

**STORAGE NAME:** h0737s1.tr

**DATE:** April 11, 1997

**HOUSE OF REPRESENTATIVES  
COMMITTEE ON  
TRANSPORTATION  
BILL RESEARCH & ECONOMIC IMPACT STATEMENT**

**BILL #:** CS/HB 737

**RELATING TO:** Recovery Agents/License Plates

**SPONSOR(S):** Committee on Transportation and Rep(s) Hill, Feeney, and Heyman

**STATUTE(S) AFFECTED:** ss.324.201 and 324.202

**COMPANION BILL(S):** CS/1ST ENG 236 (s)

**ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:**

- (1) TRANSPORTATION YEAS 9 NAYS 0
- (2) LAW ENFORCEMENT & PUBLIC SAFETY
- (3)
- (4)
- (5)

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**I. SUMMARY:**

Since October 1995, the Department of Highway Safety and Motor Vehicles (DHS&MV) has been coordinating a pilot project which authorizes licensed recovery agents to seize license plates of motor vehicles whose registrations have been suspended for failure to maintain proper security. The three authorized pilot counties are Dade, Broward, and Hillsborough.

The bill adds four counties to the list of counties where recovery agents may seize license plates as part of the pilot project. The additional counties are: Charlotte, Duval, Orange, and Sarasota counties. The bill brings the total number of participating counties to seven.

DHS&MV estimates that authorizing recovery agents in the four additional counties will increase license plate seizures, reinstatement fees, and payments to recovery agents. To the extent that license plates are seized, this bill has a positive, but indeterminate, fiscal impact on the Highway Safety Operating Trust Fund.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

Since October 1995, DHS&MV has been coordinating a pilot project which authorizes licensed recovery agents to seize license plates of motor vehicles whose registrations have been suspended for failure to maintain proper security. The three authorized pilot counties are Dade, Broward, and Hillsborough.

Section 324.202, F.S., also requires DHS&MV to submit a report to the Legislature on the results of the pilot project on October 1, 1996. DHS&MV has complied with this requirement.

DHS&MV reports that as of March 1997, more than 2,300 license plates have been seized since the project began and insurance compliance within the pilot counties has increased by 2 percent.

B. EFFECT OF PROPOSED CHANGES:

The bill adds four counties to the list of counties where recovery agents may seize license plates as part of the pilot project. The additional counties are: Charlotte, Duval, Orange, and Sarasota counties. The bill brings the total number of participating counties to seven.

The bill also requires DHS&MV to submit a second report to the Legislature on the results of the pilot project. The bill requires that the report be submitted on October 1, 1999.

Further, the bill deletes subsection (5) of section 324.201, F.S., which provides for recovery agents or recovery agencies who obtain seized license plates to notify local law enforcement agencies within 6 hours after seizure. Also deleted are provisions which require recovery agents or recovery agencies who obtain seized license plates to obtain a receipt upon delivery of the plate to DHS&MV for claim record purposes.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

The bill does not appear to create, increase or reduce, either directly or indirectly any authority to make rules or adjudicate disputes.

- (2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

The bill does not appear to create, increase or reduce, either directly or indirectly any new responsibilities, obligations or work for other governmental or private organizations or individuals.

- (3) any entitlement to a government service or benefit?

The bill does not appear to increase or decrease any entitlement to a government service or benefit.

- b. If an agency or program is eliminated or reduced:

This bill does not appear to eliminate or reduce an agency or program.

- (1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

NA

- (2) what is the cost of such responsibility at the new level/agency?

NA

- (3) how is the new agency accountable to the people governed?

NA

2. Lower Taxes:

- a. Does the bill increase anyone's taxes?

This bill does not appear to directly increase anyone's taxes.

- b. Does the bill require or authorize an increase in any fees?

This bill does not appear to require or authorize an increase in any fees.

- c. Does the bill reduce total taxes, both rates and revenues?

This bill does not appear to reduce total taxes, both rates and revenues.

- d. Does the bill reduce total fees, both rates and revenues?

This bill does not appear to reduce total fees, both rates and revenues.

- e. Does the bill authorize any fee or tax increase by any local government?

This bill does not appear to authorize any fee or tax increase by any local government.

3. Personal Responsibility:

- a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

This bill does not appear reduce or eliminate an entitlement to government services or subsidy.

- b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

Recovery agents are compensated on payment of the reinstatement fee.

4. Individual Freedom:

- a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

The bill authorizes recovery agents in the four additional counties to seize certain license plates.

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

The bill does not appear to prohibit, or create new government interference with, any presently lawful activity.

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

This bill does not appear to purport to provide services to families or children.

- (1) Who evaluates the family's needs?

NA

- (2) Who makes the decisions?

NA

(3) Are private alternatives permitted?

NA

(4) Are families required to participate in a program?

NA

(5) Are families penalized for not participating in a program?

NA

b. Does the bill directly affect the legal rights and obligations between family members?

This bill does not appear to directly affect the legal rights and obligations between family members.

c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

This bill does not appear to create or change a program providing services to families or children.

(1) parents and guardians?

NA

(2) service providers?

NA

(3) government employees/agencies?

NA

**D. SECTION-BY-SECTION RESEARCH:**

Not applicable

**III. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:**

**A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:**

1. Non-recurring Effects:

None

2. Recurring Effects:

Indeterminate, see Fiscal Comments D.

3. Long Run Effects Other Than Normal Growth:

None

4. Total Revenues and Expenditures:

Indeterminate

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

None

2. Recurring Effects:

None

3. Long Run Effects Other Than Normal Growth:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

None

2. Direct Private Sector Benefits:

Recovery agents would receive one-third of the reinstatement fee paid with respect to each seized license plate in the four additional counties.

3. Effects on Competition, Private Enterprise and Employment Markets:

Recovery agents in the four additional counties will be have the authority to seize license plates of uninsured motorists at one-third of the reinstatement fee for the violation.

**D. FISCAL COMMENTS:**

DHS&MV estimates that authorizing recovery agents in the four additional counties will increase license plate seizures, reinstatement fees, and payments to the tag seizure agents by the same percentage.

**IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:**

**A. APPLICABILITY OF THE MANDATES PROVISION:**

This bill does not require counties and municipalities to expend funds. Therefore, the provisions of this bill are exempt from the mandate provisions of Article VII, Section 18 of the Florida Constitution.

**B. REDUCTION OF REVENUE RAISING AUTHORITY:**

The counties' and municipalities' authority to raise revenue is not affected by this bill. Therefore, the bill is exempt from the mandate provisions of Article VII, Section 18 of the Florida Constitution.

**C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:**

This bill would not reduce the percentage of a state tax that is shared with counties and municipalities. Therefore, the bill is exempt from the mandate provisions of Article VII, Section 18 of the Florida Constitution.

**V. COMMENTS:**

The bill requires that DHS&MV issue a report to two legislative committees that no longer exist, the Senate Commerce Committee and the House Insurance Committee. It is recommended that the report be issued to the Senate President and the Speaker of the House of Representatives.

**VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:**

On April 10, 1997, the House Transportation Committee adopted one amendment to HB 737. The "strike everything" amendment added 2 additional counties where recovery agents may seize tags (Charlotte and Sarasota). The amendment also removed a requirement that local law enforcement agencies be notified of a tag seizure.

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VII. SIGNATURES:

COMMITTEE ON TRANSPORTATION:

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