

he 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: The Professional Staff of the Finance and Tax Committee

BILL: SB 872

INTRODUCER: Senator Crist

SUBJECT: Wreckers

DATE: April 9, 2010

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Eichin</u>	<u>Meyer</u>	<u>TR</u>	Fav/1 amendment
2.	<u>ODonnell</u>	<u>McKee</u>	<u>FT</u>	Pre-meeting
3.	_____	_____	<u>TA</u>	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

Please see Section VIII. for Additional Information:

- | | | |
|------------------------------|-------------------------------------|---|
| A. COMMITTEE SUBSTITUTE..... | <input type="checkbox"/> | Statement of Substantial Changes |
| B. AMENDMENTS..... | <input type="checkbox"/> | Technical amendments were recommended |
| | <input type="checkbox"/> | Amendments were recommended |
| | <input checked="" type="checkbox"/> | Significant amendments were recommended |

I. Summary:

Currently, wreckers are allowed to tow disabled vehicles on public roads even when the combined weight of the wrecker and the towed vehicle exceeds statutory weight limits, but only if the wrecker has a special use permit which assigns an absolute maximum weight limit. If the absolute weight limit is exceeded, penalties are assessed.

This bill allows wreckers to tow disabled vehicles without a special permit and to disregard all weight limits except when crossing a posted bridge or culvert. Wreckers towing disabled vehicles would also be exempted from axle spacing requirements. Additionally, wrecker registration provisions are amended.

The Revenue Estimating Conference determined that this bill will have a negative FY 2010-11 cash and annualized impact on the General Revenue Fund of \$100,000 and a negative FY 2010-11 cash and annualized impact on the State Transportation Trust Fund of \$200,000.

This bill substantially amends the following sections of the Florida Statutes: 316.530, 316.535, and 320.08.

II. Present Situation:

Generally, the rate of damage to roads and bridges increases as vehicle weight increases resulting in higher maintenance and replacement costs and potentially creating unsafe conditions. For practical and safety reasons, maximum legal vehicle weight limits are established for all public roads and bridges. The maximum vehicle weights published by the Florida Department of Transportation (FDOT), allow compliant vehicles to travel most public highways of the state without causing excessive road damage or bridge failures. However, some roads and bridges have lower weight limits due to their age, condition, or design. These facilities have *posted* weight limits, *i.e.*, their lower weight limits are identified through signage at the facility.¹ Vehicles exceeding the maximum weight limits on a facility, including posted facilities, are presumed to have damaged the highways of the state and are subject to fines.

Currently, a wrecker may move any disabled commercial motor vehicle without penalty if:

- the disabled vehicle is in compliance with legal size and weight limitations;
- the disabled vehicle is operating with a valid overweight/oversize permit; and
- the addition of the wrecker does not exceed those legal or permitted limits.

A wrecker and disabled commercial motor vehicle combination exceeding legal limits or the provisions of the permit issued to the disabled vehicle must obtain and be operated within the provisions of a wrecker permit issued by FDOT for this purpose.

Motor Vehicle Weights

Gross vehicle weight (GVW) is the total weight of a vehicle or combination of vehicles and any cargo carried by the vehicle or combination of vehicles. Federal regulations and s. 316.535, F.S., provide maximum allowable GVW limits for public roads and bridges in Florida. Legal GVW may not exceed 80,000 pounds for both the Interstate and non-interstate highway system. However, in some cases, a vehicle's GVW limit will be lower.

Refinement of a vehicle's maximum allowable weight is controlled by the number of axles, the distance between the axles, and in some cases, the width of tires. Thus, a vehicle's maximum allowable gross weight may be less than 80,000 pounds since the concentration of weight may reach unacceptable limits under some combinations of these variables. For example, pavement and bridge stress is greater for a 30-foot truck with two axles with a GVW of 50,000 pounds than a 54-foot tractor-trailer combination of the same weight since the tractor-trailer distributes the load over a greater area. Therefore, the 30 foot truck will have a lower maximum allowable weight.

Straight trucks (*e.g.*, dump trucks, concrete mixing trucks, garbage trucks, fuel oil trucks, etc.) are single-unit (nondivisible load) vehicles designed and constructed for special-purpose work. Under s. 316.535(6), F.S., straight trucks weighing less than 70,000 pounds overall are not required to conform to axle spacing requirements provided the vehicle does not exceed 20,000 pounds per axle or 550 pounds per inch width tire surface. Wreckers towing vehicles are not

¹ FDOT, *Commercial Motor Vehicle Manual*, p. 14 <http://www.dot.state.fl.us/mcco/downloads/TruckingManual%20-%206th%20Edition%202006%20english.pdf>

considered a single-unit and are not included in this provision. Thus, wreckers towing vehicles are subject to axle spacing, axle weight, as well as gross weight restrictions.

Special Permits

Federal law (23 CFR 658.5) authorizes states to issue permits in accordance with state law for the carriage of nondivisible loads on Interstate highways and to issue special permits to other vehicles exceeding the federal maximum weight limits. Consistent with this federal authorization, Florida law in ss. 316.515(8) and 316.550, F.S., currently allows wreckers to tow disabled vehicles where the combination of wrecker and towed vehicle are over legal weight, provided the wrecker is operating under a special use permit. In accordance with s. 316.550, F.S., FDOT issues annual blanket special use wrecker permits. However, under s. 316.530(3), F.S., the permit may not allow overweight wrecker/disabled vehicle combinations to exceed load limits on bridges and culverts. Therefore, the special permits include a map of restricted bridges and culverts over which overweight vehicles may not travel. Section 316.550, F.S., specifically subjects the combination of a wrecker and a towed motor vehicle to a penalty for exceeding any weight or dimensional criteria or special operational or safety stipulation contained in a special permit. Wreckers exceeding weight limits on bridges and culverts are subject to penalty.

Overweight Penalties

For violations of weight restrictions established in a special permit, the penalty is as established in s. 316.545, F.S., *i.e.*, \$10 for 200 pounds or less and 5 cents per pound for each pound over 200 pounds. Unlawful axle weights are penalized at \$10 for the first 600 pounds.²

For each violation of the operational or safety restrictions established in a special permit, *e.g.*, using a restricted bridge, the penalty may be as high as \$1,000. However, the cumulative total for multiple violations may not exceed \$1,000.

Vehicle Registration Fees

Section 320.08, F.S., establishes the license tax required to be collected by the Department of Highway Safety and Motor Vehicles (DHSMV) for annual registration of vehicles. Wreckers are assessed registration fees in one of two ways:

1. Wreckers used only for towing vessels, or disabled, impounded, abandoned, or replacement vehicles, pay a flat fee of \$41 per year;
2. Wreckers used to tow non-disabled vehicles or cargo, pay between \$118 and \$1,322 as determined by the gross vehicle weight (GVW), *i.e.*, the weight of the wrecker plus the weight of any cargo. Wreckers engaged in this type of activity are referred to as GVW wreckers.

For example, a flatbed truck weighing 11,000 pounds would pay a \$41 annual registration fee if it were used exclusively to transport vessels or disabled vehicles. In such an example, the weight of the vessel or disabled vehicle is not included in the fee calculation. However, if that same truck were used to transport shipping containers, new vehicles, or other freight (up to 25,000 pounds), the registration fee (as a GVW wrecker) would be \$405 per year. If the weight of the container, new vehicle, or other freight were 61,000 pounds or more, the registration fee would be \$1,322.

² s. 316.545, (3)(b), F.S.

III. Effect of Proposed Changes:

The bill amends s. 316.530(3), F.S., to allow a wrecker to tow a disabled vehicle without regard to the combined weights of the vehicles, except when crossing a *posted* bridge or culvert. This would have the effect of allowing wrecker/disabled vehicle combinations of unlimited weight to travel on non-posted facilities without penalty.

The bill also amends s. 316.535(6), F.S., to include wreckers in the list of straight trucks exempted from axle spacing requirements under certain conditions specified. However, wreckers towing a wrecked, disabled, or replacement vehicle as provided in s. 316.530, F.S., are exempted from the conditions. The section is further revised to exempt wreckers from that subsection's prohibition against exceeding a specified gross weight. Thus, the bill would allow wreckers to operate on public roadways, including the Interstate system, without a permit, regardless of the weight of the wrecker and towed vehicle.

Section 320.08(5), F.S., relating to registration fees, is amended to essentially allow wreckers registered as Gross Vehicle Weight (GVW) wreckers under paragraph (e), *i.e.*, wreckers paying a registration fee based on the GVW of the vehicle and cargo, to register at the lower flat rate (\$41) under paragraph (d) provided they are used to tow disabled vehicles at some point. Wreckers so registered would retain the ability to tow non-disabled vehicle loads (e.g., containers, dumpsters) up to a GVW of 72,000 pounds.

Other Potential Implications:

According to FDOT, the primary reason for requiring special permits and maps for overweight vehicles such as wreckers towing other vehicles is safety to the traveling public. Appropriate routes for such wreckers and vehicles are dependent upon the infrastructure in place in a given area. In order to ensure that safety, each trip must be mapped to ensure restricted bridges are not overloaded to the point of failure.

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:**

The Revenue Estimating Conference determined that this bill will have a negative FY 2010-11 cash and annualized impact on the General Revenue Fund of \$100,000 and a negative FY 2010-11 cash and annualized impact on the State Transportation Trust Fund of \$200,000.

B. Private Sector Impact:

The bill allows wrecker operators to tow disabled vehicles without any weight restriction. Additionally, some wreckers currently engaged in hauling cargo and freight exclusively, could pay a lower vehicle registration fee by also engaging in the transport of disable vehicles.

C. Government Sector Impact:

Revisions related to vehicle registration fees will likely result in a negative fiscal impact to the State. DHSMV states:

This bill amends s. 320.08(5)(e), F.S., allowing an exemption for those wreckers referred to as Gross Vehicle Weight wreckers to tow any disabled motor vehicle, a vessel, as defined in paragraph (D) without any weight restrictions.

In fiscal year 2008-2009, the Department registered 6,343 Gross Vehicle Weight wreckers and collected \$1,126,222 in license tax revenue, which was distributed to the State Transportation Trust Fund. The 2009 Florida Legislature amended s. 320.08(5)(e), F.S., which increased the registration fee for these vehicles and provided for approximately 26% of the new fee to be deposited into the General Revenue Fund. This bill has been determined to reduce license tax revenue to both these funds. Since this bill allows gross vehicle weight wreckers to tow disabled vehicles without any weight restriction, the department anticipates that some of those wreckers currently being registered in a higher gross vehicle weight range and paying higher fees to tow disabled vehicles will register in a lower gross vehicle weight range, which will reduce revenue.

Allowing unrestricted weight loads will accelerate the rate of damage and increase the cost of maintenance for roads and bridges. FDOT states:

An additional annual increased cost to the State and to local governments is expected from the effect of the increased legal loads on pavement resurfacing, bridge maintenance, bridge repair, additional bridge replacement costs due to shorter bridge lifespan and replacement of posted bridges. The amount, however, is unquantifiable, as even under currently issued blanket permits, it is unknown how many actual trips are performed. Further, under the provisions of the bill, the weights of each load are unknown. A single bridge collapse, however, could cost millions. The Department notes that the bill sets forth no additional funding

source for the State Transportation Trust Fund to cover the costs to the state. Given continued declining transportation revenues, this proposed legislation would significantly impact the five-year work program, even without a federal penalty as discussed above.

FDOT continues:

The FHWA has advised the Department that the provisions of (the bill) do not meet federal requirements. Once an official determination of noncompliance is reached, the State of Florida would be penalized, at a minimum, at a rate of 10% of highway funds (approximately \$160 million) for the first year of noncompliance but could be subject to a penalty of up to 100% of those funds.

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:

Barcode 301984 by Transportation on April 7, 2010:

This amendment removes Section 1 of the bill (amending s. 316.530, F.S.), which would have allowed a wrecker to tow a disabled vehicle without regard to the combined weights of the vehicles, except when crossing a *posted* bridge or culvert. Section 2 of the bill (amending s. 316.535, F.S.), which would have included wreckers in the list of straight trucks exempted from axle spacing requirements under certain conditions, is also removed. Section 3 of the bill (amending s. 320.08, F.S.), which addresses vehicle registration fees for wreckers, remains as the substantive portion of the bill.