

November 1, 2023

Representative Melony Bell  
Suite B  
107 West Broadway Street  
Fort Meade, FL 33841-3300

**Re: Florida HB 179 – Vehicle Lien Fraud**

Dear Representative Bell:

I write on behalf of the American Financial Services Association (AFSA)<sup>1</sup>, to express our support for HB 179, which seeks to amend Florida law governing liens for towing and storage charges. Throughout Florida, especially in South Florida, some tow or repair shops abuse this practice to fraudulently place liens on customers' vehicles. These scams cost consumers and vehicle finance companies hundreds of thousands of dollars every year. AFSA members in Florida have seen several abuses in the towing industry, including:

- Towing companies not answering the phone when contacted;
- Towing companies not allowing an inspection of the vehicle;
- Towing companies alleging release of a vehicle to a third-party or the customer, but saying they have no records to show who picked up the vehicle;
- Towing companies providing an address on the lien notice that is not valid; and
- Towing companies insisting that along with payment, a lender's agent must provide original, notarized documents to pick up a vehicle.

Abuses such as those outlined above are used by some towing companies to delay legitimate parties from paying fees and picking up their vehicle, with the goal of either running up storage fees, or foreclosing liens to eliminate an owner or lender's interest in a vehicle. This bill contains a number of amendments to address abusive practices in the towing industry. Among other provisions, the amendments:

- Make clear that posting a bond is an alternative to filing a lawsuit, and a lender is not forced to file a lawsuit but can post a bond to obtain possession of a vehicle.
- Require towing and storage shops to allow a lender to inspect a vehicle upon request after providing copies of documents showing their interest in a vehicle. The proposed language is similar to what the Florida Legislature added in 2019 when it amended Florida Statute 713.585, the repair shop lien statute.
- Make clear that in order to foreclose a lien on a vehicle, Florida Statute 713.78 provides the exclusive process to do so. This will stop fraudsters from using the self-storage statute and the landlord tenant statute to foreclose alleged storage liens on vehicles without sufficient notice to lien holders.

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<sup>1</sup> Founded in 1916, the American Financial Services Association (AFSA), based in Washington, D.C., is the primary trade association for the consumer credit industry, protecting access to credit and consumer choice.

The changes proposed in this bill will significantly cut down on fraud in the towing industry and allow honest and legitimate towing companies to thrive. Ultimately, the bill will be beneficial to both the vehicle finance industry and consumers, lowering the costs for all parties. For these reasons, we urge you and your colleagues to support HB 179. Thank you for your attention to this matter. If you have any questions about how AFSA can be of any further assistance to you as you move forward, please do not hesitate to contact me at 952-922-6500 or [dfagre@afsamail.org](mailto:dfagre@afsamail.org).

Sincerely,



Danielle Fagre Arlowe  
Senior Vice President  
American Financial Services Association

cc:

Chairman Bobby Payne  
Chair Fiona McFarland