

1                   A bill to be entitled  
 2           An act relating to motor vehicle manufacturers, importers,  
 3           distributors, and dealers; amending s. 320.696, F.S.;  
 4           revising requirement that certain motor vehicle  
 5           manufacturers and distributors compensate a dealer for  
 6           work performed to rectify product or warranty defects or  
 7           fulfill delivery and preparation obligations; revising  
 8           provisions for determination of compensation amount to  
 9           specify that work includes labor and parts; prohibiting  
 10          the manufacturer or distributor from imposing certain  
 11          charges on the dealer to recover costs of the  
 12          compensation; providing an effective date.

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

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 16          Section 1.   Section 320.696, Florida Statutes, is amended  
 17          to read:

18          320.696   Warranty responsibility.--The licensee shall  
 19          reasonably and timely compensate any authorized motor vehicle  
 20          dealer who performs work, including labor and parts, to rectify  
 21          the licensee's product or warranty defects or fulfills delivery  
 22          and preparation obligations. In the determination of what  
 23          constitutes reasonable compensation under this section, the  
 24          factors to be given consideration shall include, among others,  
 25          the compensation being paid by other licensees to their dealers,  
 26          the prevailing wage rate being paid by the dealers, and the  
 27          prevailing labor rate being charged by the dealers, in the city  
 28          or community in which the dealer is doing business. For the

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29 | purpose of this section, reasonable compensation for work,  
30 | including labor and parts, by a motor vehicle dealer for  
31 | warranty repairs or service, including labor and parts, on  
32 | behalf of a licensee shall not be determined to be less than the  
33 | amount charged by the dealer for like work to retail customers  
34 | for nonwarranty repairs and service, including labor and parts,  
35 | unless the licensee has demonstrated and established ~~can~~  
36 | ~~demonstrate and establish~~ in a proceeding before the department  
37 | that the dealer's retail charges for labor and parts are  
38 | improper in light of all economic circumstances. Compensation  
39 | not paid within 30 days after ~~of~~ receipt or notice of billing  
40 | shall be presumed untimely. A licensee may not otherwise  
41 | recover, or seek to recover, any of its costs for compensating a  
42 | motor vehicle dealer for warranty work, including labor and  
43 | parts, by imposing on a motor vehicle dealer any charge or  
44 | surcharge to the wholesale price paid by a motor vehicle dealer  
45 | to the licensee for any product, including motor vehicles and  
46 | parts.

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