

**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.)

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Prepared By: The Professional Staff of the Committee on Judiciary

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BILL: SB 1014

INTRODUCER: Senator Polsky

SUBJECT: Value of Motor Vehicles Exempt from Legal Process

DATE: March 28, 2023

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Davis	Cibula	JU	<b>Favorable</b>
2.			CA	
3.			RC	

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**I. Summary:**

SB 1014 increases from \$1,000 to \$5,000, the maximum value of a debtor’s motor vehicle that is exempt from attachment, garnishment, or other legal process. The \$1,000 amount was established in 1993 and has not been increased since then.

The bill takes effect July 1, 2023.

**II. Present Situation:**

The Florida Constitution protects a homestead, used as a residence, and personal property that does not exceed \$1,000, from the forced sale by creditors.<sup>1</sup> The purpose of the homestead exemption is a matter of public policy - to maintain the home as a shelter for a family and prevent the family from becoming dependent on public assistance.<sup>2</sup>

In a similar manner, the Florida Statutes protect certain assets from the claims of creditors. Chapter 222 exempts, or protects, the following items:

- A life insurance policy.<sup>3</sup>
- The cash surrender value of a life insurance policy and the proceeds of an annuity contract.<sup>4</sup>
- Disability income benefits.<sup>5</sup>
- Pension money and funds placed in certain tax-exempt accounts.<sup>6</sup>

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<sup>1</sup> FLA. CONST. art. X, s. 4.

<sup>2</sup> 28A Fla. Jur 2d Homesteads s. 3. (2023).

<sup>3</sup> Section 222.13(1), F.S.

<sup>4</sup> Section 222.14, F.S.

<sup>5</sup> Section 222.18, F.S.

<sup>6</sup> Section 221.21, F.S.

- Assets held in qualified tuition programs, health savings and medical savings accounts, Coverdell education savings accounts, which are also known as an educational IRA, and hurricane savings accounts.<sup>7</sup>
- Certain wages, unless the person has agreed in writing to waive the exemption.<sup>8</sup>
- Personal property when properly inventoried and filed with a court.<sup>9</sup>
- Professionally prescribed health aids for the debtor or his or her dependent.<sup>10</sup>
- Items exempted under the federal Bankruptcy Reform Act of 1978 including a social security benefit, unemployment compensation, or a local public assistance benefit; a veterans' benefit; a disability, illness, or unemployment benefit; alimony, support, or separate maintenance, to the extent reasonably necessary for the support of the debtor and his or her dependent; and payments under a stock bonus, pension, profitsharing, annuity, or similar plan under specified circumstances.<sup>11</sup>
- A debtor's interest in a single motor vehicle which does not exceed \$1,000 in value.<sup>12</sup>

### III. Effect of Proposed Changes:

The bill increases the value of an exempt motor vehicle from \$1,000 to \$5,000. This \$1,000 limit was placed in statute in 1993 and has not been increased since then.<sup>13</sup>

According to the U.S. Bureau of Labor Statistics Consumer Price Index Inflation Calculator,<sup>14</sup> \$1,000 in October 1993 is the equivalent of \$2,064.79 in February, 2023.

The bill takes effect July 1, 2023.

### IV. Constitutional Issues:

#### A. Municipality/County Mandates Restrictions:

None.

#### B. Public Records/Open Meetings Issues:

None.

#### C. Trust Funds Restrictions:

None.

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<sup>7</sup> Section 222.22, F.S.

<sup>8</sup> Section 222.11, F.S.

<sup>9</sup> Section 222.061, F.S.

<sup>10</sup> Section 222.25, F.S.

<sup>11</sup> Section 222.201, F.S. and 11 U.S. Code s. 522(d)(10).

<sup>12</sup> Section 222.25(1), F.S.

<sup>13</sup> Chapter 93-256, s. 3, Laws of Fla.

<sup>14</sup> U.S. Bureau of Labor Statistics, CPI Inflation Calculator, [https://www.bls.gov/data/inflation\\_calculator.htm](https://www.bls.gov/data/inflation_calculator.htm) (last visited on March 25, 2023).

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None identified.

**V. Fiscal Impact Statement:**

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

By increasing the value of a debtor's motor vehicle that is protected from attachment, garnishment, or other legal process, a debtor would be able to maintain an asset of greater value and possibly greater dependability to him or her.

C. Government Sector Impact:

None.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends section 222.25, of the Florida Statutes.

**IX. Additional Information:**

A. Committee Substitute – Statement of Changes:

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

None.

B. Amendments:

None.