

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

CS/HB 1225

2007

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

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