FLORIDA HOUSE OF REPRESENTATIVES BILL ANALYSIS

This bill analysis was prepared by nonpartisan committee staff and does not constitute an official statement of legislative intent.

BILL #: CS/HB 577 COMPANION BILL: CS/SB 872 (Ingoglia)

TITLE: County Price Controls for Removal and Storage of **LINKED BILLS:** None Electric Vehicles **RELATED BILLS:** None

SPONSOR(S): Nix

Committee References

Intergovernmental Affairs 18 Y, 0 N, As CS Industries & Professional
Activities

State Affairs

SUMMARY

Effect of the Bill:

The bill requires counties to establish a separate maximum rate for the removal and storage of electric vehicles that may be up to three times greater than the rates established by that county for the removal or storage of gasoline or diesel vehicles. The bill also authorizes wrecker operators to charge actual costs, plus a 15 percent surcharge, for the cleanup of an accident scene involving an electric vehicle.

Fiscal or Economic Impact:

An agency analysis of this bill was requested from Department of Highway Safety and Motor Vehicles on February 18, 2025, and as of the date of publication has not been received. The bill may increase costs on the owner of electric vehicles to the extent those vehicles are subject to an involuntary tow.

JUMP TO <u>SUMMARY</u> <u>ANALYSIS</u> <u>RELEVANT INFORMATION</u> <u>BILL HISTORY</u>

ANALYSIS

EFFECT OF THE BILL:

The bill requires that counties establish <u>maximum rates</u> for the removal and storage of electric vehicles if those vehicles are removed by a <u>wrecker operator</u> when the owner or operator of the vehicle is incapacitated, unavailable, leaves the procurement of the wrecker service to the law enforcement officer at the scene, or otherwise does not consent to the removal of the vehicle. This maximum rate may be up to three times more than the rate the county has established for removing gasoline or diesel fueled vehicles. (Section 1)

The bill also allows wrecker operators to charge actual costs, plus 15 percent surcharge, for electric vehicle removal and accident scene clean up, including fires, hazardous materials, or debris from the electric vehicle. (Section 1)

The act takes effect July 1, 2025. (Section $\underline{2}$)

FISCAL OR ECONOMIC IMPACT:

LOCAL GOVERNMENT:

An agency analysis of this bill was requested from Department of Highway Safety and Motor Vehicles on February 18, 2025, and as of the date of publication has not been received.

PRIVATE SECTOR:

The bill may increase costs for owners of electric vehicles to the extent those vehicles are subject to an involuntary tow.

STORAGE NAME: h0577a.IAS

DATE: 3/20/2025

1

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Wrecker Operators

A wrecker operator is any person or firm regularly engaged for hire in the business of towing or removing vehicles, while a towing-storage operator refers to a person who engages in the business of transporting vehicles or vessels by wrecker, tow truck, or car carrier or who engages in storing towed vehicles or vessels.²

Current law allows counties and municipalities to establish wrecker operator systems similar to that of the Florida Highway Patrol as authorized in s. 321.051(2), F.S.3 Under this system, a county or municipality may contract with one or more wrecker operators (authorized wrecker operators)⁴ for towing or removal of wrecked, disabled, or abandoned vehicles from accident scenes, streets, or highways. The wrecker operator system must also include a method for distributing towing assignments among the authorized wrecker operators.⁵

In counties and municipalities with established wrecker operator systems, it is unlawful for an unauthorized wrecker operator to monitor police radio communications to determine the location of wrecked or disabled vehicles, drive by the scene of wrecked or disabled vehicles before an authorized wrecker operator arrives, or to initiate contact with the owner or operator of a wrecked or disabled vehicle.⁶ If an owner or operator of a wrecked or disabled vehicle initiates contact with an unauthorized wrecker operator, the unauthorized wrecker operator must disclose in writing:

- His or her full name and driver license number:
- That he or she is not the authorized wrecker operator who has been designated as part of the wrecker operator system;
- The vehicle is not being towed for the owner's or operator's insurance company or lienholder;
- Whether he or she has an insurance policy providing \$300,000 in liability coverage and \$50,000 in on-hook cargo coverage; and
- The maximum charges for towing and storage.⁷

County and Municipal Wrecker Operator Fees

Counties are required to establish maximum rates charged for towing and storage of vehicles or vessels when the owner or operator is incapacitated, unavailable, leaves the procurement of wrecker services to law enforcement, or otherwise does not consent to removal of the vehicle or vessel. Municipalities may choose to establish maximum rates for vehicle or vessel towing. In municipalities with ordinances establishing maximum rates for towing, the maximum towing rates established by the county do not apply.9

Once a vehicle or vessel is towed or stored, the towing-storage operator has a lien on the vehicle or vessel for fees related to recovery, removal or storage. 10 These fees may include any reasonable towing fees, administrative fees, or storage fees.¹¹ However, a storage fee may not be charged if the vehicle or vessel is stored for less than six

JUMP TO **RELEVANT INFORMATION BILL HISTORY SUMMARY ANALYSIS**

¹ S. <u>1.01(15)</u>, F.S.

² S. <u>713.78(1)(f), F.S.</u>

³ S. 323.002(1)(c), F.S.

⁴ S. 323.002(1)(a), F.S., defines an authorized wrecker operator as any wrecker operator designated as part of the local government's wrecker operator system. Section 323.002(1)(b), F.S., defines an unauthorized wrecker operator as any wrecker operator that is not part of the local government's wrecker operator system.

⁵ *Id.* at 2

⁶ S. 323.002(2), F.S.

⁷ S. <u>323.002(2)(c), F.S.</u>

⁸ Ss. 125.0103(1)(c) and 166.043(1)(c), F.S.

¹⁰ S. 713.78(2)(b), F.S.

¹¹ S. 713.78(2), F.S.

hours.¹² In addition to the amount due for the towing and storage of the vehicle, a towing company may charge an administrative fee of up to \$250 for releasing the claim of lien.¹³

Handling Damaged Electric Vehicles

The National Highway Traffic Safety Administration (NHTSA) issued guidance in 2012 for the handling of electric and hybrid-electric vehicles equipped with high-voltage batteries in certain situations. ¹⁴ The guidance provides that in the event of damage, fire, or flooding involving an electric vehicles or hybrid-electric vehicle one should always assume the high-voltage (HV) battery and associated components are energized and fully charged. Individuals should also be aware that:

- Exposed electrical components, wires, and HV batteries present potential HV shock hazards;
- Venting and off-gassing HV battery vapors are potentially toxic and flammable; and
- Physical damage to the vehicle or high-voltage battery may result in immediate or delayed release of toxic and/or flammable gases and fire.

In a post incident situation, the NHTSA guidance recommends to not store a severely damaged vehicle with a lithium-ion battery inside a structure or within 50 feet of any structure, vehicle, or combustible, and to ensure that the vehicle compartments remain well ventilated.¹⁵

A 2020 NHSTA safety report on safety risks to emergency responders from lithium-ion battery fires in electric vehicles included findings and recommendations related to the handling of damaged electric vehicles. ¹⁶ Key findings that may impact vehicle towing and storage included:

- Thermal runaway and multiple battery reignitions after initial fire suppression are safety risks in HV lithium-ion battery fires.
- The energy remaining in a damaged HV lithium-ion battery, known as stranded energy, poses a risk of electric shock and creates the potential for thermal runaway that can result in battery reignition and fire.
- HV lithium-ion batteries in electric vehicles, when damaged by crash forces or internal battery failure, present special challenges to first and second responders because of insufficient information from manufacturers on procedures for mitigating the risks of stranded energy.
- Storing an electric vehicle with a damaged HV lithium-ion battery inside the recommended 50-foot-radius clear area may be infeasible at tow or storage yards.¹⁷

The report recommended that certain associations representing emergency responders (including the Towing and Recovery Association of America) inform their members about the circumstances of the fire risks described in the report and the guidance available to emergency personnel who respond to high-voltage lithium-ion battery fires in electric vehicles.¹⁸

 JUMP TO
 SUMMARY
 ANALYSIS
 RELEVANT INFORMATION
 BILL HISTORY

¹² *Id.* at 12

¹³ S. <u>713.78(15)(a), F.S.</u>

¹⁴ U.S. Dept. of Transportation, National Highway Traffic Safety Administration, *Interim Guidance for Electric and Hybrid-Electric Vehicles*, p. 2 (last visited Mar. 14, 2025).

¹⁵ U.S. Dept, of Transportation, National Highway Traffic Safety Administration, *Interim Guidance for Electric and Hybrid-Electric Vehicles*, p. 3 (last visited Mar. 14, 2025).

¹⁶ National Transportation Safety Board, *Safety Risks to Emergency Responders from Lithium-Ion Battery Fires in Electric Vehicles* (last visited Mar. 14, 2025).

¹⁷ National Transportation Safety Board, <u>Safety Risks to Emergency Responders from Lithium-Ion Battery Fires in Electric Vehicles</u>, p. 63 (last visited Mar. 14, 2025).

¹⁸ National Transportation Safety Board, <u>Safety Risks to Emergency Responders from Lithium-Ion Battery Fires in Electric Vehicles</u>, p. 64 (last visited Mar. 14, 2025).

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Intergovernmental Affairs Subcommittee	18 Y, 0 N, As CS	3/19/2025	Darden	Jones
THE CHANGES ADOPTED BY THE COMMITTEE:	 Authorizes counties to establish a rate for the removal and storage of electric vehicles at up to three times the rate established for gasoline or diesel fueled vehicles instead of a rate at least three times the rate established for gasoline or diesel fueled vehicles. Increases the maximum surcharge a wrecker operator may charge for the cleanup of an electric vehicle accident from 10 percent to 15 percent. 			
<u>Industries & Professional Activities</u> <u>Subcommittee</u>				
State Affairs Committee				

.....

THIS BILL ANALYSIS HAS BEEN UPDATED TO INCORPORATE ALL OF THE CHANGES DESCRIBED ABOVE.

JUMP TO <u>SUMMARY</u> <u>ANALYSIS</u> <u>RELEVANT INFORMATION</u> <u>BILL HISTORY</u>