

Memorandum



Date: September 4, 2007

To: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

Agenda Item No. 8(E)(1)(C)

From: George M. Burgess
County Manager

Subject: Implementing Order No. 4-83; Rules, Regulations and Fee Schedule for Branch Auto Tag Agencies

Recommendation

It is recommended that the Board approve the attached Implementing Order No. 4-83, which amends existing Administrative Order 4-83, which establishes rules, regulations and a fee schedule for private Branch Auto Tag Agencies that are charged to the public in addition to state and county fees which are authorized by Florida Statutes, Chapters 319.32 and 320.04. The recommended changes include technical revisions, modifications to reflect new provisions of the State Department of Highway Safety and Motor Vehicles, and a service fee increase for the private Branch Auto Tag Agencies. It is also recommended that the Board rescind Administrative Order No. 4-83.

Scope

The impact of the agenda item is countywide in nature.

Fiscal Impact/Funding Source

There is no fiscal impact of the proposed agenda item.

Track Record/Monitor

The Finance Department, Tax Collector Division, and the State Department of Highway Safety and Motor Vehicles (DHSMV), monitor activities of the Private Auto Tag Agencies.

Background

The Tax Collector acts as an agent of the DHSMV for the purpose of implementing the statutory and regulatory requirements for the titling and registration of vehicles and vessels. As an agent of the State, the Tax Collector is responsible for issuance of automobile license plates/decals, mobile home decals, disabled persons parking permits, vessel decals and title applications. In doing so, the Tax Collector is responsible for maintenance of records, reporting sales, accounting for inventories and dispersing monies collected in a timely manner to the DHSMV. To help perform these duties, the State allows Tax Collectors to contract with private Branch Auto Tag Agents. In addition to the contract between the Tax Collector and the Branch Auto Tag Agents, the Tax Collector and each Branch Auto Tag Agent must enter into a tri-party agreement with the DHSMV to access the Florida Real-time Vehicle Information System equipment and software.

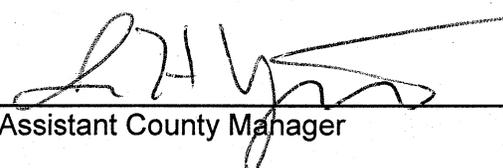
In Miami-Dade County there are twenty-five (25) private Branch Auto Tag Agencies. The Branch Auto Tag Agencies are governed by Article XVII of the Code of Miami-Dade County. Section 2-125(b) of the Code gives the Tax Collector authority to prescribe rules and regulations relating to the operation of Branch Auto Tag Agencies. Service fees are retained by Branch Auto Tag Agencies to cover agency personnel and operating expenses. These service fees

may be reviewed and adjusted to compensate for inflation and for the changes in operating requirements. The last fee increase was approved in 2001.

The majority of the changes set forth in this Implementing Order are technical revisions in order to clearly tie the Implementing Order provisions to requirements set forth in the County Code. Aside from these technical and clarifying revisions, other changes include the following:

1. Requires Branch Auto Tag Agencies to be compliant with the Americans with Disabilities Act
2. Modifies the bidding and selection process to appoint new Branch Auto Tag Agencies, including the establishment of an application fee for interested persons or entities
3. Requires Branch Auto Tag Agencies to have their employees attend classes given by the Tax Collector and/or the DHSMV, and to pass a written examination administered by the County
4. Clarifies reporting and remittance requirements of state and county funds and reports in accordance with Florida Statutes and the County Code
5. Establishes penalties for failure to remit funds and deliver related reports and/or documents to the County within required timeframes
6. Modifies bonding requirements by establishing a minimum bond of twenty-five (25) percent of the average monthly county and state auto tag revenues, excluding sales tax, collected by the agency based on the preceding fiscal year beginning October 1
7. Provides additional provisions regarding insurance requirements pursuant to the County's Risk Management requirements
8. Clarifies the service charge associated with dishonored checks received from Branch Auto Tag Agencies

This Implementing Order revision also recommends a service fee increase for the private Branch Auto Tag Agencies. As mentioned above, the last service fee increase was approved in 2001. The Branch Auto Tag Agency Association submitted a request to the Tax Collector for a service fee increase to be included with the proposed revisions to this Implementing Order. The Tax Collector's Office met with representatives of the Association to review its request and concur that a service fee increase is justified to help offset cost-of-employment and operational cost increases. The Association used an industry standard Employment Cost Index in calculating its requested service fee increase. This was the same methodology applied in justifying the previous service fee increase. It should be noted that our private Branch Auto Tag Agencies have increased staffing levels to match the increase in customer population levels.


Assistant County Manager

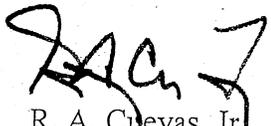


MEMORANDUM

(Revised)

TO: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

DATE: September 4, 2007

FROM: 
R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 8(E)(1)(C)

Please note any items checked.

- "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Bid waiver requiring County Manager's written recommendation
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- Housekeeping item (no policy decision required)
- No committee review

Approved _____ Mayor

Agenda Item No. 8(E)(1)(c)

Veto _____

09-04-07

Override _____

RESOLUTION NO. _____

RESOLUTION APPROVING IMPLEMENTING ORDER 4-83:
RULES, REGULATIONS AND FEE SCHEDULE FOR BRANCH
AUTO TAG AGENCIES AND FEES PAID BY AGENCIES TO THE
COUNTY; AND RESCINDING ADMINISTRATIVE ORDER 4-83

WHEREAS, this Board desire to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA that this Board adopts Implementing Order 4-83, which amends existing Administrative Order 4-83, Rules, Regulations, and Fee Schedule for Branch Auto Tag Agencies and Fees Paid by Agencies to the County; and rescinds Administrative Order 4-83.

The foregoing resolution was offered by Commissioner who moved its adoption. The motion was seconded by Commissioner and upon being put to a vote, the vote was as follows:

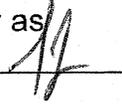
Bruno A. Barreiro, Chairman	
Barbara J. Jordan, Vice-Chairwoman	
Jose "Pepe" Diaz	Audrey M. Edmonson
Carolos A. Gimenez	Sally A. Heyman
Dennis C. Moss	Dorrin D. Rolle
Natacha Seijas	Katy Sorenson
Rebeca Sosa	Joe Martinez
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 4th day of September, 2007. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF COUNTY
COMMISSIONERS

HARVEY RUVIN, CLERK

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency. 

Scott Fabricius

A.O.I. No.: 4-83
Ordered: 2/13/2001
Effective: 2/23/2001

MIAMI-DADE COUNTY
ADMINISTRATIVE IMPLEMENTING ORDER

RULES, REGULATIONS AND FEE SCHEDULE FOR BRANCH AUTO TAG AGENCIES
AND FEES PAID BY AGENCIES TO THE COUNTY

AUTHORITY:

Section 4.02 of the Miami-Dade County Home Rule Amendment and Charter, and Article XVII, Sections 2-119, 2-120, 2-121, 2-122, 2-123, 2-124, 2-125, 2-126 and 2-127 of the Code of Miami-Dade County.

SUPERSEDES:

This Administrative Order Implementing Order supersedes previous Administrative Order 4-83, effective June 21, 1994 February 23, 2001 as amended.

POLICY:

This Administrative Order establishes a schedule of service fees for branch auto tag agencies as well as rules, regulations and service fees to be paid by the agencies to the County. This Administrative Order Implementing Order establishes a schedule of services for Branch Auto Tag Agencies which are charged in addition to the State and County fees. It also established rules, regulations and the manner in which the Branch Auto Tag Agencies remit fees to the County.

PROCEDURES:

Branch Auto Tag Agencies shall enter into a Service Agreement with the Tax Collector, obligating the Auto Tag Agency to comply with all aspects of Article XVII and Administrative Implementing Order 4-83. Branch auto tag agencies shall be responsible for complying with all the provisions of Article XVII of the Code of Miami-Dade County and the rules and regulations, as follows:

1. Location and Physical Requirements for Branch Auto Tag Agencies

- The County Manager shall designate the area in which an agency may be initially located. Any change of location shall be applied for in writing by the licensee of the agency and must be approved by the Tax Collector, based on improved public service and demographics.
- Office space must be no less than 750 square feet. Convenient, nearby customer parking facilities are essential required.

- In conformance with federal guidelines, Bbranch Aauto Ttag Agency offices serving the public ~~must be accessible to disabled persons.~~ shall be compliant with the American with Disabilities Act (ADA).
- The Branch Auto Tag Agency fee schedule listed in this Implementing Order must be prominently displayed in compliance with Article XVII, Sec. 2-123, ~~and shall also list the name of the branch auto tag agency of the Code of Miami-Dade County.~~
- As representatives of the County, Bbranch Auto Tag Agency offices appearance must be neat and clean, conforming to County standards.

2. New Branch Auto Tag Agencies Subject to Bidding Process

- If the need for an additional Branch Auto Tag Agency arises, the Miami-Dade County Tax Collector will place an advertisement in a newspaper of daily circulation, in accordance with Section 2-120(b) of Article XVII of the Code of Miami-Dade County. The Tax Collector shall create an eligible list of the interested persons or entities who submit an application along with an application fee as established by this Implementing Order in the Fee Schedule section. The County Manager may shall award authorization to operate a Bbranch Aauto Ttag Agency to the person or entity list maintained by the Tax Collector which offers the highest bid for such authorization. Upon award of authorization to operate a Branch Auto Tag Agency, the successful bidder must qualify by passing a written examination with a score of 70% or higher, as required per County Ordinance Sec. 2-120(b), given under the direction and supervision of the Tax Collector or his/her designee and administered by the Employee Relations Department, which tests the person's knowledge of applicable laws, rules, regulations, and procedures relating to the terms and conditions under which a Branch Auto Tag Agency must operate, including but not limited to the Florida Department of Highway Safety and Motor Vehicles Florida Real-Time Vehicle Information System, within thirty (30) days. The County Manager reserves the right to waive any informalities, or to reject, at his discretion, any and all bids. All decisions by the County Manager with respect to eligibility and responsiveness shall be final.
- The Tax Collector will issue bid solicitations to persons or entities on the eligibility list which will contain pertinent information and time for response. All new authorizations granted shall be accomplished through a bidding process to be administered by the Department of Procurement Management on behalf of the Tax Collector, pursuant to established County procedures. The bid solicitation will request such information and place such requirements as the Tax Collector shall, at his/her discretion, deem relevant to the award of a bid pursuant to the provisions of this Administrative Implementing Order and applicable ordinance.
- In the event of a tie bid, the County Manager may reject the bids, and the Tax Collector may shall notify the businesses who submitted previous bids, to reissue their bid solicitations with the amount of the tie bid set forth as the minimum bid. In the case of a tie in the best and final bid between a local business and non-local business, contract award shall be made to the local business.

3. Branch Auto Tag Agencies Subject to Transfer/Sale

- In the event of a transfer and/or sale of an existing agency pursuant to Article XVII, Section 2-119.2(f) of the Code of Miami-Dade County, the Tax Collector shall provide the list of eligible applicants and shall determine that the transfer, including the sale price, is bona fide. Prior to the sale, the buyer must qualify by passing a written examination with a score of 70% or higher, as required per County Ordinance Sec. 2-120(b), given under the direction and supervision of the Tax Collector or his/her designee and administered by the Employee Relations Department, which tests the person's knowledge of applicable laws, rules, regulations, and procedures relating to the terms and conditions under which a Branch Auto Tag Agency must operate, including but not limited to the Florida Department of Highway Safety and Motor Vehicles Florida Real-Time Vehicle Information System.
- In addition to all requirements placed upon operators by this Implementing Order, the Tax Collector may include such additional requirements as may be needed to ensure the efficient operation of the Branch Auto Tag Agency and accountability to the State of Florida and Miami-Dade County.

4. Certification-Training of Branch Auto Tag Agency Employees

- To assure compliance with Article XVII, Section 2-120.2 of the Code of Miami-Dade County, operators of Branch Auto Tag Agencies are encouraged-required to have their employees certified-by-attending Florida Department of Highway Safety and Motor Vehicles classes given-sponsored by the Tax Collector, and pass a written examination with a score of 70% or higher, as required per County Ordinance Sec. 2-120(b), given under the direction and supervision of the Tax Collector or his designee and administered by Employee Relations Department, which tests the person's knowledge of applicable laws, rules, regulations, and procedures relating to the terms and conditions under which a Branch Auto Tag Agency must operate, including but not limited to the Florida Department of Highway Safety and Motor Vehicles Florida Real-Time Vehicle Information System. Failure to meet this requirement may result in suspension of the Florida Real-Time Vehicle Information System log-on identification.

5. Reporting, Bonding and Insurance and Remittance Requirements

- All documents and moneys-monies described in Article XVII, Section 2-123(e) of the Code of Miami-Dade County shall be delivered to the Tax Collector's Office no later than five (5)three (3) business days subsequent to the first date that a report may be is generated by the FRVIS-2000Florida Real-Time Vehicle Information System in a closed status.

~~The minimum bond required for each agency is 50% of the average monthly County and State auto tag related revenue collected excluding sales tax, based on the preceding fiscal year beginning October 1. The bonding underwriter must be approved by the Manager, Risk Management Division, of the County's General Services Administration.~~

~~The minimum general liability insurance for each agency is \$300,000 per occurrence and \$10,000 all risk property coverage per incident.~~

- ~~If the private branch agency owner enters into an agreement with the Tax Collector to deliver documents and moneys described in Article XVII, Section 2-123 (e), no later than three (3) business days subsequent to the first date that a report may be generated by FRVIS 2000 in a closed status, he/she will qualify for a lower required minimum bond of 25% of the average monthly County and State auto tag related revenue collected based on the preceding fiscal year beginning October 1. A private Branch Auto Tag Agency who fails to remit funds and related documents within the time described on more than two (2) times separate occurrences within a six (6) month period, will shall be required to establish a minimum bond as if they had not entered into the previously described agreement with the Tax Collectors subject to limitations on supplies, including, but not limited to temporary tags, plates, decals, and/or revocation/suspension of its license to operate.~~

~~6. Dishonored Checks~~

~~Dishonored checks received from branch auto tag agencies will be handled in accordance with A.O. 4-86 which requires a service charge of \$20.00 or 15%, plus a service fee of \$20.00 or 5%, whichever is greater, on the amount of the check. In no case shall the dishonored check charges exceed \$250.00. Future remittances from agencies after their check for collections of state and county taxes and fees have been dishonored, may, at the discretion of the Tax Collector, be by bank check until further notice. If an agency develops a pattern of issuing dishonored checks to the County, it will be grounds for suspension or revocation of its license to operate.~~

6. Bond and Insurance Requirements

- The minimum bond required for each agency is 25% of the average monthly County and State auto tag related revenues collected by the Branch Auto Tag Agency, excluding sales tax, based on the preceding fiscal year beginning October 1st.
- The Branch Auto Tag Agency shall indemnify and hold harmless the County and its officers, agents and instrumentalities from any and all liability, losses or damages, including attorneys' fees and costs of defense, which the County or its officers, employees, agents or instrumentalities may incur as a result of claims, demands, suits, causes of actions or proceedings of any kind or nature arising out of, relating to or resulting from the performance of any agreement by the Branch Auto Tag Agency or its employees, agents, servants, partners, principals or subcontractors. Private branch auto tag agencies shall pay all claims and losses in connection therewith and shall investigate and defend all claims, suits or actions of any kind or nature in the name of the County, where applicable, including appellate proceedings, and shall pay all costs, judgments, and attorney's fees which may issue thereon. Private branch auto tag agencies expressly understand and agree that any insurance protection required shall in no way limit the responsibility to indemnify, keep and hold harmless, and defend the County or its officers, employees, agents and instrumentalities as herein provided.
- Branch Auto Tag Agencies shall furnish one original of the Certificate of Insurance to the Miami-Dade County Risk Management Division, and one photocopy to the Tax Collector to be delivered to the Auto Tag Section, Finance Department, 140 W. Flagler

Street, Suite 1203, Miami, Florida 33130. The Certificate(s) of Insurance shall indicate that insurance coverage has been obtained which meets the requirements as outlined below:

- Public Liability Insurance on a comprehensive basis in an amount not less than \$300,000.
- Combined single limit per occurrence for bodily injury and property damage.
- **Miami-Dade County must be shown as an additional insured with respect to this coverage.**

All insurance coverage required above shall be issued by companies authorized to do business under the laws of the State of Florida, with the following qualifications:

- The company must be rated no less than "B" as to management, and no less than "Class V" as to financial strength.
 - Listed in the latest edition of Best's Insurance Guide, published by the A.M. Best Company, Oldwick, New Jersey, or its equivalent, subject to the approval of the County Risk Management Division.
- or
- The company must hold a valid Florida Certificate of Authority as shown in the latest "List of All Insurance Companies Authorized or Approved to Do Business in Florida" issued by the State of Florida Department of Insurance and be a member of the Florida Guaranty Fund.
 - Certificates indicating modifications and/or changes in insurance shall not be made without thirty (30) days advance notice to the County.

7. Disqualifications

~~No one may operate or be involved in the ownership of a branch office who may be involved in the sale or transfer of motor vehicles or vessels or is involved in any activity deemed a conflict of interest by the Division of Motor Vehicles, or pursuant to applicable statute, ordinance, regulation or administrative order.~~

~~The Tax Collector shall review each application for ownership along with related documents. After such review, the Tax Collector shall notify the affected applicant by first class mail if there appears to be a disqualification involved in said documents.~~

8. Ownership and Disclosure

~~In addition to the documents and information required in Section 2-120(e), the Tax Collector shall require full disclosure of ownership of the branch agencies. This full disclosure will include, but is not limited to, all officers of the corporation, all stockbrokers of a corporation and all parties involved in any partnership, firm or other organization involved in the ownership of a branch agency office. This disclosure will be submitted to the Tax Collector on a form prescribed by the County. The disclosure form will be submitted annually during~~

the month of September. When a change of stock ownership occurs at any time, the Tax Collector must be notified within ten (10) working days after such transaction.

7. Dishonored Checks

- Dishonored checks received from branch auto tag agencies will be processed in accordance with Implementing Order 4-86 pertaining to service charges of \$25.00 or 5% of the face amount of the check (whichever is greater) as authorized by Section 68.065, Florida Statutes, plus a service fee of \$25.00 or 5% (whichever is greater) on the amount of the check pursuant to Section 125.0105, Florida Statutes, or as may be amended.
- Future remittances from Branch Auto Tag Agencies, whose check(s) for collection of County taxes and fees has been dishonored, may at the discretion of the Tax Collector, be required to be made by bank check until further notice. If a Branch Auto Tag Agency develops a pattern of issuing dishonored checks to the County, it will be grounds for suspension or revocation of its license to operate.

8. Disqualifications

- No one shall operate or be involved in the ownership of a Branch Auto Tag Agency or the sale or transfer of motor vehicles or vessels, who is involved in any activity deemed as a conflict of interest by the Department of Highway Safety and Motor Vehicles, Division of Motor Vehicles, or pursuant to applicable statute, ordinance, regulation, implementing order or administrative order of Miami-Dade County.
- The Tax Collector shall review each application for ownership along with related documents. After such review, the Tax Collector shall notify the affected applicant by Certified mail if there appears to be a disqualification in said applications and/or documents.

9. Ownership and Disclosure

- In addition to the documents and information required in Article XVII, Section 2-120(g) of the Code of Miami-Dade County, the Tax Collector shall require full disclosure of ownership of the Branch Auto Tag Agencies. This full disclosure will include but is not limited to, all officers of the corporation, all stockholders of a corporation and all parties involved in any partnership, firm or other organization involved in the ownership of a Branch Auto Tag Agency. This disclosure will be submitted to the Tax Collector in a manner prescribed by the County. This disclosure will be submitted annually during the month of September. When a change of stock ownership occurs at any time, the Tax Collector must be notified within ten (10) working days after such transaction. Per Miami-Dade County Code, Article XVII, Section 2-119.2(e), any change in voting control within a corporation shall be treated as a transfer for purposes of Section 2-120(f).
- The branch auto tag agent shall sign a Service Agreement, administered by the Tax Collector, acknowledging their commitment to comply with all aspects of Article XVII and Implementing Order 4-83.

10. Miscellaneous Charges to Branch Agency by the Tax Collector

- | | |
|---|---|
| 1. Branch <u>Auto Tag Agency</u> sale or transfer fee (Sec. 2-120) (e)) | 3% of gross sale amount or \$4,000.00 which ever is greater |
| <u>2. Annual Local Business Tax for Branch Auto Tag Agency</u> | <u>\$100.00</u> |
| <u>3. Application fee for Branch Auto Tag Agency License</u> | <u>\$150.00</u> |

~~The Tax Collector reserves the right to review and approve sales and transfers of branch auto tag agencies to determine that the sales price or transfer valuation represents a bona fide amount.~~

~~2. Annual occupational license tax _____ \$100.00~~

~~3. Qualified employee certification fee _____ \$50.00~~

~~The above fee is payable to the County for certification of each applicant. Successful candidates will be awarded a "Qualified Auto Tag Employee" certificate.~~

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

~~M.R. Stierheim
County Manager~~

BRANCH AUTO TAG AGENCY FEE SCHEDULE

These Fees are charged in addition to the State and County Fees which are authorized by Florida Statutes, Chapters 319.32 and 320.04.

I. MOTOR VEHICLES AND VESSELS

- | | |
|---|-----------------------------|
| 1. Issuance, transfer replacement of <u>License plate and/or decal, and registration certificate including Temporary Operational Permit, duplicate or corrected registration certificate, Application for Assignment of Lien or Notice Of Lien – without title transfer</u> | <u>\$4.00</u> <u>5.00</u> |
| 2. Application for original or transfer certificate of title (all kinds, including lien recordings, verifications, all necessary forms, notarizations, sales tax collection or exemption), <u>Certificate of Destruction, Certificate of Repossession</u> | <u>\$15.00</u> <u>18.00</u> |
| 3. Application for duplicate title | <u>\$5.00</u> <u>8.00</u> |
| 4. Application for assignment of lien (Form 365) | \$3.00 |
| 5. Notice of lien included in application title certificate of vessel title and registration (all kinds including lien recordings, verifications, all necessary forms, notarizations, sales tax collection or exemption) | NONE |
| 6. Application for duplicate vessel title | \$5.00 |
| 7. Notice of lien included in title application | NONE |
| 8. Notice of lien not included in title application | \$3.00 |
| <u>4. Verification of Vehicle Identification Number (VIN) / Vessel Hull Identification Number (HIN) By Notary Public for out-of-state vehicles/vessels</u> | <u>\$8.00</u> |

III. MISCELLANEOUS

- | | |
|---|---------------------------|
| 1. Verification of ownership, lien, tag, decal information not included in title application | <u>\$2.50</u> <u>4.00</u> |
| 2. Preparation of affidavits or forms and notarization related to motor vehicle or vessel registrations not included in title application | <u>\$2.00</u> <u>3.00</u> |

3. Photocopies of documents pertaining to motor vehicles and vessels	\$1.50 <u>2.00</u>
4. Collection of sales tax when not included in title	\$1.00 <u>2.00</u>
5. Fast title service – additional fees	\$5.00 <u>10.00</u>
6. Handicapped parking permits <u>Disabled Persons Parking Placards</u> (Temporary/Permanent)	\$2.00 <u>3.00</u>
7. Certificate of Destruction	_____ \$15.00

NOTE: Any charges by Branch Auto Tag Agencies other than the above-listed fees are to be clearly marked on the original receipt denoting that the fee is not an official fee, is not to be passed on to the consumer as an official fee, and is subject to State of Florida tax.