

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 167 Temporary Motor Vehicle License Tags

SPONSOR(S): Cretul and others

TIED BILLS: **IDEN./SIM. BILLS:** CS/SB 544

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Committee on Infrastructure</u>	<u>8 Y, 0 N</u>	<u>Cortese</u>	<u>Miller</u>
2) <u>Economic Expansion & Infrastructure Council</u>	<u>14 Y, 0 N, As CS</u>	<u>Cortese/ Madsen</u>	<u>Tinker</u>
3) <u>Policy & Budget Council</u>	<u></u>	<u></u>	<u></u>
4) <u></u>	<u></u>	<u></u>	<u></u>
5) <u></u>	<u></u>	<u></u>	<u></u>

SUMMARY ANALYSIS

This bill changes Florida law regarding the placement of temporary tags on vehicles, the specifications for the media on which temporary tags should be printed, and allows motor vehicle dealers to charge a fee to comply with the required implementation of an electronic print on demand temporary tag issuance system.

Currently, temporary tags may be displayed in the rear license plate bracket or, attached to the inside of the rear window so as to be clearly visible from the rear of the vehicle. This bill will require that temporary tags be displayed within the rear license plate bracket. Additionally, on vehicles requiring front display of license plates, temporary tags would be displayed on the front of the vehicle in the location where the metal license plate would normally be displayed. This bill also adds a requirement that temporary tags must be printed on material that is either nonpermeable or subject to waterproofing so that it maintains its structural integrity.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Maintain public security- This bill will increase the intelligence and resources available to law enforcement by providing a uniform system for the display of temporary license plates.

B. EFFECT OF PROPOSED CHANGES:

Current Situation

Under current law, the Department of Highway Safety and Motor Vehicles (DHSMV) has the discretion to issue temporary license plates to applicants demonstrating a need for such temporary use.¹ Florida automobile dealers are required to use a secure print-on-demand electronic system to issue temporary tags and, unless otherwise provided, temporary tags are valid for 30 days.² Temporary tags should be displayed in the rear license plate bracket or attached to the inside of the rear window in an upright position so as to be clearly visible from the rear of the vehicle.³

Effect of Proposed Changes

There are three primary changes to statute within CS/HB 167.

1. Implementation and dealer fee for an electronic print-on-demand temporary tag issuance system.

CS/SB 1134, passed during the 2007 regular session created section 320.96, F.S. This section requires DHSMV to implement a secure print-on-demand electronic temporary license plate registration, record retention, and issue system for use by every department-authorized issuer of temporary license plates by the end of the 2007-2008 fiscal year. This bill repeals section 320.96, F.S., and adds the mandatory implementation language to section 320.131, F.S. The bill also authorizes motor vehicle dealers to charge a fee to comply with this section.

2. Specifications for the media on which temporary tags should be printed.

Section 320.96, F.S., also makes provisions for the material on which temporary tags should be printed. The temporary license plate media “shall be a nonpermeable material that maintains its structural integrity, including graphic and data adhesion, in all weather conditions after being placed on a vehicle.” This bill retains the criteria for the temporary tag material by putting new language in s. 320.131(4), F.S., which has the same requirements as the repealed section, except that the material may be either nonpermeable or subject to waterproofing.

3. Placement of temporary license plates on vehicles.

Currently, s. 320.96 F.S., states that “for public safety in general and for the safety of law enforcement officers, placement of temporary license plates on the outside of the vehicle and in the provided license plate mount when available is encouraged.” The bill repeals this section.

¹ Section 320.131 (1)(k), F.S.

² Section 320.131 (2), F.S.

³ Section 320.131(4), F.S.

Section 320.131 (4), F.S., allows temporary tags to be displayed in the rear license plate bracket or, attached to the inside of the rear window in an upright position so as to be clearly visible from the rear of the vehicle. The bill deletes the language allowing temporary tags to be displayed in the vehicle's rear window so that temporary tags must be displayed within the rear license plate bracket. Additionally, on vehicles requiring front display of license plates, temporary tags must be displayed on the front of the vehicle in the location where the metal license plate would normally be displayed.

C. SECTION DIRECTORY:

Section 1- Subsections (4) and (8) of section 320.131, F.S., are amended to require new specifications for the media on which tags are printed, and for the display of temporary tags on vehicles. Subsection (9) is added to require the Department of Highway Safety and Motor Vehicles to implement an electronic, print-on demand, temporary tag issuance system.

Section 2- Section 320.96, F.S., is repealed.

Section 3- This act shall take effect upon becoming a law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None

2. Expenditures:

Based on preliminary estimates, DHSMV anticipates a future savings in the amount of \$88,282 annually because printing temporary tags would now be primarily the responsibility of motor vehicle dealers.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

This bill authorizes motor vehicle dealers to charge a fee in order to cover the expense of an electronic print- on- demand tag system. According to DHSMV, just over 2 million temporary tags were issued during the 2006-2007 fiscal year. The impact on the private sector would depend on how much dealers will charge per temporary tag. If it is assumed that the cost per tag charged by dealers may range from \$2 to \$10 per tag, the impact would range from \$4 million to \$20 million. However, because the amount

that dealers would charge is unknown the total fiscal impact to the private sector cannot be accurately estimated.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable because the bill does not appear to: require counties or cities to spend funds or take action requiring the expenditure of funds; reduce the authority that cities or counties have to raise revenues in the aggregate; or reduce the percentage of a state tax shared with cities or counties.

2. Other:

None

B. RULE-MAKING AUTHORITY:

The bill specifically authorizes DHSMV to adopt rules to implement the temporary tag program.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

D. STATEMENT OF THE SPONSOR

No statement submitted.

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES

On February 21, 2008, this bill was considered by the Committee on Infrastructure. An amendment was adopted which required implementation of an electronic print on demand temporary tag system; and which authorized motor vehicle dealers to charge a fee in order to comply. The bill was reported favorably with one amendment.

On April 11, 2008, HB 167 was heard by the Economic Expansion and Infrastructure Council. The bill was reported favorably as a council substitute.