Florida House of Representatives - 2001 HB 1917

By the Committee on Agriculture & Consumer Affairs and Representative Spratt

1	A bill to be entitled
2	An act relating to assistive technology;
3	amending s. 400.925, F.S.; revising definitions
4	with respect to home medical equipment;
5	amending s. 427.802, F.S.; revising definitions
6	with respect to home medical equipment
7	providers; amending s. 427.803, F.S.; revising
8	warranty requirements under the Assistive
9	Technology Device Warranty Act; providing for
10	express warranties; amending s. 427.804, F.S.;
11	conforming references; deleting investigation
12	and complaint processing requirements of the
13	Department of Agriculture and Consumer
14	Services; repealing s. 427.8041, F.S., relating
15	to regulation requirements with respect to
16	assistive technology device dealers; providing
17	an effective date.
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19	Be It Enacted by the Legislature of the State of Florida:
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21	Section 1. Subsection (8) of section 400.925, Florida
22	Statutes, is amended to read:
23	400.925 DefinitionsAs used in this part, the term:
24	(8) "Home medical equipment" includes any product as
25	defined by the Federal Drug Administration's Drugs, Devices
26	and Cosmetics Act, any products reimbursed under the Medicare
27	Part B Durable Medical Equipment benefits, or any products
28	reimbursed under the Florida Medicaid durable medical
29	equipment program. Home medical equipment includes, but is not
30	limited to, oxygen and related respiratory equipment. Home
31	medical equipment includes customized wheelchairs and related
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seating and positioning, but does not include prosthetics or 1 2 orthotics or any splints, braces, or aids custom fabricated by 3 a licensed health care practitioner. Home medical equipment includes assistive technology devices, including manual 4 5 wheelchairs, motorized wheelchairs, motorized scooters, 6 voice-synthesized computer modules, optical scanners, talking 7 software, braille printers, environmental control devices for 8 use by persons with quadriplegia, motor vehicle adaptive 9 transportation aids, devices that enable persons with severe speech disabilities to in effect speak, personal transfer 10 systems, and specialty beds, including a demonstrator, that a 11 12 consumer purchases or accepts transfer of in the sate for use 13 by a person with a disability. 14 Section 2. Section 427.802, Florida Statutes, is 15 amended to read: 427.802 Definitions.--As used in this part: 16 "Assistive technology devices" means manual 17 (1)wheelchairs, motorized wheelchairs, motorized scooters, 18 19 voice-synthesized computer modules, optical scanners, talking 20 software, braille printers, environmental control devices for use by a person with quadriplegia, motor vehicle adaptive 21 22 transportation aids, devices that enable persons with severe speech disabilities to in effect speak, personal transfer 23 systems, and specialty beds, including a demonstrator, that a 24 25 consumer purchases or accepts transfer of in this state for 26 use by a person with a disability. (2) "Assistive Technology Device Warranty Act rights 27 28 period" means the period ending 1 year after first delivery of 29 the assistive technology device to the consumer or the 30 manufacturer's express written warranty, whichever is longer. 31

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(2)(3) "Person with a disability" means any person who 1 2 has one or more permanent physical or mental limitations that 3 restrict his or her ability to perform the normal activities of daily living and impede his or her capacity to live 4 5 independently. б (3)(4) "Assistive technology device dealer" means a 7 person who is business entity that is primarily engaged in the business of selling or leasing of assistive technology 8 9 devices. As used in this subsection, the term "primarily" 10 means no less than 30 percent of the business entity's gross 11 sales in the previous fiscal year. 12 (4)(5) "Assistive technology device lessor" means a 13 person who leases an assistive technology device to a 14 consumer, or holds the lessor's rights, under a written lease. 15 (5)(6) "Collateral costs" means expenses incurred by a 16 consumer in connection with the repair of a nonconformity, including the costs of obtaining an alternative assistive 17 technology device. 18 19 (6)(7) "Consumer" means any of the following: 20 (a) The purchaser of an assistive technology device, if the assistive technology device was purchased from an 21 22 assistive technology device dealer or manufacturer for purposes other than resale. 23 24 (b) A person to whom the assistive technology device is transferred for purposes other than resale, if the transfer 25 26 occurs before the expiration of an express warranty applicable 27 to the assistive technology device. 28 (c) A person who may enforce the warranty. 29 (d) A person who leases an assistive technology device from an assistive technology device lessor under a written 30 31 lease.

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1 <u>(7)(8)</u> "Demonstrator" means an assistive technology 2 device used primarily for the purpose of demonstration to the 3 public.

4 (9) "Department" means the Department of Agriculture 5 and Consumer Services.

6 <u>(8)(10)</u> "Early termination cost" means any expense or obligation that an assistive technology device lessor incurs as a result of both the termination of a written lease before 9 the termination date set forth in that lease and the return of 10 an assistive technology device to a manufacturer pursuant to 11 this section. The term includes a penalty for prepayment 12 under a financial arrangement.

13 (9)(11) "Early termination saving" means any expense or obligation that an assistive technology device lessor 14 avoids as a result of both the termination of a written lease 15 before the termination date set forth in the lease and the 16 return of an assistive technology device to a manufacturer 17 pursuant to this section. The term includes an interest 18 charge that the assistive technology device lessor would have 19 20 paid to finance the assistive technology device or, if the assistive technology device lessor does not finance the 21 assistive technology device, the difference between the total 22 amount for which the lease obligates the consumer during the 23 period of the lease term remaining after the early termination 24 and the present value of that amount at the date of the early 25 26 termination.

27 <u>(10)(12)</u> "Manufacturer" means a business entity that 28 manufactures or produces assistive technology devices for sale 29 and agents of that business entity, including an importer, a 30 distributor, a factory branch, a distributor branch, and any 31

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warrantors of the manufacturer's assistive technology device, 1 2 but not including an assistive technology device dealer. 3 (11)(13) "Nonconformity" means a condition or defect of an assistive technology device which substantially impairs 4 5 the use, value, or safety of the device and which is covered by an express warranty applicable to the assistive technology 6 7 device, but does not include a condition or defect that is the 8 result of abuse, neglect, excessive wear, or unauthorized 9 modification or alteration of the assistive technology device 10 by a consumer. 11 (12)(14) "Reasonable attempt to repair" means, within 12 the terms of an express warranty applicable to a new assistive 13 technology device: (a) A maximum of three efforts by the manufacturer, 14 the assistive technology device lessor, or any of the 15 16 manufacturer's authorized assistive technology device dealers to repair a nonconformity that is subject to repair under the 17 18 warranty; or (b) The passage of at least 30 cumulative days during 19 20 which the assistive technology device is out of service 21 because of a nonconformity that is covered by the warranty. 22 Section 3. Section 427.803, Florida Statutes, is amended to read: 23 24 427.803 Express Duty of manufacturer and an assistive 25 technology device dealer to conform an assistive technology 26 device to the warranty. --27 (1) A manufacturer who sells a new assistive 28 technology device to a consumer, either directly or through an assistive technology device dealer, shall furnish the consumer 29 with an express warranty for the assistive technology device. 30 31 The duration of the express warranty must be at least 1 year 5

after first delivery of the assistive technology device to the 1 2 consumer. In the absence of an express warranty from the 3 manufacturer, the manufacturer is considered to have expressly warranted to the consumer of an assistive technology device 4 5 that, for a period of 1 year after the date of first delivery to the consumer, the assistive technology device will be free 6 7 from any condition or defect that substantially impairs the 8 value of the assistive technology device to the consumer. 9 (2) If an assistive technology device does not conform 10 to the warranty and the consumer first reports the problem to 11 the manufacturer during the Assistive Technology Device 12 Warranty Act rights period, the manufacturer shall make such 13 repairs as are necessary to conform the device to the 14 warranty, irrespective of whether such repairs are made after the expiration of the Assistive Technology Device Warranty Act 15 16 rights period. Such repairs shall be at no cost to the consumer if reported to the manufacturer or assistive 17 technology device dealer during the Assistive Technology 18 19 Device Warranty Act rights period. Nothing in this subsection 20 shall be construed to grant an extension of the Assistive 21 Technology Device Warranty Act rights period or to expand the 22 time within which a consumer must file a complaint under this 23 <del>chapter.</del> (3) Each manufacturer or assistive technology device 24 25 dealer shall provide to its consumers conspicuous notice of 26 the address and phone number for its zone, district, or 27 regional office for this state in the written warranty or 28 owner's manual. Within 10 days after the department's written 29 request, a manufacturer shall forward to the department a copy 30 of the owner's manual and any written warranty for each make 31

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and model of assistive technology device that it sells in this 1 2 <del>state.</del> 3 (4) The manufacturer shall provide to the assistive technology device dealer and, at the time of acquisition, the 4 5 assistive technology device dealer shall provide to the consumer a written statement that explains the consumer's 6 7 rights under this chapter. The written statement shall be 8 prepared by the department and shall contain a toll-free 9 number for the department that the consumer can contact to obtain information regarding the consumer's rights and 10 11 obligations under this chapter or to commence arbitration. The 12 consumer's signed acknowledgment of receipt of materials 13 required under this subsection shall constitute prima facie 14 evidence of compliance by the manufacturer and assistive technology device dealer. The form of the acknowledgments 15 shall be approved by the department, and the assistive 16 technology device dealer shall maintain the consumer's signed 17 18 acknowledgment for 3 years. 19 (5) A manufacturer or an assistive technology device 20 dealer shall provide to the consumer, each time the consumer's assistive technology device is returned after being examined 21 22 or repaired under the warranty, a fully itemized, legible statement of any diagnosis made and all work performed on the 23 assistive technology device, including, but not limited to, a 24 general description of the problem reported by the consumer or 25 26 an identification of the defect or condition, parts and labor, 27 the date on which the assistive technology device was 28 submitted for examination or repair, and the date when the 29 repair or examination was completed. Section 4. Section 427.804, Florida Statutes, is 30 31 amended to read:

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1 427.804 Repair of nonconforming assistive technology 2 devices; refund or replacement of devices after attempt to 3 repair; sale or lease of returned device; arbitration; 4 investigation; limitation of rights.--

5 (1) If a new assistive technology device does not б conform to an applicable express warranty and the consumer 7 reports the nonconformity to the manufacturer, the assistive 8 technology device lessor, or any of the manufacturer's authorized assistive technology device dealers and makes the 9 assistive technology device available for repair within 1 year 10 11 after first delivery or return of the assistive technology 12 device to the consumer, the nonconformity must be repaired at 13 no charge to the consumer.

14 (2) If, after a reasonable attempt to repair, the 15 nonconformity is not repaired, the manufacturer, at the 16 direction of a consumer as defined in s. 427.802(6)(7)(a)-(c), 17 must do one of the following:

18 (a) Accept return of the assistive technology device
19 and replace the assistive technology device with a comparable
20 new assistive technology device and refund any collateral
21 costs.

(b) Accept return of the assistive technology device and refund to the consumer and to any holder of a perfected security interest in the consumer's assistive technology device, as the interest may appear, the full purchase price plus any finance charge amount paid by the consumer at the point of sale, and collateral costs.

(c) With respect to a consumer as defined in s.
427.802(6)(7)(d), accept return of the assistive technology
device, refund to the assistive technology device lessor and
to any holder of a perfected security interest in the

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assistive technology device, as the interest may appear, the
 current value of the written lease, and refund to the consumer
 the amount that the consumer paid under the written lease plus
 any collateral costs.

5 (3) The current value of the written lease equals the б total amount for which the lease obligates the consumer during 7 the period of the lease remaining after its early termination 8 plus the assistive technology device dealer's early termination costs and the value of the assistive technology 9 device at the lease expiration date if the lease sets forth 10 11 the value, less the assistive technology device lessor's early 12 termination savings.

13 (4) To receive a comparable new assistive technology device or a refund due under paragraph (2)(a), a consumer must 14 offer to the manufacturer of the assistive technology device 15 16 having the nonconformity to transfer possession of the assistive technology device to the manufacturer. No later 17 than 30 days after the offer, the manufacturer shall provide 18 19 the consumer with the comparable assistive technology device 20 or refund. When the manufacturer provides the comparable assistive technology device or refund, the consumer shall 21 22 return the assistive technology device having the nonconformity to the manufacturer, along with any endorsements 23 necessary to transfer real possession to the manufacturer. 24 25 (5) To receive a refund due under paragraph (2)(b), a 26 consumer must offer to return the assistive technology device 27 having the nonconformity to its manufacturer. No later than 28 30 days after the offer, the manufacturer shall provide the 29 refund to the consumer who paid for, or the provider who billed a third party payor source for, the assistive 30 technology device. When the manufacturer provides the refund, 31

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the consumer shall return to the manufacturer the assistive
 technology device having the nonconformity.

3 (6) To receive a refund due under paragraph (2)(c), an 4 assistive technology device lessor must offer to transfer 5 possession of the assistive technology device having the nonconformity to its manufacturer. No later than 30 days 6 7 after the offer, the manufacturer shall provide the refund to 8 the assistive technology device lessor. When the manufacturer provides the refund, the assistive technology device lessor 9 10 shall provide to the manufacturer any endorsements necessary 11 to transfer legal possession to the manufacturer.

12 (7) A person may not enforce the lease against the
13 consumer after the consumer receives a refund due under
14 paragraph (2)(c).

15 (8) An assistive technology device that is returned by 16 a consumer or assistive technology device lessor in this 17 state, or by a consumer or assistive technology device lessor 18 in another state under a similar law of that state, may not be 19 sold or leased again in this state, unless full disclosure of 20 the reasons for return is made to any prospective buyer or 21 lessee.

22 (9) Each consumer may submit any dispute arising under 23 this part to the department by completing a complaint form. 24 The department may investigate the complaint on behalf of the 25 consumer if reasonable evidence warrants such an action. 26 (10) The department shall process consumer complaints

27 pursuant to s. 570.544.

28 (9)(11) Each consumer may submit any dispute arising 29 under this part to an alternative arbitration mechanism 30 established pursuant to chapter 682. Upon notice by the 31

consumer, all manufacturers must submit to such alternative 1 2 arbitration. 3 (10)(12) Such alternative arbitration must be 4 conducted by a professional arbitrator or arbitration firm appointed under chapter 682 and any applicable rules. 5 These 6 procedures must provide for the personal objectivity of the 7 arbitrators and for the right of each party to present its 8 case, to be in attendance during any presentation made by the 9 other party, and to rebut or refute such a presentation. 10 (11)(13) This part does not limit rights or remedies 11 available to a consumer under any other law. 12 Section 5. Section 427.8041, Florida Statutes, is 13 repealed. Section 6. This act shall take effect July 1, 2001. 14 15 16 17 HOUSE SUMMARY 18 Revises provisions of the Assistive Technology Device Warranty Act to revise definitions and warranty 19 requirements, to delete investigation and complaint processing requirements of the Department of Agriculture 20 and Consumer Services, and to eliminate registration requirement for assistive technology device dealers. See 21 bill for details. 22 23 24 25 26 27 28 29 30 31