



April 8, 2013

The Honorable Ed Hooper, Chairman
Transportation and Economic Development Appropriations Subcommittee
Florida House of Representatives
402 South Monroe Street
The Capitol, Room 222
Tallahassee, FL 32399-1300

Re: HB 7125 Eliminating the 80% Threshold for Certificate of Destruction

Dear Chairman Hooper:

The Consumer Federation of the Southeast (CFSE) is a not-for-profit consumer advocacy group dedicated to consumer advocacy in the Southeastern United States. Our goal is to establish a vigorous, pro-consumer agenda built upon public awareness, consumer education, and coalition-building.

Before joining the Consumer Federation of the Southeast as Executive Director, I served as a Prosecutor, as the Consumer Advocate for Metro-Dade-Miami and as Deputy Attorney General and Special Counsel to the Attorney General's office under Attorney General Bob Butterworth with responsibility for overseeing litigation in consumer protection; execution of the Racketeer Influenced, Corrupt Organizations (RICO) Act; AG opinions; and other areas including drafting and passing Florida's Lemon Law.

Serving as a Board member of the Consumer Federation of America (<http://www.consumerfed.org/>) and a founding member of the Coalition Against Insurance Fraud (<http://www.insurancefraud.org/>) and as the appointed Consumer Advocate to the Board of the National Motor Vehicle Title Information System (NMVTIS)(<http://www.vehiclehistory.gov/>) has educated me on issues such as HB 7125. I am acutely aware, having served and chaired a Legal Services and Community Action Agency, of the plight of consumers especially minority and low-income consumers who would become the victims of the fraud imposed on them by the proposed legislative change.

I respectfully request that you and the House Transportation and Economic Development Appropriations Subcommittee prevent any language that eliminates testable standards for requiring a vehicle to receive a Certificate of Destruction from moving forward.

Eliminating the 80 percent threshold for a Certificate of Destruction and replacing it with highly

subjective language will put each owner of a badly damaged vehicle in a morally hazardous situation in which he or she will, in the absence of a testable standard, have the latitude to decide whether the vehicle in question can be sold as repairable, thus bringing a higher price at auction, or to determine that the vehicle should be issued a Certificate of Destruction and be sold for parts, which typically brings a much lower price.

Many vehicles that are damaged over 80 percent cannot be brought back to safe, roadworthy conditions, yet the proposed elimination of the 80 percent threshold will certainly mean that many more badly damaged vehicles that should be destined for the scrap heap will instead end up back on Florida's roads and highways. A consumer who purchases such a salvaged vehicle, which cannot be made safely operational, will then have the daunting task of finding a remedy via the courts. For most consumers this will be an insurmountable obstacle, meaning there will be no alternative but to accept their loss. There is no Lemon Law remedy under these circumstances.

Currently, Section 319.30 of the Florida Statute requires a total loss vehicle that is damaged over 80 percent of its retail value to receive a Certificate of Destruction. This very important section of the statute, which was created through extensive meetings and discussion between consumers, law enforcement, the auto recycling industry, the insurance industry, the salvage auto auction industry and all stakeholders impacted by these laws, has provided substantial protection for consumers.

A similar attempt was made to eliminate the 80 percent threshold in the Senate. A great deal of documentation and testimony was provided showing examples of massively damaged vehicles with appraisal abuses by insurers designed to bypass vehicle branding as Certificate of Destruction vehicles, thus enhancing the profits of the insurers and the auctions at the expense and safety of the public. Based upon the testimony and the evidence the Senate Appropriations Subcommittee on Transportation, Tourism and Economic Development responsibly declined to endorse this kind of unsafe legislation.

Please help to ensure that Florida's motorists continue to be protected by requiring heavily damaged total loss vehicles to be issued a Certificate of Destruction and therefore kept off of our streets by voting against any language that would eliminate a testable standard for the Certificate of Destruction requirement.

Thank you for your consideration.

Sincerely,

Walt Dartland
Executive Director
Consumer Federation of the Southeast
www.consumerfederationse.com