

FLORIDA HOUSE OF REPRESENTATIVES BILL ANALYSIS

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BILL #: [CS/CS/HB 937](#)

TITLE: Transportation

SPONSOR(S): Yarkosky

COMPANION BILL: [SB 488](#) (Massullo)

LINKED BILLS: [HB 939](#) Yarkosky

RELATED BILLS: None

Committee References

[Government Operations](#)

16 Y, 0 N



[Ways & Means](#)

19 Y, 0 N, As CS



[State Affairs](#)

26 Y, 0 N, As CS

SUMMARY

Effect of the Bill:

The bill updates current law to reflect changes in Federal regulations pertaining to the International Fuel Tax Agreement; increases the damage threshold for crash reports; revises motor vehicle registration requirements to ensure that proof of address are unexpired and comply with the REAL ID standards; authorizes the Department of Highway Safety and Motor Vehicles to send their customers certain notices through electronic means; clarifies what constitutes an unlawful alteration or obstruction of a license plate; revises the term “license plate obscuring device;” and revises the term “tank vehicle” by clarifying individual and aggregate capacity limits.

Fiscal or Economic Impact:

The Revenue Estimating Conference estimated that the bill will have a negative indeterminate fiscal impact on state and local government revenues.

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ANALYSIS

EFFECT OF THE BILL:

International Fuel Tax Agreement

The bill renames the [Florida Diesel Fuel and Motor Fuel Use Tax Act of 1981](#) as the “Florida Motor Fuel Use Tax Act” and revises the law to bring it into conformance with the [International Fuel Tax Agreement](#) (IFTA) by:

- Requiring the Department of Highway Safety and Motor Vehicles (DHSMV) or its authorized agent to issue fuel tax decals and temporary fuel-use permits for each qualified motor vehicle licensed under IFTA. (Section [3](#))
- Requiring that fuel tax decal renewal orders be submitted electronically through a system set up by DHSMV, beginning October 1, 2026. (Section [3](#))
- Providing that a person discontinuing the usage of fuel tax decals must destroy the decals and notify DHSMV of their destruction. (Section [6](#))
- Removing DHSMV’s authority to issue [driveaway permits](#) to align with IFTA. (Section [3](#))
- Providing that the reporting period for motor fuel use tax is 12 months, beginning January 1, instead of July 1, and ending December 31, instead of June 30, and changing the motor fuel tax filing due dates to:
 - January 31 for annual filings.
 - January 31 and July 31 for semiannual filings.
 - January 31, April 30, July 31, and October 31, for quarterly filings. (Section [4](#))
- Providing that the interest charged for [delinquent motor fuel use taxes](#) will be determined in accordance with IFTA. (Section [5](#))
- Providing that anyone who counterfeits, alters, manufactures, or sells fuel tax licenses, fuel tax decals, or temporary fuel-use permits without DHSMV permission commits a third-degree felony. (Section [5](#))
- Revising existing definitions to align with IFTA. (Section [2](#))

Crash Reporting Damage Thresholds

STORAGE NAME: h0937e.SAC

DATE: 2/24/2026

The bill increases the amount of apparent property damage that requires a driver of a vehicle involved in a crash to notify law enforcement from \$500 to \$2,000. (Section [7](#))

Motor Vehicle Registration

The bill specifies that a motor vehicle owner's permanent business or residence street address on a motor vehicle registration application must be in Florida. The bill repeals exceptions to the address requirement, except for those relating to active-duty members of the U.S. Armed Forces who are Florida residents. (Section [8](#))

The bill requires an applicant for a motor vehicle registration to provide proof of address satisfactory to DHSMV, and requires heightened identification requirements for motor vehicle registrations. Specifically, the bill requires an applicant for a motor vehicle registration to present:

- A REAL ID compliant driver license or identification card issued by Florida or another state, instead of any driver license or identification card issued by Florida or another state.
- An unexpired U.S. passport, instead of any passport, expired or not.
- An unexpired passport from another country, instead of any passport, expired or not, and requires such passport to be accompanied by an unexpired Form I-94 issued by the U.S. Bureau of Customs and Border Protection. (Section [8](#))

The bill aligns the definition of "REAL ID driver's license or identification card," with federal standards. (Section [8](#))

DHSMV Notifications to Customers

The bill authorizes DHSMV to send its customers notices by electronic means. Such notices include notices related to driver licenses, identification cards, motor vehicle registrations, motor vehicle insurance, and vessel registrations. (Multiple Sections)

Visibility of License Plate Features

The bill clarifies that an existing second-degree misdemeanor related to knowingly obscuring, altering, or interfering with the legibility, angular visibility, or detectability of a license plate only applies if the action interferes with the license plate number or validation sticker. The bill specifies that it is permissible for a person to attach a frame around a license plate that interferes with the legibility, angular visibility, detectability, or ability to record information on the license plate other than the license plate number or validation sticker. (Section [9](#))

Similarly, the bill revises the term "license plate obscuring device" by clarifying that such device:

- Covers, obscures, or otherwise interferes with the license plate number or validation sticker.
- Interferes with the ability to record the license plate number or validation sticker. (Section [10](#))

The bill clarifies that the use of a license plate frame or decorative border is permissible and not considered a license plate obscuring device as long as the device does not obscure the visibility of the:

- Alphanumeric designation or license plate number.
- The registration decal or validation sticker located in the upper right corner of the license plate. (Section [10](#))

Tank Vehicles

The bill revises the definition of "tank vehicle," aligning it with federal regulations, and clarifying individual and aggregate capacity limits. Specifically, a tank vehicle is designed to transport any liquid or gaseous material within one or more tanks that each have an individual rated capacity exceeding 119 gallons or an aggregate rated capacity exceeding 1,000 gallons and that are either permanently or temporarily attached to the vehicle or chassis. This does not include a commercial motor vehicle transporting an empty storage container tank that is not designed for transportation, but that is temporarily attached to a flatbed trailer. (Section [12](#))

Effective Date

The bill provides an effective date of October 1, 2026. (Section [42](#))

FISCAL OR ECONOMIC IMPACT:**STATE GOVERNMENT:**

The Revenue Estimating Conference estimated that the bill will have a negative indeterminate impact on state revenues. Additionally, the bill may have an indeterminate fiscal impact on state government as DHSMV expenditures could decrease as a result of notices and orders being provided via electronic mail and not through the U.S. Postal Service. The Florida Highway Patrol may also incur training costs as it will be required to implement several provisions of the bill.

LOCAL GOVERNMENT:

The Revenue Estimating Conference estimated that the bill has a negative indeterminate impact on local government revenues. Additionally, the bill may have an indeterminate, but likely insignificant, negative fiscal impact on local government as tax collectors may incur training costs to implement several provisions of the bill.

RELEVANT INFORMATION**SUBJECT OVERVIEW:****Florida Diesel Fuel and Motor Fuel Use Tax Act of 1981**

In 1981, the Florida Legislature passed the “Florida Diesel and Fuel Motor Use Tax Act of 1981,” which levied taxes for operating a commercial motor vehicle upon the public highways of this state. In 1987, responsibility was moved from the Department of Revenue to the Department of Highway Safety and Motor Vehicles (DHSMV) and authority to enter into a cooperative reciprocal agreement with other states was enacted.¹

In 1996, Congress required all states, except Alaska and Hawaii, to join the International Fuel Tax Agreement (IFTA). The legislation provided authority to each state to establish, maintain, or enforce a law or regulation requirement, including any tax reporting form, only if the requirement conforms with IFTA.² It also detailed how payment, collection, and proportional sharing of fuel use taxes would work among member states. Current law contains language that no longer conforms with the Federal IFTA Articles of Agreement.³

[International Fuel Tax Agreement](#)

Current law authorizes DHSMV to enter into a cooperative reciprocal agreement (including agreements like the international fuel-tax agreement) with another state or group of states for the administration of the motor fuel tax.⁴ IFTA simplifies fuel tax reporting for interstate carriers, such as commercial motor vehicles. Commercial motor vehicles qualify for IFTA if they are used, designed, or maintained for the interstate transportation of persons or property and:

- Have two axles and a gross vehicle weight (GVW) or registered GVW exceeding 26,000 pounds;
- Have three or more axles, regardless of weight; or
- Are used in combination with a trailer, for a combined GVW or registered GVW in excess of 26,000 pounds.⁵

IFTA is a reciprocal agreement, meaning that an IFTA license issued by the jurisdiction where the motor carrier is based, is valid in all the other IFTA member jurisdictions. Additionally, the licensee reports and pays all motor fuel taxes to the base jurisdiction, which handles distribution to all the other member jurisdictions in which the

¹ Department of Highway Safety and Motor Vehicles, Agency Analysis of 2025 Senate Bill 1290, p. 2 (Feb. 26, 2025).

² IFTA Association, [History and Nature of IFTA](#) (last visited Jan. 28, 2026).

³ Department of Highway Safety and Motor Vehicles, Agency Analysis of 2025 Senate Bill 1290, p. 2 (Feb. 26, 2025) (on file with the Government Operations Subcommittee).

⁴ [S. 207.0281\(1\), F.S.](#)

⁵ Department of Highway Safety and Motor Vehicles, [International Fuel Tax Agreement](#) (last visited Jan. 28, 2026).

licensee traveled and incurred motor fuel use tax liability. IFTA member jurisdictions are the lower 48 states and the 10 Canadian provinces.⁶

IFTA Credentials

Each calendar year, Florida issues an IFTA license and a set of two IFTA decals per each qualified vehicle. The original IFTA license is kept with the carrier's records and copies of the original are kept in each vehicle, and IFTA decals must be affixed to the outside of each of the vehicles. By having copies of the licenses and the decals affixed to the outside of the vehicles, it qualifies the vehicles to be operational in all other IFTA jurisdictions without the need for obtaining additional licenses from those jurisdictions.⁷ IFTA licenses and decals are valid for one calendar year (January 1 – December 31), and reporting for motor fuel taxes is divided into four reporting periods. There is no annual fee associated with the IFTA license, and IFTA decals are \$4.00 per set.⁸

Tax Returns and Payments

Current law provides that the reporting period for the motor fuel use tax is 12 months, beginning July 1 and ending June 30.⁹ Additionally, current law provides the following motor fuel tax filing return due dates:

- Annual filing: July 1
- Semiannual filing: January 1 and July 1
- Quarterly filing: January 1, April 1, July 1, and October 1¹⁰

Delinquent Motor Fuel Use Taxes

Current law provides that any delinquent tax must bear interest at the rate of one percent per month, or fraction thereof, calculated from the date the tax was due. If DHSMV enters into a cooperative reciprocal agreement,¹¹ DHSMV must collect and distribute all interest due to other jurisdictions at the same rate as if such interest were due to the state.¹²

Driveaway Permits

Current law authorizes DHSMV, upon a motor carrier paying \$4.00, to issue driveaway permits to a registered motor carrier engaged in driveaway transportation in which the cargo is the vehicle itself and is in transit to stock inventory and the ownership of the vehicle is not vested in the motor carrier.¹³ DHSMV has provided that IFTA allows temporary fuel-use permits, but does not regulate driveaway permits.¹⁴

Crash Reporting Damage Thresholds

A driver of a vehicle involved in a crash that results in injury or death of any person, or results in damage to any vehicle or other property in an apparent amount of at least \$500,¹⁵ must give immediate notification to local law enforcement whether a municipality, a county, or the Florida Highway Patrol.¹⁶ A violation of this provision is a

⁶ *Id.*

⁷ *Id.*

⁸ *Id.*

⁹ [S. 207.005\(1\), F.S.](#)

¹⁰ *Id.*

¹¹ [S. 207.0281\(1\), F.S.](#), provides that DHSMV may enter into a cooperative reciprocal agreement, including, IFTA, with another state or group of states for the administration of the motor fuel tax. An agreement arrangement, declaration, or amendment is not effective until stated in writing and filed with DHSMV.

¹² [S. 207.007\(2\), F.S.](#)

¹³ [S. 207.004\(5\)\(c\), F.S.](#)

¹⁴ Department of Highway Safety and Motor Vehicles, Agency Analysis of 2026 Senate Bill 488, p. 6 (Jan. 12, 2026).

¹⁵ In 1989, the amount of property damage necessary to require notification to law enforcement was increased from \$100 to \$500. *See* Ch. 89-271, L.O.F.

¹⁶ [S. 316.065\(1\), F.S.](#)

noncriminal traffic infraction, punishable as a nonmoving violation.¹⁷ The statutory base fine is \$30, but with additional fees and court costs, the total fine may be up to \$108.¹⁸

Motor Vehicle Registration Application

Every owner or person in charge of a motor vehicle that is driven on the roads must register the vehicle in this state (with limited exceptions).¹⁹ The owner or person in charge must apply to DHSMV or its authorized agent for registration of each vehicle on a form prescribed by DHSMV. A registration is not required for any motor vehicle that is not operated on the roads of this state during the registration period.²⁰

The application for registration must include the street address of the owner's permanent residence or the address of his or her permanent place of business and be accompanied by personal or business identification information. An individual applicant must provide a valid driver license or identification card issued by Florida or another state or a valid passport. A business applicant must provide a federal employer identification number, if applicable, or verification that the business is authorized to conduct business in the state, or a Florida municipal or county business license or number.²¹

If the owner does not have a permanent residence or permanent place of business, or if the owner's permanent residence or permanent place of business cannot be identified by a street address, the application must include:

- If the vehicle is registered to a business, the name and street address of the permanent residence of an owner of the business, an officer of the corporation, or an employee who is in a supervisory position.
- If the vehicle is registered to an individual, the name and street address of the permanent residence of a close relative or friend who is a resident of this state.²²

If the vehicle is registered to an active duty member of the U.S. Armed Forces who is a Florida resident, the active duty member is exempt from the requirement to provide the street address of a permanent residence.²³

DHSMV Notifications to Customers

Notices related to the cancellation, suspension, revocation, or disqualification of driver licenses, identification cards, motor vehicle registrations, motor vehicle insurance, and vessel registrations²⁴ must be sent by first class mail, postage prepaid, through the U.S. Postal Service and addressed to the customer's last known mailing address. Currently, DHSMV is authorized to collect and utilize email addresses for the limited purpose of providing certain renewal notices.²⁵

¹⁷ *Id.*

¹⁸ Florida Court Clerks & Comptrollers, [Distribution Schedule of Court-Related Filing Fees, Service Charges, Costs and Fines, Including a Fee Schedule for Recording, P. 43 \(Effective July 1, 2025\)](#) (last visited Feb. 23, 2026).

¹⁹ [S. 320.02\(1\), F.S.](#)

²⁰ *Id.*

²¹ [S. 320.02\(2\)\(a\), F.S.](#)

²² *Id.*

²³ *Id.*

²⁴ Chapters 318, 320, 322, 324, and ss. 627.732–627.734, F.S.

²⁵ Department of Highway Safety and Motor Vehicles, Agency Analysis of 2026 Senate Bill 488, p. 5 (Jan. 12, 2026) (on file with the Government Operations Subcommittee).

Visibility of License Plate Features

Current law requires license plates be displayed in such a way that certain identifying information is plainly visible and legible.²⁶ Current law prohibits—punishable as a second degree misdemeanor—a person from knowingly applying or attaching a substance, reflective matter, illuminated device, spray, coating, covering, or other material onto or around any license plate that interferes with the legibility, angular visibility, or detectability of any feature or detail on the license plate or interferes with the ability to record any feature or detail on the license plate.²⁷

Additionally, current law provides that it is a:

- Second degree misdemeanor to purchase or possess a license plate obscuring device.
- First degree misdemeanor to manufactures, sell, offer to sell, or otherwise distribute a license plate obscuring device.
- Felony of the third degree to use a license plate obscuring device to assist in committing a crime or in escaping from or avoiding detection or arrest in connection with committing such crime.²⁸

A [license plate obscuring device](#) is defined as a device designed or adapted to be installed on a motor vehicle for the purpose of:

- Switching between two or more license plates to permit a motor vehicle operator to change the license plate displayed on the motor vehicle;
- Hiding a license plate from view by flipping the license plate so that the license plate number is not visible;
- Covering, obscuring, or otherwise interfering with the legibility, angular visibility, or detectability of the primary features or details, including the license plate number or validation sticker, on the license plate; or
- Interfering with the ability to record the primary features or details, including the license plate number or validation sticker, on the license plate.²⁹

Tank Vehicles

Current law defines “tank vehicle” as a vehicle that is designed to transport any liquid or any liquid gaseous material within a tank either permanently or temporarily attached to the vehicle, if such tank has a designed capacity of 1,000 gallons or more.³⁰

According to DHSMV, this definition does not currently align with the Federal Motor Carrier Safety Administration (FMSCA) definition. The FMSCA has the power to withhold federal funding from the state should it find that DHSMV is not in compliance with the applicable federal legal requirements.³¹

²⁶ [S. 316.605\(1\), F.S.](#)

²⁷ [S. 320.061, F.S.](#)

²⁸ [S. 320.262, F.S.](#)

²⁹ [S. 320.262\(1\), F.S.](#)

³⁰ [S. 322.01\(44\), F.S.](#)

³¹ Department of Highway Safety and Motor Vehicles, Agency Analysis of 2026 Senate Bill 488, p. 4 (Jan. 12, 2026) (on file with the Government Operations Subcommittee).

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Government Operations Subcommittee	16 Y, 0 N	2/5/2026	Toliver	Walker
Ways & Means Committee	19 Y, 0 N, As CS	2/10/2026	Aldridge	Hallaian
THE CHANGES ADOPTED BY THE COMMITTEE:	<ul style="list-style-type: none"> Clarified that the second-degree misdemeanor only applies if a frame, coating, or similar cover obscures the primary features or details of a license plate number or validation sticker. Allowed for a license plate frame, even if information at the top or bottom of the plate is covered, as long as law enforcement can identify the state issuing the plate. 			
State Affairs Committee	26 Y, 0 N, As CS	2/24/2026	Williamson	Walker
THE CHANGES ADOPTED BY THE COMMITTEE:	Clarified that license plate frames or borders are permissible for use on a license plate as long as such devices do not obscure the license plate number or validation sticker.			

THIS BILL ANALYSIS HAS BEEN UPDATED TO INCORPORATE ALL OF THE CHANGES DESCRIBED ABOVE.
