

By the Committee on Business Regulation & Consumer Affairs  
and Representatives Hill, Mackey, Sembler, King, Flanagan,  
Ogles and Bainter

1                               A bill to be entitled  
2                    An act relating to sales contracts for motor  
3                    vehicle or truck repair parts; creating s.  
4                    686.30, F.S.; providing for contract agreement;  
5                    providing requirements with respect to  
6                    agreements between manufacturers and  
7                    distributors of and dealers in motor vehicle or  
8                    truck repair parts; requiring that termination  
9                    of such contracts be done in good faith;  
10                  providing definitions; prohibiting certain  
11                  coercive acts by manufacturers; providing for  
12                  liability; providing for applicability;  
13                  providing liability of a manufacturer for  
14                  terminating, canceling, or failing to renew a  
15                  contract without good cause, for failure to  
16                  make payments owed, and for failure to supply  
17                  repair parts; providing for attorney's fees;  
18                  providing for injunctive relief; providing an  
19                  effective date.

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21 Be It Enacted by the Legislature of the State of Florida:

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23                Section 1. Section 686.30, Florida Statutes, is  
24 created to read:

25                686.30 Contract agreements for repair parts for motor  
26 vehicles and trucks; termination must be done in good faith;  
27 definition of good cause; prohibited practices; failure to pay  
28 sum specified on cancellation of contract; liability.--

29                (1)(a) Any manufacturer of repair parts for motor  
30 vehicles or trucks who enters into a contract with a  
31 distributor of repair parts whereby the distributor agrees to

1 maintain a stock of parts may not terminate, cancel, or fail  
2 to renew any such contract with the distributor without good  
3 cause.

4 (b) For the purposes of this section:

5 1. "Good cause" for terminating, canceling, or failing  
6 to renew a contract is limited to failure by the person, firm,  
7 corporation, or limited liability company in the business of  
8 selling and retailing or wholesaling to comply with those  
9 requirements imposed by the contract between the parties.  
10 Further, the determination by the manufacturer of good cause  
11 for such termination, cancellation, or failure to renew must  
12 be made in good faith.

13 2. The term "repair parts" means any products that are  
14 installed on a motor vehicle or truck or any product used in  
15 the process of repairing a motor vehicle or truck.

16 3. The term "distributor" means any person, firm,  
17 corporation, or limited liability company engaged in the  
18 business of selling, retailing, or wholesaling automotive  
19 repair parts.

20 4. The term "manufacturer" means any person engaged in  
21 the business of manufacturing, assembling, repackaging, or  
22 relabeling new or unused automotive repair parts.

23 (c) In any action against a manufacturer for  
24 terminating, canceling, or failing to renew a contract with a  
25 distributor, the manufacturer must establish that it acted for  
26 good cause. In an action against a manufacturer for  
27 terminating, canceling, or failing to renew a contract with a  
28 distributor in which the manufacturer has not established that  
29 it acted for good cause, or an action in which a distributor  
30 prevails on a complaint that the manufacturer failed to make  
31 payments owed to the distributor or failed to supply repair

1 parts to the distributor, the manufacturer is liable for 100  
2 percent of the net cost of such parts, 5 percent of the costs  
3 of loading and handling, and freight charges that have been  
4 paid by the distributor. The distributor is entitled to  
5 reasonable attorney's fees and, when appropriate, injunctive  
6 relief. The obligations of a manufacturer apply to any  
7 successor in interest or assignee of that manufacturer. A  
8 successor in interest includes any purchaser of assets or  
9 stock, any surviving corporation or limited liability company  
10 resulting from a merger or liquidation, any receiver, or any  
11 trustee of the original manufacturer. This subsection applies  
12 to contracts entered into, amended, or renewed after the  
13 effective date of this act and to contracts in effect on the  
14 effective date of this act which are continuing contracts that  
15 have no expiration date.

16 (2) A manufacturer of repair parts who enters into a  
17 contract with a distributor may not coerce or attempt to  
18 coerce a distributor into a refusal to purchase automotive  
19 repair parts or equipment from another manufacturer.

20 Section 2. Section 686.30, Florida Statutes, does not  
21 apply to any agreement or franchise agreement as defined in s.  
22 320.60, Florida Statutes.

23 Section 3. This act shall take effect October 1 of the  
24 year in which enacted.

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