

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: SB 7092

INTRODUCER: Infrastructure and Security Committee

SUBJECT: Fees/Department of Highway Safety and Motor Vehicles

DATE: April 15, 2019

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
	<u>Proctor</u>	<u>Miller</u>		IS Submitted as Committee Bill
1.	<u>Wells</u>	<u>Hrdlicka</u>	<u>ATD</u>	Pre-meeting
2.	<u> </u>	<u> </u>	<u>AP</u>	<u> </u>

I. Summary:

SB 7092 allows the Department of Highway Safety and Motor Vehicles (DHSMV) to:

- Charge an online customer requesting expedited shipping of driver license and identification (ID) cards for the cost of the expedited shipping;
- Charge the subpoenaed person who is ordered by a court to comply with a DHSMV subpoena for the costs incurred by the DHSMV to obtain the order; and
- Collect an initial and annual renewal fee for apportionable vehicles of \$28.00 for a validation sticker.

SB 7092 takes effect on the same date that SB 7090 or similar legislation takes effect, if such legislation is adopted in the same legislative session or an extension thereof and becomes a law.

Article VII, s. 19 of the Florida Constitution requires the imposition, authorization, or raising of a state tax or fee be contained in a separate bill that contains no other subject and be approved by two-thirds of the membership of each house of the Legislature. As such, Art. VII, s. 19 of the Florida Constitution may apply if the provisions in the bill are interpreted to be new fees.

II. Present Situation:

The present situation for each issue in the bill is discussed below in conjunction with the Effect of the Proposed Changes.

III. Effect of Proposed Changes:

Subpoena and Investigative Authority

Present Situation

The DHSMV has jurisdiction over multiple chapters of Florida Statutes, for which they do not have subpoena authority, without which they are often unable to obtain documents and testimony from third-party entities (banks, tow companies, etc.) to conduct administrative or criminal investigations.

Effect of Proposed Changes

SB 7090 creates ss. 319.1414 and 322.71, F.S., and amends ss. 319.25 and 320.861, F.S., authorizing the DHSMV to issue subpoenas for investigations or examinations conducted by the DHSMV of suspected violations of chs. 319, 320, or 322, F.S. (sections 24, 25, 34, and 48 of SB 7090). The DHSMV may petition a court of competent jurisdiction to enforce a subpoena in the county where the person's residence or principal place of business is located. The court must issue an order requiring the person to comply with the subpoena or show cause for failure to do so. Unless the person shows sufficient cause for failure to obey the subpoena, the court must issue an order requiring the person to obey the subpoena.

This bill amends ss. 319.1414 and 322.71, F.S., that are created in SB 7090 and amends s. 320.861, F.S., to allow the DHSMV to collect the court costs incurred to obtain a court order granting the department's petition for compliance from the person subpoenaed (**sections 1, 3, and 5**). The bill does not grant the ability to recoup costs related to any subpoena issued and court order granted under s. 319.25, F.S.

Issuance of Apportionable Vehicle Plates

Present Situation

Florida law requires all apportionable vehicles domiciled in Florida to be registered in accordance with the IRP and to display required license plates.¹

Section 320.06, F.S., requires registration license plates, which bear a graphic symbol and alphanumeric system of identification, to be issued for a 10-year period. However, "Apportioned" license plates issued to vehicles registered under the IRP are issued annually.² Apportioned vehicles are also issued an annual cab card that denotes the declared gross vehicle weight for each apportioned jurisdiction where the vehicle is authorized to operate.³

Section 320.0607, F.S., requires an applicant to pay a fee of \$28 upon the issuance of an original license plate (whether every 10 years or annually for apportioned vehicles), which is deposited into the Highway Safety Operating Trust Fund.

¹ Section 320.0715(1), F.S.

² Section 320.06(1)(b)1., F.S.

³ See IRP, Inc., *State of Florida Apportioned Cab Card Sample*,

http://c.ymcdn.com/sites/www.irponline.org/resource/resmgr/cab_cards/fl_cc_sample.pdf (last visited April 9, 2019).

Effect of Proposed Changes

SB 7090 amends s. 320.06, F.S., to require that upon implementation of a new operating system for apportioned vehicle registration, a vehicle registered in accordance with the IRP will be issued a license plate for a five-year period, an annual cab card denoting the declared gross vehicle weight, and an annual validation sticker showing the month and year of expiration.

The license plate and validation sticker will be issued based on the applicant's appropriate renewal period. The registration period for an apportionable vehicle is 12 months and the validation sticker is valid for 12 months. The bill provides that the fee must be deposited into the Highway Safety Operating Trust Fund.

Currently, applicants must annually pay a fee of \$28. This bill allows the DHSMV to charge and collect the \$28 fee for the initial validation sticker and any renewed validation sticker (**section 2**).

Expedited Service and Shipping

Present Situation

Individuals can apply to the DHSMV to receive expedited service on title transfers, title issuances, duplicate titles, and recordation of liens by mail or in person and the DHSMV must issue each title within 5 working days after receipt of the application.⁴ The DHSMV has the authority to charge a \$10 expedited service fee.⁵ The expedited service fee is in addition to the standard fees on title transfers, title issuances, duplicate titles, and recordation of liens.⁶ After deductions for odometer fraud prevention and detection⁷ and retention of \$3.50 by the processing agency, the remainder of the expedited service fee is deposited into the General Revenue Fund.⁸

Currently, the law does not provide authorize the DHSMV to collect an expedited service fee related to driver licenses and ID cards from customers. For example, Florida residents needing an immediate replacement or renewal driver license often call the DHSMV customer service center to request expedited shipping of their transactions via the online portal. To assist these individuals, the DHSMV must have the individual prepay directly to a mail courier service for the expedited shipping cost.⁹

Effect of Proposed Changes

SB 7090 creates s. 322.21(10), F.S., to allow an applicant for a renewal or replacement driver license or ID card who applied via online to receive expedited shipping (section 44 of SB 7090). The DHSMV, at the applicant's request, must issue the driver license or ID card within 5 working days after receipt of the application and ship the license or ID card using an expedited

⁴ For motor vehicles or mobile homes previously titled or registered outside of the state, the 5 working days begins after compliance with DHSMV verification requirements. Sections 319.323 and 319.23(4), F.S.

⁵ Section 319.323, F.S.

⁶ See ss. 319.323 and 319.32, F.S.

⁷ Section 319.324, F.S.

⁸ Section 319.323, F.S.

⁹ Department of Highway Safety and Motor Vehicles, *2019 Legislative Concepts* (on file with the Senate Committee on Infrastructure and Security).

mail service. *Shipping* fees collected for the expedited shipping option will be deposited into the Highway Safety Operating Trust Fund. SB 7092 is linked to this bill and authorizes the DHSMV to charge the applicant for the cost of expedited shipping.

This bill amends s. 322.21, F.S., to authorize the DHSMV to charge the applicant for the cost of expedited shipping, which may not exceed the cost of the expedited mail service, or for the convenience service (**section 5**).

Effective Date

The bill takes effect on the same date that SB 7090 or similar legislation takes effect, if such legislation is adopted in the same legislative session or an extension thereof and becomes a law.

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:

Article VII, s. 19 of the Florida Constitution requires the imposition, authorization, or raising of a state tax or fee be contained in a separate bill that contains no other subject and be approved by two-thirds of the membership of each house of the Legislature. As such, Art. VII, s. 19 of the Florida Constitution may apply if the fee provisions in the bill are interpreted to be new fees.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Those compelled by a court to obey a DHSMV subpoena may incur a cost to reimburse the DHSMV for court costs for the enforcement of the subpoena.

The bill does not increase the current fee for apportioned vehicles.

C. Government Sector Impact:

The bill is anticipated to have a net zero impact to the state.

The bill allows the DHSMV to collect court costs incurred during petitioning a court to direct a person to obey a subpoena.

The bill allows the DHSMV to charge and collect the \$28 annual fee for deposit into the Highway Safety Operating Trust Fund on the initial validation sticker and each renewal validation sticker. Under existing statute, the \$28 fee is paid upon initial issuance and annual reissuance of the “Apportioned” license plates issued to vehicles registered under the IRP.¹⁰

The bill allows the DHSMV to charge a customer for expedited mail service costs for an expedited request for a driver license or ID card. Costs collected by the DHSMV for the expedited shipping will be deposited into the Highway Safety Operating Trust Fund and may not exceed the cost of the expedited shipping service.

VI. Technical Deficiencies:

None.

VII. Related Issues:

SB 7090 also amends s. 319.25, F.S., to grant the DHSMV subpoena authority, but this bill does not grant the DHSMV the right to charge the subpoenaed person for costs of obtaining a court order.

VIII. Statutes Affected:

The bill substantially amends the following sections of the Florida Statutes: 319.1414, 320.06, 320.861, 322.21, and 322.71.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

SPB by Infrastructure and Security on April 2, 2019:

- The SPB was amended to incorporate the linked bill number of SB 7090.

¹⁰ Section 320.06(1)(b)1., F.S.

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