

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 Transportation and Economic Development Appropriations Committee

BILL: CS/SB 1436

INTRODUCER: Transportation and Economic Development Appropriations Committee and Senator Fasano

SUBJECT: Vehicle Registration Fees and Surcharges

DATE: March 19, 2010 **REVISED:** _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Carey	Noble	TA	Fav/CS
2.	_____	_____	WPSC	_____
3.	_____	_____	RC	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

Please see Section VIII. for Additional Information:

- | | | |
|------------------------------|-------------------------------------|---|
| A. COMMITTEE SUBSTITUTE..... | <input checked="" type="checkbox"/> | Statement of Substantial Changes |
| B. AMENDMENTS..... | <input type="checkbox"/> | Technical amendments were recommended |
| | <input type="checkbox"/> | Amendments were recommended |
| | <input type="checkbox"/> | Significant amendments were recommended |

I. Summary:

This bill revises fees associated with the vehicle registration. This bill reduces the current \$5.00 service charge applied in connection with the issuance, duplicate issuance, or transfer of a license plate, mobile home sticker or validation sticker (decal), or with the transfer or duplicate issuance of a vehicle registration certificate to \$2.50. The bill deletes a provision requiring that a portion of the service charge be deposited into the General Revenue Fund. The bill also reduces the current \$5.50 surcharge levied on each license tax to \$2.00 and reduces the amount of the surcharge to be deposited into the General Revenue Fund from \$4.50 to \$1.00. The bill also provides for a credit to be paid to certain registrants who paid for a biennial license. The credit is funded through the General Revenue Fund.

The bill is effective on September 1, 2010.

The Revenue Estimating Impact Conference has not reviewed this bill. However, it is estimated that revenues deposited in the General Revenue Fund could be reduced by approximately \$86 million in Fiscal Year 2010-11. Biennial registration credits will also negatively impact general

revenue collections based on the actual number of registrations between September 1, 2009 and June 30, 2010.

This bill substantially amends sections 320.04(1)(a), 320.08046 and 320.203 of the Florida Statutes.

II. Present Situation:

The 2009 Legislature enacted Chapter 2009-71, Laws of Florida, to make substantial changes to chapter 320, F.S., relating to motor vehicle licenses and related fees. Currently, the service charge in s. 320.04(1)(a), F.S., in connection with vehicle registration is \$5.00, and of that amount, \$2.50 is deposited into the General Revenue Fund.

The surcharge on a license tax provided for in s. 320.08046, F.S., is currently \$5.50. Of this amount, \$4.50 is deposited into the General Revenue Fund and \$1.00 is deposited into the Grants and Donations Trust Fund in the Department of Juvenile Justice to fund juvenile crime prevention programs and community juvenile justice partnership grants programs.

III. Effect of Proposed Changes:

This bill reduces two fees related to motor vehicle licenses and registration that were increased during the 2009 Legislative Session. Specifically, the bill:

- Reduces the current \$5.00 the service charge imposed in s. 320.04(1)(a), F.S., in connection with a vehicle registration to \$2.50;
 - Deletes language requiring \$2.50 of the vehicle registration service charge to be deposited into the General Revenue Fund;
 - Reduces the current \$5.50 surcharge on a license tax to \$2.00;
 - Reduces the amount of the license surcharge distributed to the General Revenue Fund;
 - Creates a new subsection in s. 320.203, F.S., to provide for a \$6 credit for biennial vehicle registrations that were assessed a fee pursuant to ch. 2009-71, L.O.F., between September 1, 2009 and August 31, 2010.
 - Clarifies that the credit applied to biennial mobile home registrations, which are not subject to the license tax surcharge, will be \$2.50.
- The credit is applied to the next registration period. This subsection will expire on September 30, 2012;
- Provides an effective date of September 1, 2010.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. **Fiscal Impact Statement:**

A. Tax/Fee Issues:

This bill reduces two fees related to motor vehicle licenses and registration. The \$5.00 service charge imposed in s. 320.04(1)(a), F.S., in connection with a vehicle registration is reduced to \$2.50. The \$5.50 surcharge on a license tax is reduced to \$2.00.

B. Private Sector Impact:

This bill reduces the annual cost of vehicle registration for Florida citizens by \$6.00 annually. The bill also grants a credit to individual registrants who were assessed a biennial registration fee pursuant to ch. 2009-71, L.O.F., between September 1, 2009 and August 31, 2010 which will be applied to the next registration period.

C. Government Sector Impact:

The Revenue Estimating Impact Conference has not reviewed this bill. However, it is estimated that revenues deposited in the General Revenue Fund during could be reduced by approximately \$86 million in Fiscal Year 2010-11. Biennial registration credits will also negatively impact general revenue collections based on the actual number of registrations between September 1, 2009 and June 30, 2010.

VI. **Technical Deficiencies:**

None.

VII. **Related Issues:**

None.

VIII. **Additional Information:**

A. Committee Substitute – Statement of Substantial Changes:

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

**CS by the Committee on Transportation and Economic Development
Appropriations Committee on March 19, 2010.**

This bill revises fees associated with the vehicle registration. This bill reduces the current \$5.00 service charge applied in connection with the issuance, duplicate issuance, or transfer of a license plate, mobile home sticker or validation sticker (decal), or with the transfer or duplicate issuance of a vehicle registration certificate to \$2.50. The bill deletes a provision requiring that a portion of the service charge be deposited into the

General Revenue Fund. The bill also reduces the current \$5.50 surcharge levied on each license tax to \$2.00 and reduces the amount of the surcharge to be deposited into the General Revenue Fund from \$4.50 to \$1.00. The bill also provides for a credit to be paid to certain registrants who paid for a biennial license. The credit is funded through the General Revenue Fund.

B. Amendments:

None.

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