

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 Committee on Community Affairs

BILL: CS/SB 754

INTRODUCER: Transportation Committee and Senator Gainer

SUBJECT: Mobile Home Registration Periods

DATE: January 14, 2022

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Proctor</u>	<u>Vickers</u>	<u>TR</u>	<u>Fav/CS</u>
2.	<u>Hunter</u>	<u>Ryon</u>	<u>CA</u>	<u>Pre-meeting</u>
3.	<u> </u>	<u> </u>	<u>RC</u>	<u> </u>

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 754 provides that the registration of a mobile home owned by a natural person begins the first day of the birth month of the owner and ends the last day of the month immediately preceding the owner's birth month in the succeeding year. If the mobile home is registered in the name of more than one person, the birth month of the person whose name first appears on the registration will be used to determine the registration period.

The bill requires the Department of Highway Safety and Motor Vehicles (DHSMV) to prorate mobile home registration renewal fees to give customers the option to renew their registrations on their dates of birth in 2024 or 2025.

For a mobile home not owned by a natural person, the registration period would continue to be January 1 and end December 31.

The Revenue Estimating Conference estimates that the bill has no fiscal impact.

The bill has an effective date of September 1, 2023.

II. Present Situation:

Mobile Home Registration

Chapter 320, F.S., provides for the rules, procedures, and regulations governing the issuance and enforcement of motor vehicle and mobile home licenses. Under this chapter the term “mobile home” means a structure, transportable in one or more sections, which is 8 body feet or more in width and which is built on an integral chassis and designed to be used as a dwelling when connected to the required utilities and includes the plumbing, heating, air-conditioning, and electrical systems contained therein.¹ The term “registration period” means a period of 12 months or 24 months during which a motor vehicle or mobile home registration is valid.²

A mobile home, including those owned by non-residents, are subject to Florida registration and an annual license tax.³ A mobile home, regardless of its actual use, is subject to a license tax unless classified and taxed as real property. It is considered real property only when the owner of the mobile home is also the owner of the land on which the mobile home is situated and the mobile home is permanently affixed on the land. Any prefabricated or modular housing unit or portion of a prefabricated or modular housing unit not manufactured on an integral chassis or undercarriage for travel over the highways must be taxed as real property once it is permanently affixed to real property. This does not apply to a display home or other inventory being held for sale by a manufacturer or dealer of modular housing units.⁴

A mobile home in Florida must be registered with a current decal affixed to it at all times, even when unoccupied. The registration fee for a mobile home is based on its physical length:

- A mobile home not exceeding 35 feet in length: \$20 flat;
- A mobile home over 35 feet in length, but not exceeding 40 feet: \$25 flat;
- A mobile home over 40 feet in length, but not exceeding 45 feet: \$30 flat;
- A mobile home over 45 feet in length, but not exceeding 50 feet: \$35 flat;
- A mobile home over 50 feet in length, but not exceeding 55 feet: \$40 flat;
- A mobile home over 55 feet in length, but not exceeding 60 feet: \$45 flat;
- A mobile home over 60 feet in length, but not exceeding 65 feet: \$50 flat; and
- A mobile home over 65 feet in length: \$80 flat.⁵

Single, double, and triple-wide or additional mobile home units require a separate registration and decal for each unit.⁶

As of September 2021, there were 1,089,276 active mobile homes registered in Florida (includes those who may have both one and two year registrations). During FY 2020-2021, the DHSMV

¹ Section 320.01(2)(a), F.S.

² Section 320.01(19)(a), F.S.

³ Section 320.08(11), F.S.

⁴ Section 320.015(1), F.S.

⁵ *Supra* FN 3.

⁶ Section 320.0815(2), F.S.

processed 312,224 mobile home registration renewal transactions. Of this amount, 73,979 were registered to a business. Additionally, 600,000 mobile homes were registered as real property.⁷

Registration Renewal

Motor vehicle and mobile home registrations must be renewed semiannually, annually, or biennially during the applicable renewal period upon payment of the applicable license tax amounts, service charges, and any additional fees required by law.⁸ The specific registration and renewal periods for vehicles subject to registration are specified by statute.⁹ Chapter 320, F.S., provides that the registration and renewal period for a motor vehicle begins the first day of the birth month of the owner and ends the last day of the month immediately preceding the owner's birth month in the succeeding year. If such vehicle is registered in the name of more than one person, the birth month of the person whose name first appears on the registration shall be used to determine the registration period. For a vehicle subject to this registration period, the renewal period is the 30-day period ending at midnight on the vehicle owner's date of birth.¹⁰ However, as mobile homes are not included in the definition of "motor vehicle" but rather are subject to registration under s. 320.08(11), F.S., the registration and renewal period differs from that of motor vehicles.

Currently, Florida law requires mobile home registrations be renewed annually or biennially, the registration period begins January 1 and ends December 31. For a vehicle subject to this registration period, the renewal period is the 31-day period prior to expiration.¹¹ However, if the owner of the mobile home is a natural person, the registration expires at midnight on the owner's birthday.¹²

Additionally, mobile homes are eligible for an extended registration period of 24 months.¹³ Owners of certain specified motor vehicles or mobile homes may renew the vehicle registration biennially during the applicable renewal period upon payment of the two-year cumulative total of all applicable license tax amounts, service charges or surcharges, and payment of the two-year cumulative total of any additional fees required by law for an annual registration.¹⁴

Failure to renew a mobile home registration may be subject to the following penalty provisions:

- Any person whose motor vehicle or mobile home registration has been expired for a period of 6 months or less commits a noncriminal traffic infraction, punishable as a nonmoving violation as provided in Chapter 318. However, a law enforcement officer may not issue a citation for a violation under this paragraph until midnight on the last day of the owner's birth month of the year the registration expires.¹⁵

⁷ Email from Kevin Jacobs, Legislative Affairs Director, Department of Highway Safety and Motor Vehicles, (November 23, 2021) (on file with the Senate Committee on Transportation).

⁸ Section 320.07(2), F.S.

⁹ Section 320.055, F.S.

¹⁰ Section 320.055(1)(a), F.S.

¹¹ Section 320.055(2), F.S.

¹² Section 320.07(1), F.S.

¹³ Sections 320.055(1)(b) and 320.01(19)(b), F.S.

¹⁴ Section 320.07(2)(b), F.S.

¹⁵ Section 320.07(3)(a), F.S.

- Any person whose motor vehicle or mobile home registration has been expired for more than 6 months, upon a first offense, is subject to the penalty in s. 318.14, F.S.¹⁶
- Any person whose motor vehicle or mobile home registration has been expired for more than 6 months, upon a second or subsequent offense, commits a misdemeanor of the second degree, punishable as provided in ss. 775.082 or 775.083, F.S.¹⁷

According to s. 320.055, F.S., the registration period for mobile homes begins January 1 and ends December 31. However, s. 320.07, F.S., provides that if the owner of the mobile home is a natural person the registration expires at midnight on the owner's birthday.

Distribution of Taxes for Mobile Homes

A surcharge in the amount of \$1 is collected in the same manner as the license tax. This surcharge may not be imposed during the next registration and renewal period if the balance in the Florida Mobile Home Relocation Trust Fund exceeds \$10 million on June 30. The surcharge must be reinstated in the next registration and renewal period if the balance in the Florida Mobile Home Relocation Trust Fund is below \$6 million on June 30. Any mobile home that is not located in a mobile home park regulated under ch. 723, F.S., is exempt from the surcharge.¹⁸

The annual mobile home license tax may be collected by the tax collectors. Each tax collector must make prompt remittance of all moneys collected to the DHSMV. Upon receipt of the license taxes collected from the tax collectors, the DHSMV must deposit in the General Revenue Fund the sum of \$1.50 on each such sticker issued, and must deposit in the Florida Mobile Home Relocation Trust Fund \$1 on each sticker issued as provided in s. 320.08015, F.S. The balance remaining must be paid into the License Tax Collection Trust Fund, and the funds deposited must be paid to the respective counties and cities where the mobile home the license tax applies to is located, regardless of where the license taxes are collected.¹⁹

The DHSMV must keep records showing the total number of stickers issued to each type of mobile home, the total amount of license taxes collected, and the county or municipality where each mobile home is located and must from month to month certify to the Chief Financial Officer the amount derived from license taxes in each county and each municipality within the county. The funds remaining after the \$1.50 collected on each license and the \$1 license tax surcharge imposed by s. 320.08015, F.S., must be paid to the counties and municipalities within the counties where the mobile home(s) is located as follows: one-half to the district school board and the remainder to the board of county commissioners, for a mobile home that is located within the unincorporated areas of the county, or to any municipality within such county, for a mobile home that is located within its corporate limits. Payment must be by warrant drawn monthly by the Chief Financial Officer upon the treasury out of the License Tax Collection Trust Fund.²⁰

¹⁶ Section 320.07(3)(b), F.S.

¹⁷ Section 320.07(3)(c), F.S.

¹⁸ Section 320.08015, F.S.

¹⁹ Section 320.081(4), F.S.

²⁰ Section 320.081(5), F.S.

The current registration period for mobile homes begins January 1 and ends December 31. This results in the distribution of taxes occurring once per year in December to trust funds, General Revenue, school boards, and local governments.

III. Effect of Proposed Changes:

The bill amends s. 320.055, F.S., to provide that the registration of a mobile home owned by a natural person begins the first day of the birth month of the owner and ends the last day of the month immediately preceding the owner's birth month in the succeeding year. If the mobile home is registered in the name of more than one person, the birth month of the person whose name first appears on the registration will be used to determine the registration period. The renewal period for the registration will be the 30-day period ending at midnight on the vehicle owner's date of birth.

The bill requires the DHSMV to prorate mobile home registration renewal fees to give customers the option to renew their registrations on their dates of birth in 2024 or 2025. Customers whose dates of birth occur in the months of January through June may choose to renew for 1 to 18 months. Customers whose dates of birth occur in the months of July through December may choose to renew for 7 to 24 months.

The change in registration period for mobile homes to the owner's birth month may result in the distribution of taxes occurring monthly instead of once per year in December to trust funds, General Revenue, school boards, and local governments.

For a mobile home not owned by a natural person, the registration period would begin January 1 and end December 31, with a renewal period for the registration of 31-days before expiration.

The bill has an effective date of September 1, 2023.

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:

None.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The Revenue Estimating Conference estimates that the bill has no fiscal impact. Beginning September 1, 2023, mobile home registrants will have the option to renew their registrations on their birth dates. Registrants whose birth dates occur in the months of January through June may choose to renew for 1 to 18 months, and customers whose birth dates occur in the months of July through December may choose to renew for 7 to 24 months. This may result in some registrants paying more to move their registration to their birth month if they choose to not renew for the shorter period, but no one would pay more than they normally would in a two year period.

C. Government Sector Impact:

The Revenue Estimating Conference estimates that the bill has no fiscal impact; however, counties and cities who receive monies from the base tax of mobile homes may have a negative impact in the state FY 2023-2024, may have a positive impact in FY 2024-2025, and may level out past FY 2024-25. Most counties are based on the federal fiscal year, which runs from October 1 to September 30. Currently, the base tax for mobile homes is paid in December of each year.²¹

The Revenue Estimating Conference estimates that the bill has no fiscal impact; however, the General Revenue Fund may experience a negative revenue impact in FY 2023-2024, a positive revenue impact in FY 2024-2025, and a return to previous year averages in the following years. This may be a net zero impact that spans over two years.²²

The change in registration period for a mobile home to the owner's birth month may result in the distribution of taxes occurring monthly instead of once per year in December to trust funds, General Revenue, school boards, and local governments.

According to DHSMV, the bill may have an indeterminate negative fiscal impact to the DHSMV for programming various computer systems to convert mobile home registration renewals from the month of December to the registrant's birth month.²³

²¹ Florida Department of Highway Safety and Motor Vehicles, *2022 Agency Legislative Bill Analysis of Senate Bill 754*, (November 29, 2021).

²² *Ibid.*

²³ *Ibid.*

The DHSMV and tax collector offices will see a reduced workload in December due to the change for natural persons to register mobile homes during their birth months. Revenue that otherwise would be anticipated to be received in December from renewals would instead be received throughout the fiscal year.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following section of the Florida Statutes: 320.055

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 December 1, 2021:

Amends the effective date to September 1, 2023, and requires the DHSMV to prorate mobile home registration renewal fees to give customers the option to renew their registrations on their dates of birth in 2024 or 2025. Customers whose dates of birth occur in the months of January through June may choose to renew for 1 to 18 months. Customers whose dates of birth occur in the months of July through December may choose to renew for 7 to 24 months.

B. Amendments:

None.