

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 Appropriations

BILL: CS/CS/SB 234

INTRODUCER: Judiciary Committee; Infrastructure and Security Committee; and Senator Baxley

SUBJECT: Registration and Titling of Vehicles and Vessels

DATE: March 26, 2019

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Proctor</u>	<u>Miller</u>	<u>IS</u>	Fav/CS
2.	<u>Davis</u>	<u>Cibula</u>	<u>JU</u>	Fav/CS
3.	<u>Wells</u>	<u>Kynoch</u>	<u>AP</u>	Favorable

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/CS/SB 234 authorizes a natural person who owns a heavy truck that weighs between 5,001 and 7,999 pounds to renew his or her registration during his or her birth month rather than exclusively in December, as currently required by law. This change will allow a person to renew registrations for other motor vehicles at the same time as the heavy truck registration and will also benefit the Department of Highway Safety and Motor Vehicles (DSHSMV) and tax collector offices by reducing the workload on their staffs in December.

The bill expands the documentation that is acceptable for a surviving spouse or owner to rely upon when applying to transfer title to a motor vehicle or vessel from a deceased person. By authorizing the DSHSMV and tax collector offices to use an electronic file of death records maintained by the Department of Health to verify information, applicants are no longer required to personally produce a certified death certificate to complete the transfer.

The effective date of the bill is July 1, 2019, with a later effective date of September 1, 2020, for the revised heavy truck registration periods.

This bill has a minimal impact on state revenues and expenditures.

II. Present Situation:

Registration of Heavy Trucks

According to the Department of Highway Safety and Motor Vehicles (DHSMV), as of August 2018 approximately 21.5 million vehicles, vessels, and mobile homes were registered in the state. At the beginning of this year, 766,000 “heavy trucks” were registered in the weight range of 5,001 to 7,999 pounds.¹ Some examples of those trucks are the Chevrolet Silverado 1499 and 2500 HD, Ford F-250 and F-350, Nissan Titan, Ram 1500, 2500, and 3500, and the Dodge Sierra 2500 HD and 3500 HD. Individual heavy truck owners account for 88.6 percent of total registrations, or approximately 678,676 vehicles, while business owners comprise 11.4 percent, or approximately 87,324 vehicles.²

The registration renewal fee for heavy trucks weighing 5,001 to 5,999 pounds is \$60.75³ and the registration fee for heavy trucks weighing 6,000 to 7,999 pounds is \$87.75.⁴ Section 320.0705(1), F.S., permits certain heavy trucks to renew their registrations semi-annually, if the amount of the license tax due exceeds \$100 and the registration fee is not required to be apportioned. Because the registration fee for heavy trucks weighing between 5,001 and 7,999 pounds does not meet the \$100 threshold, owners are not permitted to register them semi-annually.

Motor vehicle registrations, including heavy trucks, may be renewed at a DHSMV service center, a tax collector’s office, or via the DHSMV’s Virtual Office website. Registrants, whether individuals or businesses, are allowed to renew their registrations either annually or biennially.⁵ The majority of vehicle registrations are renewed during the primary registrant’s birth month.⁶

Since 1983, however, all heavy truck owners have been required to renew their registrations in December. According to the DHSMV, approximately 84 percent of the heavy truck renewals take place in person in the tax collector offices while 16 percent occur through the DHSMV’s Virtual Office website.⁷ As a result, December is both a high volume month for the tax collector offices’ staff and a crowded time for someone seeking to renew a registration in person. A person who owns a vehicle and a heavy truck and wants to renew the registrations in person may be required to make two separate trips to renew those vehicles; during his or her birth month and then again in December to renew the heavy truck.

¹ A heavy truck is defined in s. 320.01(10), F.S., as any motor vehicle with a net vehicle weight of more than 5,000 pounds, which is registered on the basis of gross vehicle weight in accordance with s. 320.08(4), and which is designed or used for the carriage of goods or designed or equipped with a connecting device for the purpose of drawing a trailer that is attached or coupled thereto by means of such connecting device and includes any such motor vehicle to which has been added a cabinet box, a platform, a rack, or other equipment for the purpose of carrying goods other than the personal effects of the passengers.

² Florida Department of Highway Safety and Motor Vehicles, *2019 Agency Analysis of Senate Bill 234*, (Dec. 12, 2018) on file with the Senate Appropriations Subcommittee on Transportation, Tourism, and Economic Development.

³ Section 320.08(4)(a), F.S.

⁴ Section 320.08(4)(b), F.S.

⁵ Sections 320.055(1) and 320.07(2)(b), F.S.

⁶ *Supra* note 2.

⁷ *Id.*

The owner of any motor vehicle registered in Florida may renew his or her registration any time during the three months before the expiration of the registration period.⁸

Transfer of Registration and Title from a Deceased Person

Vehicles

In order for a surviving spouse to receive title to a motor vehicle that was owned by the deceased spouse, he or she must present an application and an original or certified copy of a death certificate.⁹ If the name of the surviving spouse is not on the death certificate, the surviving spouse must also provide a marriage certificate and proof of identity.¹⁰

Vessels

The new owner or surviving co-owner of a vessel who wants to transfer the title from a deceased title owner must submit an application along with the original certificate of title and the decedent's probated last will and testament or letters of administration appointing the personal representative. In lieu of a probated will and letters of administration, a copy of the decedent's death certificate, a copy of the decedent's last will and testament, and an affidavit by the decedent's surviving spouse or heirs affirming rights of ownership may be accepted by the DHSMV.¹¹

Death Certificates

A certificate for each death in Florida is filed electronically on the Department of Health's electronic death registration system and must contain certain information about the decedent.¹² In Florida, certified death certificates are issued by the Bureau of Vital Statistics of the Department of Health.¹³ A certified death certificate may be obtained by going in person to the bureau, located in Jacksonville, or the local county health department where the death occurred; ordering online or by phone; or ordering by a mailed request form.¹⁴ The Department of Health is permitted in statute to issue records or data to other governmental agencies upon terms and conditions prescribed by the department.¹⁵ Currently, the DHSMV and tax collector offices do not have access to such records in their offices; however, there are certain death records that could be made available electronically that would enable verification of the status of the deceased vehicle or vessel owner in lieu of a hardcopy of a certified death certificate.

⁸ Section 320.071, F.S.

⁹ Department of Highway Safety and Motor Vehicles, *Application for Surviving Spouse Transfer of Florida Certificate of Title for a Motor Vehicle* (July 2017), <https://www.flhsmv.gov/pdf/forms/82152.pdf> (last visited March 12, 2019); s. 20.0609(7), F.S.

¹⁰ Department of Highway Safety and Motor Vehicles, *Getting a Hassle Free Title Frequently Asked Questions*, "How do I obtain a new motor vehicle title if my deceased spouse is listed on the title?", <https://www.flhsmv.gov/title-faq/> (last visited March 12, 2019).

¹¹ Section 328.01(3)(c), F.S.

¹² Section 382.008, F.S.

¹³ Section 382.025(2) and (4), F.S.

¹⁴ Department of Health, *Certificates: Death*, <http://www.floridahealth.gov/certificates/certificates/death/index.html> (last visited March 21, 2019).

¹⁵ Section 382.025(3)(c), F.S.

III. Effect of Proposed Changes:

Registration of Heavy Trucks

The bill amends s. 320.055, F.S., (Section 1) effective September 1, 2020, to change the date of heavy truck renewals for trucks weighing 5,001 to 7,999 pounds and owned by *natural persons*, from December to the 30-day period ending at midnight on the registrant's birth date. This will allow an owner to complete registrations for his or her heavy trucks and any other motor vehicle in one trip, if the owner prefers to complete the registration in person.

Businesses registering heavy trucks weighing 5,001 to 7,999 pounds would continue to register their vehicles in December. Similarly, all owners of heavy trucks weighing 8,000 pounds or more would continue to register their vehicles in December.

To implement the change in renewal dates, the bill requires the DHSMV to prorate registration renewal fees to give customers the option to renew their registrations on their dates of birth in 2021 or 2022 (Section 2). Customers whose dates of birth occur in the months of January through June may choose to renew for 1 to 18 months, and customers whose dates of birth occur in the months of July through December may choose to renew for 7 to 24 months. The bill limits the option to prorate to renewal or unexpired registrations and registrations that have been expired for not more than 30 days.

Transfer of Registration and Title from a Deceased Person

The bill amends ss. 320.0609 and 328.01, F.S., (Section 2 and 6) dealing with the transfer of title for motor vehicles and vessels, respectively. To transfer a title of a deceased owner the DHSMV is authorized to verify the needed information through the electronic file of death records maintained by the Department of Health in lieu of a certified death certificate. This will make it easier for the applicant to complete the title transfer because the records will already be present and accessible in the tax collector offices.

Technical and conforming changes are made to ss. 320.07 and 320.0705, F.S., (Section 4 and 5) to incorporate changes made by the bill.

The effective date of the bill is July 1, 2019, with a later effective date of September 1, 2020, for the revised heavy truck registration periods.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

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:

None.

B. Private Sector Impact:

Beginning September 1, 2020, heavy truck registrants will have the option to renew their registrations on their birth dates in 2021 or 2022. Customers whose birth dates occur in the months of January through June may choose to renew for 1 to 18 months, and customers whose birth dates occur in the months of July through December may choose to renew for 7 to 24 months.

The changes made by the bill will make certain registrations and title changes easier to complete for motor vehicle and vessel owners. Allowing the use of an electronic death certificate to verify information needed to transfer the title of a deceased motor vehicle or vessel owner may save surviving owners the cost to obtain a certified death certificate.

C. Government Sector Impact:

The Revenue Estimating Conference (REC) met on January 18, 2019, and considered a similar provision to the one in the bill prorating registration renewals for specified motor vehicles.¹⁶ In calculating the fiscal impact, the REC assumed customers would elect to maximize the duration of the renewal period, effectively paying more for a longer renewal period. The REC calculated there will be a positive, non-recurring impact of \$1.6 million in revenue (\$416,439 to the General Revenue Fund and approximately \$1.2 million to the State Transportation Trust Fund) for Fiscal Year 2020-2021.

The DHSMV estimates that programming and implementation will require 459 hours. These hours could likely have a fiscal impact to the DHSMV of \$25,305 in state

¹⁶ Office of Economic and Demographic Research, Revenue Estimating Conference, *Highway Safety Fees: HB 87 – With Amendment*, January 18, 2019, http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2019/_pdf/page1-3.pdf (last visited March 21, 2019).

employee and contracted resources. However, all expenses will be absorbed within existing resources.¹⁷

The DHSMV and tax collector offices will see a reduced workload in December due to the change for natural persons to register certain heavy truck during their birth months. Revenue that otherwise would be anticipated to be received in December from renewals would instead be received throughout the fiscal year.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 320.055, 320.0609, 320.07, 320.0705, and 328.01.

IX. Additional Information:

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

CS/CS by Judiciary on March 11, 2019:

Language was removed that:

- Required the DHSMV to develop a methodology for prorating motor vehicle registration renewal fees; and
- Limited proration to the renewal of an unexpired registration or a registration that had been expired for no more than 30 days.

Language was added to clarify that, when someone attempts to transfer title and a death certificate is not presented, the DHSMV or its agent may verify the necessary information through the electronic file of death records maintained by the DOH.

CS by Infrastructure and Security on February 19, 2019:

- Effective September 1, 2020, requires the DHSMV to develop a methodology to prorate motor vehicle registration renewal fees. The methodology must give customers the option to renew their registrations on their dates of birth in 2021 or 2022.
- Provides for the utilization of an electronic file of death record maintained by the DOH in lieu of a death certificate for a motor vehicle registration or vessel title transfer.

¹⁷ *Supra* note 2.

B. Amendments:

None.

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