

Administrative Order



Administrative Order No.: 4-108

Title: Rules and Regulations for an Electronic Filing System for Limited Branch Offices

Ordered: 5/5/1998

Effective: 5/15/1998

AUTHORITY:

Section 4.02 of the Miami-Dade County Home Rule Charter; and Article XVII, Sections 2-119 through 2-127 of the Code of Miami-Dade County.

POLICY:

This Administrative Order establishes rules and regulations for a Limited Branch Office (LBO) as defined in Article XVII of the Code of Miami-Dade County. In conjunction with LBOs, private branch auto tag agencies shall be responsible for complying with all of the provisions of this Article and all rules and regulations.

DEFINITIONS:

The term "Tax Collector" (TC) shall refer to the person appointed by the County Manager to carry out duties of the County Tax Collector as defined in the Florida Constitution and Florida Law.

The term "Certified Service Provider" (CSP) shall refer to a provider of software and other computer services to a Limited Branch Office which has contracted with the Florida Department of Highway Safety & Motor Vehicles for the applicable access agreements, contracted with the Florida Tax Collectors, Inc for compliance with the program standards of the EFS, and agreed with Miami-Dade County to adhere to appropriate local laws, standards, administrative orders, and other appropriate procedures.

The term "Qualified Person" shall refer to a person who has successfully completed an exam given by the TC or his designee, with a grade of 70 or higher.

The term "Limited Branch Office" (LBO) shall refer to an Automobile and/or Truck Dealer who is licensed by and is in good standing with the State of Florida, has been authorized by the Tax Collector, and has a current written agreement with a branch auto tag agency - which agreement has been approved by and is on file with the Tax Collector - for the purpose of fulfilling obligations relating to the EFS. A Limited Branch Office shall not mean and shall not be interpreted to mean a privately owned

auto tag agency as described in Chapter 2, Article XVII of the Code of Miami-Dade County.

The term "Electronic Filing System" (EFS) shall refer to the system by which permanent auto tags are assigned and issued to buyers of cars or trucks when the transaction occurs at a licensed automobile and/or truck dealer within Miami-Dade County.

The term "FRVIS" shall refer to the electronic or computerized system established and maintained by the Florida Department of Highway Safety & Motor Vehicles to record vehicle title and registration transactions.

APPOINTMENT OF AN LBO:

The Tax Collector (TC) may designate and appoint LBOs for the purpose of using the Electronic Filing System (EFS) to file applications for certificates of title and vehicle registration with the Florida Department of Highway Safety and Motor Vehicles (DHSMV), subject to applicable state and local law and the Program Standards for the EFS. Each LBO must contract with an authorized branch auto tag agency who will act on behalf of the TC in fulfilling requirements of the EFS.

Applicants requesting appointment as a participating LBO will be considered for approval based on the following:

1. An agreement with a valid CSP. The LBO can request service and enter into an agreement with only one CSP.
2. The LBO must submit to the TC a letter on company stationery requesting approval. This letter shall include a statement of whether or not the LBO will charge its customers for Electronic Filing. If the LBO does elect to charge, the letter must specify:
 - a. the amount it will charge;
 - b. the fact that there is an optional transaction disclosed on buyers orders as "Electronic Filing";
 - c. whether sales tax is applicable; and
 - d. the address of the LBO at which all transactions will be processed.

LBO REQUIREMENTS:

The LBO shall:

1. not charge in excess of \$16.00 to any customer for using the EFS;

2. comply with all state and local occupational license laws;
3. provide to the TC a fully executed contract with an authorized branch auto tag agency;
4. provide to the TC and the appropriate branch auto tag agency a written estimate of its anticipated inventory needs for the purposes of maintaining proper levels of monthly inventory at the TC office and the branch auto tag agency;
5. acquire and maintain a State of Florida, Division of Motor Vehicle Procedures manual to be used as a reference for Motor Vehicle Title and Registration procedures;
6. have a minimum of one (1) qualified person on the premises during regular business hours;
7. provide to the TC and the appropriate branch auto tag agency written notification as to the names of all qualified persons;
8. notify the TC and the appropriate branch auto tag agency within two (2) business days of any changes to said list; and
9. be in good standing with the TC and the DHSMV (issues that could prevent approval include, but are not limited to, insufficient funds check issued to TC, conviction of a felony by principals or prospective users, non-compliance with all tax payments, and inactive state and local licenses);
10. process through the EFS only those sales or leases that take place at the address the LBO lists as its place of business; and
11. identify one place of business per agreement.

INVENTORY AND INVENTORY SECURITY:

The LBO must meet the following specific requirements:

1. Selected license plates and validation decals must be stocked in addition to the current DHSMV forms and documents required for a manual system.
2. Procedures must be established to ensure the security of license plates and decals. Plates and decals should be kept in a secure area during business hours and secured in a locked area during non-business hours. Plates and decals that are not being used on a particular business day should be kept in a

locked area. The LBO is responsible for the security of the work center and its contents.

3. Only authorized users are allowed access to the inventory. All keys to secured inventory areas which an employee has been assigned must be collected by the LBO when that employee is no longer employed by the LBO. Also, a full inventory should be conducted by the departing representative and supervisor or his/her designee. Then the incoming authorized user and supervisor or his/her designee should conduct an inventory after the user has been approved.
4. An authorized user affidavit must be completed and submitted to the CSP representative or faxed to the CSP office. The original affidavit will be sent to the CSP via mail. By the 10th of each month the CSP shall send to the TC and the appropriate branch auto tag agency all new user affidavits which were added during the previous month.
5. The TC and the appropriate branch auto tag agency shall be notified in writing, within ten (10) days, of all LBO changes of qualified persons.
6. The initial supply of license plates and decals is determined by the LBO and at the discretion of the branch auto tag agency; thereafter, the reorders shall be determined by actual usage. The LBO must notify the branch auto tag agency at least a week in advance for any reorders.
7. Upon receipt of the assigned inventory, the LBO representative shall immediately verify the inventory shipment against the packing slip. Any discrepancies between the packing slip and the inventory shipment must be brought to the attention of the branch auto tag agency at time of delivery. The representative will sign a copy of the packing slip acknowledging receipt of the items as noted. There will be three copies to be signed. A copy must be retained by the LBO, the branch auto tag agency and the TC respectively.
8. The LBO shall telephonically notify the TC and the appropriate branch auto tag agency by the end of the next business day, of discovery of any missing or misplaced plate and/or decal inventory; then, a written statement must be provided to the TC within 48 hours of the required oral notification with all known facts. In the event of missing license plates or decals, a DHSMV Form 83101 must be completed by the LBO and sent with the written response to the TC, with a copy to the contracted branch agency.
9. Monthly, or upon request by the TC, the LBO must provide a written inventory of the actual numbers of all the license plates and decals in inventory and in pending status, including transactions which have been completed but not sent to the branch auto tag agency. An authorized LBO employee and supervisor or his/her designee must record the beginning and ending

consecutive numbers of each type of license plate and each type of decal. A signed copy of this inventory must be forwarded to the branch auto tag agency no later than the close of the second business day after inventory is completed.

10. All obsolete license plates and validation decals should be inventoried and assigned back to the branch auto tag agency. When received by the branch auto tag agency, the items will be audited and signed receipts for the items will be returned to the LBO.
11. The inventory assigned to LBO must be monitored to identify plates and decals that have been issued and/or returned. If any part of the inventory is missing, the LBO must file a report of the theft with the local law enforcement agency and complete a DHSMV Form 83101. This form must be submitted to the TC within 72 hours of discovery, with a copy sent to the appropriate branch auto tag agency
12. An average of at least 100 vehicles per month must be sold or leased by any automobile and/or truck dealer over a six-month period at the place of business listed on the agreement and must be maintained by the LBO. Failure to meet this minimum transaction requirement will disqualify the LBO.
13. The following must be undertaken in processing errors and cancellations:
 - a. If a wrong year decal is affixed to a new issue license plate, the following is required to be returned to the branch auto tag agency:
 - Voided registration
 - License plate with wrong year decal affixed
 - Completed form, DHSMV 84003
 - b. If a plate and decal have been put on a vehicle and the decal is canceled, the following is required to be returned to the branch auto tag agency:
 - Voided registration
 - License plate with wrong year decal affixed
 - Signed and notarized affidavit explaining the circumstances as to why the plate and decal are to be canceled
 - Completed Form DHSMV 84003
 - c. If license plate or decal is discovered missing from inventory after the inventory assignment was verified as having it on hand, the following is required to be turned into the branch auto tag agency:
 - Filed affidavit with the local law enforcement jurisdiction for the stolen

- plates and/or decals
 - A notarized affidavit signed by the principal of the LBO
 - Payment as determined by the Division of Motor Vehicles for the particular types of plates or decals that are missing
1. A bond payable to Miami-Dade County Tax Collector must be acquired to cover the loss of tag or decal inventory. Said bond must be on file with the TC. The amount of the bond shall be sufficient to cover any and all tag and decal inventory the LBO may have in its possession at any time.
 2. An LBO shall be responsible for all uncollected funds resulting from transactions processed by it for the EFS and shall reimburse the County for any such uncollected funds upon notification by the County.

RECORD RETENTION:

The LBO shall maintain all records, journals, books, electronic fund transfers, inventories and files of transactions in accordance with the requirements of the TC. All records shall be held for a period of not less than three (3) years or until all applicable audits have been satisfied. Records to be maintained for this period of time shall include, but not be limited to, all EFS transaction documents, buyer's orders and written agreements.

DISCLOSURE OF ELECTRONIC TRANSACTION:

The LBO will disclose to its customers whether or not there will be a charge for using the EFS. If the LBO elects to charge, it will do so as outlined in this Administrative Order. If an LBO wants to change its position on charging for the electronic filing, written notification must be provided to the TC thirty days prior to the implementation of any change. The TC will send a written response indicating its approval or disapproval.

Statutorily approved fees charged by the contracted private branch auto tag agency shall appear on the Buyer's Order under the heading "Tag, Title and Registration Fees."

CONFIDENTIALITY AND SECURITY OF INQUIRY INFORMATION:

The LBO shall:

1. adhere to all state and local laws, rules and provisions as they relate to the confidentiality and security of information;

2. be responsible for safeguarding the automated equipment which provides access to the EFS and limiting access to those persons who are authorized as properly instructed users;
3. provide an affidavit identifying each approved user of the EFS and attesting to confidentiality of information;
4. notify the TC and appropriate branch auto tag agency directly, or through the CSP, if the status of a user changes;
5. prohibit the use of the EFS or the FRVIS System by a person or persons who have been convicted of a felony under State or Federal law and state that each user has had a valid background check in which each user has had no felony convictions; and
6. refrain from using information obtained for any purpose other than for transactions directly related to the registration or the title process; this specifically prohibits personal inquiries for friends, family and co-workers.

PROHIBITED ACTS:

The County reserves the right to suspend or terminate any LBO for cause without a hearing for one or more of the following unacceptable actions:

- Breach of contract
- Operating without current applicable license
- Willful misrepresentation in applying for license plates and/or decals
- Failure to have records available at all reasonable hours for inspection
- Using DHSMV information for reasons other than business affiliated with registrations and titles
- Failure to correct errors within acceptable time frame
- Charging title and registration fees in excess of those allowed by law
- Failure or refusal to cooperate by withholding records or failure to maintain records
- Failure to notify, in writing, of a change in location, facilities or ownership

- Failure to attend designated training sessions
- Failure to return damaged inventory to the appropriate branch auto tag agency
- Failure to document or submit documentation for missing inventory
- Failure to maintain adequate bonds and/or insurance
- Willful failure to comply with any administrative rule promulgated by this administrative order
- Failure to keep adequate funds in the Electronic Transfer Fund account
- Failure to give notification of intent to file bankruptcy
- Failure to give notification of changes in authorized users
- Allowing an unauthorized individual or another organization use of system
- Failure to control inventory of plates and decals and failure to submit all inventory associated with voided transaction(s)
- Devising or executing a scheme to defraud
- Unauthorized access or use of EFS
- Unauthorized copying or disclosure of data or software
- Unauthorized modification or altering of data or software
- Misusing or disclosing passwords
- Failure to comply with any of the applicable provisions of Chapters 117-Notaries Public, 319-Title Certificates, 320-Motor Vehicle Licenses, 325-Vehicle Safety and Equipment and Inspections or any other applicable Florida Statutes, or local laws and Administrative Orders
- Any violation of the Code of Miami-Dade County relating to the registration and titling of vehicles
- Using the EFS for sales and/or leases that do not take place at the address of record for the LBO held by the TC
- Conduct constituting a breach of the public trust
- Other conduct deemed unacceptable by the TC

REPORTING:

The following are the necessary reporting or form submission requirements for the LBO:

1. Each business day, a report (referred to as Bundle Report) for all computerized title and registration transactions completed the prior business day must be prepared and sent to the appropriate branch auto tag agency
2. Documentation supporting each transaction must be sent to the branch auto tag agency in the order of the report. Documentation must meet the standards and order prescribed by the TC.
3. A complete report must be submitted by:
 - LBO, title, plate and decal number issued;
 - VIN number, make, year and type of vehicle;
 - total of fees and taxes collected;
 - indicating whether the transaction is an original or transfer; and name of the customer.
4. Inventory Report

Show the status of the decal numbers and plates assigned (whether pending, issued, on hand, damaged, missing or returned).
5. Void Report
 - Provide the plate and/or decal number and year of decal expiration.
 - Explain the reason for the void that was processed.
 - The report should include an affidavit for the LBO, TC and the appropriate branch auto tag agency to certify that the decal or plate has been destroyed per DHSMV guidelines.
6. A completed DHSMV 83300 Florida Vehicle Registration Certificate.
7. A completed DHSMV 82041 Application for Certificate of Title and/or Vehicle Registration and Motor Vehicle Sales and Use Tax Report.

INSURANCE REQUIREMENTS:

An LBO must:

1. maintain a minimum general liability insurance policy in the amount of at least

Fifty Thousand Dollars (\$50,000) and must provide additional insurance as required by the Risk Management Division, General Services Administration Department of Miami-Dade County, Florida; and

2. maintain a bond, as described above, payable to Miami-Dade County for any damages suffered by the County by reason of any unlawful or negligent act of any kind whatsoever with the minimum amount of such bond being \$35,000.

This Administrative Order is hereby submitted to the Board of County Commissioners of Miami-Dade County, Florida.

M.R. Stierheim
County Manager