

REVENUE ESTIMATING CONFERENCE

Tax: Driver License Fees

Issue: Active Military Spouses & Dependents

Bill Number(s): Sections 11 & 12 HB 7015 & CSCS SB 140

Entire Bill (CSCS SB)

Partial Bill (HB):

Sponsor(s): House Veteran and Military Affairs Subcommittee and Rep. Smith

Senate Transportation Committee, Military and Veterans Affairs, Space, and Domestic Security Committee and Senator Bradley

Month/Year Impact Begins: July 1, 2014

Date of Analysis: 1/31/14

Section 1: Narrative

a. Current Law:

Driver License Exemptions for Non-Resident Military Service members

Florida law requires all persons driving a motor vehicle on a Florida highway to possess a valid driver license issued pursuant to Ch. 322, F.S. However, a non-resident who is at least 16 years of age and has a valid driver license from another state is exempt from the requirement to obtain a driver license. Pursuant to this exemption, a non-resident military service member and his or her dependents stationed in Florida are not required to obtain a Florida driver license provided they possess a valid driver license issued by another state.

Current law provides that once a non-resident accepts employment in the state or enrolls his or her children in a Florida public school, the non-resident becomes subject to the driver license provisions in Ch. 322, F.S., and must obtain a Florida driver license within 30 days after the commencement of such employment or education. Further, the spouse and dependents of the non-resident must obtain a Florida driver license within 30-days after the commencement of such employment or education.

Florida law specifically exempts an active duty military service member stationed in Florida from the requirement to obtain a Florida driver license when the service member enters his or her children in a Florida public school. To be eligible for the exemption, the service member must have a valid military driving permit or a valid driver license issued by another state. This exemption currently does not apply to the service member's spouse or dependents.

Driver License Extensions for Military Personnel and Dependents

Florida driver license holders are required to periodically renew their driver license upon payment of the required renewal fees and successful passage of any required examination. In an effort to process license renewals expeditiously, only examination of the licensee's eyesight and hearing is required. The renewal fee for a Class E driver license is \$48. Those renewing a Class E driver license within 12 months after the expiration date of the license are subject to a \$15 delinquent fee.

Florida law grants a military service member serving on active duty outside this state, and dependents residing with him or her, an automatic extension without reexamination for a Class E driver license that expires while performing such service. This extension is valid for 90 days after the service member is either discharged or returns to the state of Florida to live.

Upon a service member's application to the Department of Highway Safety and Motor Vehicles (DHSMV) certifying active duty status outside of Florida, the DHSMV issues a military extension card extending the driving privileges of the service member and his or her dependents. The DHSMV currently recognizes a "dependent" as a service member's spouse, children and step-children under the age of 21, living in the same household.

b. Proposed Change:

The bill amends s. 322.031, F.S., to exempt an active duty military service member's spouse, and dependents who reside with him or her, from the requirement to obtain a Florida driver license if a dependent of the service member enrolls in a Florida public school or accepts employment or engages in a trade, profession or occupation in the state.

The bill amends s. 322.121, F.S., to clarify that the military service member's spouse, and dependents who reside with him or her, are eligible for an automatic extension without re-examination for a Florida Driver's License that expires while he or she is stationed outside of Florida.

Section 2: Description of Data and Sources

Telephone interview with HSMV staff.

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Section 3: Methodology (Include Assumptions and Attach Details)

Driver License Exemptions for Non-Resident Military Service Member Spouses & Dependents – According to HSMV, “the number military service member spouses and dependents subject to the exemption (who might have otherwise obtained a Florida Class E driver license) as a result of the law change in any particular year is unknown.” According to the HSMV the impact of this provision is negative, indeterminate. The fund affected is General Revenue.

Note: In order to exceed the insignificant threshold, annually 1,042 spouses and dependents would have to be exempt, as a result of the law change, who would have otherwise obtained a Florida Class E driver license and paid the \$48 fee (1,042 X 48 = \$50,016). The following information relating to active duty service members in Florida was compiled from **2011 Demographics PROFILE OF THE MILITARY COMMUNITY**, Updated November 2012:

Spouses and Child/Dependents

58,974	Active duty in Florida
33,379	56.6% Active duty married
26,067	44.2% Active duty w/ child/dependent
62,560	2.4 Average # child/dependent of Active duty
9,565	15.3% child/dependents driving age (15-22)

Driver License Extensions for Military Personnel and Dependents – The extension in current law applies to members of the Armed Forces or their dependents residing with them, the provision included in the bill is clarifying in nature, and, as such, is assumed to have zero to a negative insignificant impact. The fund that would be affected is General Revenue.

Section 4: Proposed Fiscal Impact

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2014-15						
DL Exemption (GR)			(**)	(**)		
DL Extension (GR)			(0/*)	(0/*)		
2015-16						
DL Exemption (GR)			(**)	(**)		
DL Extension (GR)			(0/*)	(0/*)		
2016-17						
DL Exemption (GR)			(**)	(**)		
DL Extension (GR)			(0/*)	(0/*)		
2017-18						
DL Exemption (GR)			(**)	(**)		
DL Extension (GR)			(0/*)	(0/*)		
2018-19						
DL Exemption (GR)			(**)	(**)		
DL Extension (GR)			(0/*)	(0/*)		

List of affected Trust Funds:

General Revenue

Section 5: Consensus Estimate (Adopted: 01/31/2014): The conference adopted negative indeterminate for the exemption issue and \$0 impact for the extension issue.

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Exemption:

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2014-15	(**)	(**)	0.0	0.0	0.0	0.0	(**)	(**)
2015-16	(**)	(**)	0.0	0.0	0.0	0.0	(**)	(**)
2016-17	(**)	(**)	0.0	0.0	0.0	0.0	(**)	(**)
2017-18	(**)	(**)	0.0	0.0	0.0	0.0	(**)	(**)
2018-19	(**)	(**)	0.0	0.0	0.0	0.0	(**)	(**)

Extension:

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2014-15	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2015-16	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2016-17	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2017-18	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2018-19	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0