Amendment No. 1

COMMITTEE/SUBCOMMITTER	E ACTION
ADOPTED	(Y/N)
ADOPTED AS AMENDED	(Y/N)
ADOPTED W/O OBJECTION	(Y/N)
FAILED TO ADOPT	(Y/N)
WITHDRAWN	(Y/N)
OTHER	

Committee/Subcommittee hearing bill: Commerce Committee Representative Avila offered the following:

Amendment

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Remove lines 71-135 and insert:

- (a) That is of the same make and model manufactured, imported, or distributed by the licensee;
- (b) That is subject to a recall notice issued by the licensee or an authorized governmental agency, including a recall notice issued before July 1, 2017, regardless of whether the vehicle is identified by its vehicle identification number;
- (c) That is held by the motor vehicle dealer in the dealer's inventory at the time the recall notice is issued or that is taken by the motor vehicle dealer into the dealer's inventory after the recall notice as a result of a trade-in, lease return, or otherwise;

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	(d)	That	canno	t be	repa	irec	d due	to	the	unav	ai.	labi	lity,	<u>-</u>
withi	n 30	days	after	issu	ance	of	the	reca	all n	otic	ce,	of a	a rer	nedy
or pa	rts:	necess	sary f	or th	e mo	tor	vehi	cle	deal	er t	io r	make	the	
recal	l re	pair;	and											

- (e) For which the licensee has not issued a written statement to the motor vehicle dealer indicating that the used motor vehicle may be sold or delivered to a retail customer before completion of the recall repair. The purpose of such written statement is to provide notice to the motor vehicle dealer that the vehicle may be sold or delivered based solely on the specific recall notice and may not address a vehicle condition not covered by the recall notice.
- (2) The licensee shall pay the required compensation within 30 days after the motor vehicle dealer's application for payment. Applications for payment must be submitted monthly, as necessary, through the licensee's existing warranty application system or another system or process established by the licensee which is not unduly burdensome or which does not require information unnecessary for the payment.
- (3) Compensation under this section must be the greater of:
- (a) Payment at a rate of at least 1.5 percent per month of the motor vehicle value, as determined by the average Black Book value of the corresponding model year vehicle of average condition, of each eligible used motor vehicle in the motor

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 vehicle dealer's inventory for each month that the dealer does not receive a remedy and parts to complete the required recall repair. Such payment must be prorated for any period less than 1 month based on the number of days during the month each eligible used motor vehicle is in the motor vehicle dealer's inventory. Payment shall be calculated from the date the recall was issued, the date the vehicle was acquired, or July 1, 2017, whichever is latest.

- (b) Payment under a national program applicable to all motor vehicle dealers holding a franchise agreement with the licensee for the motor vehicle dealer's costs associated with holding the eligible used motor vehicles.
- (4) For purposes of this section, a licensee does not include a motorcycle manufacturer, distributor, or importer.

Section 3. For the purpose of incorporating section 320.6407, Florida Statutes, as created by this act, in references thereto, section 320.6992, Florida Statutes, is reenacted to read:

320.6992 Application.—Sections 320.60-320.70, including amendments to ss. 320.60-320.70, apply to all presently existing or hereafter established systems of distribution of motor vehicles in this state, except to the extent that such application would impair valid contractual agreements in violation of the State Constitution or Federal Constitution. Sections 320.60-320.70 do not apply to any judicial or

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COMMITTEE/SUBCOMMITTEE AMENDMENT Bill No. CS/HB 775 (2017)

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administrative proceeding pending as of October 1, 1988. All agreements renewed, amended, or entered into subsequent to October 1, 1988, shall be governed by ss. 320.60-320.70, including any amendments to ss. 320.60-320.70 which have been or may be from time to time adopted, unless the amendment specifically provides otherwise, and except to the extent that such application would impair valid contractual agreements in violation of the State Constitution or Federal Constitution.

Section 4. This act shall take effect July 1, 2017.

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