

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: Commerce Committee

BILL: SB 530

INTRODUCER: Senator Saunders

SUBJECT: Household moving services

DATE: February 20, 2008

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Earlywine	Cooper	CM	Favorable
2.			CA	
3.			JU	
4.			GA	
5.				
6.				

I. Summary:

This bill revises the definition of “storage” in ch. 507, F.S., which relates to Household Moving Services. The bill allows a mover to refuse to transport certain items and exclude liability for certain situations. The bill changes the registration requirement from an annual requirement to a biennial requirement. The bill requires that a shipper offer a mover a written inventory of all items to be moved. Further, this bill preempts county and municipal regulation of intrastate household moving services to the state.

This bill substantially amends the following sections of the Florida Statutes: 507.01, 507.02, 507.03, 507.04, 507.05, 507.07 and 507.13, and creates s. 507.055.

II. Present Situation:

Any mover wishing to do business in Florida must register annually with the Department of Agriculture and Consumer Services (department).¹ Intrastate Movers are defined as any person who engages in the transportation or shipment of household goods for compensation.² To obtain a registration certificate, the mover must file an application, pay a \$300 registration fee,³ and meet statutory qualifications, including proof of insurance coverage.⁴

¹ Section 507.03(1), F.S.; as created by ch. 2002-53, L.O.F.; Intrastate Movers may also be regulated by counties or municipalities, pursuant to local ordinance. *See* s. 507.13, F.S.

² Section 507.01(9), F.S.

³ Section 507.03(1), F.S.

⁴ Section 507.04, F.S.

The law requires a mover to maintain cargo liability insurance coverage in the amount of at least \$10,000 per shipment⁵ and limits the mover's liability to not less than 60 cents per pound of cargo.⁶ A mover must also maintain minimum limits of motor vehicle coverage in the amounts of: \$50,000 per occurrence for a commercial motor vehicle with a gross weight of less than 35,000 pounds; \$100,000 per occurrence for a commercial motor vehicle with a gross weight of more than 35,000 pounds, but less than 44,000 pounds; and \$300,000 per occurrence for a commercial motor vehicle with a gross weight of 44,000 pounds or more.⁷

The statute provides for contract requirements⁸ and for delivery and storage requirements.⁹ The statutes also provide for specific prohibitions on movers.¹⁰ Violations may result in administrative,¹¹ civil¹² or criminal penalties.¹³ Violations may also be considered an unfair or deceptive act or practice or unfair method of competition in violation of the Florida Deceptive and Unfair Trade Practices Act.¹⁴ The department may also seek restitution on behalf of any shipper aggrieved or injured by a violation.¹⁵

Currently, ch. 507, F.S., does not preempt local ordinances or regulations of a county or municipality which regulate transactions relating to movers of household goods or moving brokers.¹⁶ Furthermore, any mover whose principal place of business is located in a county or municipality that requires local licensing or registration is required to obtain such registration in addition to registering with the state.¹⁷ In addition, Florida law allows for local taxes, fees, and bonding related to movers and moving brokers.¹⁸

Chapter 205, F.S., authorizes a local government to levy a business tax for the privilege of engaging in or managing any business, profession, or occupation within its jurisdiction. Local business taxes were previously known as local occupational license taxes.

III. Effect of Proposed Changes:

Section 1 amends s. 507.01, F.S., to revise the existing definition of the term “storage” by narrowing it to mean the “temporary” warehousing of a shipper's goods while under the care, custody, and control of a mover.

⁵ Section 507.04(1)(a), F.S.

⁶ Section 507.04(4), F.S.

⁷ Section 507.04(2) (a)-(c), F.S.

⁸ Section 507.05, F.S.

⁹ Section 507.06, F.S.

¹⁰ Section 507.07, F.S.

¹¹ Section 507.09, F.S.

¹² Section 507.11, F.S.

¹³ Section 507.11, F.S.

¹⁴ Section 507.08, F.S.

¹⁵ Section 507.10(3), F.S.

¹⁶ Section 507.13(1), F.S.

¹⁷ Section 507.03(4), F.S.

¹⁸ Section 507.13(1), F.S.

Section 2 amends s. 507.02, F.S., to provide that ch. 507, F.S., does not supersede the mover's rights to refuse to transport certain items if the terms are included in the estimate and the contract.

Section 3 amends s. 507.03, F.S., to change the registration requirement from an annual requirement to a biennial requirement. Also, this section grants the department rulemaking authority to stagger the registration process. This rulemaking authority expires on June 30, 2009.

This section is amended to remove the requirement that movers and brokers obtain a local license or registration, consistent with the proposed amendment in section 8 of the bill.

Section 4 amends s. 507.04, F.S., to allow a mover to exclude liability for items packed by the shipper which the shipper declined, in writing, to allow the mover to inspect.

Section 5 amends s. 507.05, F.S., to prohibit a mover from requiring the waiver of written estimate. Also, the shipper may not waive a written estimate. The required information in a written estimate and contract is revised to include:

- Contact information for any person authorized by the shipper to direct the pickup or delivery of items to be transported.
- Procedures for shipper inquiries and the handling of complaints.
- Statement that the shipper may observe the weighing of items if the cost for services is based on weight.
- A statement of acknowledgement to be signed by the shipper verifying the shipper received a copy of the bill of rights that is established by department rule.
- Notice to the shipper of the opportunity to request a written inventory for an additional cost.
- A provision in the contract for service in the same form as prescribed by the bill relating to terms of the contract, shipper's disclosures, and possession of the shippers' goods.

Section 6 creates s. 507.055, F.S., to require a mover to offer to prepare a written inventory of all items to be moved by the shipper at an additional cost to the shipper. The shipper may waive the preparation of a written inventory. If the shipper requests an inventory, both the shipper and the mover must sign the inventory prior to the departure of the mover's vehicle from the shipper's pickup point. The cost to the shipper for the inventory must be disclosed prior to the inventory. A mover may not require a shipper to waive the inventory.

Section 7 amends s. 507.07, F.S., to make the failure to provide a shipper with: a written estimate of moving and accessorial services; a disclosure statement required by s. 507.05, F.S.; or an offer to prepare a written inventory and the associated charges a violation of ch. 507, F.S., which subjects the mover to administrative fines and penalties.

Section 8 amends s. 507.13, F.S., to provide that ch. 507, F.S., preempts local ordinances and regulations that regulate household good movers and brokers. However, the section also explicitly states that the preemption does not extend to local business taxes established in ch. 205, F.S.

Section 9 provides an effective date of July 1, 2008.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Due to the preemption of local ordinances and regulation, the household moving industry may see an increase in revenue by removing the potential for local government fees or taxes.

C. Government Sector Impact:

Due to the preemption of local ordinances and regulation, there is likely to be a reduction in responsibilities for those counties and municipalities that regulate or levy the local business tax against household movers and moving brokers. A local government may also experience a loss in revenue because it can no longer charge movers for a local license or registration.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

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