



485848

CHAMBER ACTION

| <u>Senate</u> | . | <u>House</u> |
|---------------|---|--------------|
| Comm: RCS     | . |              |
| 4/15/2008     | . |              |
|               | . |              |
|               | . |              |

1 The Committee on Regulated Industries (Aronberg) recommended the  
 2 following **amendment**:

3  
 4 **Senate Amendment (with title amendment)**

5 Delete everything after the enacting clause  
 6 and insert:

7 Section 1. Subsections (10), (18), (22), (25), (26), and  
 8 (30) of section 320.64, Florida Statutes, are amended to read:

9 320.64 Denial, suspension, or revocation of license;  
 10 grounds.--A license of a licensee under s. 320.61 may be denied,  
 11 suspended, or revoked within the entire state or at any specific  
 12 location or locations within the state at which the applicant or  
 13 licensee engages or proposes to engage in business, upon proof  
 14 that the section was violated with sufficient frequency to  
 15 establish a pattern of wrongdoing, and a licensee or applicant  
 16 shall be liable for claims and remedies provided in ss. 320.695

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17 | and 320.697 for any violation of any of the following provisions.

18 | A licensee is prohibited from committing the following acts:

19 |       (10) (a) The applicant or licensee has attempted to enter,  
20 | or has entered, into a franchise agreement with a motor vehicle  
21 | dealer who does not, at the time of the franchise agreement, have  
22 | proper facilities to provide the services to his or her  
23 | purchasers of new motor vehicles which are covered by the new  
24 | motor vehicle warranty issued by the applicant or licensee.  
25 | Notwithstanding any provision of a franchise , a licensee may not  
26 | require a motor vehicle dealer, by agreement, program, policy,  
27 | standard or otherwise, to relocate, to make substantial changes,  
28 | alterations, or remodeling to, or to replace a motor vehicle  
29 | dealer's sales or service facilities unless the licensee's  
30 | requirements are reasonable and justifiable in light of the  
31 | current and reasonably foreseeable projections of economic  
32 | conditions, financial expectations and the motor vehicle dealer's  
33 | market for the licensee's motor vehicles.

34 |       (b) A license may, however, provide to a motor vehicle  
35 | dealer a commitment to allocate additional vehicles or a loan or  
36 | grant of money as an inducement for the motor vehicle dealer to  
37 | relocate, expand, improve, remodel, alter, or renovate its  
38 | facilities if the licensee delivers an assurance to the dealer  
39 | that it will offer to supply to the dealer a sufficient quantity  
40 | of new motor vehicles, consistent with its allocation obligations  
41 | at law and to its other same line-make motor vehicle dealers,  
42 | that will economically justify such relocation, expansion,  
43 | improvement, remodeling, renovation, or alteration, in light of  
44 | reasonably current and reasonably projected market and economic  
45 | conditions. The provisions of the increase in vehicle allocation,  
46 | the loan or grant and the assurance, and the basis for them must



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47 be contained in a written agreement voluntarily entered into by  
48 the dealer and must be made available, on substantially similar  
49 terms, to any of the licensee's other same line-make dealers in  
50 this state with whom the licensee offers to enter into such an  
51 agreement.

52 (c) A licensee shall not withhold a bonus, incentive, or  
53 other benefit that is available to its other same line-make  
54 franchised dealers in this state from, or take or threaten to  
55 take any action that is unfair or adverse to a dealer who does  
56 not enter into an agreement with the licensee pursuant to  
57 paragraph (b).

58 (d) A licensee may not refuse to offer a program, bonus,  
59 incentive, or other benefit, in whole or in part, to a dealer in  
60 this state which it offers to its other same line-make dealers  
61 nationally or in the licensee's zone or region in which this  
62 state is included. Neither may it discriminate against a dealer  
63 in this state with respect to any program, bonus, incentive, or  
64 other benefit. For purposes of this chapter, a licensee may not  
65 establish this state alone as a zone, region, or territory by any  
66 other designation.

67 (e) Paragraphs (a) or (b) do not affect any contract  
68 between a licensee and any of its dealers regarding relocation,  
69 expansion, improvement, remodeling, renovation, or alteration  
70 which exists on the effective date of this act.

71 (f) Any portion of a licensee-offered program for a  
72 bonus, incentive, or other benefit that, in whole or in part, is  
73 based upon or aimed at inducing a dealer's relocation, expansion,  
74 improvement, remodeling, renovation, or alteration is void for  
75 each of the licensee's dealers in this state who nevertheless are  
76 eligible for the entire amount of the bonus, incentive, or

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77 benefit offered in the program upon compliance with the other  
78 bases or eligibility provisions in the program.

79 (g) A licensee may set and uniformly apply reasonable  
80 standards for a motor vehicle dealer's sales and service  
81 facilities which are related to upkeep, repair, and cleanliness.

82 (18) The applicant or licensee has established a system  
83 of motor vehicle allocation or distribution or has implemented a  
84 system of allocation or distribution of motor vehicles to one or  
85 more of its franchised motor vehicle dealers which reduces or  
86 alters allocations or supplies of new motor vehicles to the  
87 dealer to achieve, directly or indirectly, a purpose that is  
88 prohibited by ss. 320.60-320.70, or which otherwise is unfair,  
89 inequitable, unreasonably discriminatory, or not supportable by  
90 reason and good cause after considering the equities of the  
91 affected motor vehicles dealer or dealers. An applicant or  
92 licensee shall maintain for 3 years records that describe its  
93 methods or formula of allocation and distribution of its motor  
94 vehicles and records of its actual allocation and distribution of  
95 motor vehicles to its motor vehicle dealers in this state. As  
96 used in this subsection, "unfair" includes, without limitation,  
97 the refusal or failure to offer to any dealer an equitable supply  
98 of new vehicles under its franchise, by model, mix, or colors as  
99 the licensee offers or allocates to its other same line-make  
100 dealers in the state.

101 (22) The applicant or licensee has refused to deliver, in  
102 reasonable quantities and within a reasonable time, to any duly  
103 licensed motor vehicle dealer who has an agreement with such  
104 applicant or licensee for the retail sale of new motor vehicles  
105 and parts for motor vehicles sold or distributed by the applicant  
106 or licensee, any such motor vehicles or parts as are covered by

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107 such agreement. Such refusal includes the failure to offer to its  
108 same line-make franchised motor vehicle dealers all models  
109 manufactured for that line-make, or requiring a dealer to pay any  
110 extra fee, require a dealer to execute a separate franchise  
111 agreement, purchase unreasonable advertising displays or other  
112 materials, or relocate, expand, improve, remodel, renovate, ~~or~~  
113 recondition, or alter the dealer's existing facilities, or  
114 provide exclusive facilities as a prerequisite to receiving a  
115 model or series of vehicles. However, the failure to deliver any  
116 motor vehicle or part will not be considered a violation of this  
117 section if the failure is due to an act of God, work stoppage, or  
118 delay due to a strike or labor difficulty, a freight embargo,  
119 product shortage, or other cause over which the applicant or  
120 licensee has no control. An applicant or licensee may impose  
121 reasonable requirements on the motor vehicle dealer, other than  
122 the items listed above, including, but not limited to, the  
123 purchase of special tools required to properly service a motor  
124 vehicle and the undertaking of sales person or service person  
125 training related to the motor vehicle.

126 (25) The applicant or licensee has undertaken an audit of  
127 warranty payments or incentive payments ~~payment~~ previously paid  
128 to a motor vehicle dealer in violation of this section or has  
129 failed to comply with any of its obligations under s. 320.696. An  
130 applicant or licensee may reasonably and periodically audit a  
131 motor vehicle dealer to determine the validity of paid claims as  
132 provided in s. 320.696. Audit of warranty payments shall only be  
133 for the 1-year period immediately following the date the claim  
134 was paid. Audit of incentive payments shall only be for an 18-  
135 month period immediately following the date the incentive was  
136 paid. An applicant or licensee shall not deny a claim or charge a



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137 | motor vehicle dealer back subsequent to the payment of the claim  
138 | unless the applicant or licensee can show that the claim was  
139 | false or fraudulent or that the motor vehicle dealer failed to  
140 | substantially comply with the reasonable written and uniformly  
141 | applied procedures of the applicant or licensee for such repairs  
142 | or incentives. An applicant or licensee may not charge a motor  
143 | vehicle dealer back subsequent to the payment of a claim unless a  
144 | representative of the applicant or licensee first meets in  
145 | person, by telephone, or by video teleconference with an officer  
146 | or employee of the dealer designated by the motor vehicle dealer.  
147 | At such meeting the applicant or licensee must provide a detailed  
148 | explanation, with supporting documentation, as to the basis for  
149 | each of the claims for which the applicant or licensee proposed a  
150 | charge-back to the dealer and a written statement containing the  
151 | basis upon which the motor vehicle dealer was selected for audit  
152 | or review. Thereafter, the applicant or licensee must provide the  
153 | motor vehicle dealer's representative a reasonable period after  
154 | the meeting within which to respond to the proposed charge-backs,  
155 | with such period to be commensurate with the volume of claims  
156 | under consideration, but in no case less than 45 days after the  
157 | meeting. The applicant or licensee is prohibited from changing or  
158 | altering the basis for each of the proposed charge-backs as  
159 | presented to the motor vehicle dealer's representative following  
160 | the conclusion of the audit unless the applicant or licensee  
161 | receives new information affecting the basis for one or more  
162 | charge-backs. If the applicant or licensee claims the existence  
163 | of new information, the dealer must be given the same right to a  
164 | meeting and right to respond as when the charge-back was  
165 | originally presented.



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166           (26) Notwithstanding the terms of any franchise  
167 agreement, including any licensee's program, policy, or  
168 procedure, the applicant or licensee has refused to allocate,  
169 sell, or deliver motor vehicles; charged back or withheld  
170 payments or other things of value for which the dealer is  
171 otherwise eligible under a sales promotion, program, or contest;  
172 ~~or prevented a the~~ motor vehicle dealer from participating in any  
173 promotion, program, or contest; or has taken or threatened to  
174 take any adverse action against a dealer, including charge backs,  
175 reducing vehicle allocations, or terminating or threatening to  
176 terminate a franchise because the dealer sold or leased a motor  
177 vehicle to a customer who exported the vehicle to a foreign  
178 country or who resold the vehicle, unless the licensee proves  
179 that the dealer had actual knowledge that the customer intended  
180 to export or resell the motor vehicle. There is a conclusive  
181 presumption that the dealer had no actual knowledge if the  
182 vehicle is titled or registered in any state in this country for  
183 ~~selling a motor vehicle to a customer who was present at the~~  
184 ~~dealership and the motor vehicle dealer did not know or should~~  
185 ~~not have reasonably known that the vehicle would be shipped to a~~  
186 ~~foreign country. There will be a rebuttable presumption that the~~  
187 ~~dealer did not know or should not have reasonably known that the~~  
188 ~~vehicle would be shipped to a foreign country if the vehicle is~~  
189 ~~titled in one of the 50 United States.~~

190           (30) The applicant or licensee has conducted or  
191 threatened to conduct any audit of a motor vehicle dealer in  
192 order to coerce or attempt to coerce the dealer to forego any  
193 rights or remedies granted to the dealer under ss. 320.60-320.70  
194 or under the agreement between the licensee and the motor vehicle  
195 dealer. Nothing in this section shall prohibit an applicant or

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196 licensee from reasonably and periodically auditing a dealer to  
197 determine the validity of paid claims, as permitted under this  
198 chapter, if the licensee complies with the provisions of ss.  
199 320.60-320.70 applicable to such audits.

200  
201 A motor vehicle dealer who can demonstrate that a violation of,  
202 or failure to comply with, any of the preceding provisions by an  
203 applicant or licensee will or can adversely and pecuniarily  
204 affect the complaining dealer, shall be entitled to pursue all of  
205 the remedies, procedures, and rights of recovery available under  
206 ss. 320.695 and 320.697.

207 Section 2. Section 320.6412, Florida Statutes, is created  
208 to read:

209 320.6412 Franchise termination based on fraud; standard  
210 of proof.--

211 Notwithstanding the provisions of any franchise agreement,  
212 a franchise agreement of a motor vehicle dealer may not be  
213 terminated, canceled, discontinued, or not renewed by a licensee  
214 on the basis of misrepresentation or fraud, or the filing of any  
215 false or fraudulent statements or claims with the licensee,  
216 unless the licensee proves by a preponderance of the evidence  
217 before a trier of fact either that the majority owner, or if  
218 there is no majority owner, the person designated as the dealer-  
219 principal in the franchise agreement, knew of such acts at the  
220 time they allegedly were committed, or that the licensee provided  
221 written notice detailing such alleged acts to the majority owner  
222 or dealer-principal who, within a reasonable time after receipt  
223 of such written notice, failed to take actions reasonably  
224 calculated to prevent such acts from continuing or recurring.



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225 Section 3. Section 320.696, Florida Statutes, is amended  
226 to read:

227 (Substantial rewording of section. See s. 320.696, F.S.,  
228 for present text.)

229 320.696 Warranty responsibility.--

230 (1) (a) A licensee shall timely compensate a motor vehicle  
231 dealer who performs work to maintain or repair a licensee's  
232 product under a warranty or maintenance plan, extended warranty,  
233 certified pre-owned warranty, or a service contract, issued by  
234 the licensee or its common entity, unless issued by an entity  
235 that is not under common ownership or control of the maker of the  
236 motor vehicle; to fulfill a licensee's delivery or preparation  
237 procedures; or to repair a motor vehicle as a result of a  
238 licensee's or common entity's recall, campaign service,  
239 authorized goodwill, directive, or bulletin.

240 (b) As used in this section, the terms "compensate" and  
241 "compensation" shall include all labor and parts included in the  
242 work as provided in this section. The term "labor" shall include  
243 time spent by employees for diagnosis and repair of a vehicle.  
244 The term "parts" shall include replacement parts and accessories.  
245 The term "retail customer repair" means work, including parts and  
246 labor, performed by a dealer which does not come within the  
247 provisions of a licensee's or its common entity's warranty,  
248 extended warranty, certified pre-owned warranty, service  
249 contract, or maintenance plan, and excludes parts and labor  
250 described in paragraphs (3) (b) and (4) (c).

251 (c) Compensation not paid to a motor vehicle dealer  
252 within 30 days after receipt of a claim is not timely. A licensee  
253 shall not establish or implement a term, policy, or procedure  
254 different from those described in this section for any motor

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255 vehicle dealer to obtain compensation under this section, and  
256 shall not pay a motor vehicle dealer less than amounts due  
257 pursuant to this section.

258 (2) A licensee shall not take or threaten to take adverse  
259 action against a motor vehicle dealer who seeks to obtain  
260 compensation pursuant to this section. As used in this  
261 subsection, the term "adverse action" includes, without  
262 limitation, acting or failing to act, other than in good faith;  
263 creating or implementing an obstacle or process that is  
264 inconsistent with the licensee's obligations to the dealer under  
265 this section; hindering, delaying, or rejecting the proper and  
266 timely payment of compensation due under this section to a  
267 dealer; establishing, implementing, enforcing, or applying any  
268 policy, standard, rule, program, or incentive regarding  
269 compensation due under this section other than in a uniform and  
270 nondisparate manner among the licensee's dealers in this state;  
271 conducting or threatening to conduct any warranty, retail  
272 customer repair, or other service-related audit more frequently  
273 than once each calendar year; or denying, reducing, or charging  
274 back a warranty claim because of a dealer's failure to comply  
275 with all of the licensee's requirements for describing or  
276 processing a claim.

277 (3) (a) A licensee shall compensate a motor vehicle dealer  
278 for parts used in any work described in subsection (1). The  
279 compensation may be an agreed percentage markup over the  
280 licensee's dealer cost, but if an agreement is not reached within  
281 30 days after a dealer's written request, compensation for the  
282 parts is the greater of:

283 1. The dealer's arithmetical mean percentage markup over  
284 dealer cost for all parts charged by the dealer in 50 consecutive

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285 retail customer repairs made by the dealer within a 3-month  
286 period before the dealer's written request for a change in  
287 reimbursement pursuant to this section, or all of the retail  
288 customer repair orders over that 3 month period if there are  
289 fewer than 50 retail customer repair orders in that period. The  
290 motor vehicle dealer shall give the licensee 10 days written  
291 notice that it intends to make a written request to the licensee  
292 for a warranty parts reimbursement increase and permit the  
293 licensee, within that 10 day period, to select the initial retail  
294 customer repair for the consecutive repair orders that will be  
295 attached to the written request used for the markup computation,  
296 provided that if the licensee fails to provide a timely  
297 selection, the dealer may make that selection. No repair order  
298 shall be excluded from the markup computation because it contains  
299 both warranty, extended warranty, certified pre-owned warranty,  
300 maintenance, recall, campaign service, or authorized goodwill  
301 work and a retail customer repair. However, only the retail  
302 customer repair portion of the repair order shall be included in  
303 the computation and the parts described in paragraph (b) shall be  
304 excluded from the computation;

305 2. The licensee's highest suggested retail or list price  
306 for the parts; or

307 3. An amount equal to the dealer's markup over dealer  
308 cost that results in the same gross profit percentage for parts  
309 used in work done under subsection (1) as the dealer receives for  
310 parts used in the customer retail repairs, as evidenced by the  
311 average of said dealer's gross profit percentage in the dealer's  
312 financial statements for the two months preceding the dealer's  
313 request.

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315 If a licensee reduces the suggested retail or list price for any  
316 replacement part or accessory, it also shall reduce, by at least  
317 the same percentage, the cost to the dealer for the part or  
318 accessory. The dealer's markup or gross profit percentage shall  
319 be uniformly applied to all of the licensee's parts used by the  
320 dealer in performing work covered by subsection (1).

321 (b) In calculating the compensation to be paid for parts  
322 by the arithmetic mean percentage markup over dealer cost method  
323 in paragraph (a), parts discounted by a dealer for repairs made  
324 in group, fleet, insurance, or other third-party payer service  
325 work; parts used in repairs of government agencies' repairs for  
326 which volume discounts have been negotiated; parts used in  
327 special event, specials, or promotional discounts for retail  
328 customer repairs; parts sold at wholesale; parts used for  
329 internal repairs; engine assemblies and transmission assemblies;  
330 parts used in retail customer repairs for routine maintenance,  
331 such as fluids, filters and belts; nuts, bolts, fasteners, and  
332 similar items that do not have an individual part number; and  
333 tires shall be excluded in determining the percentage markup over  
334 dealer cost.

335 (c) If a licensee furnishes a part or component to a  
336 motor vehicle dealer at no cost to use in performing repairs  
337 under a recall, campaign service action, or warranty repair, the  
338 licensee shall compensate the dealer for the part or component in  
339 the same manner as warranty parts compensation under this  
340 subsection, less the dealer cost for the part or component as  
341 listed in the licensee's price schedule.

342 (d) A licensee shall not establish or implement a special  
343 part or component number for parts used in predelivery, dealer  
344 preparation, warranty, extended warranty, certified pre-owned

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345 warranty, recall, campaign service, authorized goodwill, or  
346 maintenance-only applications if that results in lower  
347 compensation to the dealer than as calculated in this subsection.

348 (4) (a) A licensee shall compensate a motor vehicle dealer  
349 for labor performed in connection with work described in  
350 subsection (1) as calculated in this subsection.

351 (b) Compensation paid by a licensee to a motor vehicle  
352 dealer may be an agreed hourly labor rate. If, however, an  
353 agreement is not reached within 30 days after the dealer's  
354 written request, the dealer may choose to be paid the greater of:

355 1. The dealer's hourly labor rate for retail customer  
356 repairs, determined by dividing the amount of the dealer's total  
357 labor sales for retail customer repairs by the number of total  
358 labor hours that generated those sales for the month preceding  
359 the request, excluding the work in paragraph (c); or

360 2. An amount equal to the dealer's markup over dealer  
361 cost that results in the same gross profit percentage for labor  
362 hours performed in work covered by subsection (1) as the dealer  
363 receives for labor performed in its customer retail repairs, as  
364 evidenced by the average of said dealer's gross profit  
365 percentage in the dealer's financial statements provided to the  
366 licensee for the two months preceding the dealer's written  
367 request, if the dealer provides in the written request the  
368 arithmetical mean of the hourly wage paid to all of its  
369 technicians during that preceding month. The arithmetical mean  
370 shall be the dealer cost used in that calculation.

371  
372 After an hourly labor rate is agreed or determined, the licensee  
373 shall uniformly apply and pay that hourly labor rate for all  
374 labor used by the dealer in performing work under subsection (1).

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375 However, a licensee shall not pay an hourly labor rate less than  
376 the hourly rate it was paying to the dealer for work done under  
377 subsection (1) on January 2, 2008. A licensee shall not eliminate  
378 flat-rate times from, or establish an unreasonable flat-rate time  
379 in its warranty repair manual, warranty time guide, or any other  
380 similarly named document. A licensee shall establish reasonable  
381 flat-rate labor times in its warranty repair manuals and warranty  
382 time guides for newly introduced model motor vehicles which are  
383 at least consistent with its existing documents. As used in this  
384 subsection, the terms "retail customer repair" and "similar work"  
385 are not limited to a repair to the same model vehicle or model  
386 year, but include prior repairs that resemble but are not  
387 identical to the repair for which the dealer is making a claim  
388 for compensation.

389 (c) In determining the hourly labor rate calculated under  
390 subparagraph (b)1., a dealer's labor charges for internal vehicle  
391 repairs; vehicle reconditioning; repairs performed for group,  
392 fleet, insurance, or other third party payers; discounted repairs  
393 of motor vehicles for government agencies; labor used in special  
394 events, specials, express service; and promotional discounts  
395 shall not be included as retail customer repairs and shall be  
396 excluded from such calculations.

397 (5) A licensee shall not review, change, or fail to pay a  
398 motor vehicle dealer for parts or labor determined under this  
399 section unless the dealer has requested a change, or the action  
400 is pursuant to the licensee's written, predetermined schedule for  
401 increasing parts or labor compensation that is not contrary to  
402 any provision of this section. A dealer may make written requests  
403 for changes in compensation for parts or labor performed under  
404 this section not more than semiannually. The dealer shall attach

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405 supporting documentation to each written request. Any increase in  
406 parts or labor reimbursement determined thereafter to be owed to  
407 the dealer shall be paid pursuant to this section retroactively  
408 for all claims filed by a dealer 15 days after the date of the  
409 licensee's receipt of the dealer's written request.

410 (6) A licensee shall not recover or attempt to recover,  
411 directly or indirectly, any of its costs for compensating a motor  
412 vehicle dealer under this section, including by decreasing or  
413 eliminating solely in this state or as it relates to any of its  
414 dealers, any bonuses or other incentive that the licensee has in  
415 effect nationally, regionally, or in a territory by any other  
416 designation; by reducing the dealer's gross margin for any of the  
417 licensee's products or services where the wholesale price charged  
418 to the dealer is determined by the licensee and the reduction is  
419 not in effect nationally or regionally; by imposing a separate  
420 charge or surcharge to the wholesale price paid by a dealer in  
421 this state for any product or service offered to or supplied by a  
422 licensee under a franchise agreement with the dealer; or by  
423 passing on to the dealer any charge or surcharge of a common  
424 entity of the licensee.

425 (7) A licensee shall not require, influence, or attempt  
426 to influence a motor vehicle dealer to implement or change the  
427 prices for which it sells parts or labor in retail customer  
428 repairs. A licensee shall not implement or continue a policy,  
429 procedure, or program to any of its dealers in this state for  
430 compensation under this section which is inconsistent with this  
431 section.

432 (8) If a court determines with finality that any  
433 provision of this section is void or unenforceable, the remaining  
434 provisions shall not be affected but shall remain in effect.



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435 Section 4. This act shall take effect upon becoming a law.

436

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

438 And the title is amended as follows:

439 Delete everything before the enacting clause

440 and insert:

441 A bill to be entitled

442 An act relating to motor vehicle dealers; amending s.  
443 320.64, F.S.; prohibiting licensees from certain actions  
444 intended to coerce a dealer to improve its facilities  
445 after the licensee has approved those facilities; allowing  
446 licensees to offer certain loan or grant programs to  
447 induce the dealer to relocate or improve the existing  
448 facilities, if such inducement is not discriminatory or  
449 designed to force the dealer to do so; prohibiting certain  
450 adverse actions against a dealer who does not participate  
451 in such programs; declaring certain inducement programs  
452 void; authorizing a licensee to set reasonable standards  
453 for dealer sales and facilities; prohibiting licensees  
454 from altering allocations or supplies of new vehicles to  
455 achieve goals that are prohibited in this state by  
456 statute; clarifying a provision relating to a prohibition  
457 against a dealer selling a motor vehicle to a customer who  
458 exported or resold the vehicle; requiring the licensee to  
459 prove the dealer had actual knowledge of the customer's  
460 intent to export or resell the vehicle; creating a  
461 conclusive presumption that the dealer had no actual  
462 knowledge if the vehicle was titled or registered in this  
463 country; authorizing licensees to audit dealers to  
464 determine the validity of paid claims if the licensee





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465 | complies with applicable statutory requirements; creating  
466 | s. 320.6412, F.S.; providing a burden of proof in actions  
467 | to terminate a motor vehicle dealer franchise based on  
468 | fraud or misrepresentation; amending s. 320.696, F.S.;  
469 | substantially revising provisions relating to the  
470 | licensee's responsibility to timely and reasonably  
471 | compensate a dealer who performs warranty, service  
472 | contract maintenance plan, or other vehicle preparation  
473 | work; providing methods of determining the cost for parts  
474 | and labor to be paid to a dealer as compensation for  
475 | performing warranty repairs and vehicle preparation for  
476 | the licensee; prohibiting the licensee from taking certain  
477 | adverse actions against a dealer for seeking to obtain  
478 | compensation for such work; prohibiting certain acts by a  
479 | licensee to reduce the amount of compensation to be paid  
480 | to a dealer or to offset or recover from the dealer  
481 | compensation previously received; providing severability;  
482 | providing an effective date.