

OFFICE OF MANAGEMENT AND BUDGET

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MEMORANDUM

December 9, 2020

TO: Board of County Commissioners

FROM: Norman Foster, Director *Norman Foster*
Office of Management and Budget

SUBJECT: Fiscal Impact Statement Re: Proposed Ordinance Amending Sections 20-11 and 20-164 of the Broward County Code of Ordinances, Relating to Private Courier Services

Summary

The proposal amends sections 20-11 and 20-164 of the Broward County Code of Ordinances, relating to private couriers. For the purpose of this Chapter, "private courier" is defined as a courier service which takes the required fee, plus an additional sum from consumers, and remits the statutory fee to a county motor vehicle agency which then accomplishes the license, registration, validation, or title work. Under the existing ordinance the County requires bonds for private couriers and prohibits certain terms being used in corporate names. The current ordinance requires private courier services to give a bond payable to Broward County in the amount of \$10,000 upon the second instance of a check submitted with insufficient funds. Private couriers are currently prohibited from using the words "tag agent," "tag agency," or "title agency" in their names.

Under this proposal private courier services are required to give a bond payable to Broward county of \$25,000 prior to doing business. Current courier services would have 45 days after the effective date to comply with this requirement.

Under the proposed ordinance the following terms would be added to the list of restricted terms: "auto tag", "title and fast tag" and "fast title". Private couriers would be prohibited from using restricted terms in their names and would now also be prohibited from using these terms in any marketing materials, including advertising, promotional or informational materials, unless immediately followed by "private courier service" in identical font, size, and color. Additionally, courier services would be prohibited from including the following in marketing materials: (a) images or logos that are confusingly similar to any official government logo or insignia; or (b) an image of a license plate, unless the marketing materials clearly identify the business as a "private courier service" in a font, size, and color identical to the largest text used to state the name of the business.

Private courier services currently using one or more restricted terms in their business name or in their marketing materials on the date of the enactment of this section must come into compliance with the provisions of this section as follows:

(a) for any electronic uses of the restricted terms, including on websites and in online marketing materials, within 30 days after the effective date;

(b) for all nonelectronic uses of the restricted terms in marketing materials prepared or distributed by the business, within 90 days after the effective date;

(c) for all other marketing materials not published or directly distributed by the business, such as printed yellow pages advertisements, no later than the next publication; and

(d) for all other uses of the restricted terms by the business, within six months after the effective date.

Private courier services that do not comply with the section will be subject to a fine up to \$100 a day after a hearing before the Consumer Protection Board.

The proposed ordinance would also modify the definition of “private courier” to include those who remit fees to private tag agencies.

Fiscal Impact

The proposed ordinance does not specify how these new restrictions regarding private courier names and marketing materials should be enforced. The Environmental and Consumer Protection Division (ECPD) has indicated that the proposed ordinance would be enforced by investigating complaints. ECPD anticipates that there will be a small number of complaints resulting from the proposed ordinance and that existing staff will be able to process the additional complaints. Additionally, in order for a fine to be generated from a complaint, a complaint must be escalated and heard by the Consumer Protection Board who will determine if a fine should be issued and the amount of the fine. ECPD anticipates that only a small number of complaints will result in a fine, in which case the additional revenue generated by these fines should be minimal. Considering the changes to the ordinance will not require an increase in staff, and should generate minimal revenue, it is anticipated that there will be minimal fiscal impact to the County resulting from the proposed changes in the ordinance.

NF:mc