

By Senator Atwater

21-1494-07

1 A bill to be entitled

2 An act relating to warranty responsibility for

3 motor vehicle dealers; amending s. 320.696,

4 F.S.; providing that reasonable compensation

5 for work, including labor and parts, is the

6 same under warranty as under other

7 circumstances unless the motor vehicle

8 manufacturer, distributor, or importer

9 demonstrates that the charges are proper;

10 prohibiting a motor vehicle manufacturer,

11 distributor, or importer from imposing a charge

12 on a motor vehicle dealer for warranty work and

13 certain products; providing an effective date.

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

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17 Section 1. Section 320.696, Florida Statutes, is

18 amended to read:

19 320.696 Warranty responsibility.--The licensee shall

20 reasonably and timely compensate any authorized motor vehicle

21 dealer who performs work, including labor and parts, to

22 rectify the licensee's product or warranty defects or fulfills

23 delivery and preparation obligations. In the determination of

24 what constitutes reasonable compensation under this section,

25 the factors to be given consideration shall include, among

26 others, the compensation being paid by other licensees to

27 their dealers, the prevailing wage rate being paid by the

28 dealers, and the prevailing labor rate being charged by the

29 dealers, in the city or community in which the dealer is doing

30 business. For the purpose of this section, reasonable

31 compensation for work, including labor and parts, by a motor

1 vehicle dealer for warranty repairs or service, including
2 labor and parts, on behalf of a licensee shall not be
3 determined to be less than the amount charged by the dealer
4 for like work to retail customers for nonwarranty repairs and
5 service, including labor and parts, unless the licensee has
6 demonstrated ~~can demonstrate~~ and established ~~establish~~ in a
7 proceeding before the department that the dealer's retail
8 charges for labor and parts are improper in light of all
9 economic circumstances. Compensation not paid within 30 days
10 after ~~of~~ receipt or notice of billing is ~~shall be~~ presumed
11 untimely. A licensee may not otherwise recover, or seek to
12 recover, any of its costs for compensating a motor vehicle
13 dealer for warranty work, including labor and parts, by
14 imposing on a motor vehicle dealer any charge or surcharge to
15 the wholesale price paid by a motor vehicle dealer to the
16 licensee for any product, including motor vehicles and parts.

17 Section 2. This act shall take effect July 1, 2007.

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20 SENATE SUMMARY

21 Provides that reasonable compensation for work, including
22 labor and parts, is the same under warranty as under
23 other circumstances unless the motor vehicle
24 manufacturer, distributor, or importer demonstrates that
25 the charges are proper. Provides that a motor vehicle
26 manufacturer, distributor, or importer may not impose a
27 charge on a motor vehicle dealer for certain products.
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