

THE FLORIDA SENATE  
2016 SUMMARY OF LEGISLATION PASSED  
**Committee on Transportation**

**CS/CS/HB 231 — Motor Vehicle Manufacturer Licenses**

by Judiciary Committee; Business and Professions Subcommittee; and Rep. Trujillo and others (CS/SB 960 by Transportation Committee and Senator Bradley)

***Motor Vehicle Manufacturer Licenses***

The bill provides additional grounds to deny, suspend, or revoke a license held by a motor vehicle manufacturer, factory branch, distributor, or importer (collectively known as the licensee), and prohibits the licensees from taking certain actions against motor vehicle dealers. Specifically, the licensee:

- Is limited to a 12-month period, instead of an 18-month period, following the date an incentive payment was paid to perform an audit of such payment, and can only deny service-related or incentive claims if the licensee proves the claim was false or fraudulent, or the dealer failed to comply with procedures for such repairs or incentives;
- May not take adverse action against a motor vehicle dealer due to a delivered motor vehicle being resold or exported by the customer unless the licensee provides written notification to the dealer within 12 months of delivery of the vehicle to a customer;
- Must pay a dealer for temporary replacement vehicles provided to customers during service or repair provided the dealer complies with the licensee's written vehicle eligibility requirements relating to loaner vehicles; and
- May not require or coerce a dealer to purchase goods or services from any specific vendor selected by the licensee without making available the option to obtain the goods or services from a vendor chosen by the dealer, and provides the term "goods and services" is limited to goods and services used to construct or renovate dealership facilities or furniture and fixtures at dealership facilities.

***Protection of Motor Vehicle Dealers' Consumer Data***

The bill requires licensees and third parties acting on behalf of a licensee to comply with certain use restrictions for consumer data that is provided to them by a motor vehicle dealer.

Specifically, the bill:

- Requires licensees to comply with, and not knowingly cause a dealer to violate, all laws governing the reuse or disclosure of consumer data, and to provide a written statement that specifies the licensee's methods used to safeguard consumer data;
- Makes licensees responsible for provision, upon a dealers request, of a written list of consumer data obtained by a licensee from the dealer, and a written list of all persons to whom the consumer data has been provided to during the previous 6 months, with specific exemptions;
- Prohibits licensees from requiring a dealer to grant the licensee, or a third party acting on behalf of the licensee, direct access to the dealer's data management system in order for the licensee to collect consumer data;
- Provides for methods by which a licensee may be granted permission by a dealer to directly access the dealer's consumer data; and

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- Requires the licensee to indemnify the dealer for any third-party claims asserted against or damages incurred by the dealer as a result of the licensee's or third party's access, use, or disclosure of the consumer data.

The bill also provides that any person who institutes a cause of action against a licensee for a violation of the prohibitions or requirements established in s. 320.697(2)(a), (2)(b), or (2)(c), F.S., has the burden of proving that the violation was willful or with sufficient frequency to establish a pattern of wrongdoing with respect to such person's consumer data.

If approved by the Governor, these provisions take effect upon becoming law.

*Vote: Senate 38-0; House 115-0*