HOUSE AMENDMENT

Bill No. HB 1449

Amendment No. ____ (for drafter's use only) CHAMBER ACTION Senate House 1 2 3 4 5 ORIGINAL STAMP BELOW 6 7 8 9 10 11 The Council for Competitive Commerce offered the following: 12 13 Amendment (with title amendment) On page 2 of the bill, between lines 9 & 10, 14 15 16 insert: 17 Section 1. Subsection (8) of section 400.925, Florida Statutes, is amended to read: 18 19 400.925 Definitions.--As used in this part, the term: 20 (8) "Home medical equipment" includes any product as defined by the Federal Drug Administration's Drugs, Devices 21 22 and Cosmetics Act, any products reimbursed under the Medicare Part B Durable Medical Equipment benefits, or any products 23 24 reimbursed under the Florida Medicaid durable medical 25 equipment program. Home medical equipment includes, but is not 26 limited to, oxygen and related respiratory equipment. Home medical equipment includes customized wheelchairs and related 27 28 seating and positioning, but does not include prosthetics or 29 orthotics or any splints, braces, or aids custom fabricated by 30 a licensed health care practitioner. Home medical equipment includes assistive technology devices, including manual 31 1 File original & 9 copies hag0009 04/18/01 03:55 pm

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wheelchairs, motorized wheelchairs, motorized scooters, 1 2 voice-synthesized computer modules, optical scanners, talking 3 software, braille printers, environmental control devices for 4 use by persons with quadriplegia, motor vehicle adaptive transportation aids, devices that enable persons with severe 5 6 speech disabilities to in effect speak, personal transfer 7 systems, and specialty beds, including a demonstrator for use by a person with a medical need. 8 9 Section 2. Section 427.802, Florida Statutes, is 10 amended to read: 427.802 Definitions.--As used in this part: 11 12 (1) "Assistive technology devices" means manual wheelchairs, motorized wheelchairs, motorized scooters, 13 voice-synthesized computer modules, optical scanners, talking 14 15 software, braille printers, environmental control devices for use by a person with quadriplegia, motor vehicle adaptive 16 17 transportation aids, devices that enable persons with severe speech disabilities to in effect speak, personal transfer 18 systems, and specialty beds, including a demonstrator, that a 19 consumer purchases or accepts transfer of in this state for 20 21 use by a person with a disability. (2) "Assistive Technology Device Warranty Act rights 22 period" means the period ending 1 year after first delivery of 23 24 the assistive technology device to the consumer or the 25 manufacturer's express written warranty, whichever is longer. (2)(3) "Person with a disability" means any person who 26 27 has one or more permanent physical or mental limitations that restrict his or her ability to perform the normal activities 28 of daily living and impede his or her capacity to live 29 30 independently. 31 (3) (4) "Assistive technology device dealer" means a

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person who is business entity that is primarily engaged in the 1 2 business of selling or leasing of assistive technology 3 devices. As used in this subsection, the term "primarily" 4 means no less than 30 percent of the business entity's gross 5 sales in the previous fiscal year. (4) (4) (5) "Assistive technology device lessor" means a б 7 person who leases an assistive technology device to a 8 consumer, or holds the lessor's rights, under a written lease. (5)(6) "Collateral costs" means expenses incurred by a 9 10 consumer in connection with the repair of a nonconformity, 11 including the costs of obtaining an alternative assistive 12 technology device. 13 (6)(7) "Consumer" means any of the following: (a) The purchaser of an assistive technology device, 14 15 if the assistive technology device was purchased from an assistive technology device dealer or manufacturer for 16 17 purposes other than resale. (b) A person to whom the assistive technology device 18 is transferred for purposes other than resale, if the transfer 19 20 occurs before the expiration of an express warranty applicable to the assistive technology device. 21 22 (c) A person who may enforce the warranty. 23 (d) A person who leases an assistive technology device 24 from an assistive technology device lessor under a written 25 lease. (7)(8) "Demonstrator" means an assistive technology 26 27 device used primarily for the purpose of demonstration to the 28 public. 29 (9) "Department" means the Department of Agriculture 30 and Consumer Services. (8)(10) "Early termination cost" means any expense or 31 3

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obligation that an assistive technology device lessor incurs as a result of both the termination of a written lease before the termination date set forth in that lease and the return of an assistive technology device to a manufacturer pursuant to this section. The term includes a penalty for prepayment under a financial arrangement.

7 (9)(11) "Early termination saving" means any expense 8 or obligation that an assistive technology device lessor avoids as a result of both the termination of a written lease 9 before the termination date set forth in the lease and the 10 return of an assistive technology device to a manufacturer 11 12 pursuant to this section. The term includes an interest 13 charge that the assistive technology device lessor would have 14 paid to finance the assistive technology device or, if the 15 assistive technology device lessor does not finance the assistive technology device, the difference between the total 16 17 amount for which the lease obligates the consumer during the period of the lease term remaining after the early termination 18 and the present value of that amount at the date of the early 19 20 termination.

21 <u>(10)(12)</u> "Manufacturer" means a business entity that 22 manufactures or produces assistive technology devices for sale 23 and agents of that business entity, including an importer, a 24 distributor, a factory branch, a distributor branch, and any 25 warrantors of the manufacturer's assistive technology device, 26 <u>but not</u> including an assistive technology device dealer.

27 <u>(11)(13)</u> "Nonconformity" means a condition or defect 28 of an assistive technology device which substantially impairs 29 the use, value, or safety of the device and which is covered 30 by an express warranty applicable to the assistive technology 31 device, but does not include a condition or defect that is the

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result of abuse, neglect, excessive wear, or unauthorized 1 2 modification or alteration of the assistive technology device 3 by a consumer. 4 (12)(14) "Reasonable attempt to repair" means, within 5 the terms of an express warranty applicable to a new assistive technology device: б 7 (a) A maximum of three efforts by the manufacturer, 8 the assistive technology device lessor, or any of the manufacturer's authorized assistive technology device dealers 9 10 to repair a nonconformity that is subject to repair under the 11 warranty; or 12 (b) The passage of at least 30 cumulative days during 13 which the assistive technology device is out of service because of a nonconformity that is covered by the warranty. 14 15 Section 3. Section 427.803, Florida Statutes, is amended to read: 16 17 427.803 Express Duty of manufacturer and an assistive 18 technology device dealer to conform an assistive technology device to the warranty .--19 (1) A manufacturer who sells a new assistive 20 technology device to a consumer, either directly or through an 21 assistive technology device dealer, shall furnish the consumer 22 with an express warranty for the assistive technology device. 23 24 The duration of the express warranty must be at least 1 year 25 after first delivery of the assistive technology device to the consumer. In the absence of an express warranty from the 26 27 manufacturer, the manufacturer is considered to have expressly warranted to the consumer of an assistive technology device 28 that, for a period of 1 year after the date of first delivery 29 30 to the consumer, the assistive technology device will be free 31 from any condition or defect that substantially impairs the

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value of the assistive technology device to the consumer. 1 2 (2) If an assistive technology device does not conform 3 to the warranty and the consumer first reports the problem to 4 the manufacturer during the Assistive Technology Device 5 Warranty Act rights period, the manufacturer shall make such repairs as are necessary to conform the device to the б 7 warranty, irrespective of whether such repairs are made after 8 the expiration of the Assistive Technology Device Warranty Act rights period. Such repairs shall be at no cost to the 9 10 consumer if reported to the manufacturer or assistive technology device dealer during the Assistive Technology 11 12 Device Warranty Act rights period. Nothing in this subsection 13 shall be construed to grant an extension of the Assistive 14 Technology Device Warranty Act rights period or to expand the 15 time within which a consumer must file a complaint under this 16 chapter. 17 (3) Each manufacturer or assistive technology device dealer shall provide to its consumers conspicuous notice of 18 19 the address and phone number for its zone, district, or 20 regional office for this state in the written warranty or owner's manual. Within 10 days after the department's written 21 22 request, a manufacturer shall forward to the department a COPY 23 of the owner's manual and any written warranty for each make 24 and model of assistive technology device that it sells in this 25 state. The manufacturer shall provide to the assistive 26 (4)27 technology device dealer and, at the time of acquisition, the assistive technology device dealer shall provide to the 28 29 consumer a written statement that explains the consumer's 30 rights under this chapter. The written statement shall be prepared by the department and shall contain a toll-free 31 6 File original & 9 copies hag0009 04/18/01 03:55 pm

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number for the department that the consumer can contact to 1 2 obtain information regarding the consumer's rights and 3 obligations under this chapter or to commence arbitration. The 4 consumer's signed acknowledgment of receipt of materials 5 required under this subsection shall constitute prima facie evidence of compliance by the manufacturer and assistive б 7 technology device dealer. The form of the acknowledgments 8 shall be approved by the department, and the assistive technology device dealer shall maintain the consumer's signed 9 10 acknowledgment for 3 years. 11 (5) A manufacturer or an assistive technology device 12 dealer shall provide to the consumer, each time the consumer's 13 assistive technology device is returned after being examined 14 or repaired under the warranty, a fully itemized, legible 15 statement of any diagnosis made and all work performed on the assistive technology device, including, but not limited to, a 16 17 general description of the problem reported by the consumer or an identification of the defect or condition, parts and labor, 18 19 the date on which the assistive technology device was 20 submitted for examination or repair, and the date when the 21 repair or examination was completed. 22 Section 4. Section 427.804, Florida Statutes, is 23 amended to read: 24 427.804 Repair of nonconforming assistive technology 25 devices; refund or replacement of devices after attempt to repair; sale or lease of returned device; arbitration; 26 27 investigation; limitation of rights. --(1) If a new assistive technology device does not 28 29 conform to an applicable express warranty and the consumer 30 reports the nonconformity to the manufacturer, the assistive 31 technology device lessor, or any of the manufacturer's 7

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1 authorized assistive technology device dealers and makes the 2 assistive technology device available for repair within 1 year 3 after first delivery or return of the assistive technology 4 device to the consumer, the nonconformity must be repaired at 5 no charge to the consumer.

6 (2) If, after a reasonable attempt to repair, the
7 nonconformity is not repaired, the manufacturer, at the
8 direction of a consumer as defined in s. 427.802(6)(7)(a)-(c),
9 must do one of the following:

10 (a) Accept return of the assistive technology device
11 and replace the assistive technology device with a comparable
12 new assistive technology device and refund any collateral
13 costs.

(b) Accept return of the assistive technology device and refund to the consumer and to any holder of a perfected security interest in the consumer's assistive technology device, as the interest may appear, the full purchase price plus any finance charge amount paid by the consumer at the point of sale, and collateral costs.

20 (c) With respect to a consumer as defined in s. 427.802(6)(7)(d), accept return of the assistive technology 21 device, refund to the assistive technology device lessor and 22 to any holder of a perfected security interest in the 23 24 assistive technology device, as the interest may appear, the current value of the written lease, and refund to the consumer 25 the amount that the consumer paid under the written lease plus 26 27 any collateral costs.

(3) The current value of the written lease equals the total amount for which the lease obligates the consumer during the period of the lease remaining after its early termination plus the assistive technology device dealer's early

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1 termination costs and the value of the assistive technology 2 device at the lease expiration date if the lease sets forth 3 the value, less the assistive technology device lessor's early 4 termination savings.

5 (4) To receive a comparable new assistive technology 6 device or a refund due under paragraph (2)(a), a consumer must 7 offer to the manufacturer of the assistive technology device 8 having the nonconformity to transfer possession of the assistive technology device to the manufacturer. No later 9 10 than 30 days after the offer, the manufacturer shall provide 11 the consumer with the comparable assistive technology device 12 or refund. When the manufacturer provides the comparable 13 assistive technology device or refund, the consumer shall return the assistive technology device having the 14 15 nonconformity to the manufacturer, along with any endorsements necessary to transfer real possession to the manufacturer. 16

17 (5) To receive a refund due under paragraph (2)(b), a 18 consumer must offer to return the assistive technology device having the nonconformity to its manufacturer. No later than 19 30 days after the offer, the manufacturer shall provide the 20 refund to the consumer who paid for, or the provider who 21 22 billed a third party payor source for, the assistive technology device. When the manufacturer provides the refund, 23 24 the consumer shall return to the manufacturer the assistive 25 technology device having the nonconformity.

(6) To receive a refund due under paragraph (2)(c), an
assistive technology device lessor must offer to transfer
possession of the assistive technology device having the
nonconformity to its manufacturer. No later than 30 days
after the offer, the manufacturer shall provide the refund to
the assistive technology device lessor. When the manufacturer

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provides the refund, the assistive technology device lessor
 shall provide to the manufacturer any endorsements necessary
 to transfer legal possession to the manufacturer.

4 (7) A person may not enforce the lease against the
5 consumer after the consumer receives a refund due under
6 paragraph (2)(c).

7 (8) An assistive technology device that is returned by 8 a consumer or assistive technology device lessor in this 9 state, or by a consumer or assistive technology device lessor 10 in another state under a similar law of that state, may not be 11 sold or leased again in this state, unless full disclosure of 12 the reasons for return is made to any prospective buyer or 13 lessee.

(9) Each consumer may submit any dispute arising under
 this part to the department by completing a complaint form.
 The department may investigate the complaint on behalf of the
 consumer if reasonable evidence warrants such an action.

18 (10) The department shall process consumer complaints 19 pursuant to s. 570.544.

20 (9)(11) Each consumer may submit any dispute arising 21 under this part to an alternative arbitration mechanism 22 established pursuant to chapter 682. Upon notice by the 23 consumer, all manufacturers must submit to such alternative 24 arbitration.

25 <u>(10)(12)</u> Such alternative arbitration must be 26 conducted by a professional arbitrator or arbitration firm 27 appointed under chapter 682 and any applicable rules. These 28 procedures must provide for the personal objectivity of the 29 arbitrators and for the right of each party to present its 30 case, to be in attendance during any presentation made by the 31 other party, and to rebut or refute such a presentation.

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1 (11)(13) This part does not limit rights or remedies 2 available to a consumer under any other law. 3 Section 427.8041, Florida Statutes, is Section 5. 4 repealed. 5 6 ======== TITLE AMENDMENT ========== 7 And the title is amended as follows: 8 9 On page 1, line 2 after the semicolon, 10 11 insert: 12 amending s. 400.925, F.S.; revising definitions 13 with respect to home medical equipment; amending s. 427.802, F.S.; revising definitions 14 15 with respect to home medical equipment providers; amending s. 427.803, F.S.; revising 16 17 warranty requirements under the Assistive Technology Device Warranty Act; providing for 18 express warranties; amending s. 427.804, F.S.; 19 20 conforming references; deleting investigation and complaint processing requirements of the 21 Department of Agriculture and Consumer 22 Services; repealing s. 427.8041, F.S., relating 23 24 to regulation requirements with respect to 25 assistive technology device dealers; 26 27 28 29 30 31 11 File original & 9 copies

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