

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 Appropriations Subcommittee on Transportation, Tourism, and Economic Development

BILL: CS/SB 1072

INTRODUCER: Transportation Committee and Senator Evers

SUBJECT: Registration of Agriculture Transport Vehicles

DATE: April 1, 2015

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Jones	Eichin	TR	Fav/CS
2.	Wells/Miller	Miller	ATD	Pre-meeting
3.			AP	

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 1072 defines the term “melon hauling vehicle” and establishes a \$7.50 annual license tax for the operation of such vehicle.

The bill exempts a driver of a melon hauling vehicle from having to possess a commercial driver license which costs \$75, compared with a cost of \$48 for an operators license.

The Department of Highway Safety and Motor Vehicles (DHSMV) reports there would be an indeterminate revenue loss to both the General Revenue Fund and the State Transportation Trust Fund due to the lower vehicle license tax for melon hauling vehicles. There would also be an indeterminate loss of revenue to these funds due to the commercial driver license exemption.

The bill provides for an effective date of July 1, 2015.

II. Present Situation:

Agricultural Vehicle License Taxes

Annual license taxes for the operation of motor vehicles registered in Florida are provided in s. 320.08, Florida Statutes. The owner of a truck with a net weight of less than 5,000 pounds is taxed based on the weight ranging from a \$14.50 flat tax to \$32.50. A “heavy truck” weighs over

5,000 pounds, and is taxed based on gross vehicle weight, which ranges from a \$60.75 flat tax to \$1,322.

A reduced flat tax is available for the operation of certain heavy trucks used as agricultural vehicles. Specifically, a truck tractor or heavy truck, not operated as a for-hire vehicle, engaged exclusively in transporting raw, unprocessed, and nonmanufactured agricultural or horticultural products within 150-miles of its home address, is eligible for a restricted license plate for a fee of¹:

- \$87.75 flat, if such vehicle's declared gross weight is less than 44,000 pounds; or
- \$324, flat, if such vehicle's gross weight is 44,000 pounds or more and such vehicle only transports from:
 - Point of production to point of primary manufacturer;
 - Point of production to the point of assembling the same;
 - Point of production to a shipping point by rail, water, or motor transportation company.

Similarly, a reduced flat tax is available for the operation of a "goat," which is a motor vehicle designed, constructed, and used principally for the transportation of crops on farms,² and other vehicles used in the field by a farmer, or in the woods for the purpose of harvesting crop, and which *is not principally operated* on the roads of the state has an annual license tax of \$7.50.³

Commercial Driver Licenses (CDL)

A driver must have a CDL to operate⁴:

- A single vehicle with a gross vehicle weight rating (GVWR)⁵ of over 26,000 pounds;
- A combination vehicle with a gross combination weight rating of over 26,000 pounds, if the trailer(s) has a gross vehicle weight rating of over 10,000 pounds;
- A vehicle designed to transport 16 or more passengers (including the driver); and
- A vehicle of any size transporting placardable amounts of hazardous materials.

Each state must have minimum standards for the licensing of commercial drivers. To apply for a CDL in Florida, a driver must have an operator's license, pass the vision requirements, and be at least 18 years of age.⁶ The fee for original issuance or renewal of a CDL is \$75.⁷ An applicant for a CDL is required to pass both skills and knowledge testing related to driving a commercial motor vehicle, and is held to higher standards concerning traffic laws when operating any type of motor vehicle on public roads.⁸

¹ Section 320.08(4)(n), F.S.

² Section 320.08(3)(d), F.S.

³ *Id.*

⁴ Department of Highway Safety and Motor Vehicles, *About Driver Licenses and ID Cards*, <http://www.flhsmv.gov/ddl/dlclass.html> (last visited Mar. 10, 2015).

⁵ The gross vehicle weight rating (GVWR), or gross vehicle mass (GVM) is the maximum operating weight/mass of a vehicle as specified by the manufacturer including the vehicle's chassis, body, engine, engine fluids, fuel, accessories, driver, passengers and cargo but excluding that of any trailers.

⁶ DHSMV website, *How do I obtain my Commercial Driver License (CDL)?* <http://www.flhsmv.gov/ddl/cdl.html> (last visited Mar. 10, 2015). Must be 21 years of age or older for interstate operation.

⁷ Section 322.21(1)(a), F.S.

⁸ Federal Motor Carrier Safety Administration, *Commercial Driver's License Program*, <http://www.fmcsa.dot.gov/registration/commercial-drivers-license> (last visited Mar. 10, 2015).

Section 322.53, F.S., provides an exemption from the requirement to obtain a CDL for:

- Drivers of authorized emergency vehicles;
- Military personnel driving vehicles operated for military purposes;
- Farmers transporting agricultural products, farm supplies, or farm machinery to or from their farms and within 150 miles of their farm, if the vehicle is not used in the operations of a common or contract motor carrier;
- Drivers of recreational vehicles⁹;
- Drivers who operate straight trucks¹⁰ and who are transporting exclusively their own tangible personal property, which is not for sale; and
- Employees of a publicly owned transit system who are limited to moving vehicles for maintenance or parking purposes exclusively within the restricted-access confines of a transit system's property.

III. Effect of Proposed Changes:

The bill defines “melon hauling vehicle” to mean a vehicle that has been modified from its original use so that the transport of melons from a farm or harvest place to the first point of processing, storage, or directly to market is the vehicle’s primary purpose.

The bill provides that a modified agricultural vehicle has a \$7.50 flat annual license tax.

The bill also exempts drivers of such vehicles from the requirement to obtain a CDL. The driver would still be required to possess an operators (Class E) license, which costs \$48 for original issuance or renewal.¹¹ Although no CDL is required, such drivers must comply with the federal regulations concerning controlled substances and alcohol testing,¹² driving of commercial vehicles,¹³ parts and accessories necessary for safe operation,¹⁴ and inspection of motor vehicles and intermodal equipment in operation.¹⁵

The bill takes effect July 1, 2015.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

⁹ As defined in s. 320.01(1)(b), F.S., The basic entities are: travel trailers, camping trailers, truck campers, motor homes, private motor coach, van conversion, park trailer, and fifth-wheel trailer.

¹⁰ Section 316.003(70), F.S., defines “straight truck” as “any truck on which the cargo unit and the motive power unit are located on the same frame so as to form a single, rigid unit.”

¹¹ Section 322.21(1)(b) and (c), F.S.

¹² Pursuant to 49 C.F.R. part 382.

¹³ Pursuant to 49 C.F.R. part 392.

¹⁴ Pursuant to 49 C.F.R. part 393 and s. 396.3(a)(1).

¹⁵ Pursuant to 49 C.F.R. s. 396.9.

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:

CS/SB 1072 will have a positive fiscal impact for owners of modified agricultural vehicles due to the decreased annual license tax, and exemption from the CDL requirement.

C. Government Sector Impact:

The DHSMV reports there would be a revenue loss to both the General Revenue Fund and the State Transportation Trust Fund due to the lower vehicle registration fees created in the bill. There would also be a loss of revenue to these funds due to the exemption from paying the higher CDL fee. Because it is unknown how many vehicles would register as “melon hauling vehicles” and how many operators of such vehicles there would be, the amount of lost revenue is indeterminate. The department estimates that programming changes for the implementation of the bill will cost \$12,240¹⁶.

VI. Technical Deficiencies:

None.

VII. Related Issues:

Federal regulations allow an exemption from CDL requirements for operators of a farm vehicle which is¹⁷:

- Controlled and operated by a farmer, including operation by employees or family members;
- Used to transport either agricultural products, farm machinery, farm supplies, or both to or from a farm;
- Not used in the operations of a common or contract motor carrier; *and*
- Used within 150 miles of the farmer’s farm.

¹⁶ DHSMV, *2015 Agency Legislative Bill Analysis*, (March 10, 2015).

¹⁷ 49 C.F.R. s. 383.3(d).

According to the DHSMV, the bill would allow an exemption from CDL requirements for drivers who do not meet all of these requirements, thereby taking Florida out of compliance with federal regulations and potentially subjecting the State to federal financial penalties.¹⁸

Also, the DHSMV has indicated that the bill is too broad with regards to the type and size of vehicle that, when modified, would be subject to the provisions of this bill.¹⁹

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 320.08 and 322.53.

IX. Additional Information:

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

CS by Transportation on March 12, 2015:

The CS makes the following changes to the bill:

- Removes the term “modified agricultural vehicle”;
- Defines “melon hauling vehicle”; and
- Requires that drivers of melon hauling vehicles still maintain compliance with certain federal regulations.

- B. **Amendments:**

None.

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

¹⁸ See *supra* note 16.

¹⁹ See *supra* note 16.