



Florida Department of Agriculture and Consumer Services
CHARLES H. BRONSON, Commissioner
The Capitol • Tallahassee, FL 32399-0800

Please Respond to:
Division of Licensing
Post Office Box 6687
Tallahassee, FL 32314-6687
PH (850) 245-5665 • Fax (850) 245-5655

IMPORTANT NOTICE

DATE: July 7, 2005
TO: Class "R" Recovery Agencies
FROM: Gene Bryan, Director, Division of Licensing 
SUBJECT: Changes in the Regulations Governing Repossessions and Insurance Requirements

The Florida Legislature passed legislation during its 2005 session that will directly affect the operation of recovery agencies throughout the state. My purpose in writing today is to inform you about this legislation.

First, the Legislature expanded the range of assets that can be repossessed under Section 493.6101(22), Florida Statutes.

For many years, the term "repossession" referred to the recovery of a very narrow range of assets, specifically, motor vehicles, mobile homes, and motorboats. Senate Bill 1438, which takes effect on October 1, 2005, expands the definition of the term "repossession" to include the recovery of aircraft, personal watercraft, all-terrain vehicles, farm equipment, and industrial equipment. The statute makes it clear that the term "industrial equipment" encompasses a wide range of vehicles and equipment, including tractors, road rollers, cranes, forklifts, backhoes, bulldozers, and other machine-powered vehicles that are used to manufacture goods or to provide services.

Second, the Legislature eliminated the licensing exemption for personnel who may be employed by a single employer to perform recovery work in connection with that employer's business (Section 493.6102(3), Florida Statutes).

Individuals solely, exclusively, and regularly employed by a single company who perform recovery work in connection with that company's business have long been exempt from the licensure requirements of Chapter 493, Florida Statutes. As a result of the passage of Senate Bill 1438, this exemption will be eliminated as of October 1, 2005.

Finally, effective October 1, 2005, Class "R" Recovery Agencies will no longer have to maintain comprehensive general liability insurance as a condition for licensure. As of the effective date of October 1, 2005, there will be no further need to submit a Certification of Insurance form at time of license application or renewal.

I hope I have adequately explained the changes to the laws affecting the recovery industry and repossession activities. If you have any questions, please call our Public Inquiry Section at 850-245-5691 or contact the Regional Office nearest you.

GB/kw



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