

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Promote personal responsibility – This bill requires a motor vehicle repair shop to purchase liability coverage of at least \$1 million on repairs performed by the shop.

B. EFFECT OF PROPOSED CHANGES:

Florida Motor Vehicle Repair Act

The Florida Motor Vehicle Repair Act is contained in ss. 559.901- 559.9221, F.S. The act requires all motor vehicle repair shops to register with the Department of Agriculture and Consumer Services (department).¹ The act also requires repair shops to provide estimates for repairs, invoices for completed repairs,² and makes it unlawful for the cost of repairs to exceed the estimate by specified amounts.³ The act provides that certain actions are prohibited, including, but not limited to: making or charging for repairs not authorized by the customer; misrepresenting certain parts and services necessary to repair a vehicle; and, willfully departing from accepted practices and professional standards.⁴

The Florida Motor Vehicle Repair Act does not apply to the following motor vehicle repair shops:

- Any motor vehicle repair shop of municipal, county, state, or federal government when carrying out the functions of the government;
- Any person who engages solely in the repair of:
 - motor vehicles which are owned, maintained, and operated exclusively by such person for that person's own use; or
 - for-hire vehicles, as defined in s. 320.01(15) (a), F.S., which are rented for periods of 30 days or less;
- Any person who repairs only motor vehicles which are operated principally for agricultural and horticultural pursuits on farms, groves, and orchards;
- Motor vehicle auctions licensed under s. 320.27(1)(c)4, F.S., and persons performing motor vehicle repair solely for such auctions; and
- Any shop located in a public school as defined in s. 1000.04, F.S., or a charter technical career center as defined in s. 1002.34, F.S.

However, these motor vehicle repair shops may voluntarily register under the act.⁵

Vehicle Repair Shop Registration

Section 559.904(1), F.S., requires applicants registering for motor vehicle repair shops to provide the following information:

- The name of the applicant;
- The name under which the applicant is doing business;
- The business address at which the applicant performs repair work or in the case of a mobile motor vehicle repair shop, the home address of the owner, if different from the business address;

¹ Section 559.904, F.S.

² Section 559.905, F.S.

³ Section 559.909, F.S.

⁴ Section 559.920, F.S.

⁵ Section 559.902, F.S.

- Copies of all licenses, permits, and certifications obtained by the applicant or employees of the applicant; and
- The numbers of employees which the applicant intends to employ or which are currently employed.

Each application for registration must be accompanied by a registration fee calculated on a per-year basis as follows: If the place of business has 1 to 5 employees, the fee is \$50; if the place of business has 6 to 10 employees, the fee is \$150; and, if the place of business has 11 or more employees, the fee is \$300.⁶

The bill requires a motor vehicle repair shop to obtain liability coverage for repairs performed by the shop of at least \$1 million dollars, and provides that failure to maintain the required coverage is grounds for denial, revocation, or refusal of registration with the Department of Agriculture and Consumer Services. The bill provides an effective date of July 1, 2005.

C. SECTION DIRECTORY:

Section 1. Amends s. 559.904, F.S., to require certain motor vehicle repair shops to have liability insurance in the amount of \$1 million on repairs they perform as a condition of registration or renewal of registration, and provides that failure to maintain such insurance is grounds for denial, revocation, or refusal of registration by the Department of Agriculture and Consumer Services.

Section 2. Provides an effective date of July 1, 2005.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

According to the Department of Agriculture and Consumer Services, this bill will not have a revenue impact on state government.

2. Expenditures:

According to the Department of Agriculture and Consumer Services, this bill will not require the department to expend funds to implement the bill's provisions.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Certain motor vehicle repair shops will be required to purchase liability coverage for repairs, which may be an additional cost of doing business to those repair shops.

D. FISCAL COMMENTS:

None.

⁶ Section 559.904(3), F.S.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not require counties or municipalities to take an action requiring the expenditure of funds, nor does it reduce the authority that counties or municipalities have to raise revenue in the aggregate, nor does it reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

N/A.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES

N/A.