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 Budget Subcommittee on Transportation, Tourism, and Economic **Development Appropriations** SB 812 BILL: Senator Norman INTRODUCER: Motor Vehicles SUBJECT: February 17, 2012 DATE: **REVISED:** ANALYST STAFF DIRECTOR ACTION REFERENCE 1. Fleming Carter MS **Favorable** 2. Abrams Buford TR Favorable 3. Smith BTA Meyer, R. **Pre-meeting** 4. BC 5. 6.

I. Summary:

The bill authorizes Florida residents who are active military members currently serving in or assigned to another country to obtain one standard registration and license plate without charge. An eligible military member may opt to obtain a specialty license plate, without charge, with the exception of the fee that applies specifically to the chosen specialty license plate.

The bill provides an effective date of July 1, 2012.

The bill creates section 320.08465 of the Florida Statutes.

II. Present Situation:

The Department of Highway Safety and Motor Vehicles (DHSMV) administers the issuance of motor vehicle license plates as a part of the tag and registration requirements specified in ch. 320, F.S. License plates are issued for a 10-year period and are replaced upon renewal at the end of the 10-year period.¹ The license plate fee for both an original issuance and replacement is \$28.00.² An advance replacement fee of \$2.80 is applied to the annual vehicle registration and is credited towards the next replacement. Section 320.08, F.S., requires the payment of an annual license tax that varies by motor vehicle type and weight; for a standard passenger vehicle weighing between 2,500 and 3,500 pounds, the annual tax is \$30.50.

¹ Section 320.06, F.S.

² An initial issuance requires a fee of \$225, pursuant to s. 320.072, F.S.

Current law provides for several types of license plates. In addition to plates issued for governmental or business purposes, DHSMV offers four basic types of plates to the general public:

- Standard Plates: The standard license plate currently comes in three configurations, which include the county name designation, the state motto designation, and the state slogan designation.
- Specialty License Plates: Specialty license plates are used to generate revenue for colleges, universities and other civic organizations. The recipient must pay applicable taxes pursuant to ss. 320.08, F.S., and 320.06(1)(b), F.S., and an additional charitable contribution ranging from \$15 to \$25 as provided in section 320.08056(a) (zzz), F.S., in order to receive a specialty license plate.
- Personalized Prestige License Plates: Personalized license plates are available to motorists who wish to personalize a license plate. Personalized license plates allow motorists to define the alpha numeric design (up to 7 characters) on a standard plate that must be approved by the DHSMV. The cost for a personalized prestige license plate (in addition to the applicable tax in section 320.08, F.S.) is \$15 (\$10 use fee and \$5 processing fee), pursuant to s. 320.0805, F.S.
- Special Use License Plates: Certain members of the general public may be eligible to apply for special use license plates if they are able to document their eligibility pursuant to various sections of ch. 320, F.S. This category of plates primarily includes special military license plates, as well as plates for the handicapped. Examples include the Purple Heart, National Guard, U.S. Armed Forces, Ex-POW, Pearl Harbor, Operation Iraqi Freedom, and Operation Enduring Freedom plates,³ Disabled Veteran plates,⁴ and Paralyzed Veterans of America plates.⁵

III. Effect of Proposed Changes:

Section 1 creates s. 320.08465, F.S., to enable Florida residents who are active military members currently serving in or assigned to another country to be issued one standard registration and license plate without charge. An eligible military member may opt to obtain a specialty license plate, without charge, with the exception of the applicable specialty license plate fee as provided in s. 320.08056(a)-(zzz), F.S.

Section 2 provides an effective date of July 1, 2012.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

³ Section 320.089, F.S. Some of these plates require payment of the annual license tax in s. 320.08, F.S., while others are exempt from the tax.

⁴ Section 320.084, F.S. The statute provides that an eligible person may receive one free Disabled Veteran license plate, although other taxes apply.

⁵ Section 320.0845, F.S. This plate requires payment of the annual license tax in s. 320.08, F.S.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Active military members who are currently stationed in or assigned to a foreign country can provide proof of eligibility and be issued a license plate at no cost.

C. Government Sector Impact:

On November 30, 2011, the total deployed military service members claiming Florida residency was 7,649.⁶ However, the amount of revenue the DHSMV will forego as a result of the bill is indeterminate because the number of Florida registrants who will apply for registrations or plates is unknown.

VI. Technical Deficiencies:

The bill does not specify what constitutes proof of eligibility and what must be submitted by active military members who are currently stationed in or assigned to a foreign country.

VII. Related Issues:

None.

VIII. Additional Information:

A. Committee Substitute – Statement of Substantial Changes: (Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

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

⁶ Defense Manpower Data Center, Unit*/Home Residence for Service Members Currently Deployed (December 28, 2011) (on file with Senate Transportation Committee).