CHAMBER ACTION

<u>Senate</u> <u>House</u>

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Representative Rouson offered the following:

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Amendment

Remove lines 146-168 and insert:

(9) A dealer waives any predispute arbitration agreement and the requirement that a customer provide a notice of claim before initiating civil litigation as provided in this section if the dealer fails to provide to the customer, at the time of sale or other transaction to which this part applies, a document separate from any contract or agreement that is written in the same language as the contract or agreement and that provides the following form in at least 12-point type:

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NOTICE OF CUSTOMER'S RIGHTS REGARDING UNFAIR AND DECEPTIVE

PRACTICES BY MOTOR VEHICLE DEALERS

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Amen	dme:	nt.	No.

If you feel your motor vehicle dealer has engaged in one of the unfair and deceptive acts listed below, Florida law requires that you provide to the dealer written notice of a claim against the dealer at least 30 days before you can sue or arbitrate with your dealer.

This notice to the dealer must be delivered by United

States mail or other nationally recognized carrier, return

receipt requested, and include substantially the following:

- 1. Your name, address, and telephone number.
- 2. The name and address of the dealer.
- 3. A description of the underlying facts of the claim, including a description of each item for which actual damages are claimed.
- 4. The amount of damages, or, if you don't know, the best estimate of the damages.

Include copies of any documents you have upon which your claim is based.

Here is a list of unfair or deceptive acts or practices found in s. 501.976, Florida Statutes; these are examples of what a motor vehicle dealer may NOT do:

1. Represent directly or indirectly that a motor vehicle is a factory executive vehicle or executive vehicle unless such vehicle was purchased directly from the

- 2. Represent directly or indirectly that a vehicle is a demonstrator unless the vehicle complies with the definition of a demonstrator in s. 320.60, Florida Statutes.
- 3. Represent the previous usage or status of a vehicle to be something that it was not, or make usage or status representations unless the dealer has correct information regarding the history of the vehicle to support the representations.
- 4. Represent the quality of care, regularity of servicing, or general condition of a vehicle unless known by the dealer to be true and supportable by material fact.
- 5. Represent orally or in writing that a particular vehicle has not sustained structural or substantial skin damage unless the statement is made in good faith and the vehicle has been inspected by the dealer or his or her agent to determine whether the vehicle has incurred such damage.
- 6. Sell a vehicle without fully and conspicuously disclosing in writing at or before the consummation of sale any warranty or guarantee terms, obligations, or conditions that the dealer or manufacturer has given to the buyer. If the warranty obligations are to be shared by the dealer and the buyer, the method of determining the percentage of

repair costs to be assumed by each party must be disclosed. If the dealer intends to disclaim or limit any expressed or implied warranty, the disclaimer must be in writing in a conspicuous manner and in lay terms in accordance with chapter 672, Florida Statutes, and the Magnuson-Moss Warranty-Federal Trade Commission Improvement Act.

- 7. Provide an express or implied warranty and fail to honor such warranty unless properly disclaimed pursuant to paragraph 6..
- 8. Misrepresent warranty coverage, application period, or any warranty transfer cost or conditions to a customer.
- 9. Obtain signatures from a customer on contracts that are not fully completed at the time the customer signs or that do not reflect accurately the negotiations and agreement between the customer and the dealer.
- 10. Require or accept a deposit from a prospective customer before entering into a binding contract for the purchase and sale of a vehicle unless the customer is given a written receipt that states how long the dealer will hold the vehicle from other sale and the amount of the deposit, and clearly and conspicuously states whether and upon what conditions the deposit is refundable or nonrefundable.
- 11. Add to the cash price of a vehicle as defined in s. 520.02(2), Florida Statutes, any fee or charge other than those provided in that section and in rule 69V-50.001, Florida Administrative Code. All fees or charges permitted to be added to the cash price by rule 69V-50.001, Florida

Administrative	Code, mus	t be fully	disclosed	to customers
in all binding	contracts	concerning	g the vehic	cle's selling
price.				

- 12. Alter or change the odometer mileage of a vehicle.
- 13. Sell a vehicle without disclosing to the customer the actual year and model of the vehicle.
- 14. File a lien against a new vehicle purchased with a check unless the dealer fully discloses to the purchaser that a lien will be filed if purchase is made by check and fully discloses to the buyer the procedures and cost to the buyer for gaining title to the vehicle after the lien is filed.
- 15. Increase the price of the vehicle after having accepted an order of purchase or a contract from a buyer, notwithstanding subsequent receipt of an official price change notification. The price of a vehicle may be increased after a dealer accepts an order of purchase or a contract from a buyer if:
- a. A trade-in vehicle is reappraised because it subsequently is damaged, or parts or accessories are removed;
- b. The price increase is caused by the addition of new equipment, as required by state or federal law;
- c. The price increase is caused by the revaluation of the United States dollar by the Federal Government, in the case of a foreign-made vehicle;

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	d.	The pric	e increase	is	caused	by	state	or	federal
tax	rate	changes;	or						

- <u>e. Price protection is not provided by the</u> manufacturer, importer, or distributor.
- 16. Advertise the price of a vehicle unless the vehicle is identified by year, make, model, and a commonly accepted trade, brand, or style name. The advertised price must include all fees or charges that the customer must pay, including freight or destination charge, dealer preparation charge, and charges for undercoating or rustproofing. State and local taxes, tags, registration fees, and title fees, unless otherwise required by local law or standard, need not be disclosed in the advertisement. When two or more dealers advertise jointly, with or without participation of the franchisor, the advertised price need not include fees and charges that are variable among the individual dealers cooperating in the advertisement, but the nature of all charges that are not included in the advertised price must be disclosed in the advertisement.
- 17. Charge a customer for any predelivery service required by the manufacturer, distributor, or importer for which the dealer is reimbursed by the manufacturer, distributor, or importer.
- 18. Charge a customer for any predelivery service without having printed on all documents that include a line item for predelivery service the following disclosure:

 "This charge represents costs and profit to the dealer for

	Amendment No.
156	items such as inspecting, cleaning, and adjusting vehicles,
157	and preparing documents related to the sale."
158	19. Fail to disclose damage to a new motor vehicle,
159	as defined in s. 319.001(9), Florida Statutes, of which the
160	dealer had actual knowledge, if the dealer's actual cost of
161	repairs exceeds the threshold amount, excluding replacement
162	<pre>items.</pre>
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164	THIS LIST IS NOT AN EXHAUSTIVE LIST OF UNFAIR OR DECEPTIVE
165	ACTS OR PRACTICES.
166	
167	[Dealership Name]
168	[Authorized Dealership Management Representative]
169	[Dealership Address]
170	
171	I have explained this document to the customer.
172	
173	[Signature of Authorized Dealer Management Representative)
174	(Date signed]
175	

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[Customer's Signature] [Date Signed]