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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pril 17, 2023 REV	VISED:	<u> </u>		
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Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Technical Changes

I. Summary:

CS/SB 1108 requires registration fees to be calculated at the rate of \$600 per year, per moving broker. Currently, s. 507.03, Florida Statutes, provides that each mover and moving broker must register with the Department of Agriculture and Consumer Services (department) and registration fees are calculated at the rate of \$300 per year per mover or moving broker. All amounts collected are deposited by the Chief Financial Officer to the credit of the department's General Inspection Trust Fund.

SB 1106 is a linked bill that amends ch. 507, Florida Statutes, to broaden protections for consumers who use intrastate moving services.

The bill has an indeterminate positive fiscal impact on state revenues. See Section V. Fiscal Impact Statement.

The bill is effective on the same date that SB 1106 or similar legislation takes effect, if such legislation is adopted in the same legislative session or any extension and becomes a law.

II. Present Situation:

Florida (Intrastate) Mover Regulations

Chapter 507, F.S., governs the loading, transportation, shipment, unloading, and affiliated storage of household goods as part of intrastate household moves. The chapter applies to any mover or moving broker engaged in intrastate transportation or shipment of household goods that originates and terminates in Florida.¹ These regulations co-exist with federal law, which governs interstate moving of household goods.²

A "mover" is a person who, for compensation, contracts for or engages in the loading, transportation, shipment, or unloading of household goods as part of a household move.³ A "moving broker" arranges for another person to load, transport, ship, or unload household goods as part of a household move or who refers a shipper to a mover by telephone, postal, or electronic mail, website, or other means.⁴

Movers and moving brokers who do business in Florida must register annually with the department.⁵ As of March 21, 2023, there were 1,792 movers and 48 moving brokers with active Florida registrations.⁶ In order to obtain a registration certificate, the mover or moving broker must file an application, pay a \$300 annual registration fee, and meet certain statutory qualifications, including proof of insurance coverage.⁷

III. Effect of Proposed Changes:

The bill requires registration fees to be calculated at the rate of \$600 per year per moving broker.

The bill is effective on the same date that SB 1106 or similar legislation takes effect, if such legislation is adopted in the same legislative session or any extension and becomes a law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

¹ Section 507.02, F.S.

² Interstate movers in the U.S. must be licensed by the Department of Transportation's Federal Motor Carrier Safety Administration (FMCSA).

³ Section 507.01(9), F.S.

⁴ Section 507.01(10), F.S.

⁵ Florida Department of Agriculture and Consumer Services (FDACS), *Moving Companies: Who has to Register?*, *available at* <u>https://www.fdacs.gov/Business-Services/Moving-Companies</u> (last visited Mar. 28, 2023).

⁶ FDACS, *License/Complaint Lookup*, *available at* <u>https://csapp.fdacs.gov/cspublicapp/businesssearch/businesssearch.aspx</u> (last visited Mar. 28, 2023). Search by "program."

⁷ Section 507.03, F.S.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

Section 19, Art. VII of the State Constitution limits the authority of the legislature to enact legislation that imposes or raises a state tax or fee by requiring such legislation to be approved by a 2/3 vote of each chamber of the legislature. Such state tax or fee imposed, authorized, or raised must be contained in a separate bill that contains no other subject. For purposes of this limitation, the term "fee" is defined, in pertinent part, to mean any charge or payment required by law, including any fee for service, fee or cost for licenses, and charge for service.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

The bill requires registration fees to be calculated at the rate of \$600 per year, per moving broker. Currently, the fee for a moving broker is \$300 per year.

B. Private Sector Impact:

Beginning July 1, 2023, moving brokers in Florida will be required to pay registration fees at the rate of \$600 per year, per moving broker.

C. Government Sector Impact:

The fiscal impact on state revenues due to the implementation of this bill will be insignificant, yet positive. The increased fee amount from \$300 per year to \$600 per year will be deposited into the General Inspection Trust Fund within the Department of Agriculture and Consumer Services.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 507.03 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.)

CS by Commerce and Tourism on March 27, 2023:

The committee substitute provides that the bill will take effect on the same date that SB 1106 or similar legislation takes effect.

B. Amendments:

None.

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