

1                                   A bill to be entitled  
 2           An act relating to motor vehicle manufacturers and  
 3           dealers; amending s. 320.60, F.S.; redefining the term  
 4           "line-make vehicle"; amending s. 320.605, F.S.;  
 5           replacing legislative intent with legislative  
 6           findings; amending s. 320.64, F.S.; revising a  
 7           prohibition against certain applicants and licensees  
 8           competing with franchised motor vehicle dealers in  
 9           this state; defining the term "sale"; providing  
 10          construction; providing an effective date.

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 12   Be It Enacted by the Legislature of the State of Florida:

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 14           Section 1. Subsection (14) of section 320.60, Florida  
 15   Statutes, is amended to read:

16           320.60 Definitions for ss. 320.61-320.70.—Whenever used in  
 17   ss. 320.61-320.70, unless the context otherwise requires, the  
 18   following words and terms have the following meanings:

19           (14) "Line-make vehicle" includes all models and types of  
 20   motor vehicles, regardless of the kind of engine, power plant,  
 21   or drive train they have; their design; or their intended use or  
 22   classification, which are offered for retail sale, lease,  
 23   license, subscription, or any other method of distribution under  
 24   a common name, trademark, service mark, or brand name of the  
 25   manufacturer of such vehicle. A line-make model or type that has

26 | been the subject of a franchise with a motor vehicle dealer in  
 27 | this state may not be sold or otherwise distributed or marketed  
 28 | in any way by an applicant or licensee other than through its  
 29 | franchised motor vehicle dealer, and, thereafter, may not be  
 30 | rebadged or otherwise marketed as a new line-make unless the  
 31 | manufacturer, importer, or distributor of such new line-make  
 32 | offers a franchise of that new line-make to every motor vehicle  
 33 | dealer that was franchised to sell that model or type before  
 34 | ~~rebadging vehicles" are those motor vehicles which are offered~~  
 35 | ~~for sale, lease, or distribution under a common name, trademark,~~  
 36 | ~~service mark, or brand name of the manufacturer of same.~~

37 | However, motor vehicles sold or leased under multiple brand  
 38 | names or marks ~~shall~~ constitute a single line-make when they are  
 39 | included in a single franchise agreement and every motor vehicle  
 40 | dealer in this state authorized to sell or lease any such  
 41 | vehicles has been offered the right to sell or lease all of the  
 42 | multiple brand names or marks covered by the single franchise  
 43 | agreement. However ~~Except~~, such multiple brand names or marks  
 44 | are ~~shall be~~ considered individual franchises for purposes of s.  
 45 | 320.64(36).

46 | Section 2. Section 320.605, Florida Statutes, is amended  
 47 | to read:

48 | 320.605 Legislative findings intent.~~-The Legislature finds~~  
 49 | and declares that the distribution, marketing, sale, leasing,  
 50 | rental, or otherwise providing title, use, or possession to

51 consumers and other entities of motor vehicles, replacement  
52 parts, accessories, and the servicing and repair thereof in this  
53 state vitally affects the general economy of the state and the  
54 public safety and welfare of its residents. The Legislature  
55 further finds that the motor vehicle franchise system in this  
56 state operates within a defined and highly regulated statutory  
57 scheme; assures consumers of a well-organized distribution  
58 system that supports the availability of new motor vehicles;  
59 provides tens of thousands of jobs for the residents of this  
60 state; provides a network of quality warranty, repair, and  
61 recall facilities; and provides a cost-effective method for the  
62 state to police the system through licensing and regulation of  
63 the interactions between private sector franchisors and  
64 franchisees, and that such regulation is necessary to promote  
65 fair and harmonious relations between motor vehicle  
66 manufacturers, importers, distributors, and their dealers; to  
67 protect fair competition; to protect consumers; and to provide  
68 ~~It is the intent of the Legislature to protect the public~~  
69 ~~health, safety, and welfare of the citizens of the state by~~  
70 ~~regulating the licensing of motor vehicle dealers and~~  
71 ~~manufacturers, maintaining competition, providing consumer~~  
72 ~~protection and fair trade and providing minorities with~~  
73 opportunities for ~~full~~ participation as motor vehicle dealers.

74 Section 3. Subsection (23) of section 320.64, Florida  
75 Statutes, is amended to read:

76           320.64 Denial, suspension, or revocation of license;  
77 grounds.—A license of a licensee under s. 320.61 may be denied,  
78 suspended, or revoked within the entire state or at any specific  
79 location or locations within the state at which the applicant or  
80 licensee engages or proposes to engage in business, upon proof  
81 that the section was violated with sufficient frequency to  
82 establish a pattern of wrongdoing, and a licensee or applicant  
83 shall be liable for claims and remedies provided in ss. 320.695  
84 and 320.697 for any violation of any of the following  
85 provisions. A licensee is prohibited from committing the  
86 following acts:

87           (23) The applicant or licensee has competed, ~~or~~ is  
88 competing, or has attempted to compete with one of its  
89 franchised motor vehicle dealers in the sale or service of  
90 vehicles; in the sale of replacement parts, accessories, or  
91 after-market products; in collision repair; or in any other  
92 motor vehicle dealer activity related to the line-make for which  
93 the motor vehicle dealer in this state is a party to a franchise  
94 agreement with the applicant or licensee, except as permitted in  
95 s. 320.645. As used in this subsection, the term "sale" includes  
96 the sale, leasing, rental, licensing, subscription, or any other  
97 transfer to a retail consumer, a wholesaler, or a broker of  
98 title, possession, or use of a motor vehicle, replacement parts,  
99 or accessories that are the subject of, or covered in the  
100 franchise agreement with, the motor vehicle dealer. This

101 subsection does not prevent a common entity of an applicant or  
102 licensee from selling replacement parts, accessories, or after-  
103 market products under the common entity's brand name ~~with~~  
104 ~~respect to any activity covered by the franchise agreement with~~  
105 ~~a motor vehicle dealer of the same line make located in this~~  
106 ~~state with whom the applicant or licensee has entered into a~~  
107 ~~franchise agreement, except as permitted in s. 320.645.~~

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109 A motor vehicle dealer who can demonstrate that a violation of,  
110 or failure to comply with, any of the preceding provisions by an  
111 applicant or licensee will or may adversely and pecuniarily  
112 affect the complaining dealer, shall be entitled to pursue all  
113 of the remedies, procedures, and rights of recovery available  
114 under ss. 320.695 and 320.697.

115 Section 4. This act shall take effect July 1, 2020.