

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB THSS 13-01 Highway Safety and Motor Vehicles

SPONSOR(S): Transportation & Highway Safety Subcommittee

TIED BILLS: **IDEN./SIM. BILLS:** SB 1458

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Transportation & Highway Safety Subcommittee		Kiner	Miller

SUMMARY ANALYSIS

Proposed Committee Bill THSS 13-01 amends and revises Florida law administered by the Department of Highway Safety and Motor Vehicles (DHSMV). In addition to technical and conforming changes, the bill:

- revises Florida law dealing with commercial motor vehicles to mirror certain federal laws;
- corrects inconsistent references in Florida law to the International Registration Plan;
- clarifies DHSMV's rulemaking authority with regard to driver improvement courses;
- allows a motor vehicle e-title to remain electronic when transferred during a private, casual sale;
- revises requirements for applying for motor vehicle and vessel registrations and title certificates;
- requires a person to settle the debt created by a prior insufficient funds check before allowing that person to conduct certain future transactions with DHSMV;
- provides motor vehicle, mobile home, and recreational vehicle dealers (including manufacturers, distributors, and importers) the option of applying for two-year dealer licenses;
- eliminates the requirement that a DHSMV Medical Advisory Board member be a member of one of several voluntary professional associations;
- makes conforming changes to advance the directive that all driver license issuance services be assumed by constitutional tax collectors by June 30, 2015;
- requires the Clerks of Court to electronically notify DHSMV when suspending a driver license;
- authorizes administrative driver license suspension hearings to be conducted via telephone;
- allows enforcement of a subpoena in an existing criminal case, in lieu of a separate, new civil case;
- authorizes DHSMV to use non-employees (retired judges, lawyers, etc.) to conduct administrative driver license suspension hearings;
- requires a DUI offender granted an ignition interlock device medical waiver to apply for and receive an employment purposes only driver license in order to enjoy restricted driving privileges;
- clarifies that DUI convictions adjudicated on the same date, but that arise from separate arrest dates, constitute separate convictions under Florida's DUI law;
- repeals the mandatory, but cursory, driver license reinstatement hearing for habitual traffic offenders that have already served their five-year revocation period and met the required benchmarks for restoration of their driving privileges;
- modifies two of the four methods by which motor vehicle registrants may prove financial responsibility;
- removes the requirement that DHSMV send insurance verification notices via U.S. mail and requires insurance companies to respond within 20-days;
- authorizes DHSMV to retain annual fees from vessel registrations in an amount equal to the administrative cost of operating the vessel registration program.

The Proposed Committee Bill has an indeterminate fiscal impact on state and local government revenue (See the Fiscal Analysis Section). The bill has an effective date of July 1, 2013.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

International Registration Plan (Plan) (Sections 1, 5, 13, 15, 16, 17)

Current Situation

The Plan is a special plan for registering vehicles that must travel in two or more member jurisdictions; specifically, the Plan is a registration reciprocity agreement among states of the United States, the District of Columbia and the provinces of Canada providing for payment of apportionable fees on the basis of total distance traveled in all jurisdictions.

All commercial motor vehicles domiciled in Florida and engaged in interstate commerce must register under the provisions of the International Registration Plan and must display apportioned license plates.¹

Under the Plan, interstate truck operators are required to file an application with their base jurisdiction. The base jurisdiction, in turn, issues one registration cab card and one tag for the vehicle. In member jurisdictions, the single apportioned license plate and cab card are the only registration credentials required to operate interstate and intrastate. The cab card indicates all jurisdictions and weights for which the carrier paid apportioned fees.

All jurisdictions have agreed to allow one jurisdiction to collect apportioned registration fees for each jurisdiction at one time. These fees are then divided among the other jurisdictions according to:

- percentage of mileage traveled in each jurisdiction;
- vehicle identification information; and
- maximum weight.

Florida law inconsistently uses the terms 'apportioned motor vehicle' and 'apportionable vehicle' when referring to the Plan.

Effect of Proposed Change

The bill amends ss. 207.002, 316.545, 320.01, 320.03, 320.071, and 320.0715, F.S., to correct the inconsistent terms and references with regard to the International Registration Plan. These provisions have no fiscal impact.

DUI and Ignition Interlock Devices (IID) (Sections 2, 30, 31-33, 34, 35)

Lowers the IID threshold to 0.025 BAC from 0.05 BAC (Section 2)

Current Situation

In Florida, an IID is required for all repeat DUI offenders.² An IID is required for first-time DUI offenders in two cases: (1) if the offender's BAC is 0.15 or higher; or (2) if children under 18 are in the vehicle at the time of the offense.³ Before starting a vehicle with an IID installed, the driver must blow into a breathalyzer tube. If the IID detects a BAC above the pre-set maximum level, the IID will prevent the vehicle from starting. By statute, this level is set at 0.05 BAC, or as otherwise set by the court.⁴

Additionally, modern IIDs conduct randomized tests while the vehicle is being operated in order to help ensure that the driver did not use another person's breath sample to start the car, or did not begin drinking after starting the vehicle; for example, by drinking in a bar while leaving the vehicle running. If

¹ s. 320.0715, F.S.

² s. 316.193(2), F.S.

³ s. 316.193(4)(c), F.S.

⁴ s. 316.1937

the IID detects BAC above the pre-set level during one of these tests, the IID will not stop or disable the engine, but will record the violation. When violations occur, the IID must be checked and reset by the IID servicer and the record will be sent to the proper authorities.

The offending driver pays for the installation, maintenance, and monitoring of the IID. However, Florida law contains provisions for those the court determines are unable to pay. For example, the court may order that any portion of a fine paid as a result of a DUI offense be counted against installation costs.⁵ The cost (plus tax) to the driver for an ignition interlock device is:

- \$75.00 for installation;
- \$72.50 for monthly monitoring and calibration; and
- \$100 refundable deposit or a \$5 monthly insurance charge.⁶

In addition to the above, DHSMV receives a \$12 interlock fee for each IID installation. This fee is deposited into the Highway Safety Operating Trust Fund.

With regard to attempts to circumvent the IID, s. 316.1937, F.S., prohibits the following acts:

- tampering with or circumventing the operation of an IID;
- requesting or soliciting another person to blow into the IID for the purpose of starting or operating the motor vehicle;
- blowing into an IID for the purpose of starting or operating the motor vehicle for another; and
- knowingly leasing or lending a motor vehicle to a person who has been required to have an IID installed on his or her motor vehicle.⁷

A violation of the above carries a one year driver license suspension.⁸ A subsequent violation of the above during the same period of IID installation carries a five year license suspension.⁹ If a person commits any of the prohibited acts specified above and is not a licensed driver, he or she will be subject to a fine between \$250 and \$500 for each violation.¹⁰

Currently, Florida and New Jersey are the only states that set the pre-set level at 0.05 BAC. Twenty-four states are currently at 0.025 BAC.

Effect of Proposed Change

The bill lowers the statutory pre-set level on an IID to 0.025 BAC from 0.05 BAC. However, the bill does not change a court's discretionary authority to set its own threshold level; that discretion remains with the court. According to DHSMV, the proposed change would increase the number of IID violators being monitored by DHSMV, and therefore would require two FTEs to conduct the monitoring. It is unknown whether these additional FTEs may be absorbed within DHSMV's existing resources.

Temporary driver license reinstatement (Section 30)

Current Situation

Currently, s. 322.25(7), F.S., allows a driver convicted of DUI to obtain a court order reinstating the driver's driving privilege on a temporary basis, provided the driver completes an approved driver training and/or substance abuse course (course must be completed prior to issuance). The permit is valid for no more than 45-days and driving privileges are restricted to business or employment purposes only. In practice, however, DHSMV relies on ss. 322.271 and 322.28, F.S., as part of the more detailed "Florida DUI Law," to grant a driver convicted of DUI a "hardship" license for business or employment purposes only if the driver has met specified criteria.

In light the more detailed "Florida DUI Law," s. 322.25(7), F.S., is never used.

⁵ s. 316.1937(2)(d), F.S.

⁶ See DHSMV's website at <http://www.flhsmv.gov/ddl/iid.html> (Last viewed 3/5/13).

⁷ s. 316.1937(6), F.S.

⁸ s. 316.1937(5)(a), F.S.

⁹ Id.

¹⁰ s. 316.1937(5)(b), F.S.

Effect of Proposed Change

The bill repeals s. 322.25(7), F.S., in favor of the more detailed “Florida DUI Law.” This provision has no fiscal impact.

Driver license suspension hearings before the Bureau of Administrative Review (Sections 31-33)

Current Situation

Florida law sets varying administrative and criminal penalties for each DUI arrest and conviction. Penalties may include jail time, a fine, and various periods of driver license suspension or revocation. In the case of an administrative driver license suspension, DHSMV does not have statutory authority to conduct hearings before the Bureau of Administrative Review via telephone or other audio/visual means.

Hearing officers that conduct formal or informal administrative driver license suspension hearings must be DHSMV employees. In formal hearings, the hearing officer is authorized to administer oaths, examine witnesses and take testimony, receive relevant evidence, issue subpoenas for officers and witnesses to appear at the hearing, question witnesses, and make a ruling on the suspension.

Formal hearings may be conducted upon a review of reports submitted by law enforcement (including breath technicians), however, the respondent licensee may subpoena these and other individuals as well. Subpoenaed witnesses often fail to appear. When this happens, the current process requires the respondent licensee to seek enforcement of the subpoena by filing a separate new case in circuit court.

Effect of Proposed Change

The bill amends ss. 322.2615, 322.2616, and 322.64, F.S., to authorize DHSMV to conduct administrative driver license suspension hearings before the Bureau of Administrative Review via “communications technology,” but doesn’t define the term. This provision is expected to have an indeterminate positive fiscal impact due to anticipated savings on travel time and fuel expenditures. However, the proposed change may lead to the elimination of an unknown number of full-time equivalent positions (FTEs) within DHSMV’s Bureau of Administrative Review.

The bill removes the requirement that hearing officers conducting formal or informal administrative driver license suspension hearings be employees of the department. Rather, the bill merely requires the department to designate a hearing officer.

The bill specifies that the failure of a subpoenaed witness to appear at the formal hearing does not – in and of its self – provide sufficient grounds to invalidate the suspension, unless the witness is the arresting officer or breath technician. In instances where a subpoenaed witness (other than the arresting officer or breath technician) fails to appear at the formal hearing, the bill allows the respondent licensee to file a subpoena enforcement action in the licensee’s existing criminal case, in lieu of requiring enforcement through the filing of, and payment of fees for, a separate, new case in circuit court – although that will remain an option.

The bill also conforms a cross-reference in s. 322.64, F.S.

IID medical waiver (Section 34)

Current Situation

Installation of an ignition interlock device (IID) may be required in certain instances for drivers convicted of DUI. In these cases, IID installation is in conjunction with a driver having his or her driving privileges reinstated, but restricted to business or employment purposes only. Before starting a motor vehicle with an IID installed, the driver must blow into a breathalyzer tube. If the IID detects a blood-alcohol content level above the pre-set minimum, the IID will prevent the vehicle from starting. Sometimes, a driver may have a documented medical condition, such as a pulmonary or respiratory condition, that would prohibit the device from functioning normally. Section 322.2715, F.S., is Florida’s ignition interlock device statute. Among other things, the statute provides that “consideration” may be given to those individuals having a medical condition that would prohibit the device from functioning normally. However, the

section does not articulate the type of “consideration” that may be given. As a result, the “consideration” has sometimes been in the form of a court order reinstating a driver’s driving privileges.

Effect of Proposed Change

The bill amends s. 322.2715, F.S., to require a DUI offender that has been granted a medical waiver in lieu of required IID installation to seek issuance of a driver license restricted to employment purposes only, in order to receive restricted driving privileges. An “employment purposes only” driver license means that the DUI offender will be limited to driving to and from work and any necessary on-the-job driving required by an employer or occupation. Because the number of DUI offenders that may wish to seek an employment purposes only driver license in connection with an IID medical waiver is unknown, this provision has an indeterminate fiscal impact. While the DUI offender qualifying for an employment purposes only license under this section will have to pay for the privilege, this cost may be minimal as compared to the potential costs of having no driving privileges at all.

DUI convictions that occur on the same date (Section 35)

Current Situation

A DUI arrest results in both an administrative case and a criminal case. Sometimes, months may pass before either case is resolved. During this period, it is possible for an individual to be arrested for DUI again while the first matter is still pending. In these cases, the court may consolidate the cases and resolve both on the same date. In these cases, DHSMV records may inaccurately reflect one “conviction,” instead of two.

Effect of Proposed Change

The bill amends s. 322.28, F.S., to clarify that in these cases, convictions that occur on the same date, but arise from separate offense dates, are treated as separate convictions. Because driver license suspension periods and eligibility requirements for driver license reinstatement are determined in part by the number and frequency of prior DUI convictions, this provision will have an indeterminate fiscal impact. Although the change is expected to increase the accuracy of DHSMV’s record-keeping and lower the costs related to data cleanup, the exact fiscal impact is indeterminate.

Rulemaking authority related to Driver Improvement Courses (Sections 8 and 24)

Current Situation

In 1995, the Florida Legislature amended s. 318.1451, F.S., to shift DHSMV’s focus from the regulation of driver improvement schools to approval of driver improvement courses. Throughout the state, there are fewer course providers than there are driver improvement schools. Today, DHSMV is required to consider whether a course has been designed to promote the following when considering it for approval:

- safety;
- driver awareness;
- crash avoidance techniques; and
- other factors or criteria to improve driver performance from a safety viewpoint.¹¹

In addition to the requirements set out in s. 318.1451, F.S., DHSMV has promulgated Chapter 15A-8, F.A.C., to direct DHSMV personnel on how to approve course curriculum. The rules in this chapter were last amended in 1996. In late 2011, the Florida Legislature’s Joint Administrative Procedures Committee (JAPC) expressed concern with the substance of these rules, as well as the extent of DHSMV’s authority to promulgate them.

A rule is an agency statement of general applicability which interprets, implements, or prescribes law or policy, including the procedure and practice requirements of an agency as well as certain types of

¹¹ Id.

forms.¹² Rulemaking authority is delegated by the legislature through statute and explicitly authorizes or requires an agency to adopt, develop, establish, or otherwise create a rule.¹³

Effect of Proposed Change

The bill amends s. 318.1451, F.S., in response to JAPC's concerns. The proposed change further clarifies DHSMV's statutory rulemaking authority with respect to driver improvement courses. This provision has no fiscal impact.

Federal funding issues related to commercial drivers (Sections 3, 4, 7, 27, 37)

Federal law administered by the Federal Motor Carrier Safety Administration (FMCSA) requires states to comply with federal commercial motor vehicle and licensing regulations. The FMCSA has requested minor modifications to current Florida law regarding commercial motor vehicle issues.

Commercial motor vehicle enforcement authorization statute (Section 3)

Current Situation

Section 316.302, F.S., subjects all commercial motor vehicle owners and operators to the federal rules and regulations contained in 49 C.F.R. parts 382,385, and 390-397 as such rules and regulations existed on October 1, 2011, but provides for certain exemptions at the state level. However, the federal Motor Carrier Safety Assistance Grant (Grant) does not allow these state level exemptions and requires enforcement of these rules and regulations. In order to comply with the Grant's requirements, Florida will need to take legislative action to remove these state level exemptions.

Effect of Proposed Change

The bill removes certain state level exemptions to FMCSA federal rules and regulations currently afforded to commercial motor vehicle owners and operators. As such, the bill places relevant federal regulations in the state level authorization statute and does the following:

- removes the state-level exemptions granted to transporters of liquefied petroleum gas;
- adopts the regulations contained in 49 C.F.R. part 107, subpart F, related to hazardous materials program procedures; and
- adopts the regulations contained in 49 C.F.R. part 383, relating to commercial driver license standards, requirements, and penalties.

This provision implicates Florida's continued receipt of federal dollars related to the Grant. The exact amount of federal funds that may be impacted is unknown. However, there is no state level fiscal impact.

Physical qualifications for drivers (Section 4)

Current Situation

49 C.F.R. 391.41 requires commercial motor vehicle drivers to be medically certified as physically qualified to drive, unless a medical variance applies. As of January 30, 2012, and no later than January 30, 2014, all commercial driver license holders must provide information to their state driver license agency regarding the type of commercial motor vehicle operation they drive in or expect to drive in with their commercial driver license.

Florida has not adopted this federal regulation in state law.

¹² s. 120.52(16), F.S.

¹³ s. 120.52(17), F.S.

Effect of Proposed Change

The bill amends s. 316.3025, F.S., by adopting the federal regulation that requires commercial motor vehicle drivers to provide medical certification information regarding the type of commercial motor vehicle operation they drive in or expect to drive in with their commercial driver license to their state driver license agency by January 31, 2014. There is a \$100 civil penalty if a commercial motor vehicle driver violates this requirement. In as much as this provision subjects violators to a nominal civil penalty, this provision has an indeterminate fiscal impact on the State Transportation Trust Fund (STTF) as fine amounts are distributed to the STTF for the purpose of maintaining and repairing state roads.

Commercial learner's permit; Non-criminal traffic infractions (Section 7)

Current Situation

As they relate to certain traffic infractions committed by commercial learner's permit (CLP) holders and commercial driver license (CDL) holders, federal rules and regulations prohibit a state from masking a conviction, deferring imposition of judgment, or allowing enrollment in a diversion program.¹⁴ In accordance with these federal rules and regulations, a state is prohibited from allowing a CLP holder or CDL holder that has received a traffic citation from attending driver improvement school and having adjudication of guilt withheld by a court. Doing so would be considered 'masking a conviction.'

Florida law does prohibit a CDL holder from attending driver improvement school and electing to have adjudication of guilt withheld in the instances:

- driving without a valid license, or with a suspended license;
- driving without a valid registration;
- driving without valid proof of insurance;

However, there is no corresponding prohibition for a CLP holder. As a result, Florida is not in full compliance with the applicable federal rules and regulations.

Effect of Proposed Change

The bill amends s. 318.14, F.S., to also prohibit a CLP holder from having adjudication of guilt withheld after attending driver improvement school. In as much as the prohibition would disallow CLP holders from electing to have adjudication withheld, this provision will result in more CLP holders paying fines for traffic infractions. This provision has an indeterminate positive fiscal impact.

Commercial driver license and commercial learner's permit; fraud (Section 27)

Current Situation

The FMCSA has promulgated a rule containing a provision aimed at preventing fraud in connection with the issuance of a commercial driver license (CDL) or commercial learner's permit (CLP). Specifically, Federal Rule 49 C.F.R. 383.73(k)(1) requires that a "state must have policies in effect that result, at a minimum, in the disqualification of the CLP or CDL of a person who has been convicted of fraud related to the issuance of that CLP or CDL."¹⁵ The disqualification must be for at least one year.

Florida is not in compliance with this rule. Currently, Florida law only requires a 60-day disqualification for providing false information in connection with a CDL application. There is no corresponding penalty for providing false information in connection with a CLP application.

Effect of Proposed Change

¹⁴ See 49 C.F.R. 384.226 on the FMCSA website at <http://www.fmcsa.dot.gov/rules-regulations/administration/fmcsr/fmcsrruletext.aspx?reg=384.226&keyword=384.226> (Last viewed on 3/5/13).

¹⁵ See 49 C.F.R. 383.73(k)(1) on the FMCSA's website at <http://www.fmcsa.dot.gov/rules-regulations/administration/fmcsr/fmcsrruletext.aspx?reg=383.73> (Last viewed on November 13, 2012).

The bill amends s. 322.212, F.S., to require a one year disqualification for providing false information or fraud in connection with an application for a CDL or CLP. This provision has no fiscal impact.

CDL and CLP disqualifications (Section 37)

Current Situation

Florida law does not subject commercial learner's permit (CLP) holders to the same traffic violations criteria that now disqualify commercial driver license (CDL) holders from operating a commercial motor vehicle. Additionally, Florida law requires disqualification for violations not specified by federal rules and regulations.

Effect of Proposed Change

The bill amends s. 322.61, F.S., to subject CLP holders to the same traffic violations criteria that now disqualify CDL holders from operating a commercial motor vehicle. This change will align Florida law with federal rules and regulations. This provision has no fiscal impact.

Registration and Certificates of Title & Repossession (Sections 6, 11, 12, 9, 10, 14, 42, 43, 44)

Certificates of repossession

Current Situation

When a lienholder repossess a motor vehicle, the lienholder has the option of obtaining either a (1) certificate of repossession or (2) a certificate of title. Because the lienholder must possess a certificate of title when selling the vehicle, there is no need for a certificate of repossession. If the vehicle isn't sold immediately after repossession, an affidavit is satisfactory proof of right of possession and ownership.

Effect of Proposed Change

The proposed change eliminates the certificate of repossession in favor of the certificate of title, which is the same price. Because the price for a certificate of title and a certificate of repossession are the same, this provision has no fiscal impact.

Electronic titles in casual sales (Section 9)

Current Situation

When a vehicle is bought or sold in Florida as part of a private casual sale, the vehicle identification number (VIN) and mileage (odometer disclosure) must be recorded. This information provides proof of ownership and is required in order for the buyer to register the vehicle and apply for a title in his or her name. Usually, the buyer and seller complete the odometer disclosure statement on the face of the title. This is usually done at the county tax collector's office. In an effort to eliminate the risk of losing a motor vehicle title and to prevent fraud, DHSMV has implemented a system providing for electronic titles. However, the transfer of title process in a private casual sale remains antiquated and requires a paper form to be printed – even if the buyer wishes for the title to remain electronic. The paper form is then signed and scanned into DHSMV's database.

The fees collected as part of this transfer of title process are distributed as follows:

- \$2.50 paper title service fee distributed to the Highway Safety Operating Trust Fund (HSOTF);
- \$10 fast title fee, of which \$1.50 is distributed to the General Revenue Fund (GR), \$5 is distributed to the HSOTF to be used by DHSMV for the purpose of preventing odometer fraud, and the remaining \$3.50 is distributed to the tax collector for processing the transaction.

Effect of Proposed Change

The bill amends s. 319.225, F.S., to revise the transfer of title process for electronic titles in private casual sales. The effect of the proposed change will allow DHSMV to design a secure reassignment document (to be completed by seller and buyer) that discloses the odometer reading and allows the title to remain electronic. The new secure reassignment document will not require a paper form and will eliminate the need to print, sign, and scan the document.

The proposed change will allow additional funds to be transferred to the Marine Resources Conservation Trust Fund administered by the Florida Fish and Wildlife Conservation Commission (FWC). These funds will be used to provide, among other things, recreational channel marking, marine mammal protection, law enforcement and quality control programs. The provision is revenue neutral to the state with DHSMV having a reduction of approximately \$675,000, and FWC having an increase of approximately \$675,000.

Dealer licensing (Sections 19-23)

Current Situation

Motor vehicle dealers, manufacturers, distributors, and importers (Sections 19 and 20)

In Florida, motor vehicle dealers are licensed and regulated by DHSMV under s. 320.27, F.S. Any person, firm, partnership, or corporation that buys, sells, offers for sale, displays for sale, or deals in three or more motor vehicles in any 12-month period is presumed to be a motor vehicle dealer and must have an appropriate dealer license. There are six license classes applicable to motor vehicle dealers. They are the following:

- Independent dealer – for a person dealing in used motor vehicles only. This license permits the licensee to transact business at retail or wholesale.
- Franchise dealer – allows the licensee to sell new motor vehicles under an agreement with a manufacturer. This license also permits the licensee to sell used motor vehicles.
- Service facility – is a dealership that performs only service as defined in s. 320.60(16), F.S., and will not or does not sell or lease motor vehicles.
- Wholesale dealer – licensees may only buy from, sell to, and deal at wholesale with other licensed dealers.
- Auction dealer – licensees are licensed to sell, on behalf of licensed dealers, through a bidding process. Those holding an auction dealer license may not sell at retail.
- Salvage dealer – allows the licensee to deal in salvage or wrecked vehicles. Any person who engages in the business of acquiring salvaged or wrecked motor vehicles for the purpose of reselling them and their parts must have a salvage dealer license. If the dealer rebuilds salvaged or wrecked vehicles, the title must be reassigned to an independent dealer for retail sale.

In addition to the six classes of motor vehicle dealer licenses, there are also licenses for motor vehicle manufacturers, distributors, and importers.

Currently, a motor vehicle dealer that applies for an original or renewal motor vehicle dealer's license will be issued a license that is valid through the end of the specified licensing period, which varies across classifications. For instance, a franchise dealer license expires annually on December 31st. Conversely, an independent, wholesale, or auction dealer license expires annually on April 30th. The annual expiration date for a manufacturer, distributor, and importer license is September 30th.

The initial, one-year motor vehicle dealer, license fee is \$300. The one-year renewal fee is \$75. For motor vehicle manufacturers, distributors, and importers, the initial one-year license fee is \$300, while the one-year renewal fee is \$100. The fees collected are deposited into the General Revenue Fund.

Mobile home and RV dealers, manufacturers, distributors, and importers (Sections 21, 22, 23)

Mobile home dealers are licensed and regulated by DHSMV under s. 320.77, F.S. Any person, firm, partnership, or corporation that buys, sells, deals in, or offers, or displays for sale, or who acts as the agent for the sale of one or more mobile homes in any 12-month period is presumed to be a mobile home dealer and must have an appropriate dealer license. There are two license classes applicable to mobile home dealers. They are the following:

- Mobile home dealer – allows a person to deal in new or used mobile homes. This license permits the licensee to transaction business at retail or wholesale.
- Mobile home broker – allows the licensee to sell used mobile homes only. This license permits the licensee to transact business at retail or wholesale.

Currently, a mobile home dealer license expires annually on October 1st.

Recreational vehicle dealers are licensed and regulated by DHSMV under s. 320.771, F.S. Any person, firm, partnership, or corporation that buys, sells, offers for sale, displays for sale, or deals in one or more recreational vehicles in any 12-month period is presumed to be a recreational vehicle dealer and must have an appropriate recreational vehicle dealer license. There are two license classes applicable to mobile dealers. They are the following:

- New recreational vehicle dealer – allows the licensee to sell new and used recreational vehicles.
- Used recreational vehicle dealer – allows the licensee to sell only used recreational vehicles.

Currently, a recreational vehicle dealer license expires annually on October 1st.

In addition to the mobile home dealer and recreational vehicle dealer license classes, there is also a license available for mobile home and recreational vehicle manufacturers, distributors, and importers, which expire annually on September 30th.

Initial mobile home and recreational vehicle dealer, manufacturer, distributor, and importer licenses carry a \$300 license fee, and the renewal fee for all is \$100. All fees collected are deposited into the General Revenue Fund.

Effect of Proposed Change

The bill amends Florida's dealer licensing laws to provide motor vehicle, mobile home, and recreational vehicle dealers the option of choosing a one or two-year licensing period. Specifically, the proposed change for each license type is the following:

- Motor vehicle dealer license – the licensee applicant will pay \$300 for the first year and \$75 for the second year. Upon renewal, the licensee applicant will choose to pay either \$75 for a one-year renewal or \$150 for a two-year renewal.
- Motor vehicle manufacturers, distributors, and importer license – the licensee applicant will pay \$300 for the first year and \$100 for the second year. Upon renewal, the licensee applicant will pay \$100 for a one-year renewal or \$200 for a two-year renewal.
- Mobile home dealer license – the licensee applicant will pay \$300 for the first year and \$100 for the second year. Upon renewal, the licensee applicant will pay \$100 for a one-year renewal or \$200 for a two-year renewal.
- Recreational vehicle dealer license – the licensee applicant will pay \$300 for the first year and \$100 for the second year. Upon renewal, the licensee applicant will pay \$100 for a one-year renewal or \$200 for a two-year renewal.

All fees will be deposited into the General Revenue Fund. Essentially, a dealer that chooses the two-year licensing option will pay for both years in year one and will owe nothing in year two. As a result, disbursements to the General Revenue Fund may be uneven from year-to-year, but are expected to be revenue neutral over the long term. It is unknown how many dealers will choose the two-year option.

Generally, all dealer licenses are \$300 for the first year and \$100 for the second, except that a motor vehicle dealer license is \$75 for the second year.

Insufficient Funds Checks (Sections 18 and 28)

Current Situation

Florida law authorizes DHSMV to cancel a licensee's driver license in certain circumstances. These circumstances are listed in s. 322.22, F.S., and include the following:

- a determination that the licensee was not entitled to the driver license;
- if the licensee failed to give the required or correct information on the driver license application;
- if the licensee fraudulently completed the driver license application; and
- if the licensee has two or more driver licenses on file, each with the same picture but a different name.

DHSMV is also authorized to cancel a licensee's driver license, identification card, vehicle or vessel registration, or fuel-use decal if the licensee or registrant pays with a dishonored (or insufficient funds) check. DHSMV, however, does not have statutory authority to prohibit future transactions by a licensee who has paid with a dishonored (or insufficient funds) check.

The origin of the problem stems from the separation of DHSMV's registration and driver licensing database systems. For example, driver licenses are generally valid for eight years, while motor vehicle registrations expire every year, or once every two years. If a person pays for a driver license with a dishonored check, DHSMV is unable to collect the outstanding debt when that same person next renews his or her registration. Instead, DHSMV must wait until that person next renews his or her driver license. DHSMV would like to merge the two debt collection processes.

Effect of Proposed Change

The bill amends ss. 320.18 and 322.22, F.S., to authorize DHSMV to prohibit future transactions by a licensee who has had his or her credentials canceled for paying with a dishonored (or insufficient funds) check. The effect of the proposed change will allow DHSMV to collect a greater amount of outstanding debt. This provision has an indeterminate positive fiscal impact on the General Revenue Fund as driver license fees are distributed to the General Revenue Fund.

Driver licensing (Sections 25, 26, 29, 36)

Medical Advisory Board (Section 25)

Current Situation

DHSMV's Medical Advisory Board (Board) advises DHSMV on medical issues relating to driver licensing standards. In fulfillment of this duty, the Board assists in developing and keeping current with medical and scientific advancements, and among other things, reports on the individual physical and mental qualifications of a licensee or applicant.

Florida law requires that the Board have between 12 and 25 members. Every member but two must be a licensed doctor of medicine (any state) and must be a member in good standing of the Florida Medical Association or the Florida Osteopathic Association. Additionally, at least one member must be a Florida licensed optometrist and a member in good standing of the Florida Optometric Association.

Effect of Proposed Change

The bill amends s. 322.125, F.S., to eliminate the requirements related to membership in the Florida Medical Association, Florida Osteopathic Association, and Florida Optometric Association. This provision has no fiscal impact.

Driver license re-exams (Section 26)

Current Situation

Florida law requires that all driver license issuance services be assumed by the constitutional tax collectors by June 30, 2015.¹⁷ The transition is to follow a defined schedule. The schedule was drafted by DHSMV in conjunction with the Florida Tax Collectors Association and the Florida Association of Counties.

Some tax collectors have already started the transition and are offering full driver license services. Some tax collectors have begun the transition, but are uncertain as to whether they have the statutory authority to conduct driver license re-examinations.

¹⁷ s. 322.135(5), F.S.

Section 322.135(4), F.S., prohibits tax collectors from issuing a driver license to any person believed to be physically or mentally unqualified. However, the section states that the tax collector may direct the person to DHSMV for re-examination.

Effect of Proposed Change

The bill amends s. 322.135(4), F.S., to remove the language stating that the “tax collector may direct the person to DHSMV for re-examination.” The effect of the proposed change will further aid plans to transition more driver licensing services to the tax collectors. In as much as the tax collector charges a fee for every driver license transaction, the potential increase in the number of driver license transactions, specifically driver license re-examinations, is expected to have an indeterminate positive fiscal impact on tax collector revenue.

Electronic Notification by Clerks of Court (Section 29)

Current Situation

A clerk of the court must order that a licensee’s driver license be suspended in certain instances. Among these instances is the licensee’s failure to comply with court directives after having been issued a uniform traffic citation. After mailing notice of the order of suspension to the licensee, the clerk of the court must direct DHSMV to immediately suspend the licensee’s driving privileges. Section 322.245(3), F.S., requires that this notification be made within ten days. Some clerks of the court have elected to notify DHSMV through regular mail, rather than electronically.

Effect of Proposed Change

The bill amends s. 322.245(3), F.S., to require a clerk of the court to notify DHSMV of suspension orders electronically. This provision has no fiscal impact.

Habitual Traffic Offenders (Section 36)

Current Situation

Section 322.264, F.S., defines a “habitual traffic offender” as a licensee whose driving record shows that he or she has accumulated at least three of any one or more of the following convictions within a five-year period:

- voluntary or involuntary manslaughter resulting from the operation of a motor vehicle;
- driving under the influence;
- any felony in commission of which a motor vehicle is used;
- driving with a suspended or revoked license;
- failing to stop and render aid as required under Florida law in the event of a motor vehicle crash resulting in the death or personal injury of another; or
- driving a commercial motor vehicle while the licensee’s privilege is disqualified.

The definition of “habitual traffic offender” also includes a licensee who has accumulated 15 convictions for specified moving traffic offenses for which points may be assessed, as described in s. 322.27, F.S. The following offenses are among the many described in the section:

- reckless driving, willful and wanton;
- leaving the scene of a crash resulting in property damage of more than \$50;
- unlawful speeding resulting in a crash;
- passing a stopped school bus;
- unlawful speed; and

- running a red light.¹⁸

The statutory minimum driver license revocation period for a habitual traffic offender is five years.¹⁹ After five years, a habitual traffic offender must petition DHSMV to have his or her driving privileges reinstated. In acting on the petition, DHSMV must investigate the habitual traffic offender's qualification and fitness to drive and must hold an administrative hearing. At the administrative hearing, DHSMV must determine whether driving privileges shall be restored either on an unrestricted basis or on a restricted basis solely for business or employment purposes.

According to DHSMV, the administrative hearing is cursory because all petitioners meeting the above requirements are granted the option to reinstate. This is the only circumstance that requires a hearing before reinstatement of driving privileges.

The habitual traffic offender pays \$12 for the driver license reinstatement hearing. Last year, DHSMV conducted 1,028 of these hearings.

Effect of Proposed Change

The bill proposes to amend s. 322.331, F.S., to eliminate the administrative hearing requirement. This provision has an insignificant negative fiscal impact. DHSMV anticipates this provision will have a \$12,336 negative fiscal impact on the Highway Safety Operating Trust Fund.

Automobile Insurance (Sections 38, 39, 40, 41)

Insurance company reporting requirement (Section 38)

Current Situation

Florida's no-fault insurance law requires vehicle owners to carry at least \$10,000 of personal injury protection (PIP) coverage and \$10,000 property damage liability (PDL) coverage. Florida licensed insurers electronically report information on the insured's policy to DHSMV when the policy is issued, renewed or not renewed, or canceled. The insurer must submit this information within a certain time frame, which is dictated by the type of issuance. Section 324.0221, F.S., sets the following time frames:

- 30-days upon issuance of a policy providing PIP or PDL coverage to a named insured not previously insured by the insurer during that calendar year (new insureds); and
- 45-days after the effective date for each renewal, non-renewal, or cancellation, of a PIP or PDL policy.

Effect of Proposed Change

The bill amends s. 324.0221, F.S., to shorten the time frame for which insurers have to submit the required information to DHSMV to ten days. The effect of the proposed change will no longer distinguish between new insured's and renewals, non-renewals, or cancellations. DHSMV contends the proposed change will help reduce the number of uninsured motorists and also help DHSMV maintain accurate records. This provision has an indeterminate fiscal impact.

Self-insurance provisions (Section 39 and 41)

Current Situation

¹⁸ The full list of offenses that may count towards the accumulation of the 15 convictions is listed in s. 322.27, F.S.

¹⁹ See s. 322.27(5), F.S.

The Florida Motor Vehicle No-Fault Law requires motor vehicle owners to maintain a minimum of \$10,000 of no-fault personal injury protection (PIP) insurance and \$10,000 in property damage (PD) insurance.²⁰ Prior to registering a motor vehicle in the state, motor vehicle owners must provide proof that these minimum requirements have been met and are currently in place.²¹

Florida's Financial Responsibility Law requires motorists to demonstrate the ability to pay monetary damages for bodily injury and property damage when the motorist has been in an accident or a serious traffic violation has occurred.²²

Florida motorists may prove financial responsibility by:

- Carrying minimum bodily injury and property damage coverage²³;
- Posting a surety bond²⁴;
- Depositing cash or securities²⁵; or
- Furnishing a certificate of self-insurance.²⁶

Generally, the minimum amount of financial responsibility required is 10/20/10, broken down in the following manner:

- \$10,000 for the bodily injury to, or death of, one person in any one crash;
- \$20,000 for the bodily injury to, or death of, two or more persons in any one crash (up to \$10,000 for each person); and
- \$10,000 for the injury to, or destruction of, others' property in any one crash.²⁷

If a motorist proves financial responsibility by depositing cash or securities, or furnishing a certificate of self-insurance, the following provisions apply:

- For a deposit of cash or securities – the deposit must be in the amount of \$30,000.^{28,29}

A cash deposit must be in the form of a cashier's check made payable to DHSMV. After receipt of the cashier's check, DHSMV will deposit the cashier's check into the Security Deposit Trust Fund and all interest earned belongs to DHSMV.

A deposit of securities must be in the form of a certificate of deposit purchased from a bank located in the county in which the depositor resides or has its principal place of business. The certificate of deposit must be made payable to DHSMV for the use and benefit of the depositor. The certificate of deposit will then be held by DHSMV's Bureau of Accounting and all interest earned belongs to the depositor.

- For a certificate of self-insurance – the insured must have a net unencumbered worth of at least \$40,000.³⁰

²⁰ ss. 627.730 – 627.7405, F.S.

²¹ s. 320.02, F.S.

²² ch. 324, F.S.

²³ ss. 324.031(1) and 324.021(7) and (8), F.S. Note: Florida's Financial Responsibility Law also requires minimum bodily injury and property damage coverage from commercial motor vehicle and nonpublic sector bus owners. See ss. 324.031, 324.021(7) and (8), 627.7415, and 627.742, F.S.

²⁴ ss. 324.031(2) and 324.071(7), F.S.

²⁵ ss. 324.031(3) and 324.161, F.S.

²⁶ ss. 324.031(4), and 324.171, F.S.

²⁷ s. 324.021(7), F.S. Note: Florida's Financial Responsibility Law also extends to commercial motor vehicle and nonpublic sector bus owners. The specific requirements applicable to both may be found in ss. 324.021(7), 627.7415, and 627.742, F.S.

²⁸ s. 324.161, F.S.

²⁹ If the depositor is a firm, partnership, association, corporation, or other person – other than a natural person, the amount must be \$30,000 for each vehicle (up to \$120,000). In addition, the firm, partnership, association, corporation, or other person – other than a natural person, must maintain insurance coverage in excess of \$10,000/20,000/10,000 or \$30,000 combined single limits, and such excess insurance shall provide minimum limits of \$125,000/250,000/50,000 or \$300,000 combined single limits. See s. 324.031, F.S.

While the minimum amount of financial responsibility required is generally 10/20/10, broken down as shown above, a higher amount may be required in certain instances. For example, a motorist who has been found guilty (or entered a guilty plea) of or plead no contest to DUI, is required to maintain higher limits for a minimum of three years.³¹ These higher limits are 100/300/50, broken down in the following manner:

- \$100,000 for the bodily injury to, or death of, one person in any one crash;
- \$300,000 for the bodily injury to, or death of, two or more persons in any one crash (up to \$100,000 for each person); and
- \$50,000 for the injury to, or destruction of, others' property in any one crash.³²

Effect of Proposed Change

The bill modifies two of the four methods by which motorists may prove financial responsibility. Specifically, the proposed change eliminates the option to prove financial responsibility via surety bond.

The bill also modifies the deposit of cash or securities process; under the bill, DHSMV will no longer hold the deposit. Instead, the new process will require a person to obtain a certificate of deposit in the amount of \$30,000³³ issued and held by a financial institution. DHSMV contends that the effect of the proposed change will lower its exposure to what it calls unnecessary risk because it will no longer have to hold deposits. As a result, these provisions are expected to have an indeterminate positive fiscal impact on DHSMV.

Insurance verification notices (Section 40)

Current Situation

Section 324.091, F.S., requires each owner and operator involved in an accident (or serious traffic violation that falls within Florida's Financial Responsibility Law) to furnish proof that he or she had sufficient motor vehicle insurance at the time of the accident. If the owner/operator did not have sufficient motor vehicle insurance at the time of the accident, the owner/operator must furnish proof of a surety bond. The time period to furnish either type of proof to DHSMV is 14 days. Upon receipt of the proof of insurance or surety bond, DHSMV is required to forward the information to the applicable insurer by U.S. mail. Mistakes sometimes occur during this process, and an insurer is not required by law to verify that the information it receives is correct. According to DHSMV, insurers verify the information on an infrequent basis, and when they do, it may take months. When this happens, DHSMV contends it leads to an inconsistent database and may even lead to erroneous suspensions.

Effect of Proposed Change

The bill amends s. 324.091, F.S., to allow DHSMV to electronically send insurance verification notices to insurers. The effect of the proposed change will eliminate the current requirement that DHSMV send insurance verification notices via U.S. mail. The effect of the proposed change also requires insurers to respond to DHSMV within 20 days after the notice informing DHSMV whether or not the insured was covered during the time in question. Because insurers are technically not required to verify this information at the present time, the proposed change adds a new requirement, and as such, the fiscal impact to insurers, particularly small insurers is unknown. By eliminating the requirement that DHSMV send insurance verification notices via U.S. mail, the proposed change is expected to have a positive fiscal impact on DHSMV.

³⁰ If the insured is a firm, partnership, association, corporation, or other person – other than a natural person, the insured must have a net unencumbered worth of at least \$40,000 for the first motor vehicle, and \$20,000 for each additional motor vehicle; or sufficient net worth as determined by DHSMV rules (promulgated by DHSMV and the Office of Insurance Regulation of the Financial Services Commission). *See* s. 324.171, F.S.

³¹ s. 324.023, F.S.

³² *Id.*

³³ If the depositor is a firm, partnership, association, corporation, or other person – other than a natural person, the amount must be \$30,000 for each vehicle (up to \$120,000). In addition, the firm, partnership, association, corporation, or other person – other than a natural person, must maintain insurance coverage in excess of \$10,000/20,000/10,000 or \$30,000 combined single limits, and such excess insurance shall provide minimum limits of \$125,000/250,000/50,000 or \$300,000 combined single limits.

Cross references (Sections 45-61)

The bill makes numerous cross-reference corrections to conform to other statutory changes in the bill.

Effective Date (Section 62)

The bill is effective July 1, 2013.

B. SECTION DIRECTORY:

Section 1:	corrects inconsistent references to IRP;
Section 2:	lowers the IID threshold to 0.025 BAC from 0.05 BAC;
Section 3:	requires transporters of liquefied petroleum gas to comply with federal regulations;
Section 4:	requires CMV drivers to comply with federal regulations relating to medical certification and physical 'fitness to drive' standards, or face a \$100 civil penalty;
Section 5:	corrects inconsistent references to IRP;
Section 6:	deletes reference to superfluous "certificate of repossession";
Section 7:	subjects CLP holders to same federal regulations as CDL holders with respect to electing to have adjudication withheld;
Section 8:	clarifies the department's rulemaking authority with regard to driver improvement courses;
Section 9:	allows a motor vehicle e-title to remain electronic when transferred during a private, casual sale;
Section 10:	adds valid out-of-state DL/ID and valid U.S. passport as acceptable identity documents for motor vehicle title certificates;
Section 11:	deletes reference to superfluous "certificate of repossession";
Section 12:	deletes reference to superfluous "certificate of repossession";
Section 13:	corrects inconsistent references to IRP;
Section 14:	adds valid out-of-state DL/ID and valid U.S. passport as acceptable identity documents for motor vehicle registrations;
Section 15:	corrects inconsistent references to IRP;
Section 16:	corrects inconsistent references to IRP;
Section 17:	corrects inconsistent references to IRP;
Section 18:	insufficient funds checks;
Section 19:	provides motor vehicle dealers the option of choosing a two-year dealer licensing period;
Section 20:	provides motor vehicle manufacturers, distributors, and importers the option of choosing a two-year dealer licensing period;
Section 21:	provides mobile home dealers the option of choosing a two-year dealer licensing period;
Section 22:	provides recreational vehicle dealers the option of choosing a two-year dealer licensing period;
Section 23:	provides mobile home and recreational vehicle manufacturers, distributors, and importers the option of choosing a two-year dealer licensing period;
Section 24:	clarifies the department's rulemaking authority with regard to driver improvement courses;
Section 25:	eliminates the requirement that medical advisory board member be a member of one of several professional medical associations;
Section 26:	advances the statutory directive enacted in 2011 that all driver license issuance services be assumed by constitutional tax collectors by June 30, 2015;
Section 27:	disqualifies CMV driver for one year if CMV driver provides false information in obtaining or applying for a CLP or CDL;
Section 28:	insufficient funds checks;

- Section 29: requires clerk of court to electronically notify the department when suspending a DL in certain cases;
- Section 30: deletes an outdated statute that allows a driver convicted of DUI to have his or her driving privileges reinstated on a temporary basis via court order;
- Section 31: amends provisions related to Bureau of Administrative Review;
- Section 32: amends provisions related to Bureau of Administrative Review;
- Section 33: amends provisions related to Bureau of Administrative Review;
- Section 34: requires a driver that has received a medical waiver from required IID installation to apply for an 'employment purposes only' driver license in order to have his or her driving privileges reinstated on a provisional basis;
- Section 35: clarifies that DUI convictions that occur on the same date, but arise from separate offense dates, are considered separate convictions;
- Section 36: repeals the mandatory driver license reinstatement hearing for habitual traffic offenders;
- Section 37: subjects commercial learner's permit holders to the same traffic violations that now disqualify commercial driver license holders from operating commercial motor vehicles as per federal regulations;
- Section 38: revises the insurance company reporting requirement on new, cancelled, and not renewed policies from 30-45 days to a flat 10 days;
- Section 39: modifies two of the four methods by which motor vehicle registrants may prove financial responsibility;
- Section 40: removes the requirement that the department send insurance verification notices via U.S. mail and requires insurance companies to respond within 20 days;
- Section 41: modifies two of the four methods by which motor vehicle registrants may prove financial responsibility;
- Section 42: adds valid out-of-state DL/ID and valid U.S. passport as acceptable identity documents for vessel title certificate;
- Section 43: adds valid out-of-state DL/ID and valid U.S. passport as acceptable identity documents for vessel title certificate;
- Section 44: authorizes transfer of excess vessel registration program funds to FWC;
- Sections 45 – 61: update cross references;
- Section 62: provides an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:
See Fiscal Comments.
2. Expenditures:
See Fiscal Comments.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:
See Fiscal Comments.
2. Expenditures:
See Fiscal Comments.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

See Fiscal Comments.

D. FISCAL COMMENTS:

Section 2 lowers the IID threshold from 0.05 BAC to 0.025 BAC. According to DHSMV, the proposed change would increase the number of IID violators being monitored by DHSMV, and therefore would require two FTEs to conduct the monitoring. It is unknown whether the additional FTEs may be absorbed within DHSMV's existing resources.

Section 3 removes certain state level exemptions to FMCSA federal rules and regulations currently afforded to commercial motor vehicle owners and operators. As such, the bill places relevant federal regulations in the state level authorization statute. The removal of these state level exemptions is necessary; if not removed, Florida's continued receipt of federal dollars may be implicated, the exact amount of which is unknown.

Section 4 adopts federal regulations that require commercial motor vehicle drivers to provide medical certification information to their state driver license agency by January 31, 2014. There is a \$100 civil penalty if a commercial motor vehicle driver violates this requirement. In as much as this provision subjects violators to a nominal civil penalty, this provision has an indeterminate fiscal impact on the State Transportation Trust Fund (STTF) as fine amounts are distributed to the STTF for the purpose of maintaining and repairing state roads.

Section 9 allows an electronic certificate of title to remain electronic when transferred from seller to buyer during a private, casual sale. The proposed change could reduce current revenues received from the \$2.50 paper title service fee and the \$10 fast title fee by a total of \$815,839. The potential loss breaks down as follows:

- Paper Title Service Fee (\$2.50)

Highway Safety Operating Trust Fund	\$415,691
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- Fast Title Fee (\$10)

General Revenue Fund (\$1.50)	\$ 93,408
Highway Safety Operating Trust Fund (\$5)	\$306,740

This dollar figure is based on DHSMV's estimation that private casual sales involving an electronic title account for roughly five percent of all revenues received from the paper title service and fast title fees. DHSMV estimates this loss to be recurring, and further estimates that the loss may grow as electronic title transfers become more popular. The potential loss to the tax collectors is unknown, but as mentioned in the current situation, the tax collector that processes the transaction receives \$3.50 of the \$10 fast title fee.

Sections 18 and 28 authorize DHSMV to prohibit future transactions by a licensee who has had his or her credentials canceled for paying with a dishonored (or insufficient funds) check. The effect of the proposed change will allow DHSMV to collect a greater amount of outstanding debt. This provision has an indeterminate positive fiscal impact on the General Revenue Fund as driver license fees are distributed to the General Revenue Fund.

Sections 19-23 give motor vehicle, mobile home, and recreational vehicle dealers (including manufacturers, distributors, and importers) a two-year licensing option. All fees will be deposited into the General Revenue Fund. Essentially, a dealer that chooses the two-year licensing option will pay for both years in year one and will owe nothing in year two. As a result, disbursements to the General Revenue Fund may be uneven from year-to-year, but are expected to be revenue neutral over the long term. It is unknown how many dealers will choose the two-year option.

Generally, all dealer licenses are \$300 for the first year and \$100 for the second, except that a motor vehicle dealer license is \$75 for the second year.

Sections 31-33 authorize DHSMV to conduct administrative driver license suspension hearings via communications technology. This provision is expected to have a positive indeterminate fiscal impact due to anticipated savings on travel time and fuel expenditures.

Section 36 eliminates the administrative hearing requirement in connection with the reinstatement of a habitual traffic offender's (HTO) driving privilege, provided the HTO has met all of the department's requirements for reinstatement. DHSMV anticipates this provision will have a \$12,336 negative fiscal impact on the Highway Safety Operating Trust Fund.

Section 44 allows additional vessel registration funds to be transferred to the Marine Resources Conservation Trust Fund administered by the Florida Fish and Wildlife Conservation Commission (FWC). These funds will be used to provide, among other things, recreational channel marking, marine mammal protection, law enforcement and quality control programs. The provision is revenue neutral to the state with DHSMV having a reduction of approximately \$675,000, and FWC having an increase of approximately \$675,000.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

None.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

Sections 8 and 24 clarify DHSMV's rulemaking authority in regard to driver improvement courses. This clarification is in response to concerns expressed by the Florida Legislature's Joint Administrative Procedures Committee over DHSMV's rulemaking authority in this area.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES