171, 328.30, and 627.7415.

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.