Agriculture Committee

Meeting Packet

November 09, 2005
1:15 pm - 3:15 pm

214 The Capitol

Revised

Committee Meeting Notice

HOUSE OF REPRESENTATIVES

Speaker Allan G. Bense

Agriculture Committee

Start Date and Time:	Wednesday, November 09, 2005 01:15 pm
End Date and Time:	Wednesday, November 09, 2005 03:15 pm
Location:	214 Capitol
Duration:	2.00 hrs

Consideration of the following bill(s):

HB 37 CS Security of Consumer Credit Report Information by Adams
HB 167 Household Moving Services by Hays

Presentations:

Hurricane damage to Florida's agricultural industry – Department of Agriculture & Consumer Services

Water Treatment Technologies – Margaret Palmer, President, HydroMentia, Inc

NOTICE FINALIZED on 10/28/2005 14:43 by SIMS-DAVIS.LINDA

HB 37

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 37 CS Security of Consumer Credit Report Information
SPONSOR(S): Adams and others
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Economic Development, Trade & Banking Committee	13 Y, 0 N, w/CS	Sheheane	Carlson
2) Agriculture Committee		Reese	Reese
3) Civil Justice Committee			
4) Commerce Council			
5)			

SUMMARY ANALYSIS

The bill allows a consumer to place a "security freeze" on his or her credit report by making a request in writing by certified mail to a consumer credit reporting agency. The security freeze prohibits the consumer credit reporting agency from releasing the consumer's credit report or any information contained within the report without the authorized consent of the consumer.

The security freeze lasts until the consumer requests that it be removed or temporarily lifted. The bill does not prohibit a consumer credit reporting agency from informing a third party that a particular consumer credit report has been placed under a security freeze.

The bill prohibits a consumer credit reporting agency from charging a fee to a consumer wishing to place a security freeze on his or her credit report. The bill allows a consumer credit reporting agency to charge a fee, not to exceed $5, when a consumer elects to temporarily lift or remove a security freeze on his or her credit report.

The bill creates a new cause of action for any person who is aggrieved by a knowing or willful violation of the provisions of the bill for the recovery of actual and consequential damages, court costs, and attorney's fees.

The bill becomes effective on July 1, 2006.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Safeguard Individual Liberty – The bill allows a consumer to protect his or her personal information by placing a security freeze on his or her credit report and to remove or temporarily lift the security freeze at his or her discretion.

B. EFFECT OF PROPOSED CHANGES:

Current Situation

Fraud Alert

The federal Fair Credit Reporting Act[1] (FCRA) provides two different types of fraud alerts that consumers may use to protect themselves against identity theft. Fraud alerts are designed to protect a consumer's private credit information if he or she suspects someone is attempting to open credit accounts in the consumer's name. When a business sees the alert on a consumer's credit report, the business must verify the consumer's identity before issuing credit. As part of the verification process, the business may try to contact the consumer directly.

A one-call fraud alert allows a consumer, or an individual acting on behalf of a consumer, who asserts in good faith that the consumer has been or is about to become a victim of fraud or related crime, including identity theft, to request that a consumer reporting agency include a fraud alert on the file of that consumer and also provide that alert along with any credit score generated with that file for a period of 90 days unless the consumer requests that the alert be removed before the end of that time period. The consumer reporting agency must also refer the information regarding the fraud alert to each of the other consumer reporting agencies as described in current law.

An extended alert is provided for a consumer wishing to place an alert on his or her file for a period of up to seven years unless the consumer wishes to remove the alert before the end of that time period. During the first five years of an extended fraud alert, a consumer reporting agency must exclude the consumer from any list of consumers prepared by a consumer reporting agency and provided to any third party to offer credit or insurance to the consumer as part of a transaction not initiated by the consumer. A consumer may request that the exclusion be rescinded before the end of the five year time period. The consumer reporting agency must also refer the information regarding the extended fraud alert to each of the other consumer reporting agencies as described in current law.

The FCRA requires that in any case where a consumer reporting agency includes a fraud alert in the file of a consumer, the consumer credit reporting agency must disclose to the consumer that he or she may request two free copies of the file on the consumer during the 12 month period beginning on the date in which the fraud alert was included in the file.

Fraud alerts do not prevent a credit report from being issued.

Blocking Information Resulting from Identity Theft

The FCRA provides that a consumer credit reporting agency must block the reporting of any information in the file of a consumer that the consumer identifies as information that resulted from an alleged identity theft, no later than 4 business days after the receipt by such agency of: appropriate proof of the identity of the consumer; a copy of an identity theft report; the identification of such

[1] 15 U.S.C. ss. 1681 et seq.

information by the consumer; and a statement by the consumer that the information is not related to any transaction by the consumer.

A consumer credit reporting agency is to promptly notify the furnisher of any information that has been identified as information resulting from an alleged identity theft that the information may be the result of identity theft; that an identity theft report has been filed; that a block has been requested; and the effective dates of the block.

A consumer credit reporting agency may decline to block or rescind any block if the consumer credit reporting agency reasonably determines that: the information was blocked in error; a block was requested by the consumer on the basis of material misrepresentation of fact by the consumer relevant to the request to block; or the consumer obtained possession of goods, services, or money as a result of the blocked transaction or transactions.

Federal Legislation

There are two bills currently filed in the United States Senate and three bills filed in the House of Representatives relating to the protection of consumer information.

S. 737- The bill amends the FCRA as it relates to consumer reporting agencies furnishing consumer information to the Federal Bureau of Investigation under specific circumstances.

Latest Major Action: 4/6/2005 Referred to Senate Committee on the Judiciary.

S. 1461- The bill provides a consumer with the ability to place a security freeze on his or her private information file if the request is made by certified mail, by telephone by providing certain sensitive personal information, or through a secure electronic mail connection if such a connection is made available by the consumer reporting agency.

The bill requires a consumer reporting agency to place the requested freeze no later than 2 business days after receiving the written or telephone request from the consumer and within 24 hours after receiving an electronic mail request. The bill requires the consumer reporting agency to send a written confirmation to the consumer within 2 business days of placing the requested freeze and to provide the consumer a unique personal identification number or password to be used by the consumer to authorize access to the private information file or to remove the freeze from the file.

The bill prohibits a consumer credit reporting agency from charging a fee for placing, temporarily lifting, or removing a security freeze from a consumer's credit report. The bill prohibits a consumer credit reporting agency from charging a fee to replace or reissue the identification number and password the first time the information is provided to the consumer and allows for a fee to be charged, of not more than $5, for a second or subsequent replacement of such information.

Latest Major Action: 7/21/2005 Referred to Senate Committee on Banking, Housing, and Urban Affairs.

H.R. 1745- The bill provides for protection of a consumer's Social Security account number to prevent fraudulent misuse and to otherwise enhance protection against identity theft.

Latest Major Action: 5/19/2005 Referred to House Subcommittee on Financial Institutions and Consumer Credit.

H.R. 2715- Similar to H.R. 737, the bill amends the FCRA as it relates to consumer reporting agencies furnishing consumer information to the Federal Bureau of Investigation under specific circumstances.

Latest Major Action: 7/29/2005 Referred to House Subcommittee on Financial Institutions and Consumer Credit.

H.R. 3140- The bill amends the FCRA to expand the protections for sensitive personal information in Federal law to cover the information collection and sharing practices of unregulated information brokers, to enhance information security requirements for consumer reporting agencies and information brokers, and to require consumer reporting agencies, financial institutions, and other entities to notify consumers of data security breaches involving sensitive consumer information.

Latest Major Action: 6/30/2005 Referred to House Committee on Financial Services.

States Offering a Security Freeze

Currently, California, Texas, Louisiana, Vermont, Washington, Nevada, Connecticut, Illinois, Maine, and Colorado offer consumers the right to freeze their credit reports. Texas, Vermont, Washington, and Illinois only offer the option to those consumers affected by identity theft. Florida does not provide for any freeze or block on consumer credit information.

This bill is drawn from language contained in California's and New Jersey's legislation.

Proposed Changes

The bill allows a consumer to place a "security freeze" on his or her credit report by making a request in writing by certified mail to a consumer credit reporting agency. The security freeze prohibits the consumer credit reporting agency from releasing the consumer's credit report or any information contained within the report without the authorized consent of the consumer. The security freeze lasts until the consumer requests that it be removed. The bill does not prohibit a consumer credit reporting agency from informing a third party that a particular consumer credit report has been placed under a security freeze.

The bill requires a consumer credit reporting agency to place a security freeze on a consumer's credit report no later than five business days after receiving the written request and requires the consumer credit reporting agency to send a written confirmation of the security freeze to the consumer within five business days of instituting the security freeze. A consumer credit reporting agency must remove the security freeze within three days of notification from the consumer. The bill requires the consumer credit reporting agency to provide the consumer with a personal identification number or password to be used by the consumer in the case where a consumer may wish to provide for the limited release of his or her credit report for a designated period of time during the security freeze.

If the consumer wishes to allow his or her credit report to be accessed for a designated period of time while a security freeze is in effect; he or she must contact the consumer credit reporting agency, request that the freeze be temporarily lifted, and provide: proper identification as determined by the consumer credit reporting agency; the personal identification number or password previously provided to the consumer by the consumer credit reporting agency; and the proper information regarding the specified period of time for which the report shall be made temporarily available.

The bill requires a consumer credit reporting agency to lift the security freeze within three days of receiving a request from a consumer to temporarily lift the security freeze and allows a consumer credit reporting agency to use telephonic communication or any form of secure electronic media to receive and process a request from a consumer to temporarily lift a freeze on a credit report. The bill provides that consumer credit reporting agencies should have a goal of processing such requests within 15 minutes after receiving the request.

The bill allows a third party requesting access to a consumer credit report to treat the application as incomplete if the consumer has not authorized a temporary lifting of the security freeze for the period of time in which the request is made.

Exemptions

The bill provides the following exemptions for use of a credit report by certain entities regardless of a security freeze being placed on a consumer's credit report:

- Any person to whom the consumer owes a financial obligation under certain circumstances;
- A subsidiary, affiliate, agent, assignee of a person to whom access has been granted for purposes of facilitating the extension of credit or other permissible use;
- Any state agency acting within its lawful investigative or regulatory authority;
- A state or local law enforcement agency acting to investigate a crime or conducting a criminal background check;
- Any person administering a credit file monitoring subscription service to which the consumer has subscribed;
- Any person for the purpose of providing a consumer with a copy of the consumer's credit report upon the consumer's request;
- Pursuant to a court order lawfully entered; or
- The use of credit information for the purposes of prescreening as provided for by the FCRA.

In addition, check services companies and demand deposit account information services companies are not required to place a freeze on a consumer's credit report. Resellers of consumer credit information are also exempt, however they must honor a security freeze placed on a consumer credit report.

Fees

The bill allows a consumer credit reporting agency to charge a fee, not to exceed $5, when a consumer elects to temporarily lift or remove a security freeze on his or her credit report. The bill disallows a consumer credit reporting agency to charge a fee to a consumer wishing to place a security freeze on his or her credit report. A consumer may be charged a fee, not to exceed $5, if the consumer forgets or misplaces the identification number or password provided by the consumer credit reporting agency and the agency must reissue the information to the consumer.

Consumer Information

The bill does not allow a consumer credit reporting agency to change a consumer's official information in a credit report when a security freeze is in effect without sending a written confirmation of the change to the consumer within 30 days of making the change. "Official information" includes the consumer's name, address, date of birth, and social security number. In the case of an address change, the bill requires the written confirmation to be sent to the new address and the former address of the consumer.

The bill provides that a written confirmation is not required for technical modifications to a consumer's official information including name and street abbreviations, complete spellings, or transposition of numbers or letters.

Cause of Action

The bill creates a new cause of action for any person who is aggrieved by a knowing or willful violation of the provisions of the bill for the recovery of actual and consequential damages, court costs, and attorney's fees.

Disclosure

The bill requires a consumer credit reporting agency to include a written summary of all rights under the bill to a consumer when sending the consumer a written disclosure. The bill details the information that

must be included in the written summary of consumer rights, including the right to civil action. Consumer credit reporting agencies which maintain consumer credit reports on a nationwide basis must provide a toll free telephone number for the consumer to use if he or she wishes to communicate with the consumer credit reporting agency.

C. SECTION DIRECTORY:

Section 1. Creates s. 501.005, F.S., authorizing and providing the procedures for a consumer to place a security freeze on his or her credit report. Provides definitions pertaining to a credit report security freeze. Provides procedures for temporary suspension and removal of a security freeze on a credit report. Provides procedures to allow temporary access to a credit report under a security freeze. Authorizes credit reporting agencies to charge a fee to temporarily lift or remove a security freeze and disallows such fees for placing a security freeze on a consumer's credit report. Provides exemptions for certain entities. Provides civil remedy. Provides requirements for written disclosure.

Section 2. Provides that the act will take effect on July 1, 2006.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

   None.

2. Expenditures:

   None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

   None.

2. Expenditures:

   None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill allows consumer credit reporting agencies to charge a reasonable fee any time a consumer chooses to temporarily lift or remove a freeze from his or her credit report.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

   This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds. This bill does not reduce the percentage of a state tax shared with counties or municipalities. This bill does not reduce the authority that municipalities have to raise revenues.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES

On October 18, 2005, the Economic Development, Trade and Banking Committee adopted a strike-all amendment to the bill. The amendment does the following:

- Decreases the time in which a consumer credit reporting agency must send a written confirmation of the security freeze to a consumer from 10 days to 5 days.
- Provides that a consumer credit reporting agency must strive to process within 15 minutes a request from a consumer to temporarily lift his or her security freeze.
- Clarifies the entities that are exempt from a security freeze and may access a credit report to include state agencies, local or state law enforcement and other appropriate persons.
- Provides that a consumer credit reporting agency may not charge a consumer to place a security freeze on his or her credit report, but may impose a fee, of not more than $5, for the consumer to temporarily lift or remove a security freeze from his or her credit report.
- Provides that a consumer credit reporting agency may charge a fee, not more than $5, if a consumer fails to retain the original personal identification number or password provided by the consumer credit reporting agency and the agency must reissue the information to the consumer.
- Clarifies that a civil action may be brought for the knowing or willful violation of the bill's provisions.
- Provides that a consumer wishing to place a security freeze on his or her credit report must do so in writing by certified mail to a consumer credit reporting agency.
- Clarifies that the temporary lifting of a security freeze is for a specific period of time, not for a specific recipient.

CHAMBER ACTION

1 The Economic Development, Trade & Banking Committee recommends
2 the following:
3
4 **Council/Committee Substitute**
5 Remove the entire bill and insert:
6
7 A bill to be entitled
8 An act relating to security of consumer credit report
9 information; creating s. 501.005, F.S.; authorizing a
10 consumer to place a security freeze on his or her consumer
11 credit report; defining "consumer credit report security
12 freeze"; providing procedures and requirements with
13 respect to the placement, temporary suspension, and
14 removal of a security freeze on a consumer credit report;
15 authorizing a consumer to allow specified temporary access
16 to his or her credit report during a security freeze;
17 providing procedures with respect to such temporary
18 access; providing for removal of a security freeze when a
19 consumer's credit report was frozen due to a material
20 misrepresentation of fact by the consumer; providing
21 applicability; prohibiting a consumer credit reporting
22 agency from charging a fee to place a security freeze on a
23 consumer credit report; authorizing consumer credit

24 reporting agencies to charge a fee to remove or
25 temporarily lift a security freeze and to reissue a
26 personal identification number or password; restricting
27 the change of specified information in a consumer credit
28 report when a security freeze is in effect; providing an
29 exemption for certain persons or entities; providing for
30 civil remedy; providing requirements with respect to
31 written disclosure by a consumer credit reporting agency
32 of procedures and consumer rights associated with a
33 security freeze; providing an effective date.
34
35 Be It Enacted by the Legislature of the State of Florida:
36
37 Section 1. Section 501.005, Florida Statutes, is created
38 to read:
39 501.005 Consumer credit report security freeze.--
40 (1) A consumer may place a security freeze on his or her
41 consumer credit report by making a request in writing by
42 certified mail to a consumer credit reporting agency. For
43 purposes of this section, "consumer credit report security
44 freeze" or "security freeze" means a notice placed in a
45 consumer's credit report that prohibits a consumer credit
46 reporting agency from releasing the consumer's credit report or
47 any information contained within the credit report to a third
48 party without the express authorization of the consumer. This
49 section does not prevent a consumer credit reporting agency from
50 advising a third party that a security freeze is in effect with
51 respect to the consumer's credit report.

52 (2) A consumer credit reporting agency shall place a
53 security freeze on a consumer's credit report no later than 5
54 business days after receiving a request from the consumer.
55 (3) The consumer credit reporting agency shall send a
56 written confirmation of the security freeze to the consumer
57 within 5 business days after instituting the security freeze and
58 shall provide the consumer with a unique personal identification
59 number or password to be used by the consumer when providing
60 authorization for the limited release of his or her credit
61 report for a designated period of time during the security
62 freeze as provided in subsection (4).
63 (4) A consumer may allow his or her credit report to be
64 accessed for a designated period of time while a security freeze
65 is in effect by contacting the consumer credit reporting agency
66 and requesting that the freeze be temporarily lifted. The
67 consumer must provide the following information to the consumer
68 credit reporting agency as part of the request:
69 (a) Proper identification as determined by the consumer
70 credit reporting agency.
71 (b) The unique personal identification number or password
72 provided by the consumer credit reporting agency pursuant to
73 subsection (3).
74 (c) Information specifying the period of time for which
75 the report shall be made available.
76 (5) A consumer credit reporting agency that receives a
77 request from a consumer to temporarily lift a freeze on a credit
78 report pursuant to subsection (4) shall comply with the request
79 no later than 3 business days after receiving the request.

80 (6) A consumer credit reporting agency shall use
81 telephonic communication or any form of secure electronic media
82 to receive and process a request from a consumer pursuant to
83 subsection (4) with the goal of processing a request within 15
84 minutes after receipt of such request.
85 (7) A consumer credit reporting agency shall temporarily
86 lift or remove a security freeze placed on a consumer's credit
87 report only in the following instances:
88 (a) Upon consumer request, pursuant to subsection (4) or
89 subsection (10).
90 (b) If the consumer's credit report was frozen due to a
91 material misrepresentation of fact by the consumer. If a
92 consumer credit reporting agency intends to remove a security
93 freeze on a consumer's credit report pursuant to this paragraph,
94 the consumer credit reporting agency shall notify the consumer
95 in writing prior to removing the security freeze.
96 (8) A third party requesting access to a consumer credit
97 report on which a security freeze is in effect in connection
98 with an application for credit or other permissible use may
99 treat the application as incomplete if the consumer has not
100 authorized a temporary lifting of the security freeze for the
101 period of time during which the request is made.
102 (9) If a consumer requests a security freeze, the consumer
103 credit reporting agency shall disclose to the consumer all
104 information relevant to the process of instituting, temporarily
105 lifting, and removing a security freeze and shall include the
106 disclosure required by subsection (16).

107 (10) A security freeze shall remain in place until the
108 consumer requests that it be removed. A consumer credit
109 reporting agency shall remove a security freeze within 3
110 business days after receiving a request for removal from the
111 consumer, who, upon making the request for removal, must provide
112 the following:
113 (a) Proper identification as determined by the consumer
114 credit reporting agency.
115 (b) The unique personal identification number or password
116 provided by the credit reporting agency pursuant to subsection
117 (3).
118 (11) The provisions of this section do not apply to the
119 use of a consumer credit report by the following persons or for
120 the following reasons:
121 (a) A person to whom the consumer owes a financial
122 obligation or a subsidiary, affiliate, or agent of the person,
123 or an assignee of a financial obligation owed by the consumer to
124 the person, or a prospective assignee of a financial obligation
125 owed by the consumer to the person in conjunction with the
126 proposed purchase of the financial obligation, with which the
127 consumer has or had prior to assignment an account or contract,
128 including a demand deposit account, or to whom the consumer
129 issued a negotiable instrument, for the purposes of reviewing
130 the account or collecting the financial obligation owed for the
131 account, contract, or negotiable instrument. For purposes of
132 this paragraph, "reviewing the account" includes activities
133 related to account maintenance, monitoring, credit line
134 increases, and account upgrades and enhancements.

135 (b) A subsidiary, affiliate, agent, assignee, or
136 prospective assignee of a person to whom access has been granted
137 under this section for purposes of facilitating the extension of
138 credit or other permissible use.
139 (c) A state agency acting within its lawful investigative
140 or regulatory authority.
141 (d) A state or local law enforcement agency acting to
142 investigate a crime or conducting a criminal background check.
143 (e) Any person administering a credit file monitoring
144 subscription service to which the consumer has subscribed.
145 (f) Any person for the purpose of providing a consumer
146 with a copy of the consumer's credit report upon the consumer's
147 request.
148 (g) Pursuant to a court order lawfully entered.
149 (h) The use of credit information for the purposes of
150 prescreening as provided for by the federal Fair Credit
151 Reporting Act.
152 (12) A consumer credit reporting agency shall not charge a
153 consumer a fee to place a security freeze on the consumer's
154 credit report. A consumer credit reporting agency may charge a
155 reasonable fee, not to exceed $5, to a consumer who elects to
156 remove or temporarily lift a security freeze on his or her
157 consumer credit report. A consumer may be charged a reasonable
158 fee, not to exceed $5, if the consumer fails to retain the
159 original personal identification number or password provided by
160 the consumer credit reporting agency, and the agency must
161 reissue the personal identification number or password or

162 provide a new personal identification number or password to the
163 consumer.
164 (13) If a security freeze is in effect, a consumer credit
165 reporting agency shall not change any of the following official
166 information in a consumer credit report without sending a
167 written confirmation of the change to the consumer within 30
168 days after the change is posted to the consumer's file:
169 (a) Name.
170 (b) Address.
171 (c) Date of birth.
172 (d) Social security number.
173
174 Written confirmation is not required for technical corrections
175 of a consumer's official information, including name and street
176 abbreviations, complete spellings, or transposition of numbers
177 or letters. In the case of an address change, the written
178 confirmation shall be sent to both the new address and the
179 former address.
180 (14) The provisions of this section do not apply to the
181 following entities:
182 (a) A check services company, which issues authorizations
183 for the purpose of approving or processing negotiable
184 instruments, electronic funds transfers, or similar methods of
185 payment.
186 (b) A demand deposit account information service company,
187 which issues reports regarding account closures due to fraud,
188 substantial overdrafts, automatic teller machine abuse, or
189 similar negative information regarding a consumer to inquiring

190 banks or other financial institutions for use only in reviewing
191 a consumer request for a demand deposit account at the inquiring
192 bank or financial institution, as defined in s. 655.005(1)(g) or
193 (h).
194 (c) A consumer credit reporting agency that acts only as a
195 reseller of credit information by assembling and merging
196 information contained in the database of another consumer credit
197 reporting agency or multiple consumer credit reporting agencies
198 and does not maintain a permanent database of credit information
199 from which new consumer credit reports are produced. However, a
200 consumer credit reporting agency shall honor any security freeze
201 placed on a consumer credit report by another consumer credit
202 reporting agency.
203 (15) In addition to any other penalties or remedies
204 provided under law, a person who is aggrieved by a knowing or
205 willful violation of the provisions of this section may bring a
206 civil action in any court of competent jurisdiction against any
207 person or entity, including a consumer credit reporting agency,
208 for recovery of actual and consequential damages, court costs,
209 and attorney's fees.
210 (16) Any written disclosure by a consumer credit reporting
211 agency to any consumer pursuant to this section shall include a
212 written summary of all rights the consumer has under this
213 section, and, in the case of a consumer credit reporting agency
214 which compiles and maintains consumer credit reports on a
215 nationwide basis, a toll-free telephone number which the
216 consumer can use to communicate with the consumer credit
217 reporting agency. The written summary of rights required under

218 this section is sufficient if it is in substantially the
219 following form:
220
221 You have a right to place a "security freeze" on your
222 credit report, which will prohibit a consumer credit reporting
223 agency from releasing any information in your credit report
224 without your express authorization. A security freeze must be
225 requested in writing by certified mail to a consumer credit
226 reporting agency. The security freeze is designed to prevent
227 credit, loans, and services from being approved in your name
228 without your consent. However, you should be aware that using a
229 security freeze to control access to the personal and financial
230 information in your credit report may delay, interfere with, or
231 prohibit the timely approval of any subsequent request or
232 application you make regarding a new loan, credit, mortgage,
233 insurance, government services or payments, rental housing,
234 employment, investment, license, cellular phone, utilities,
235 digital signature, Internet credit card transaction, or other
236 services, including an extension of credit at point of sale.
237 When you place a security freeze on your credit report, you will
238 be provided a personal identification number or password to use
239 if you choose to remove the freeze on your credit report or
240 authorize the release of your credit report for a designated
241 period of time after the security freeze is in place. To provide
242 that authorization, you must contact the consumer credit
243 reporting agency and provide all of the following:
244 (1) The personal identification number or password.
245 (2) Proper identification to verify your identity.

246 (3) Information specifying the period of time for which
247 the report shall be made available.
248
249 A consumer credit reporting agency must authorize the
250 release of your credit report no later than 3 business days
251 after receiving the above information.
252 A security freeze does not apply to a person or entity, or
253 its affiliates, or collection agencies acting on behalf of the
254 person or entity, with which you have an existing account, that
255 requests information in your credit report for the purposes of
256 reviewing or collecting the account. Reviewing the account
257 includes activities related to account maintenance, monitoring,
258 credit line increases, and account upgrades and enhancements.
259 You have the right to bring a civil action against anyone,
260 including a consumer credit reporting agency, who fails to
261 comply with the provisions of s. 501.005, Florida Statutes,
262 which governs the placing of a consumer credit report security
263 freeze on your consumer credit report. This includes the right
264 to bring a civil action against any person for recovery of your
265 actual and consequential damages, court costs, and attorney's
266 fees caused by a knowing or willful violation of the law.
267 Section 2. This act shall take effect July 1, 2006.

HB 167

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 167 Household Moving Services
SPONSOR(S): Hays and others
TIED BILLS: **IDEN./SIM. BILLS:** SB 244

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Agriculture Committee		Reese	Reese
2) Agriculture & Environment Appropriations Committee			
3) State Resources Council			
4)			
5)			

SUMMARY ANALYSIS

The bill amends the "Intrastate Moving Law" to change the title to "Household Moving Services" and also to expand and clarify certain definitions. Definitions for the terms "household move", "moving broker", and "moving container" are added. The bill requires moving brokers to register with the Department of Agriculture and Consumer Services (department) and post specific financial security. Additionally, the legislation requires movers' vehicle display signage to have a minimum letter height of 1.5 inches, clarifies additional insurance valuation coverage requirements and provides that the department may suspend registration and seek civil penalties for failure to carry valid liability insurance. The bill also clarifies the requirements for limitation of liability disclosure to the consumer and provides that a county or municipality may not issue an occupational license unless the mover or broker has a current registration with the department.

HB 167 does not appear to require state or local governments to spend funds.

The bill takes effect on July 1, 2006.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Safeguard individual liberty and promote personal responsibility – The bill states that a mover's failure to maintain the required liability insurance coverage "constitutes an immediate threat to the public health, safety, and welfare."[1]

B. EFFECT OF PROPOSED CHANGES:

Present situation: The 2002 Legislature enacted laws regulating the intrastate moving industry in Florida. Any mover wishing to do business in the state must register annually with the Department of Agriculture and Consumer Services (department). To obtain a registration certificate, the mover must file an application, pay a registration fee in the amount of $300, and meet statutory qualifications.

The law requires a mover to maintain cargo liability insurance coverage in the amount of $10,000 per shipment and limits the mover's liability to not less than 60 cents per pound of cargo. Minimum limits of motor vehicle coverage are also specified in the amounts of $50,000, $100,000, and $300,000 per occurrence.

Proposed changes: The bill amends Chapter 507, Florida Statutes, the intrastate moving law, to:

- Change the title of the chapter from "Intrastate Moving Law" to "Household Moving Services".
- Expand and clarify certain existing definitions and to add definitions for the terms "household move", "moving broker", and "moving container".
- Require moving brokers to register with the department and post specific financial security. A mover that operates two or fewer vehicles may post a performance bond or certificate of deposit in the amount of $25,000 in lieu of the cargo legal liability coverage.[2]
- Require movers' vehicle display signage to have a minimum letter height of 1.5 inches.
- Clarify additional insurance valuation coverage requirements for coverage of a consumer's goods.
- Provide that the department may suspend registration and seek civil penalties for failure to carry valid liability insurance.
- Clarify the requirements for limitation of liability disclosure to the consumer.
- Exempt from the hearing requirements of chapter 120, Florida Statutes, proceedings conducted by the department against a mover that fails to maintain the required insurance coverage.[3]
- Provide that a county or municipality may not issue an occupational license unless the mover or broker has a current registration with the department.

C. SECTION DIRECTORY:

Section 1. Requests the Division of Statutory Revision to redesignate the title of ch. 507, F.S.

Section 2. Amends s. 507.01, F.S.; revising definitions; defining new terms; clarifying licensing requirements for household movers and moving brokers; applying the licensing requirements; clarifying and conforming provisions.

Section 3. Amends s. 507.02, F.S.; clarifying the construction, application and intent of the licensing requirements.

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[1] Proposed s. 507.04 (1)(a), F.S.
[2] Proposed s. 507.04(1)(b), F.S.
[3] Proposed s. 120.80(2)(d), F.S.

Section 4. Amends s. 507.03, F.S.; requiring moving brokers to register with the Department of Agriculture and Consumer Services; providing registration requirements and fees; providing for certificate of registration; requiring display of certificate; clarifying registration requirements for household movers and moving brokers; requiring brokers to obtain local registration or license under certain circumstances; revising advertising requirements; requiring a mover's vehicles to display certain signage; providing for denial, refusal to renew, or revocation of registration of mover or moving broker; requiring brokers to provide evidence of certain insurance coverage; revising requirement for mover to provide evidence of certain insurance coverage.

Section 5. Amends s. 507.04, F.S.; clarifying requirements that a mover maintain certain insurance coverage; requiring a mover to submit evidence of liability insurance before registration; providing requirements for liability insurance coverage; authorizing the Department of Agriculture and Consumer Services to suspend a mover's registration and seek an injunction in circuit court if the mover fails to maintain insurance coverage; providing penalties; authorizing certain movers and requiring moving brokers to maintain a performance bond or certificate of deposit in lieu of certain liability insurance coverage; providing requirements for the performance bond or certificate of deposit; providing for payment of claims pursuant to department order in an administrative proceeding; specifying that insurance coverage must be issued by a licensed insurance company or carrier; prohibiting certain limits of liability for a mover's loss or damage of a shipper's goods; requiring certain disclosures of liability limitations; authorizing a mover to offer valuation coverage under specified conditions; providing that valuation coverage meeting specified conditions satisfies certain liability of a mover; requiring certain disclosures of valuation coverage.

Section 6. Amends s. 507.05, F.S.; revising requirements for content of contracts.

Section 7. Amends s. 507.06, F.S.; revising provisions for delivery and storage of household goods.

Section 8. Amends s. 507.07, F.S.; requiring that moving brokers annually register with the department; revising provisions relating to prohibited acts and violations; specifying that the making of certain false statements is a violation of ch. 507, F.S., regardless of whether the statements are material; clarifying and conforming provisions.

Section 9. Amends s. 507.08, F.S.; clarifying and conforming provisions relating to deceptive and unfair trade practice.

Section 10. Amends s. 507.09, F.S.; conforming language relating to administrative remedies and penalties.

Section 11. Amends s. 507.10, F.S.; conforming language relating to civil penalties and remedies.

Section 12. Amends s. 507.11, F.S.; providing penalties.

Section 13. Amends s. 507.12, F.S.; conforming language regarding deposit of payments into the General Inspection Trust Fund.

Section 14. Amends s. 507.13, F.S.; conforming language relating to local regulations.

Section 15. Creates s. 205.1975, F.S.; prohibiting a county or municipality from issuing or renewing an occupational license to a mover or moving broker under certain circumstances.

Section 16. Provides an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

   Indeterminate. See fiscal comments below.

2. Expenditures:

   The bill appears to have no impact on state government revenues.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

   The bill appears to have no impact on local government revenues.

2. Expenditures:

   The bill appears to have no impact on local government expenditures.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

This bill requires moving brokers to annually register with the department, submit a form of security deposit in the amount of $25,000, and pay a $300 registration fee. The bill also requires movers to include signage at least 1.5 inches in height on their moving vehicles. In addition, the bill allows movers with less than 3 trucks to submit security to the department in the amount of $25,000, in lieu of the required liability insurance coverage.

D. FISCAL COMMENTS:

Movers are currently required to pay an annual $300 registration fee to the Department of Agriculture and Consumer Services and this bill extends this requirement to moving brokers as well. Some recurring revenue may accrue to the General Inspection Trust Fund housed within the department from the annual registration fee that would be collected from moving brokers. This amount is indeterminate as there are no statistics available on the number of moving brokers in Florida.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

   The bill does not require counties or municipalities to take an action requiring the expenditure of funds, does not reduce the authority that counties or municipalities have to raise revenues in the aggregate, and does not reduce the percentage of state tax shared with counties or municipalities.

2. Other:

   None

B. RULE-MAKING AUTHORITY:

The bill contains no grant of rule-making authority.

C. DRAFTING ISSUES OR OTHER COMMENTS: None

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES

N/A

1 A bill to be entitled
2 An act relating to household moving services; requesting
3 the Division of Statutory Revision to redesignate the
4 title of ch. 507, F.S.; amending s. 507.01, F.S.; revising
5 definitions; defining "household move," "moving broker,"
6 and "moving container"; amending s. 507.02, F.S.; revising
7 the construction, application, and intent of regulations
8 for household moving services; providing for application
9 to moving brokers; amending s. 507.03, F.S.; revising
10 mover registration provisions and providing for
11 application to moving brokers; requiring moving brokers to
12 register with the Department of Agriculture and Consumer
13 Services; providing requirements and fees for such
14 registration; providing for certificate of registration;
15 requiring display of the certificate; requiring brokers to
16 obtain local registration or license when required by the
17 county or municipality where the broker's principal place
18 of business is located; deleting provisions for issuance
19 by the department of a certificate of registration when a
20 mover submits proof of local license or registration;
21 revising requirements for content of contracts; revising
22 advertising requirements; requiring a mover's vehicles to
23 display certain signage; revising provisions for changes
24 in registration; providing for denial, refusal to renew,
25 or revocation of registration; revising requirements to
26 provide evidence of current and valid insurance coverage
27 to include certain alternative coverage; amending s.
28 507.04, F.S.; revising provisions requiring a mover to

29 maintain certain insurance coverages; requiring a mover to
30 submit evidence of liability insurance before
31 registration; providing requirements for liability
32 insurance coverage; authorizing the Department of
33 Agriculture and Consumer Services to suspend a mover's
34 registration and seek an injunction in circuit court if
35 the mover fails to maintain insurance coverage; providing
36 penalties; authorizing certain movers and requiring moving
37 brokers to maintain a performance bond or certificate of
38 deposit in lieu of certain liability insurance coverage;
39 providing requirements for the performance bond or
40 certificate of deposit; providing for payment of claims
41 pursuant to department order in an administrative
42 proceeding; revising requirements for motor vehicle
43 coverage; specifying that insurance coverages must be
44 issued by a licensed insurance company or carrier;
45 prohibiting certain limits of liability for a mover's loss
46 or damage of a shipper's goods; requiring certain
47 disclosures of liability limitations; authorizing a mover
48 to offer valuation coverage under specified conditions;
49 providing that valuation coverage meeting specified
50 conditions satisfies certain liability of a mover;
51 requiring certain disclosures of valuation coverage;
52 amending s. 507.05, F.S.; revising requirements for
53 content of contracts; amending s. 507.06, F.S.; revising
54 provisions for delivery and storage of household goods to
55 provide for delivery to a storehouse or warehouse;
56 amending s. 507.07, F.S.; requiring that moving brokers

57 annually register with the department; revising provisions
58 relating to prohibited acts and violations; specifying
59 that making certain false statements is a violation
60 regardless of whether the statements are material;
61 amending s. 507.11, F.S.; providing penalties; amending
62 ss. 507.08, 507.09, 507.10, 507.12, and 507.13, F.S.,
63 relating to deceptive and unfair trade practice,
64 administrative remedies and penalties, civil penalties and
65 remedies, the General Inspection Trust Fund, and local
66 regulation; providing for application to moving brokers;
67 clarifying and conforming provisions; providing for the
68 adoption of rules; creating s. 205.1975, F.S.; prohibiting
69 a county or municipality from issuing or renewing an
70 occupational license to a mover or moving broker under
71 certain circumstances; providing an effective date.
72
73 Be It Enacted by the Legislature of the State of Florida:
74
75 Section 1. The Division of Statutory Revision is requested
76 to redesignate the title of chapter 507, Florida Statutes, as
77 "HOUSEHOLD MOVING SERVICES."
78 Section 2. Section 507.01, Florida Statutes, is amended to
79 read:
80 507.01 Definitions.--As used in this chapter ~~For the~~
81 ~~purposes of this act~~, the term:
82 (1) "Accessorial services" means any service performed by
83 a mover which results in a charge to the shipper and is
84 incidental to the transportation or shipment of household goods

85 ~~service~~, including, but not limited to, valuation coverage;
86 preparation of written inventory; equipment, including dollies,
87 hand trucks, pads, blankets, and straps; storage, packing,
88 unpacking, or crating of articles; hoisting or lowering; waiting
89 time; ~~long carry, which is defined as~~ carrying articles
90 excessive distances to or from ~~between~~ the mover's vehicle,
91 which may be cited as "long carry" ~~and the residence~~; overtime
92 loading and unloading; reweighing; disassembly or reassembly;
93 elevator or stair carrying; boxing or servicing of appliances;
94 and furnishing of packing or crating materials. The term
95 includes ~~Accessorial services also include~~ services not
96 performed by the mover but performed by a third party at the
97 request of the shipper or mover, if the charges for these ~~such~~
98 services are to be paid to the mover by the shipper at or before
99 ~~prior to~~ the time of delivery.
100 (2) "Advertise" means to advise, announce, give notice of,
101 publish, or call attention by use of oral, written, or graphic
102 statement made in a newspaper or other publication or on radio
103 or television, any electronic medium, or contained in any
104 notice, handbill, sign, including signage on vehicle, flyer,
105 catalog or letter, or printed on or contained in any tag or
106 label attached to or accompanying any good.
107 (3) "Compensation" means money, fee, emolument, quid pro
108 quo, barter, remuneration, pay, reward, indemnification, or
109 satisfaction.
110 (4) "Contract for service" or "bill of lading" means a
111 written document approved by the shipper in writing before ~~prior~~
112 ~~to~~ the performance of any service which authorizes services from

113 the named mover and lists the services and all costs associated
114 with the ~~transportation of~~ household move ~~goods~~ and accessorial
115 services to be performed.
116 (5) "Department" means the Department of Agriculture and
117 Consumer Services.
118 (6) "Estimate" means a written document that ~~which~~ sets
119 forth the total costs, ~~cost~~ and describes the basis of those
120 ~~such~~ costs, relating ~~related~~ to a shipper's household move,
121 including ~~which shall include~~, but not ~~be~~ limited to, the
122 loading, transportation or shipment, and unloading of household
123 goods and accessorial services.
124 (7) "Household goods" or "goods" means personal effects or
125 other personal property commonly found in a home, personal
126 residence, ~~storage facility,~~ or other dwelling ~~location~~,
127 including, but not limited to, household furniture. The term
128 ~~property in a storehouse or warehouse facility that is owned or~~
129 ~~rented by a shipper or shipper's agent, but~~ does not include
130 freight or personal property moving to or from a factory, store,
131 or other place of business.
132 (8) "Household move" or "move" means the loading of
133 household goods into a vehicle, moving container, or other mode
134 of transportation or shipment; the transportation or shipment of
135 those household goods; and the unloading of those household
136 goods, when the transportation or shipment originates and
137 terminates at one of the following ultimate locations,
138 regardless of whether the mover temporarily stores the goods
139 while en route between the originating and terminating
140 locations:

141 (a) From one dwelling to another dwelling;
142 (b) From a dwelling to a storehouse or warehouse that is
143 owned or rented by the shipper or the shipper's agent; or
144 (c) From a storehouse or warehouse that is owned or rented
145 by the shipper or the shipper's agent to a dwelling.
146 (9) ~~(8)~~ "Mover" means a ~~any~~ person who, for compensation,
147 contracts for or engages in the loading, transportation or
148 shipment, or unloading of household goods as part of a household
149 move ~~for compensation~~. The term does not include a postal,
150 courier, envelope, or package service that does not advertise
151 itself as a mover or moving service.
152 (10) "Moving broker" or "broker" means a person who, for
153 compensation, arranges for another person to load, transport or
154 ship, or unload household goods as part of a household move or
155 who, for compensation, refers a shipper to a mover by telephone,
156 postal or electronic mail, Internet website, or other means.
157 (11) "Moving container" means a receptacle holding at
158 least 225 cubic feet of volume which is used to transport or
159 ship household goods as part of a household move.
160 (12) ~~(9)~~ "Shipper" means a ~~any~~ person who uses the services
161 of a mover to transport or ship household goods as part of a
162 household move.
163 (13) ~~(10)~~ "Storage" means the warehousing of a ~~the~~
164 shipper's goods while under the care, custody, and control of
165 the mover.
166 Section 3. Section 507.02, Florida Statutes, is amended to
167 read:
168 507.02 Construction; intent; application.--

169 (1) This chapter ~~The provisions of this act~~ shall be
170 construed liberally to:
171 (a) Establish the law of this state governing the loading,
172 transportation or~~,~~ shipment, unloading, and affiliated storage
173 of household goods as part of household moves.
174 (b) Address household moving practices in this state in a
175 manner that is not inconsistent with federal law governing
176 ~~relating to~~ consumer protection.
177 (2) This chapter applies ~~The provisions of this act shall~~
178 ~~apply~~ to the operations of any mover or moving broker engaged in
179 the intrastate transportation or shipment of household goods
180 originating in this state and terminating in this state. This
181 chapter does not apply to~~, except this act shall not be~~
182 ~~construed to include~~ shipments contracted by the United States,
183 the state, or any local government or political subdivision of
184 the state. ~~The provisions of this act shall only apply to the~~
185 ~~transportation of household goods originating in this state and~~
186 ~~terminating in this state.~~
187 (3) This chapter is intended ~~It is the intent of this act~~
188 to secure the satisfaction and confidence of shippers and
189 members of the public when using a mover.
190 (4) This chapter does not supersede ~~Nothing in this act~~
191 ~~shall be construed to remove~~ the authority or jurisdiction of
192 any federal agency for ~~with respect to~~ goods or services
193 regulated or controlled under other provisions of law.
194 Section 4. Section 507.03, Florida Statutes, is amended to
195 read:
196 507.03 Registration.--

197 (1) Each mover and moving broker must ~~shall~~ annually
198 register with the department, providing its legal business and
199 trade name, mailing address, and business locations; the full
200 names, addresses, and telephone numbers of its owners or
201 corporate officers and directors and the Florida agent of the
202 corporation; a statement whether it is a domestic or foreign
203 corporation, its state and date of incorporation, its charter
204 number, and, if a foreign corporation, the date it registered
205 with the Department of State ~~of Florida, and occupational~~
206 ~~license where applicable~~; the date on which the ~~a~~ mover or
207 broker registered its fictitious name if the mover or broker is
208 operating under a fictitious or trade name; the name of all
209 other corporations, business entities, and trade names through
210 which each owner of the mover or broker operated, was known, or
211 did business as a mover or moving broker within the preceding 5
212 years; and proof of the insurance or alternative coverages
213 ~~coverage as~~ required under s. 507.04 ~~by this act~~.
214 (2) A certificate evidencing proof of registration shall
215 be issued by the department and must be prominently displayed in
216 the mover's or broker's primary place of business.
217 (3) Registration fees shall be $300 per year per mover or
218 moving broker. All amounts collected shall be deposited by the
219 Chief Financial Officer to the credit of the General Inspection
220 Trust Fund of the department for the sole purpose of
221 administration of this chapter ~~act~~.
222 (4) Any mover or moving broker whose principal place of
223 business is located in a county or municipality that requires,
224 by local ordinance, a local license or registration to engage in

225 the business of moving and storage of household goods must ~~shall~~
226 obtain the license or registration from the ~~such~~ county or
227 municipality. A mover or broker that obtains a ~~such~~ local
228 license or registration must ~~shall~~ also ~~be required to~~ pay the
229 state registration fee under subsection (3)~~, and the department~~
230 ~~shall issue the mover a state certificate of registration upon~~
231 ~~submission of proof of the local license or registration by the~~
232 ~~mover~~.
233 (5) Each contract of a mover or moving broker must include
234 the phrase "(NAME OF FIRM) is registered with the State of
235 Florida as a Mover or Moving Broker. Registration No. ...."
236 (6) Each advertisement of a mover or moving broker must
237 include the phrase "Fla. Mover Reg. No. ...." or "Fla. IM No.
238 ...." Each of the mover's vehicles must clearly and
239 conspicuously display a sign on the driver's side door which
240 includes at least one of these phrases in lettering of at least
241 1.5 inches in height.
242 (7) A ~~No~~ registration is not ~~shall be~~ valid for any mover
243 or broker transacting business at any place other than that
244 designated in the mover's or broker's ~~its~~ application, unless
245 the department is first notified in writing before ~~in advance of~~
246 any change of location. A registration issued under this chapter
247 is not ~~act shall not be~~ assignable, and the mover or broker may
248 ~~shall~~ not ~~be permitted to~~ conduct business under more than one
249 name except as registered. A mover or broker desiring to change
250 its registered name or location or designated agent for service
251 of process at a time other than upon renewal of registration
252 must ~~shall~~ notify the department of the ~~such~~ change.

253 (8) The department may deny, ~~or~~ refuse to renew, or revoke
254 the registration of any mover or moving broker based upon a
255 determination that the mover or moving broker, or any of the
256 mover's or moving broker's ~~its~~ directors, officers, owners, or
257 general partners:
258 (a) Has failed to meet the requirements for registration
259 as provided in this chapter ~~act~~;
260 (b) Has been convicted of a crime involving fraud,
261 dishonest dealing, or any other act of moral turpitude;
262 (c) Has not satisfied a civil fine or penalty arising out
263 of any administrative or enforcement action brought by any
264 governmental agency or private person based upon conduct
265 involving fraud, dishonest dealing, or any violation of this
266 chapter ~~act~~;
267 (d) Has pending against him or her any criminal,
268 administrative, or enforcement proceedings in any jurisdiction,
269 based upon conduct involving fraud, dishonest dealing, or any
270 other act of moral turpitude; or
271 (e) Has had a judgment entered against him or her in any
272 action brought by the department or the Department of Legal
273 Affairs under this chapter ~~pursuant to this act~~ or ss. 501.201-
274 501.213, the Florida Deceptive and Unfair Trade Practices Act.
275 (9) Each mover and moving broker shall provide evidence of
276 the current and valid insurance or alternative coverages
277 required under ~~coverage as described in~~ s. 507.04.
278 Section 5. Section 507.04, Florida Statutes, is amended to
279 read:
280 (Substantial rewording of section. See

281 s. 507.04, F.S., for present text.)
282 507.04 Required insurance coverages; liability
283 limitations; valuation coverage.--
284 (1) LIABILITY INSURANCE.--
285 (a)1. Except as provided in paragraph (b), each mover
286 operating in this state must maintain current and valid
287 liability insurance coverage of at least $10,000 per shipment
288 for the loss or damage of household goods resulting from the
289 negligence of the mover or its employees or agents.
290 2. The mover must provide the department with evidence of
291 liability insurance coverage before the mover is registered with
292 the department under s. 507.03. All insurance coverage
293 maintained by a mover must remain in effect throughout the
294 mover's registration period. A mover's failure to maintain
295 insurance coverage in accordance with this paragraph constitutes
296 an immediate threat to the public health, safety, and welfare.
297 If a mover fails to maintain insurance coverage, the department
298 may immediately suspend the mover's registration or eligibility
299 for registration and the mover must immediately cease operating
300 as a mover in this state. In addition, and notwithstanding the
301 availability of any administrative relief pursuant to chapter
302 120, the department may seek from the appropriate circuit court
303 an immediate injunction prohibiting the mover from operating in
304 this state until the mover complies with this paragraph, a civil
305 penalty not to exceed $5,000, and court costs.
306 (b) A mover that operates two or fewer vehicles, in lieu
307 of maintaining the liability insurance coverage required under

308 paragraph (a), may, and each moving broker must, maintain one of
309 the following alternative coverages:
310 1. A performance bond in the amount of $25,000, for which
311 the surety of the bond must be a surety company authorized to
312 conduct business in this state; or
313 2. A certificate of deposit in a Florida banking
314 institution in the amount of $25,000.
315
316 The original bond or certificate of deposit must be filed with
317 the department and must designate the department as the sole
318 beneficiary. The department must use the bond or certificate of
319 deposit exclusively for the payment of claims to consumers who
320 are injured by the fraud, misrepresentation, breach of contract,
321 misfeasance, malfeasance, or financial failure of the mover or
322 moving broker or by a violation of this chapter by the mover or
323 broker. Liability for these injuries may be determined in an
324 administrative proceeding of the department or through a civil
325 action in a court of competent jurisdiction. However, claims
326 against the bond or certificate of deposit must only be paid, in
327 amounts not to exceed the determined liability for these
328 injuries, by order of the department in an administrative
329 proceeding. The bond or certificate of deposit is subject to
330 successive claims, but the aggregate amount of these claims may
331 not exceed the amount of the bond or certificate of deposit.
332 (2) MOTOR VEHICLE INSURANCE.--Each mover operating in this
333 state must maintain current and valid motor vehicle insurance
334 coverage, including combined bodily injury and property damage
335 liability coverage in the following minimum amounts:

336 (a) Fifty thousand dollars per occurrence for a commercial
337 motor vehicle with a gross weight of less than 35,000 pounds.
338 (b) One hundred thousand dollars per occurrence for a
339 commercial motor vehicle with a gross weight of 35,000 pounds or
340 more, but less than 44,000 pounds.
341 (c) Three hundred thousand dollars per occurrence for a
342 commercial motor vehicle with a gross weight of 44,000 pounds or
343 more.
344 (3) INSURANCE COVERAGES.--The insurance coverages required
345 under paragraph (1)(a) and subsection (2) must be issued by an
346 insurance company or carrier licensed to transact business in
347 this state under the Florida Insurance Code as designated in s.
348 624.01. The department shall require a mover to present a
349 certificate of insurance of the required coverages before
350 issuance or renewal of a registration certificate under s.
351 507.03. The department shall be named as a certificateholder in
352 the certificate and must be notified at least 30 days before any
353 changes in insurance coverage.
354 (4) LIABILITY LIMITATIONS; VALUATION RATES.--A mover may
355 not limit its liability for the loss or damage of household
356 goods to a valuation rate that is less than 60 cents per pound
357 per article. A provision of a contract for moving services is
358 void if the provision limits a mover's liability to a valuation
359 rate that is less than the minimum rate under this subsection.
360 If a mover limits its liability for a shipper's goods, the mover
361 must disclose the limitation, including the valuation rate, to
362 the shipper in writing at the time that the estimate and
363 contract for services are executed and before any moving or

364 accessorial services are provided. The disclosure must also
365 inform the shipper of the opportunity to purchase valuation
366 coverage if the mover offers that coverage under subsection (5).
367 (5) VALUATION COVERAGE.--A mover may offer valuation
368 coverage to compensate a shipper for the loss or damage of the
369 shipper's household goods that are lost or damaged during a
370 household move. If a mover offers valuation coverage, the
371 coverage must indemnify the shipper for at least the minimum
372 valuation rate required under subsection (4). The mover must
373 disclose the terms of the coverage to the shipper in writing at
374 the time that the estimate and contract for services are
375 executed and before any moving or accessorial services are
376 provided. The disclosure must inform the shipper of the cost of
377 the valuation coverage, the valuation rate of the coverage, and
378 the opportunity to reject the coverage. If valuation coverage
379 compensates a shipper for at least the minimum valuation rate
380 required under subsection (4), the coverage satisfies the
381 mover's liability for the minimum valuation rate.
382 Section 6. Section 507.05, Florida Statutes, is amended to
383 read:
384 507.05 Estimates and contracts for service.--Before ~~Prior~~
385 ~~to~~ providing any moving or accessorial services, a contract and
386 estimate must be provided to a prospective shipper in writing,
387 must be signed and dated by the shipper and the mover, and must
388 include:
389 (1) The name, telephone number, and physical address where
390 the mover's employees are available during normal business
391 hours.

392 (2) The date the contract or estimate is prepared and any
393 proposed date of the move.
394 (3) The name and address of the shipper, the addresses
395 where the articles ~~items~~ are to be picked up and delivered, and
396 a telephone number where the shipper may be reached.
397 (4) The name, telephone number, and physical address of
398 any location where the goods will be held pending further
399 transportation, including situations where the mover retains
400 possession of goods pending resolution of a fee dispute with the
401 shipper.
402 (5) An itemized breakdown and description and total of all
403 costs and services for loading, transportation or shipment,
404 unloading, and accessorial services to be provided during a
405 household move or storage of household goods.
406 (6) Acceptable forms of payment. A mover shall accept a
407 minimum of two of the three following forms of payment:
408 (a) Cash, cashier's check, money order, or traveler's
409 check;
410 (b) Valid personal check, showing upon its face the name
411 and address of the shipper or authorized representative; or
412 (c) Valid credit card, which shall include, but not be
413 limited to, Visa or MasterCard.
414
415 A mover must ~~shall~~ clearly and conspicuously disclose to the
416 shipper in the estimate and contract for services the forms of
417 payments the mover will accept, including the forms of payment
418 ~~from those categories~~ described in paragraphs (a)-(c).

419 Section 7. Section 507.06, Florida Statutes, is amended to
420 read:
421 507.06 Delivery and storage of household goods.--
422 (1) A mover must relinquish household goods to a shipper
423 and must place the goods inside a shipper's dwelling or, if
424 directed by the shipper, inside a storehouse or warehouse that
425 is owned or rented by the shipper or the shipper's agent, unless
426 the shipper has not tendered payment in the amount specified in
427 a written contract or estimate signed and dated by the shipper.
428 A mover may not refuse to relinquish prescription medicines and
429 goods for use by children, including children's furniture,
430 clothing, or toys, under any circumstances.
431 (2) A mover may not refuse to relinquish household goods
432 to a shipper or fail to place the goods inside a shipper's
433 dwelling or, if directed by the shipper, inside a storehouse or
434 warehouse that is owned or rented by the shipper or the
435 shipper's agent, based on the mover's refusal to accept an
436 acceptable form of payment.
437 (3) A mover that lawfully fails to relinquish a shipper's
438 household goods may place the goods in storage until payment is
439 tendered; however, the mover must notify the shipper of the
440 location where the goods are stored and the amount due within 5
441 days after receipt of a written request for that information
442 from the shipper, which request must include the address where
443 the shipper may receive the notice. A mover may not require a
444 prospective shipper to waive any rights or requirements under
445 this section.

446 Section 8. Section 507.07, Florida Statutes, is amended to
447 read:
448 507.07 Violations.--It is a violation of this chapter ~~act~~
449 to:
450 (1) Conduct business as a mover or moving broker, or
451 advertise to engage in the business of moving or offering to
452 move, without first being registered annually with the
453 department.
454 (2) Knowingly make any false statement, representation, or
455 certification in any application, document, or record required
456 to be submitted or retained under this chapter ~~act~~.
457 (3) Misrepresent or deceptively represent:
458 (a) The contract for services, bill of lading, or
459 inventory of household goods for the move estimated.
460 (b) The timeframe or schedule for delivery or storage of
461 household goods estimated.
462 (c) The price, size, nature, extent, qualities, or
463 characteristics of accessorial or moving services offered.
464 (d) The nature or extent of other goods, services, or
465 amenities offered.
466 (e) A shipper's rights, privileges, or benefits.
467 (4) Fail to honor and comply with all provisions of the
468 contract for services or bill of lading regarding the
469 purchaser's rights, benefits, and privileges thereunder.
470 (5) Withhold delivery of household goods or in any way
471 hold goods in storage against the expressed wishes of the
472 shipper if payment has been made as delineated in the estimate
473 or contract for services.

474 (6)(a) Include in any contract any provision purporting to
475 waive or limit any right or benefit provided to shippers under
476 this chapter ~~act~~.
477 (b) Seek or solicit a ~~such~~ waiver or acceptance of
478 limitation from a shipper concerning rights or benefits provided
479 under this chapter ~~act~~.
480 (c) Use a local mailing address, registration facility,
481 drop box, or answering service in the promotion, advertising,
482 solicitation, or sale of contracts, unless the mover's, and, if
483 applicable, the moving broker's, fixed business address is
484 clearly disclosed during any telephone solicitation and is
485 prominently and conspicuously disclosed on all solicitation
486 materials and on the contract.
487 (d) Commit ~~Do~~ any other act of ~~which constitutes~~ fraud,
488 misrepresentation, or failure to disclose a material fact.
489 (e) Refuse or fail, or for any of the mover's or broker's
490 principal officers to refuse or fail, after notice, to produce
491 any document or record or disclose any information required to
492 be produced or disclosed.
493 (f) Knowingly make a ~~material~~ false statement in response
494 to any request or investigation by the department, the
495 Department of Legal Affairs, or the state attorney.
496 Section 9. Section 507.08, Florida Statutes, is amended to
497 read:
498 507.08 Deceptive and unfair trade practice.--Acts,
499 conduct, practices, omissions, failings, misrepresentations, or
500 nondisclosures committed in ~~which constitute a~~ violation of this
501 chapter are ~~act also constitute a~~ deceptive and unfair trade

502 practices under ~~practice for the purpose of~~ ss. 501.201-501.213,
503 the Florida Deceptive and Unfair Trade Practices Act, and
504 administrative rules adopted in accordance with the act
505 ~~thereunder~~.
506 Section 10. Section 507.09, Florida Statutes, is amended
507 to read:
508 507.09 Administrative remedies; penalties.--
509 (1) The department may enter an order doing one or more of
510 the following if the department finds that a mover or moving
511 broker, or a person employed or contracted by a mover or broker,
512 has violated or is operating in violation of ~~any of the~~
513 ~~provisions of~~ this chapter ~~act~~ or the rules or orders issued in
514 accordance with this chapter ~~thereunder~~:
515 (a) Issuing a notice of noncompliance under ~~pursuant to~~ s.
516 120.695.
517 (b) Imposing an administrative fine not to exceed $5,000
518 for each act or omission.
519 (c) Directing that the person cease and desist specified
520 activities.
521 (d) Refusing to register or revoking or suspending a
522 registration.
523 (e) Placing the registrant on probation for a period of
524 time, subject to the ~~such~~ conditions specified by ~~as~~ the
525 department ~~may specify~~.
526 (2) The administrative proceedings which could result in
527 the entry of an order imposing any of the penalties specified in
528 subsection (1) are governed by chapter 120.

529 (3) The department may adopt rules under ss. 120.536(1)
530 and 120.54 to administer this chapter ~~has the authority to adopt~~
531 ~~rules pursuant to chapter 120 to implement this act~~.
532 Section 11. Section 507.10, Florida Statutes, is amended
533 to read:
534 507.10 Civil penalties; remedies.--
535 (1) The department may institute a civil action in a court
536 of competent jurisdiction to recover any penalties or damages
537 authorized ~~allowed~~ in this chapter ~~act~~ and for injunctive relief
538 to enforce compliance with this chapter ~~act~~.
539 (2) The department may seek a civil penalty of up to
540 $5,000 for each violation of this chapter ~~act~~.
541 (3) The department may seek restitution for and on behalf
542 of any shipper aggrieved or injured by a violation of this
543 chapter ~~act~~.
544 (4) Any provision in a contract for services or bill of
545 lading from a mover or moving broker that purports to waive,
546 limit, restrict, or avoid any of the duties, obligations, or
547 prescriptions of the mover or broker, as provided in this
548 chapter ~~act~~, is void ~~and unenforceable and against public~~
549 ~~policy~~.
550 (5) The remedies provided in this chapter ~~act~~ are in
551 addition to any other remedies available for the same conduct,
552 including those provided in local ordinances.
553 (6) Upon motion of the department in any action brought
554 under this chapter ~~act~~, the court may make appropriate orders,
555 including appointment of a master or receiver or sequestration
556 of assets, to reimburse shippers found to have been damaged, to

557 carry out a consumer transaction in accordance with the
558 shipper's reasonable expectations, or to grant other appropriate
559 relief.
560 Section 12. Section 507.11, Florida Statutes, is amended
561 to read:
562 507.11 Criminal penalties.--
563 (1) The refusal of a mover or a mover's employee, agent,
564 or contractor to comply with an order from a law enforcement
565 officer to relinquish a shipper's household goods after the
566 officer determines that the shipper has tendered payment of the
567 amount of a written estimate or contract, or after the officer
568 determines that the mover did not produce a signed estimate or
569 contract upon which demand is being made for payment, is a
570 felony of the third degree, punishable as provided in s.
571 775.082, s. 775.083, or s. 775.084. A mover's compliance with an
572 order from a law enforcement officer to relinquish goods to a
573 shipper is not a waiver or finding of fact regarding any right
574 to seek further payment from the shipper.
575 (2) Except as provided in subsection (1), any person or
576 business that violates this chapter ~~act~~ commits a misdemeanor of
577 the first degree, punishable as provided in s. 775.082 or s.
578 775.083.
579 Section 13. Section 507.12, Florida Statutes, is amended
580 to read:
581 507.12 General Inspection Trust Fund; payments.--Any
582 moneys recovered by the department as a penalty under this
583 chapter ~~act~~ shall be deposited in the General Inspection Trust
584 Fund.

585 Section 14. Section 507.13, Florida Statutes, is amended
586 to read:
587 507.13 Local regulation.--
588 (1) This chapter does not ~~The provisions of this act are~~
589 ~~not intended to~~ preempt local ordinances or regulations of a
590 county or municipality which ~~that~~ regulate transactions relating
591 to movers of household goods or moving brokers. As provided in
592 s. 507.03(4), counties and municipalities may require, levy, or
593 collect any registration fee or tax or require the registration
594 or bonding in any manner of any mover or moving broker.
595 (2) The department may enter into a cooperative agreement
596 with any county or municipality which ~~that~~ provides for the
597 referral, investigation, and prosecution of consumer complaints
598 alleging violations of this chapter ~~act~~.
599 Section 15. Section 205.1975, Florida Statutes, is created
600 to read:
601 205.1975 Household moving services; consumer
602 protection.--A county or municipality may not issue or renew an
603 occupational license for the operation of a mover or moving
604 broker under chapter 507 unless the mover or broker exhibits a
605 current registration from the Department of Agriculture and
606 Consumer Services.
607 Section 16. This act shall take effect July 1, 2006.

Agriculture Committee

ADDENDUM - A

Meeting Packet

November 09, 2005
1:15 pm - 3:15 pm

214 The Capitol

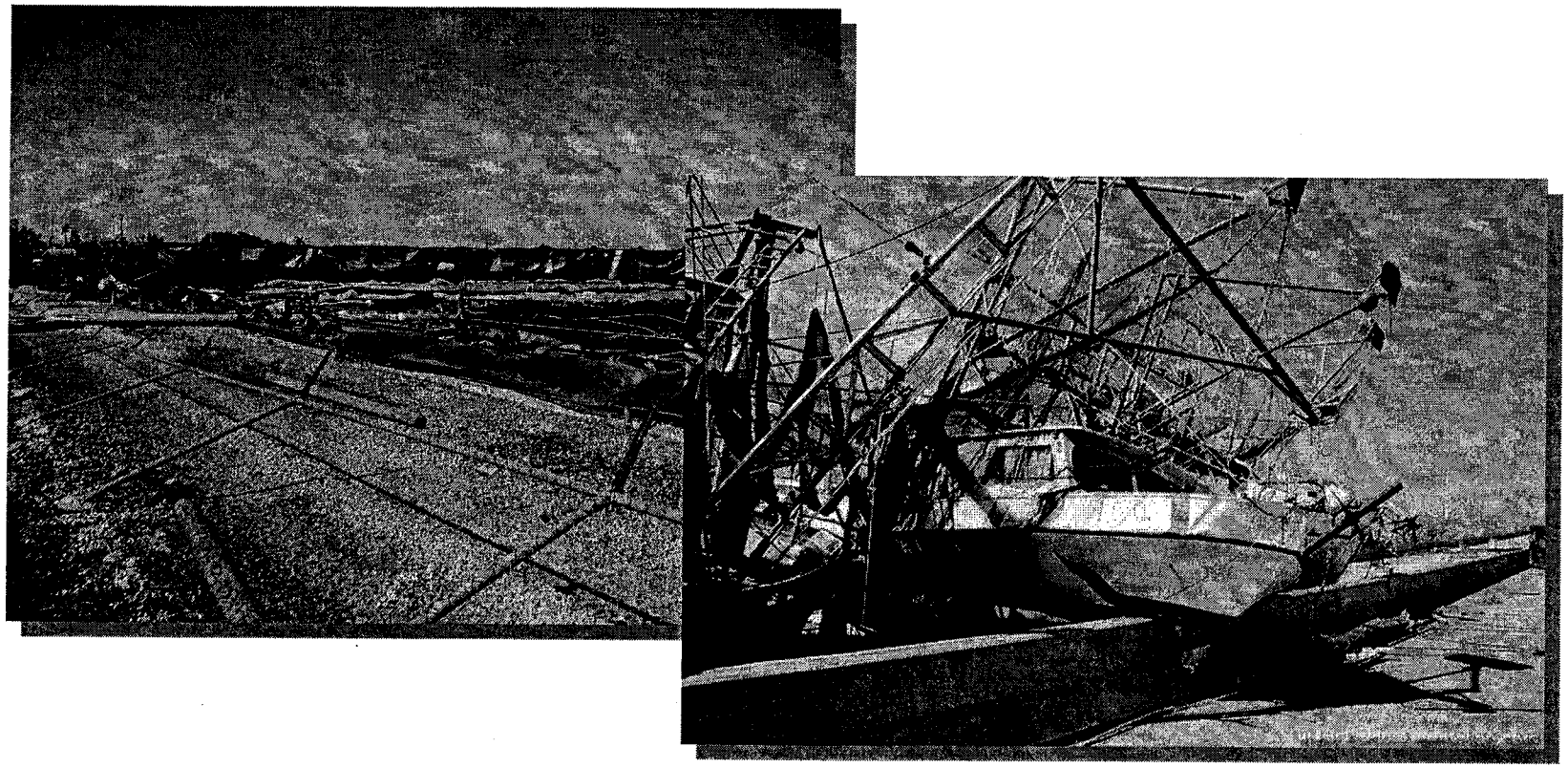
Dennis, Katrina Rita & Wilma

Their Impacts on Florida Agriculture

A Presentation of the Florida Department of Agriculture, **Charles H. Bronson, Commissioner**

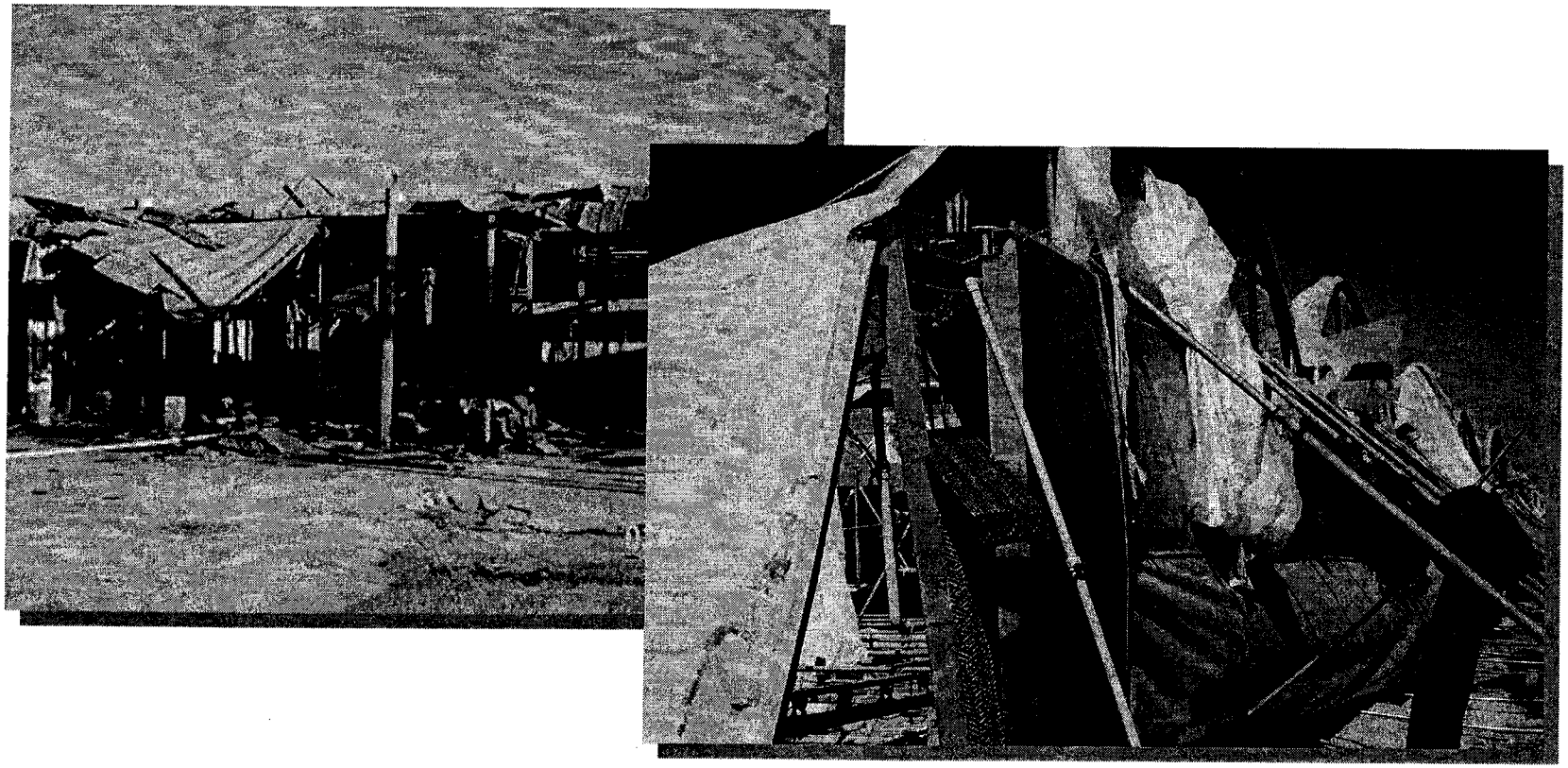
Presentation Contents

- Agriculture Losses
  - All Crops, Seafood and Aquaculture



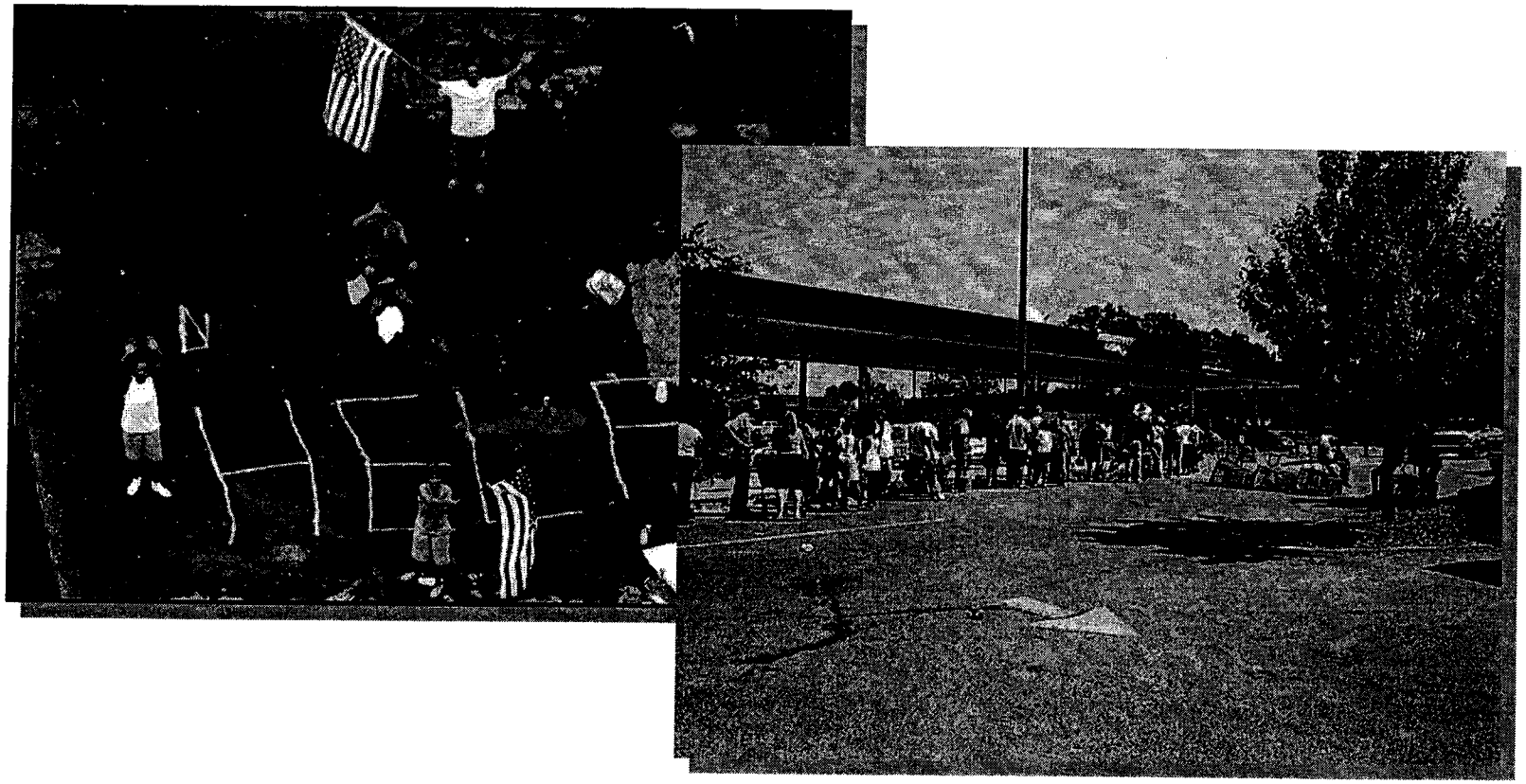
Presentation Contents

- Department Infrastructure
  - State Farmers' Markets and Division Program Structures



Presentation Contents

- Emergency Aid
  - In-State Food, Ice & Water for All Storms



Presentation Contents

- Breakouts and Combined Totals

Agricultural Losses for Florida

Commodity	Notes	Est. Loss	Totals
Nursery	Crop Loss Structures	$824,000,000 $300,000,000	**$1,120,000,000**
Citrus	13% Oranges 47% Grapefruit 17% Overall Loss	$180,000,000	**$180,000,000**
Vegetable		$311,000,000	**$311,000,000**
Tropical Fruit	Rita Wilma Katrina	$ 1,900,000 $12,000,000 $30,100,000	**$44,100,000**
Tropical Aquaculture	Tropical Fish And Aquatic Plants	$7,600,000	**$7,600,000**

Damages Continued Next Page

Agricultural Losses for Florida

Commodity	Notes	Est. Loss	Totals
Oysters and Clams	Crops & Structures Loss Production	$38,500,000 $12,000,000	**$50,500,000**
Stone Crabs, Lobster & Shrimp	Does not include wage and production losses est. $100,000,000+	$51,700,000	**$51,700,000**
Beef Cattle	20 Counties Impacted	$51,100,000	**$51,100,000**
Sugar	Crop and Structures Combined	$370,000,000	**$370,000,000**
Poultry	Bird Losses Structural Damages	$ 67,000 $500,000	**$567,000**

Damages Continued Next Page

Agricultural Losses for Florida

Commodity	Notes	Est. Loss	Totals
Honeybees	5,000+ Colonies	$2,500,000	**$2,500,000**
Cotton and Peanuts	Crop Loss Structures	$18,000,000 $5,000,000	**$23,000,000**

Total Damages Next Page

"Temporary Tale of the Tape"

Crop and Structural Damage

1,120,000,000
180,000,000
311,000,000
44,100,000
7,600,000
50,500,000
51,700,000
51,100,000
370,000,000
567,000
2,500,000
23,000,000

$ 2.212 Billion

Department Infrastructure

Commodity	Market	Est. Damage	Totals
Farmers' Mkts	Immokalee, Pompano, Wauchula, Ft Myers, Arcadia and Florida City	$75,000 Katrina $14,050,000 Wilma	$14,125,000
Ag Law Enforcement	Port Everglades	$100,000 Wilma	$100,000
Division of Standards	Port Everglades	$500,000 Wilma	$500,000
Total Estimate	All Locations	All Storms	**$14,725,000**

Emergency Aid

Commodity	Event	Est. Expenses	Totals
Food	Dennis	0	
	Katrina	0	
	Rita	0	
	Wilma	$880,556	$880,556
Ice	Dennis	$4,522,250	
	Katrina	$1,460,080	
	Rita	$329,868	
	Wilma	$12,944,230	$19,256,428
Water	Dennis	$3,265,520	
	Katrina	$2,785,080	
	Rita	$571,422	
	Wilma	$16,594,150	$23,216,172
Est. Reimbursed By Feds	Dennis	$7,787,770	
	Katrina	$3,806,390	
	Rita	$901,290	
	Wilma	$29,471,056	$41,966,506
To Be Paid by State	Dennis	0	
	Katrina	$438,770	
	Rita	0	
	Wilma	$947,880	**$1,386,650**

All Storms
Total $43.4M

"Estimated Final Tale of the Tape"

2,212,000,000	Crops & Structures
14,725,000	FDACS Infrastructure
1,386,650	State Portion of Emergency Aid

$ 2.23 Billion