

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 1326

INTRODUCER: Senator King

SUBJECT: Salvage Motor Vehicle Dealers

DATE: February 9, 2006

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Eichin</u>	<u>Meyer</u>	<u>TR</u>	<u>Pre-meeting</u>
2.	_____	_____	<u>CJ</u>	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

Senate Bill (SB) 1326 requires salvage motor vehicle dealers, prior to destroying, dismantling, or changing a motor vehicle, to contact law enforcement agencies for the purpose of determining whether the vehicle has been reported stolen. Salvage motor vehicle dealers must maintain records confirming the contact for two years. The bill provides violations of this paragraph are a criminal infraction punishable as a first degree misdemeanor. A person found guilty of violations related to this provision could be fined up to a \$1,000 plus applicable fees and court costs and receive a term of imprisonment not exceeding 1 year.

This bill substantially amends section 319.30 of the Florida Statutes.

II. Present Situation:

Salvage motor vehicle dealers are defined in s. 320.27, F.S., as any person who engages in the business of acquiring salvaged or wrecked motor vehicles for the purpose of reselling them and their parts. Section 319.30, F.S., provides when a motor vehicle is sold, transported, or delivered to a salvage motor vehicle dealer, it must be accompanied by:

- A properly endorsed certificate of title, salvage certificate of title, or vehicle certificate of destruction issued by the Department of Highway Safety and Motor Vehicles (DHSMV); or
- If the certificate of title has been surrendered to DHSMV, a notarized affidavit signed by the owner stating the title has been returned to the State of Florida.

Florida law does not provide procedures requiring salvage motor vehicle dealers to contact law enforcement before the dismantling, destruction, and change of identity of salvaged motor vehicles to determine if the vehicle is stolen.

According to the Jacksonville Sheriff's Office, certain salvage motor vehicle dealers or "crusher/shredding companies" are taking possession of stolen motor vehicles and processing them without proper identification.

III. Effect of Proposed Changes:

The bill provides certain procedures for salvage motor vehicle dealers to follow prior to the destruction, dismantlement, or change of motor vehicles received in the course of business, and creates penalties for violations of these requirements. Significant changes made by SB 1326 include:

- Requiring salvage motor vehicle dealers to notify a local law enforcement agency of a vehicle received by the dealer in the course of business;
- Requiring salvage motor vehicle dealers to receive confirmation from a local law enforcement agency that the motor vehicle has not been reported stolen;
- Requiring the salvage motor vehicle dealer to maintain legible records of that notification and confirmation;
- The records are to include a complete description of the vehicle, including:
 - Vehicle identification number;
 - Name of the law enforcement agency notified;
 - Date of the notification; and
 - Name of the officer or deputy sheriff who confirmed the motor vehicle had not been reported stolen.
- The records required by this paragraph must be maintained at the place of business of the salvage motor vehicle dealer for a period of 2 years from the date of notification and are to be made available for inspection upon request by any law enforcement officer during that 2-year period.

Violation of the provisions is a criminal infraction punishable as a first degree misdemeanor. A person found guilty of violations related to this provision could be fined up to a \$1,000 plus applicable fees and court costs and receive a term of imprisonment not exceeding 1 year.

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:

Salvage motor vehicle dealers could incur expenses related to notifying local law enforcement agencies when a motor vehicle is received, maintaining records of notification and confirmation for two years, and making the records available for inspection during this two year period.

C. Government Sector Impact:

The bill may have an impact on the county courts and on county jail populations. However, the impact is indeterminate because the number of criminal cases brought under the new law cannot be predicted. Court related revenues and the State General Revenue Fund could have a positive impact from additional fines and fees; however, the impact would also be indeterminate.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Summary of Amendments:

None.

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