

## HOUSE OF REPRESENTATIVES STAFF FINAL BILL ANALYSIS

**BILL #:** CS/CS/HB 789 Driver License Fees

**SPONSOR(S):** State Affairs Committee, Transportation & Infrastructure Subcommittee, Tomkow

**TIED BILLS:** CS/CS/HB 787 **IDEN./SIM. BILLS:** CS/CS/SB 1694

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**FINAL HOUSE FLOOR ACTION:** 118 Y's 0 N's **GOVERNOR'S ACTION:** Vetoed

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### SUMMARY ANALYSIS

CS/CS/HB 789 passed the House on March 9, 2020, and subsequently passed the Senate on March 11, 2020.

House Bill 787 (2020), which this bill is linked to, authorizes an optional "D" designation on the driver license of a person who has been diagnosed with a developmental disability.

This bill provides for the payment of an additional \$1 fee for a new or renewed driver license with a "D" designation or a payment of a \$2 fee upon the surrender and replacement of a current driver license to add or remove a "D" designation. The fees are deposited into the Highway Safety Operating Trust Fund.

This bill will have a positive, but insignificant, fiscal impact on state and local government revenues.

The effective date of this bill was October 1, 2020; however, this bill was vetoed by the Governor on September 18, 2020.

## I. SUBSTANTIVE INFORMATION

### A. EFFECT OF CHANGES:

#### Current Situation

The Florida Constitution provides that no state tax or fee may be imposed, authorized, or raised by the Legislature except through legislation approved by two-thirds of the membership of each house of the Legislature.<sup>1</sup> For purposes of this requirement, a “fee” is any charge or payment required by law, including any fee or charge for services and fees or costs for licenses and to “raise” a fee or tax means to:<sup>2</sup>

- Increase or authorize an increase in the rate of a state tax or fee imposed on a percentage or per mill basis;
- Increase or authorize an increase in the amount of a state tax or fee imposed on a flat or fixed amount basis; or
- Decrease or eliminate a state tax or fee exemption or credit.

A bill that imposes, authorizes, or raises any state fee or tax may only contain the fee or tax provision(s) and may not contain any other subject.<sup>3</sup>

The constitutional provision does not authorize any state tax or fee to be imposed if it is otherwise prohibited by the constitution and does not apply to any tax or fee authorized or imposed by a county, municipality, school board, or special district.<sup>4</sup>

#### CS/CS/House Bill 787 (2020)

CS/CS/House Bill 787 (2020), which this bill is linked to, authorizes the addition or removal of an optional “D” designation on the driver license of a person who has been diagnosed with a developmental disability.

#### Effect of the Bill

The bill provides for the payment of an additional \$1 fee for a new or renewed driver license with a “D” designation or a payment of a \$2 fee upon the surrender and replacement of a current driver license to add or remove a “D” designation. The fees are deposited into the Highway Safety Operating Trust Fund.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

#### 1. Revenues:

See Fiscal Comments.

#### 2. Expenditures:

None.

### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

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<sup>1</sup> Fla. Const. art. VII, s. 19(a)-(b).

<sup>2</sup> Fla. Const. art. VII, s. 19(d).

<sup>3</sup> Fla. Const. art. VII, s. 19(e).

<sup>4</sup> Fla. Const. art. VII s. 19(c).

1. Revenues:

The bill authorizes DHSMV to charge a \$1 or \$2 fee for a “D” designation on a driver license. Pursuant to s. 322.135(1)(c), F.S., tax collectors are required to charge a service fee of \$6.25 per driver license service request per customer. This will have a positive but likely insignificant impact to the tax collectors.<sup>5</sup>

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Individuals diagnosed with a developmental disability may opt to pay an additional \$1 or \$2 fee for a “D” designation on their driver license.

D. FISCAL COMMENTS:

DHSMV estimates the bill will have an indeterminate, negative impact to both DHSMV’s operational resources and to the resources dedicated to the Motorist Modernization Phase 1 project. Programming will be required in the Florida Driver License Information System to incorporate fee code changes to collect the \$1 or \$2 fee.<sup>6</sup> It is expected DHSMV can absorb these costs within existing resources.

Based upon the payment of an additional \$1 fee for a new or renewed driver license with a “D” designation or a payment of a \$2 fee upon the surrender and replacement of a current driver license to add or remove a “D” designation, this bill will have a positive, but insignificant, fiscal impact on state government revenues.

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<sup>5</sup> Department of Highway Safety and Motor Vehicles, Agency Analysis of House Bill 787 & 789, p. 4 (January 23, 2020).

<sup>6</sup> *Id.*