

Bill No. CS for CS for SB 454

Barcode 053034

	CHAMBER ACTION	
<u>Senate</u>		<u>House</u>

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The Committee on Transportation and Economic Development  
Appropriations (Sebesta) recommended the following amendment:

**Senate Amendment (with title amendment)**

On page 26, between lines 10 and 11,

insert:

Section 16. Subsection (15) of section 320.77, Florida  
Statutes, is amended to read:

320.77 License required of mobile home dealers.--

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

(a) Before any license shall be issued or renewed, the  
applicant or licensee shall deliver to the department a good  
and sufficient surety bond, cash bond, or irrevocable letter  
of credit, executed by the applicant or licensee as principal  
~~and by a surety company qualified to do business in the state~~  
~~as surety~~. The bond or irrevocable letter of credit shall be  
in a form to be approved by the department and shall be  
conditioned upon the dealer's complying with the conditions of  
any written contract made by the dealer in connection with the

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1 sale, exchange, or improvement of any mobile home and his or  
 2 her not violating any of the provisions of chapter 319 or this  
 3 chapter in the conduct of the business for which the dealer is  
 4 licensed. The bond or irrevocable letter of credit shall be to  
 5 the department and in favor of any retail customer who shall  
 6 suffer any loss as a result of any violation of the conditions  
 7 ~~hereinabove~~ contained in this section. The bond or irrevocable  
 8 letter of credit shall be for the license period, and a new  
 9 bond or irrevocable letter of credit or a proper continuation  
 10 certificate shall be delivered to the department at the  
 11 beginning of each license period. However, the aggregate  
 12 liability of the surety in any one license year shall in no  
 13 event exceed the sum of such bond , or, in the case of a  
 14 letter of credit, the aggregate liability of the issuing bank  
 15 shall not exceed the sum of the credit . The amount of the  
 16 bond required shall be as follows:

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

22       2. A single dealer who buys, sells, or deals in mobile  
 23 homes and who has more than four supplemental licenses shall  
 24 provide a surety bond, cash bond, or irrevocable letter of  
 25 credit executed by the dealer applicant or licensee in the  
 26 amount of \$50,000.

27  
 28 For the purposes of this paragraph, any person who buys,  
 29 sells, or deals in both mobile homes and recreational vehicles  
 30 shall provide the same surety bond required of dealers who  
 31 buy, sell, or deal in mobile homes only.

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1        (b) Surety bonds shall be executed by a surety company  
 2 authorized to do business in the state as surety, and  
 3 irrevocable letters of credit shall be issued by a bank  
 4 authorized to do business in the state as a bank.

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

8        (d)(b) The department shall, upon denial, suspension,  
 9 or revocation of any license, notify the surety company of the  
 10 licensee, or bank issuing an irrevocable letter of credit for  
 11 the licensee, in writing, that the license has been denied,  
 12 suspended, or revoked and shall state the reason for such  
 13 denial, suspension, or revocation.

14        (e)(c) Any surety company which pays any claim against  
 15 the bond of any licensee or any bank which honors a demand for  
 16 payment as a condition specified in a letter of credit of a  
 17 licensee shall notify the department, in writing, that ~~it has~~  
 18 ~~paid~~ such action has been taken a claim and shall state the  
 19 amount of the claim or payment.

20        (f)(d) Any surety company which cancels the bond of  
 21 any licensee or any bank which cancels an irrevocable letter  
 22 of credit shall notify the department, in writing, of such  
 23 cancellation, giving reason for the cancellation.

24  
 25 (Redesignate subsequent sections.)

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

29 And the title is amended as follows:

30            On page 3, line 1, after the first semicolon

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1 insert:

2           amending s. 320.77, F.S.; providing that mobile  
3           home dealers may provide a cash bond or letter  
4           of credit in lieu of a required surety bond;

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