



122736

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/15/2017	.	
	.	
	.	
	.	

The Committee on Transportation (Hutson) recommended the following:

Senate Amendment (with title amendment)

Delete lines 51 - 99
and insert:
warranty or recall repairs during the course of a separate
repair requested by the consumer.

(b) Notification by the motor vehicle dealer to the
consumer of the need for recall repairs after the licensee or an
authorized governmental agency issues a notice of an outstanding
recall for a safety-related defect.



11
12 A motor vehicle dealer who can demonstrate that a violation of,
13 or failure to comply with, any of the preceding provisions by an
14 applicant or licensee will or can adversely and pecuniarily
15 affect the complaining dealer, shall be entitled to pursue all
16 of the remedies, procedures, and rights of recovery available
17 under ss. 320.695 and 320.697.

18 Section 2. Section 320.6407, Florida Statutes, is created
19 to read:

20 320.6407 Recall notices under franchise agreements;
21 compensation.-

22 (1) As provided in subsection (3), a licensee that has
23 entered into a franchise agreement with a motor vehicle dealer
24 must compensate the motor vehicle dealer for a used motor
25 vehicle:

26 (a) That was originally manufactured, imported, or
27 distributed by the licensee;

28 (b) That is subject to a recall notice issued by the
29 licensee or an authorized governmental agency, regardless of
30 whether the vehicle is identified by its vehicle identification
31 number;

32 (c) That is held by the motor vehicle dealer in the
33 dealer's inventory at the time the recall notice is issued or
34 that is taken by the motor vehicle dealer into the dealer's
35 inventory after the recall notice as a result of a trade-in,
36 lease return, or otherwise;

37 (d) That cannot be repaired due to the unavailability,
38 within 30 days after issuance of the recall notice, of remedy or
39 parts necessary for the motor vehicle dealer to make the recall



122736

40 repair; and

41 (e) For which the licensee has not issued a written
42 statement to the motor vehicle dealer indicating that the used
43 motor vehicle may be sold or delivered to a retail customer
44 before completion of the recall repair.

45 (2) The licensee shall pay the required compensation within
46 30 days after the motor vehicle dealer's application for
47 payment. Applications for compensation payments must be
48 submitted monthly, as necessary, through the licensee's existing
49 warranty application system or another system or process
50 established by the licensee which is not unduly burdensome or
51 which does not require information unnecessary for the payment.

52 (3) Compensation under this section must be the greater of:

53 (a) Payment at a rate of at least 2 percent per month of
54 the motor vehicle value, as determined by the average Black Book
55 value of corresponding model year vehicle of average condition,
56 of each eligible used motor vehicle in the motor vehicle
57 dealer's inventory for each month that the dealer does not
58 receive a remedy or parts to complete the required repair. Such
59 payment must be prorated for any period less than a month based
60 on the number of days during the month each eligible used motor
61 vehicle is in the motor vehicle dealer's inventory. Payments
62 shall be calculated from the date the recall was issued or the

63 ===== T I T L E A M E N D M E N T =====

64 And the title is amended as follows:

65 Delete line 16

66 and insert:

67 requiring such applications to be submitted monthly,
68 as necessary, through the