

By the Committees on Judiciary; and Infrastructure and Security;  
and Senator Diaz

590-03950-20

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1 A bill to be entitled

2 An act relating to motor vehicle manufacturers and  
3 dealers; amending s. 320.60, F.S.; redefining the term  
4 "line-make vehicle"; amending s. 320.605, F.S.;  
5 replacing legislative intent with legislative  
6 findings; amending s. 320.64, F.S.; revising a  
7 prohibition against certain applicants and licensees  
8 competing with franchised motor vehicle dealers in  
9 this state; defining the term "sale"; providing an  
10 effective date.

11  
12 Be It Enacted by the Legislature of the State of Florida:

13  
14 Section 1. Subsection (14) of section 320.60, Florida  
15 Statutes, is amended to read:

16 320.60 Definitions for ss. 320.61-320.70.—Whenever used in  
17 ss. 320.61-320.70, unless the context otherwise requires, the  
18 following words and terms have the following meanings:

19 (14) "Line-make vehicle" includes all models and types of  
20 motor vehicles, regardless of the kind of engine, power plant,  
21 or drive train they have; their design; or their intended use or  
22 classification, which are offered for retail sale, lease,  
23 license, subscription, or any other method of distribution under  
24 a common name, trademark, service mark, or brand name of the  
25 manufacturer of such vehicle. A line-make model or type that has  
26 been the subject of a franchise with a motor vehicle dealer in  
27 this state may not be sold or otherwise distributed or marketed  
28 in any way by an applicant or licensee other than through its  
29 franchised motor vehicle dealer, and, thereafter, may not be

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30 rebadged or otherwise marketed as a new line-make unless the  
31 manufacturer, importer, or distributor of such new line-make  
32 offers a franchise of that new line-make to every motor vehicle  
33 dealer that was franchised to sell that model or type before  
34 rebadging vehicles" are those motor vehicles which are offered  
35 for sale, lease, or distribution under a common name, trademark,  
36 service mark, or brand name of the manufacturer of same.

37 However, motor vehicles sold or leased under multiple brand  
38 names or marks shall constitute a single line-make when they are  
39 included in a single franchise agreement and every motor vehicle  
40 dealer in this state authorized to sell or lease any such  
41 vehicles has been offered the right to sell or lease all of the  
42 multiple brand names or marks covered by the single franchise  
43 agreement. However ~~Except~~, such multiple brand names or marks  
44 are shall be considered individual franchises for purposes of s.  
45 320.64(36).

46 Section 2. Section 320.605, Florida Statutes, is amended to  
47 read:

48 320.605 Legislative findings intent.~~-The Legislature finds~~  
49 and declares that the marketing and servicing of motor vehicles  
50 in this state vitally affects the general economy and the public  
51 health, safety, and welfare of its residents. The Legislature  
52 further finds and declares that a well-regulated motor vehicle  
53 franchise system in this state maintains fair competition;  
54 provides consumers with an organized and localized sales and  
55 service dealership network; provides tens of thousands of jobs  
56 for the residents of this state; protects consumers; provides  
57 consumers with quality warranty, repair, and recall facilities;  
58 allows the state to further, through licensing and regulation,

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59 the public's interest in maintaining fair and harmonious  
60 relations between motor vehicle manufacturers, importers,  
61 distributors, and dealers; and provides minorities with  
62 opportunities for participation as motor vehicle dealers ~~It is~~  
63 ~~the intent of the Legislature to protect the public health,~~  
64 ~~safety, and welfare of the citizens of the state by regulating~~  
65 ~~the licensing of motor vehicle dealers and manufacturers,~~  
66 ~~maintaining competition, providing consumer protection and fair~~  
67 ~~trade and providing minorities with opportunities for full~~  
68 ~~participation as motor vehicle dealers.~~

69 Section 3. Subsection (23) of section 320.64, Florida  
70 Statutes, is amended to read:

71 320.64 Denial, suspension, or revocation of license;  
72 grounds.—A license of a licensee under s. 320.61 may be denied,  
73 suspended, or revoked within the entire state or at any specific  
74 location or locations within the state at which the applicant or  
75 licensee engages or proposes to engage in business, upon proof  
76 that the section was violated with sufficient frequency to  
77 establish a pattern of wrongdoing, and a licensee or applicant  
78 shall be liable for claims and remedies provided in ss. 320.695  
79 and 320.697 for any violation of any of the following  
80 provisions. A licensee is prohibited from committing the  
81 following acts:

82 (23) The applicant or licensee has competed, ~~or~~ is  
83 competing, or has attempted to compete with one of its  
84 franchised motor vehicle dealers in the sale or service of  
85 vehicles; in the sale of replacement parts, accessories, or  
86 after-market products; in collision repair; or in any other  
87 motor vehicle dealer activity related to the line-make for which

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88 the motor vehicle dealer in this state is a party to a franchise  
89 agreement with the applicant or licensee, except as permitted in  
90 s. 320.645. As used in this subsection, the term "sale" includes  
91 the sale, leasing, rental, licensing, subscription, or any other  
92 transfer to a retail consumer, a wholesaler, or a broker of  
93 title, possession, or use of a motor vehicle, replacement parts,  
94 or accessories that are the subject of, or covered in the  
95 franchise agreement with, the motor vehicle dealer. Nothing  
96 contained in the foregoing shall prevent a common entity of an  
97 applicant or licensee from selling replacement parts,  
98 accessories, or after-market products under the common entity's  
99 brand name ~~with respect to any activity covered by the franchise~~  
100 ~~agreement with a motor vehicle dealer of the same line-make~~  
101 ~~located in this state with whom the applicant or licensee has~~  
102 ~~entered into a franchise agreement, except as permitted in s.~~  
103 ~~320.645.~~

104  
105 A motor vehicle dealer who can demonstrate that a violation of,  
106 or failure to comply with, any of the preceding provisions by an  
107 applicant or licensee will or may adversely and pecuniarily  
108 affect the complaining dealer, shall be entitled to pursue all  
109 of the remedies, procedures, and rights of recovery available  
110 under ss. 320.695 and 320.697.

111 Section 4. This act shall take effect July 1, 2020.