

By Representatives Mackenzie, King and Jones

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A bill to be entitled
An act relating to motor vehicles; amending s.
521.004, F.S.; modifying the disclosure form
for a motor vehicle lease; amending s. 681.102,
F.S.; modifying definitions applicable to motor
vehicle sales warranties; providing an
effective date.

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

Section 1. Section 521.004, Florida Statutes, is
amended to read:

521.004 Disclosures.--A retail lessor must:

(1) Disclose to the retail lessee in the lease
agreement in a separate blocked section, in capital letters of
at least 12-point bold type, with the appropriate amounts
specified, as follows:

THIS IS A LEASE AGREEMENT.

THIS IS NOT A PURCHASE AGREEMENT.

PLEASE REVIEW THESE MATTERS CAREFULLY AND SEEK INDEPENDENT
PROFESSIONAL ADVICE IF YOU HAVE ANY QUESTIONS CONCERNING THIS
TRANSACTION. YOU ARE ENTITLED TO AN EXACT COPY OF THE
AGREEMENT YOU SIGN.

CAPITALIZED COST \$.....

(Your total cost of goods, services, & fees.)

CAPITALIZED COST REDUCTION \$.....

(Your total credits.)

1 ADJUSTED OR NET CAPITALIZED COST \$.....
2 (Your net cost of goods, services, & fees.)
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4 For purposes of this subsection, that portion of the
5 disclosure stating the terms "capitalized cost," "capitalized
6 cost reduction," and "adjusted or net capitalized cost," and
7 the explanations contained in the parentheticals, as well as
8 their respective amounts, are not required to be disclosed if
9 the terms "gross capitalized cost," "capitalized cost
10 reduction," and "adjusted capitalized cost" and the
11 descriptions and disclosures set forth and required by the
12 Federal Consumer Leasing Act, 15 USC s. 1501 et seq., and
13 Federal Reserve Board Regulation M. 12 CFR s. 213, are set
14 forth elsewhere in the lease agreement.
15 (2) Provide the retail lessee with a copy of each
16 document signed by the retail lessee during the course of the
17 lease transaction.
18 Section 2. Subsections (3), (9), and (12) of section
19 681.102, Florida Statutes, are amended to read:
20 681.102 Definitions.--As used in this chapter, the
21 term:
22 (3) "Collateral charges" means those additional
23 charges to a consumer wholly incurred as a result of the
24 acquisition of the motor vehicle. For the purposes of this
25 chapter, collateral charges include, but are not limited to,
26 manufacturer-installed or agent-installed items or service
27 charges, earned finance or lease charges, sales taxes, and
28 title charges.
29 (9) "Lease price" means the aggregate of the
30 capitalized cost, as defined in s. 521.003(2), and each of the
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1 following items to the extent not included in the capitalized
2 cost:

- 3 ~~(a) Lessor's actual purchase costs.~~
4 (a)~~(b)~~ Collateral charges, if applicable.
5 (b)~~(c)~~ Any fee paid to another to obtain the lease.
6 (c)~~(d)~~ Any insurance or other costs expended by the
7 lessor for the benefit of the lessee.
8 (d)~~(e)~~ An amount equal to state and local sales taxes,
9 not otherwise included as collateral charges, paid by the
10 lessor when the vehicle was initially purchased.
11 ~~(f) An amount equal to 5 percent of (a).~~

12 (12) "Lessee cost" means the aggregate of the security
13 deposit, capitalized cost-reduction as defined in s.
14 521.003(3), and rental payments previously paid to the lessor
15 for the leased vehicle but excludes debt from any other
16 transaction.

17 Section 3. This act shall take effect July 1 of the
18 year in which enacted.

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21 LEGISLATIVE SUMMARY

22
23 Modifies the disclosure form for motor vehicle leases.
24 Provides that specified terms in the form need not be
25 included if the terms in the Federal Consumer Leasing Act
26 are provided. Amends the definitions of "collateral
27 charges," "lease price," and "lessee cost" for purposes
28 of ch. 681, F.S., relating to motor vehicle sales
29 warranties.
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