

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Safeguard individual liberty and promote personal responsibility – The bill states that a mover’s failure to maintain the required liability insurance coverage “constitutes an immediate threat to the public health, safety, and welfare.”¹

B. EFFECT OF PROPOSED CHANGES:

Present situation: The 2002 Legislature enacted laws regulating the intrastate moving industry in Florida. Any mover wishing to do business in the state must register annually with the Department of Agriculture and Consumer Services (department). To obtain a registration certificate, the mover must file an application, pay a registration fee in the amount of \$300, and meet statutory qualifications.

The law requires a mover to maintain cargo liability insurance coverage in the amount of \$10,000 per shipment and limits the mover’s liability to not less than 60 cents per pound of cargo. Minimum limits of motor vehicle coverage are also specified in the amounts of \$50,000, \$100,000, and \$300,000 per occurrence.

Proposed changes: The bill amends Chapter 507, Florida Statutes, the intrastate moving law, to:

- Change the title of the chapter from “Intrastate Moving Law” to “Household Moving Services”.
- Expand and clarify certain existing definitions and to add definitions for the terms “household move”, “moving broker”, and “moving container”.
- Require moving brokers to register with the department and post specific financial security. A mover that operates two or fewer vehicles may post a performance bond or certificate of deposit in the amount of \$25,000 in lieu of the cargo legal liability coverage.²
- Require movers’ vehicle display signage to have a minimum letter height of 1.5 inches.
- Clarify additional insurance valuation coverage requirements for coverage of a consumer’s goods.
- Provide that the department may suspend registration and seek civil penalties for failure to carry valid liability insurance.
- Clarify the requirements for limitation of liability disclosure to the consumer.
- Exempt from the hearing requirements of chapter 120, Florida Statutes, proceedings conducted by the department against a mover that fails to maintain the required insurance coverage.³
- Provide that a county or municipality may not issue an occupational license unless the mover or broker has a current registration with the department.

C. SECTION DIRECTORY:

Section 1. Requests the Division of Statutory Revision to redesignate the title of ch. 507, F.S.

Section 2. Amends s. 507.01, F.S.; revising definitions; defining new terms; clarifying licensing requirements for household movers and moving brokers; applying the licensing requirements; clarifying and conforming provisions.

Section 3. Amends s. 507.02, F.S.; clarifying the construction, application and intent of the licensing requirements.

¹ Proposed s. 507.04 (1)(a), F.S.

² Proposed s. 507.04(1)(b), F.S.

³ Proposed s. 120.80(2)(d), F.S.

Section 4. Amends s. 507.03, F.S.; requiring moving brokers to register with the Department of Agriculture and Consumer Services; providing registration requirements and fees; providing for certificate of registration; requiring display of certificate; clarifying registration requirements for household movers and moving brokers; requiring brokers to obtain local registration or license under certain circumstances; revising advertising requirements; requiring a mover's vehicles to display certain signage; providing for denial, refusal to renew, or revocation of registration of mover or moving broker; requiring brokers to provide evidence of certain insurance coverage; revising requirement for mover to provide evidence of certain insurance coverage.

Section 5. Amends s. 507.04, F.S.; clarifying requirements that a mover maintain certain insurance coverage; requiring a mover to submit evidence of liability insurance before registration; providing requirements for liability insurance coverage; authorizing the Department of Agriculture and Consumer Services to suspend a mover's registration and seek an injunction in circuit court if the mover fails to maintain insurance coverage; providing penalties; authorizing certain movers and requiring moving brokers to maintain a performance bond or certificate of deposit in lieu of certain liability insurance coverage; providing requirements for the performance bond or certificate of deposit; providing for payment of claims pursuant to department order in an administrative proceeding; specifying that insurance coverage must be issued by a licensed insurance company or carrier; prohibiting certain limits of liability for a mover's loss or damage of a shipper's goods; requiring certain disclosures of liability limitations; authorizing a mover to offer valuation coverage under specified conditions; providing that valuation coverage meeting specified conditions satisfies certain liability of a mover; requiring certain disclosures of valuation coverage.

Section 6. Amends s. 507.05, F.S.; revising requirements for content of contracts.

Section 7. Amends s. 507.06, F.S.; revising provisions for delivery and storage of household goods.

Section 8. Amends s. 507.07, F.S.; requiring that moving brokers annually register with the department; revising provisions relating to prohibited acts and violations; specifying that the making of certain false statements is a violation of ch. 507, F.S., regardless of whether the statements are material; clarifying and conforming provisions.

Section 9. Amends s. 507.08, F.S.; clarifying and conforming provisions relating to deceptive and unfair trade practice.

Section 10. Amends s. 507.09, F.S.; conforming language relating to administrative remedies and penalties.

Section 11. Amends s. 507.10, F.S.; conforming language relating to civil penalties and remedies.

Section 12. Amends s. 507.11, F.S.; providing penalties.

Section 13. Amends s. 507.12, F.S.; conforming language regarding deposit of payments into the General Inspection Trust Fund.

Section 14. Amends s. 507.13, F.S.; conforming language relating to local regulations.

Section 15. Creates s. 205.1975, F.S.; prohibiting a county or municipality from issuing or renewing an occupational license to a mover or moving broker under certain circumstances.

Section 16. Provides an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

Indeterminate. See fiscal comments below.

2. Expenditures:

The bill appears to have no impact on state government revenues.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

The bill appears to have no impact on local government revenues.

2. Expenditures:

The bill appears to have no impact on local government expenditures.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

This bill requires moving brokers to annually register with the department, submit a form of security deposit in the amount of \$25,000, and pay a \$300 registration fee. The bill also requires movers to include signage at least 1.5 inches in height on their moving vehicles. In addition, the bill allows movers with less than 3 trucks to submit security to the department in the amount of \$25,000, in lieu of the required liability insurance coverage.

D. FISCAL COMMENTS:

Movers are currently required to pay an annual \$300 registration fee to the Department of Agriculture and Consumer Services and this bill extends this requirement to moving brokers as well. Some recurring revenue may accrue to the General Inspection Trust Fund housed within the department from the annual registration fee that would be collected from moving brokers. This amount is indeterminate as there are no statistics available on the number of moving brokers in Florida.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The bill does not require counties or municipalities to take an action requiring the expenditure of funds, does not reduce the authority that counties or municipalities have to raise revenues in the aggregate, and does not reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None

B. RULE-MAKING AUTHORITY:

The bill contains no grant of rule-making authority.

C. DRAFTING ISSUES OR OTHER COMMENTS: None

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES

N/A