

Committee on Transportation

CS/CS/HB 1175 — Motor Vehicle Manufacturers and Dealers

by Commerce Committee; Careers and Competition Subcommittee; and Rep. Diaz, M. (CS/SB 1678 by Transportation Committee and Senators Garcia and Campbell)

The bill address issues related to contracts between licensed motor vehicle manufacturers, distributors, and importers (licensees), and motor vehicle dealers. Specifically, the bill provides:

- A dealer who completes any licensee-approved program related to facility construction, improvements, renovations, expansion, remodeling, or alterations, or installation of signs or other image elements is in full compliance with the licensee's requirements related to the new, remodeled, improved, renovated, expanded, replaced, or altered facilities, signs, and image elements for a ten-year period following such completion; and
- A dealer who has completed a prior approved facility incentive program, standard, or policy during the ten-year period but does not comply with the provisions related to facility, sign, or image under a revised or new program is not eligible for the revised or new benefits, but is entitled to all prior benefits plus any increase in benefits between the prior and new or revised program during the remainder of the ten-year period.

The bill also prohibits a licensee from establishing, implementing, or enforcing criteria for measuring sales or service performance of franchised dealers which have a negative material or adverse effect on any dealer and are unfair, unreasonable, arbitrary, or inequitable, or which do not include all applicable local and regional criteria, data, and facts. A licensee, common entity, or affiliate thereof that seeks to establish, implement, or enforce such performance measurements must, upon request of the dealer, describe in writing how the performance measurement criteria were designed, calculated, established, and uniformly applied.

The bill reenacts ss. 320.60-320.70, F.S., to incorporate changes made by the bill.

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

Vote: Senate 37-0; House 104-12