

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: Transportation Committee

BILL: SB 864

SPONSOR: Senator Fasano

SUBJECT: Motor Vehicle Repair Shops

DATE: February 10, 2005 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Evans	Meyer	TR	Fav/ 1 amendment
2.			BI	
3.				
4.				
5.				
6.				

Please see last section for Summary of Amendments

- Technical amendments were recommended
- Amendments were recommended
- Significant amendments were recommended

I. Summary:

This bill requires motor vehicle repair shops to provide proof of at least \$1 million of liability insurance on repairs performed by the shop as a condition of registration for motor vehicle repair shops. Failure to provide proof of liability insurance is grounds for denial, revocation, or refusal of renewal of their registration.

This bill substantially amends section 559.904 of the Florida Statutes.

II. Present Situation

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). As of March 29, 2004, there were 20,549 motor vehicle repair shops registered with the department. The act also requires repair shops to provide estimates for repairs, invoices for completed repairs, and makes it unlawful for the cost of repairs to exceed the estimate by specified amounts. The act declares various actions are violations of the act, including making or charging for repairs not authorized by the customer, misrepresenting certain

parts and services necessary to repair a vehicle, willfully departing from accepted practices and professional standards and more.

The Florida Motor Vehicle Repair Act does not apply to the following motor vehicle repair shops, however, these motor vehicle repair shops may voluntarily register under this act: any motor vehicle repair shop of municipal, county, state, and 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; any for-hire vehicles, as defined in ss. 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 ss. 320.27(1)(c)4, F.S., and persons performing motor vehicle repair solely for such auctions; and those located in public schools as defined in ss. 1000.04, F.S., and charter technical career centers as defined in s. 1002.34, F.S.

Current Requirements for a Vehicle Repair Shop Registration Certificate

Section 559.904, 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.
- Copies of all licenses, permits, and certifications obtained by the applicant or employees of the applicant.
- Number 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.

III. Effect of Proposed Changes:

Section 1. Amends ss. 559.04, F. S., requiring motor vehicle repair shops to have liability insurance in the amount of \$1 million on repairs they perform as a condition of registration and makes failure to maintain such insurance grounds for denying, revoking, or refusing to renew their registration.

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

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Any person who owns a motor vehicle repair shop must show evidence of \$1 million liability insurance. This may result in additional costs to motor vehicle repair shop owners; however that cost is indeterminate.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Summary of Amendments:

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Subsection (13) was amended and changed the required amount of liability insurance from \$1 million to \$300,000. Paragraph (b) Subsection (4) was amended to provide imposing an administrative fine not to exceed \$5,000 per violation for failure to maintain the liability insurance required s. 559.904(13), F.S. Subsection (9) was added to provide, a person who engages in motor vehicle repair and fails to maintain current and valid liability insurance as required under s. 559.904 (13), F.S., commits a misdemeanor of the second degree, punishable as provided in ss. 775.082, F.S. or 775.083, F.S.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
