

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 167 Temporary Motor Vehicle License Tags

SPONSOR(S): Cretul and others

TIED BILLS: IDEN./SIM. BILLS: 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></u>	<u></u>	<u></u>
3) <u>Policy & Budget Council</u>	<u></u>	<u></u>	<u></u>
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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 the current requirement for 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.

This bill gives the Department of Highway Safety and Motor Vehicles (DHSMV) the authority to implement a print-on-demand electronic temporary license plate system with voluntary participation. Rather than requiring the implementation of a mandatory temporary tag issuance system as provided in current law, this bill would allow the creation of an optional electronic print-on-demand system.

Note: Please see part VI. Amendments or Council Substitute Changes, below for the effect of an amendment adopted by the Committee on Infrastructure which is traveling with the bill.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Provide limited government- This bill will remove the requirement for a governmental organization to implement a new system for the issuance of temporary license plates.

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 has the discretion to issue temporary license plates to applicants demonstrating a need for such temporary use.¹ Florida automobile dealers are licensed 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 HB 167.

1. Implementation of an electronic print-on-demand temporary tag issuance system.

C.S. for S.B. 1134, passed during the 2007 regular session created s. 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. "Secure print-on-demand" as defined in the bill meant validating state registration data using higher levels of commercially accepted data encryption methods from the point of department connectivity to the license plate printer.

The bill repeals the mandatory electronic temporary tag provisions of s. 320.96, F.S., and instead gives the DHSMV the authority to implement a print-on-demand electronic temporary license plate system with voluntary participation. Rather than requiring the implementation of an electronic print-on-demand temporary tag issuance system, this bill would give the department the option to implement such a system while repealing the implementation mandate.

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.

¹ Section 320.131 (1)(k), F.S.

² Section 320.131 (2), F.S.

³ Section 320.131(4), F.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.

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 s. 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 give the Department of Highway Safety and Motor Vehicles the authority to implement an optional electronic, print-on demand, temporary tag issuance system.

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

Section 3- This act shall take effect July 1, 2008.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

By making the use of the electronic print-on-demand temporary tag system permissive rather than mandatory, motor vehicle dealers and other sellers of vehicles that issue temporary tags would have the option of issuing the preprinted cardboard temporary tag with the required information being written on the tag's face. Information regarding the person being issued a temporary tag and the vehicle being assigned the tag would not have to be electronically submitted to DHSMV.

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:

N/A

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 substantially changed the intent of the bill to require implementation of an electronic print on demand temporary tag system; and authorized motor vehicle dealers to charge a fee in order to comply. The bill was reported favorably with one amendment. The bill as amended will now have a direct economic impact on the private sector. Automobile dealers, to cover their expenses, would be

authorized to charge an indeterminate fee to any purchaser needing a temporary tag. These expenses could include the cost of printing equipment, temporary tag stock, and other costs associated with issuing temporary tags. 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 of the amendment cannot be accurately estimated.