

# SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/SB 1882

SPONSOR: Transportation Committee and Senator Latvala

SUBJECT: Motor Vehicle Warranty Enforcement

DATE: February 20, 2002 REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Vickers</u>	<u>Meyer</u>	<u>TR</u>	<u>Favorable/CS</u>
2.	<u>                    </u>	<u>                    </u>	<u>FT</u>	<u>                    </u>
3.	<u>                    </u>	<u>                    </u>	<u>AGG</u>	<u>                    </u>
4.	<u>                    </u>	<u>                    </u>	<u>AP</u>	<u>                    </u>
5.	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
6.	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

## I. Summary:

This CS provides that the nameplate manufacturer of a recreational vehicle must provide written notice to the consumer, at the time of vehicle acquisition, of the procedures required to file a claim under the Pilot RV Mediation and Arbitration Program. The CS extends the operation of the RV Mediation and Arbitration Program until September 30, 2006. The CS also authorizes the Department of Legal Affairs to delegate responsibility for the screening of claims under the Pilot RV Mediation and Arbitration Program to the program administrator.

This CS substantially amends the following sections of the Florida Statutes: 681.103, 681.1096, and 681.1097

## II. Present Situation:

Section 681.103, F.S., establishes the duty of the manufacturer to conform a motor vehicle to the warranty under the Motor Vehicle Warranty Enforcement Act. Subsection (3) of s. 681.103, F.S., provides that at the time of acquisition, the manufacturer must inform the consumer clearly and conspicuously in writing how and where to file a claim with a certified procedure if such procedure has been established by the manufacturer pursuant to s. 681.103, F.S. The manufacturer must provide to the dealer and, at the time of acquisition, the dealer must provide to the consumer a written statement that explains the consumer's rights under Florida law. Currently, this section does not specifically address the manufacturer's consumer notification responsibilities regarding recreational vehicles.

Section 681.1096, F.S., creates a mediation and arbitration program for disputes arising out of recreational vehicle ("RV") purchases. Under this program responsibility for screening applicants for eligibility resides with the Department of Legal Affairs. If the Department

determines the dispute is eligible, it forwards the application to the program administrator for mediation and arbitration. The program was initially to remain in effect until September 30, 2001, at which time RV disputes were to follow the standard new vehicle warranty arbitration procedures in the "Lemon Law," ss. 681.109 and 681.1095, F.S.<sup>1</sup> In 2001, the Legislature extended the RV mediation and arbitration program by one year;<sup>2</sup> the program is currently set to expire on September 30, 2002.

Section 681.1097, F.S., establishes eligibility and procedures for the Pilot RV Mediation and Arbitration Program. Subsection (3) provides that the Department of Legal Affairs shall screen all applications to participate in the program to determine eligibility. The Department is required to forward to the program administrator all applications the Department determines are potentially entitled to relief under Florida's Lemon Law.

### **III. Effect of Proposed Changes:**

This CS amends s. 681.103, F.S., to provide that the nameplate manufacturer of a recreational vehicle must provide written notice to the consumer, at the time of vehicle acquisition, of the procedures required to file a claim under the Pilot RV Mediation and Arbitration Program.

The CS amends s. 681.1096, F.S., to extend the operation of the RV Mediation and Arbitration Program until September 30, 2006. In addition, the CS provides that the Department of Legal Affairs is to report annually to the Legislature regarding the effectiveness of this program.

The CS amends s. 681.1097, F.S., to provide that the Department of Legal Affairs may delegate responsibility for the screening of claims to the program administrator. If the Department elects to delegate this responsibility, claims are to be forwarded to the program administrator for screening in accordance with the existing procedures contained in s. 681.1097, F.S.

### **IV. Constitutional Issues:**

#### **A. Municipality/County Mandates Restrictions:**

None.

#### **B. Public Records/Open Meetings Issues:**

None.

#### **C. Trust Funds Restrictions:**

None.

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<sup>1</sup> See s. 7, ch. 97-245, L.O.F.

<sup>2</sup> See s. 33, ch. 2001-196, L.O.F.

**V. Economic Impact and Fiscal Note:**

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

The current program administrator for the Pilot RV Mediation and Arbitration Program is the Collins Center for Public Policy, Inc.

**VIII. Amendments:**

None.