

Amendment No. (for drafter's use only)

CHAMBER ACTION

Senate

House

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1 Representative(s) Brown offered the following:

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3 **Amendment (with title amendment)**

4 Between line 1909 and 1910, insert:

5 Section 57. Subsection (15) of section 320.77, Florida  
6 Statutes, is amended to read:

7 320.77 License required of mobile home dealers.--

8 (15) SURETY BOND, CASH BOND, OR IRREVOCABLE LETTER OF  
9 CREDIT REQUIRED.--

10 (a) Before any license shall be issued or renewed, the  
11 applicant or licensee shall deliver to the department a good and  
12 sufficient surety bond, cash bond, or irrevocable letter of  
13 credit, executed by the applicant or licensee as principal ~~and~~  
14 ~~by a surety company qualified to do business in the state as~~  
15 ~~surety~~. The bond or irrevocable letter of credit shall be in a

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HOUSE AMENDMENT

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16 form to be approved by the department and shall be conditioned  
17 upon the dealer's complying with the conditions of any written  
18 contract made by the dealer in connection with the sale,  
19 exchange, or improvement of any mobile home and his or her not  
20 violating any of the provisions of chapter 319 or this chapter  
21 in the conduct of the business for which the dealer is licensed.  
22 The bond or irrevocable letter of credit shall be to the  
23 department and in favor of any retail customer who shall suffer  
24 any loss as a result of any violation of the conditions  
25 ~~hereinabove~~ contained in this section. The bond or irrevocable  
26 letter of credit shall be for the license period, and a new bond  
27 or irrevocable letter of credit or a proper continuation  
28 certificate shall be delivered to the department at the  
29 beginning of each license period. However, the aggregate  
30 liability of the surety in any one license year shall in no  
31 event exceed the sum of such bond, or, in the case of a letter  
32 of credit, the aggregate liability of the issuing bank shall not  
33 exceed the sum of the credit. The amount of the bond required  
34 shall be as follows:

35 1. A single dealer who buys, sells, or deals in mobile  
36 homes and who has four or fewer supplemental licenses shall  
37 provide a surety bond, cash bond, or irrevocable letter of  
38 credit executed by the dealer applicant or licensee in the  
39 amount of \$25,000.

40 2. A single dealer who buys, sells, or deals in mobile  
41 homes and who has more than four supplemental licenses shall  
42 provide a surety bond, cash bond, or irrevocable letter of

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43 credit executed by the dealer applicant or licensee in the  
44 amount of \$50,000.

45  
46 For the purposes of this paragraph, any person who buys, sells,  
47 or deals in both mobile homes and recreational vehicles shall  
48 provide the same surety bond required of dealers who buy, sell,  
49 or deal in mobile homes only.

50 (b) Surety bonds shall be executed by a surety company  
51 authorized to do business in the state as surety, and  
52 irrevocable letters of credit shall be issued by a bank  
53 authorized to do business in the state as a bank.

54 (c) Irrevocable letters of credit shall be engaged by a  
55 bank as an agreement to honor demands for payment as specified  
56 in this section.

57 (d)(b) The department shall, upon denial, suspension, or  
58 revocation of any license, notify the surety company of the  
59 licensee, or bank issuing an irrevocable letter of credit for  
60 the licensee, in writing, that the license has been denied,  
61 suspended, or revoked and shall state the reason for such  
62 denial, suspension, or revocation.

63 (e)(e) Any surety company which pays any claim against the  
64 bond of any licensee or any bank which honors a demand for  
65 payment as a condition specified in a letter of credit of a  
66 licensee shall notify the department, in writing, that ~~it has~~  
67 ~~paid~~ such action has been taken ~~a claim~~ and shall state the  
68 amount of the claim or payment.

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69        ~~(f)(d)~~ Any surety company which cancels the bond of any  
70        licensee or any bank which cancels an irrevocable letter of  
71        credit shall notify the department, in writing, of such  
72        cancellation, giving reason for the cancellation.

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75        ===== T I T L E   A M E N D M E N T =====

76        Remove line(s) 157 and insert:  
77        titling fees; providing certain penalties; amending s.  
78        320.77, F.S.; providing that mobile home dealers may  
79        provide a cash bond or letter of credit in lieu of a  
80        required surety bond; amending s.