

House Bill No. 7205

An act relating to recreational vehicle manufacturers, distributors, dealers, and importers; creating s. 320.3201, F.S.; providing legislative intent; creating s. 320.3202, F.S.; providing definitions; creating s. 320.3203, F.S.; providing requirements for a manufacturer/dealer agreement; requiring designation of the area of sales responsibility; providing conditions for sales outside the dealer's area of sales responsibility; creating s. 320.3205, F.S.; providing requirements and procedures for termination, cancellation, or nonrenewal of a manufacturer/dealer agreement by a manufacturer or a dealer; providing for the repurchase by the manufacturer of vehicles, accessories, parts and equipment, tools, signage, and machinery; requiring notification of a manufacturer when a dealer takes on an additional line-make; creating s. 320.3206, F.S.; providing for change in ownership by a dealer; requiring notice to the manufacturer; providing requirements for objection by the manufacturer; providing for a dealer to name a family member as a successor in case of retirement, incapacitation, or death of the dealer; providing requirements for objection to the successor by the manufacturer; creating s. 320.3207, F.S.; providing requirements for warrantors, manufacturers, and dealers with respect to warranty obligations; providing requirements for compensation of the dealer; authorizing warranty audits by the warrantor; requiring cause for denial of compensation; providing for disposition of warranty claims; prohibiting certain acts by the warrantor and the dealer; requiring notice of certain pending suits; creating s. 320.3208, F.S.; providing for inspection and rejection of a recreational vehicle upon delivery to a dealer; creating s. 320.3209, F.S.; prohibiting a manufacturer or distributor from coercing a dealer to perform certain acts; creating s. 320.3210, F.S.; providing for resolution when a dealer, manufacturer, distributor, or warrantor is injured by another party's violation; authorizing civil action; providing for mediation; providing for remedies; creating s. 320.3211, F.S.; providing administrative and criminal penalties for violations; providing for an administrative hearing to contest a penalty imposed by the department; amending s. 320.8225, F.S.; providing licensure requirements for distributors and importers; providing for severability; providing an effective date.

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

Section 1. Section 320.3201, Florida Statutes, is created to read:

320.3201 Legislative intent.—

(1) It is the intent of the Legislature to protect the public health, safety, and welfare of the residents of the state by regulating the relationship between recreational vehicle dealers and manufacturers, maintaining competition, and providing consumer protection and fair trade.

(2) It is the intent of the Legislature that the provisions of ss. 320.3201-320.3211 be applied to manufacturer/dealer agreements entered into on or after October 1, 2007.

Section 2. Section 320.3202, Florida Statutes, is created to read:

320.3202 Definitions.—As used in ss. 320.3201-320.3211, the term:

(1) “Area of sales responsibility” means the geographical area agreed to by the dealer and the manufacturer in the manufacturer/dealer agreement within which the dealer has the exclusive right to display or sell the manufacturer’s new recreational vehicles of a particular line-make.

(2) “Dealer” means any person, firm, corporation, or business entity licensed or required to be licensed under s. 320.771.

(3) “Distributor” means any person, firm, corporation, or business entity that purchases new recreational vehicles for resale to dealers.

(4) “Factory campaign” means an effort on the part of a warrantor to contact recreational vehicle owners or dealers in order to address a part or equipment issue.

(5) “Family member” means a spouse, child, grandchild, parent, sibling, niece, or nephew, or the spouse thereof.

(6) “Line-make” means a specific series of recreational vehicle products that:

(a) Are identified by a common series trade name or trademark;

(b) Are targeted to a particular market segment, as determined by their decor, features, equipment, size, weight, and price range;

(c) Have lengths and interior floor plans that distinguish the recreational vehicles from other recreational vehicles with substantially the same decor, equipment, features, price, and weight;

(d) Belong to a single, distinct classification of recreational vehicle product type having a substantial degree of commonality in the construction of the chassis, frame, and body; and

(e) The manufacturer/dealer agreement authorizes a dealer to sell.

(7) “Manufacturer” means any person, firm, corporation, or business entity that engages in the manufacturing of recreational vehicles.

(8) “Manufacturer/dealer agreement” means a written agreement or contract entered into between a manufacturer and a dealer that fixes the rights and responsibilities of the parties and pursuant to which the dealer sells new recreational vehicles.

(9) “Proprietary part” means any part manufactured by or for and sold exclusively by the manufacturer.

(10) “Recreational vehicle” means the category of motor vehicle described in s. 320.01(1)(b).

(11) “Transient customer” means a customer who is temporarily traveling through a dealer’s area of sales responsibility.

(12) “Warrantor” means any person, firm, corporation, or business entity that gives a warranty in connection with a new recreational vehicle or parts, accessories, or components thereof. The term does not include service contracts, mechanical or other insurance, or extended warranties sold for separate consideration by a dealer or other person not controlled by a manufacturer.

Section 3. Section 320.3203, Florida Statutes, is created to read:

320.3203 Requirement for a written manufacturer/dealer agreement; area of sales responsibility.—

(1) A manufacturer or distributor may not sell a recreational vehicle in this state to or through a dealer without having first entered into a manufacturer/dealer agreement with a dealer which has been signed by both parties.

(2) The manufacturer shall designate the area of sales responsibility exclusively assigned to a dealer in the manufacturer/dealer agreement and may not change such area or contract with another dealer for sale of the same line-make in the designated area during the duration of the agreement.

(3) The area of sales responsibility may not be reviewed or changed until 1 year after the execution of the manufacturer/dealer agreement.

(4) A motor vehicle dealer may not sell a new recreational vehicle in this state without having first entered into a manufacturer/dealer agreement with a manufacturer or distributor and may not sell outside of the area of sales responsibility designated in the agreement.

(5) Notwithstanding subsection (4), a dealer may sell outside of its designated area of sales responsibility if the dealer obtains an offsite/supplemental license pursuant to s. 320.771(7) and meets any one of the following conditions:

(a) For sales of the same line-make within another dealer’s designated area of sales responsibility, the dealer must obtain in advance of the off-premise sale a written agreement signed by the dealer, the manufacturer of the recreational vehicles to be sold at the off-premise sale, and the dealer in whose designated area of sales responsibility the off-premise sale will occur which:

1. Designates the line-make of the recreational vehicles to be sold;
2. Sets forth the time period for the off-premise sale; and
3. Affirmatively authorizes the sale of the same line-make of the recreational vehicles.

(b) The off-premise sale is not located within any dealer's designated area of sales responsibility and is in conjunction with a public vehicle show.

(c) The off-premise sale is in conjunction with a public vehicle show in which more than 35 dealers are participating and the show is predominantly funded by manufacturers. For the purposes of this subsection, the term "public vehicle show" means an event sponsored by an organization approved under s. 501(c)(6) of the Internal Revenue Code which has the purpose of promoting the welfare of the recreational vehicle industry and is located at a site that:

1. Will be used to display and sell recreational vehicles;
2. Is not used for off-premise sales for more than 10 days in a calendar year; and
3. Is not the location set forth on any dealer's license as its place of business.

Section 4. Section 320.3205, Florida Statutes, is created to read:

320.3205 Termination, cancellation, and nonrenewal of a manufacturer/dealer agreement.—

(1) A manufacturer or distributor, directly or through any officer, agent, or employee, may not terminate, cancel, or fail to renew a manufacturer/dealer agreement without good cause, and, upon renewal, may not require additional inventory stocking requirements or increased retail sales targets in excess of the market growth in the dealer's area of sales responsibility.

(a) The manufacturer or distributor has the burden of showing good cause for terminating, canceling, or failing to renew a manufacturer/dealer agreement with a dealer. For purposes of determining whether there is good cause for the proposed action, any of the following factors may be considered:

1. The extent of the affected dealer's penetration in the relevant market area.
2. The nature and extent of the dealer's investment in its business.
3. The adequacy of the dealer's service facilities, equipment, parts, supplies, and personnel.
4. The effect of the proposed action on the community.
5. The extent and quality of the dealer's service under recreational vehicle warranties.
6. The failure to follow agreed-upon procedures or standards related to the overall operation of the dealership.
7. The dealer's performance under the terms of its manufacturer/dealer agreement.

(b) Except as otherwise provided in this section, a manufacturer or distributor shall provide a dealer with at least 120 days' prior written notice of termination, cancellation, or nonrenewal of the manufacturer/dealer agreement.

1. The notice must state all reasons for the proposed termination, cancellation, or nonrenewal and must further state that if, within 30 days following receipt of the notice, the dealer provides to the manufacturer or distributor a written notice of intent to cure all claimed deficiencies, the dealer will then have 120 days following receipt of the notice to rectify the deficiencies. If the deficiencies are rectified within 120 days, the manufacturer's or distributor's notice is voided. If the dealer fails to provide the notice of intent to cure the deficiencies in the prescribed time period, the termination, cancellation, or nonrenewal takes effect 30 days after the dealer's receipt of the notice unless the dealer has new and untitled inventory on hand that may be disposed of pursuant to subsection (3).

2. The notice period may be reduced to 30 days if the grounds for termination, cancellation, or nonrenewal are due to:

a. A dealer or one of its owners being convicted of, or entering a plea of nolo contendere to, a felony;

b. The abandonment or closing of the business operations of the dealer for 10 consecutive business days unless the closing is due to an act of God, strike, labor difficulty, or other cause over which the dealer has no control;

c. A significant misrepresentation by the dealer materially affecting the business relationship; or

d. A suspension or revocation of the dealer's license, or refusal to renew the dealer's license, by the department.

3. The notice provisions of this paragraph do not apply if the reason for termination, cancellation, or nonrenewal is insolvency, the occurrence of an assignment for the benefit of creditors, or bankruptcy.

(2) A dealer may terminate, cancel, or not renew its manufacturer/dealer agreement with a manufacturer or distributor with or without cause at any time by giving 30 days' written notice to the manufacturer. If the termination, cancellation, or nonrenewal is for cause, the dealer has the burden of showing good cause. Any of the following items shall be deemed good cause for the proposed action by a dealer:

(a) A manufacturer being convicted of, or entering a plea of nolo contendere to, a felony.

(b) The business operations of the manufacturer have been abandoned or closed for 10 consecutive business days, unless the closing is due to an act of God, strike, labor difficulty, or other cause over which the manufacturer has no control.

(c) A significant misrepresentation by the manufacturer materially affecting the business relationship.

(d) A material violation of ss. 320.3201-320.3211 which is not cured within 30 days after written notice by the dealer.

(e) A declaration by the manufacturer of bankruptcy, insolvency, or the occurrence of an assignment for the benefit of creditors or bankruptcy.

(3) If the manufacturer/dealer agreement is terminated, canceled, or not renewed by the manufacturer or distributor without cause or by the dealer for cause, the manufacturer shall, at the election of the dealer and within 45 days after termination, cancellation, or nonrenewal, repurchase:

(a) All new, untitled recreational vehicles that were acquired from the manufacturer or distributor within 18 months before the date of the notice of termination, cancellation, or nonrenewal that have not been used, except for demonstration purposes, and that have not been altered or damaged, at 100 percent of the net invoice cost, including transportation, less applicable rebates and discounts to the dealer. If any of the vehicles repurchased is damaged, the amount due to the dealer shall be reduced by the cost to repair the damaged vehicle. Damage prior to delivery to the dealer will not disqualify repurchase under this subsection;

(b) All undamaged accessories and proprietary parts sold to the dealer for resale within the 12 months prior to termination, cancellation, or nonrenewal, if accompanied by the original invoice, at 105 percent of the original net price paid to the manufacturer or distributor to compensate the dealer for handling, packing, and shipping the parts; and

(c) Any properly functioning diagnostic equipment, special tools, current signage, and other equipment and machinery at 100 percent of the dealer's net cost plus freight, destination, delivery, and distribution charges and sales taxes, if any, if it was purchased by the dealer within 5 years before termination, cancellation, or nonrenewal and upon the manufacturer's or distributor's request and can no longer be used in the normal course of the dealer's ongoing business.

The manufacturer or distributor shall pay the dealer within 30 days after receipt of the returned items.

(4) When taking on an additional line-make of recreational vehicle, a dealer shall notify in writing any manufacturer with whom the dealer has a manufacturer/dealer agreement of the same line-make at least 30 days prior to entering into a manufacturer/dealer agreement with the manufacturer of the additional line-make.

Section 5. Section 320.3206, Florida Statutes, is created to read:

320.3206 Transfer of ownership; family succession.—

(1) If a dealer desires to make a change in ownership by the sale of the business assets, stock transfer, or otherwise, the dealer shall give the manufacturer or distributor written notice at least 10 business days before the closing, including all supporting documentation as may be reasonably required by the manufacturer or distributor to determine if an objection to the

sale may be made. In the absence of a breach by the selling dealer of its dealer agreement or this chapter, the manufacturer or distributor shall not object to the proposed change in ownership unless the prospective transferee:

(a) Has previously been terminated by the manufacturer for breach of its dealer agreement;

(b) Has been convicted of a felony or any crime of fraud, deceit, or moral turpitude;

(c) Lacks any license required by law;

(d) Does not have an active line of credit sufficient to purchase a manufacturer's product; or

(e) Has undergone in the last 10 years bankruptcy, insolvency, a general assignment for the benefit of creditors, or the appointment of a receiver, trustee, or conservator to take possession of the transferee's business or property.

(2) If the manufacturer or distributor objects to a proposed change of ownership, the manufacturer or distributor shall give written notice of its reasons to the dealer within 7 business days after receipt of the dealer's notification and complete documentation. The manufacturer or distributor has the burden of proof with regard to its objection. If the manufacturer or distributor does not give timely notice of its objection, the change or sale shall be deemed approved.

(3)(a) It is unlawful for a manufacturer or distributor to fail to provide a dealer an opportunity to designate, in writing, a family member as a successor to the dealership in the event of the death, incapacity, or retirement of the dealer. It is unlawful to prevent or refuse to honor the succession to a dealership by a family member of the deceased, incapacitated, or retired dealer unless the manufacturer or distributor has provided to the dealer written notice of its objections within 10 days after receipt of the dealer's modification of the dealer's succession plan. In the absence of a breach of the dealer agreement, the manufacturer may object to the succession for the following reasons only:

1. Conviction of the successor of a felony or any crime of fraud, deceit, or moral turpitude;

2. Bankruptcy or insolvency of the successor during the past 10 years;

3. Prior termination by the manufacturer of the successor for breach of a dealer agreement;

4. The lack of an active line of credit for the successor sufficient to purchase the manufacturer's product; or

5. The lack of any license for the successor required by law.

(b) The manufacturer or distributor has the burden of proof regarding its objection. However, a family member may not succeed to a dealership if the succession involves, without the manufacturer's or distributor's consent, a relocation of the business or an alteration of the terms and conditions of the manufacturer/dealer agreement.

Section 6. Section 320.3207, Florida Statutes, is created to read:

320.3207 Warranty obligations.—

(1) Each warrantor shall:

(a) Specify in writing to each of its dealer obligations, if any, for preparation, delivery, and warranty service on its products;

(b) Compensate the dealer for warranty service required of the dealer by the warrantor; and

(c) Provide the dealer the schedule of compensation to be paid and the time allowances for the performance of any work and service.

The schedule of compensation must include reasonable compensation for diagnostic work as well as warranty labor.

(2) Time allowances for the diagnosis and performance of warranty labor must be reasonable for the work to be performed. The compensation of a dealer for warranty labor may not be less than the lowest retail labor rates actually charged by the dealer for like nonwarranty labor as long as such rates are reasonable.

(3) The warrantor shall reimburse the dealer for warranty parts at actual wholesale cost plus a minimum 30-percent handling charge and the cost, if any, of freight to return warranty parts to the warrantor.

(4) Warranty audits of dealer records may be conducted by the warrantor on a reasonable basis, and dealer claims for warranty compensation may not be denied except for cause, such as performance of nonwarranty repairs, material noncompliance with the warrantor's published policies and procedures, lack of material documentation, fraud, or misrepresentation.

(5) The dealer shall submit warranty claims within 45 days after completing work.

(6) The dealer shall notify the warrantor verbally or in writing if the dealer is unable to perform material or repetitive warranty repairs as soon as is reasonably possible.

(7) The warrantor shall disapprove warranty claims in writing within 45 days after the date of submission by the dealer in the manner and form prescribed by the warrantor. Claims not specifically disapproved in writing within 45 days shall be construed to be approved and must be paid within 60 days.

(8) It is a violation of ss. 320.3201-320.3211 for any warrantor to:

(a) Fail to perform any of its warranty obligations with respect to its warranted products;

(b) Fail to include, in written notices of factory campaigns to recreational vehicle owners and dealers, the expected date by which necessary parts and equipment, including tires and chassis or chassis parts, will be available to dealers to perform the campaign work. The warrantor may ship parts to the dealer to effect the campaign work, and, if such parts are in excess of the dealer's requirements, the dealer may return unused parts to the warrantor for credit after completion of the campaign;

(c) Fail to compensate any of its dealers for authorized repairs effected by the dealer of merchandise damaged in manufacture or transit to the dealer, if the carrier is designated by the warrantor, factory branch, distributor, or distributor branch;

(d) Fail to compensate any of its dealers for authorized warranty service in accordance with the schedule of compensation provided to the dealer pursuant to this section if performed in a timely and competent manner;

(e) Intentionally misrepresent in any way to purchasers of recreational vehicles that warranties with respect to the manufacture, performance, or design of the vehicle are made by the dealer as warrantor or cowarrantor; or

(f) Require the dealer to make warranties to customers in any manner related to the manufacture of the recreational vehicle.

(9) It is a violation of ss. 320.3201-320.3211 for any dealer to:

(a) Fail to perform predelivery inspection functions, as specified by the warrantor, in a competent and timely manner;

(b) Fail to perform warranty service work authorized by the warrantor in a reasonably competent and timely manner on any transient customer's vehicle of the same line-make; or

(c) Misrepresent the terms of any warranty.

(10) Notwithstanding the terms of any manufacturer/dealer agreement, it is a violation of ss. 320.3201-320.3211 for:

(a) A warrantor to fail to indemnify and hold harmless its dealer against any losses or damages to the extent such losses or damages are caused by the negligence or willful misconduct of the warrantor. The dealer may not be denied indemnification for failing to discover, disclose, or remedy a defect in the design or manufacturing of the recreational vehicle. The dealer shall provide to the warrantor a copy of any suit in which allegations are made that come within this subsection within 10 days after receiving such suit.

(b) A dealer to fail to indemnify and hold harmless its warrantor against any losses or damages to the extent such losses or damages are caused by

the negligence or willful misconduct of the dealer. The warrantor shall provide to the dealer a copy of any suit in which allegations are made that come within this subsection within 10 days after receiving such suit.

Section 7. Section 320.3208, Florida Statutes, is created to read:

320.3208 Inspection and rejection by the dealer.—

(1) Whenever a new recreational vehicle is damaged prior to transit to the dealer or is damaged in transit to the dealer when the carrier or means of transportation has been selected by the manufacturer or distributor, the dealer shall notify the manufacturer or distributor of the damage within the timeframe specified in the manufacturer/dealer agreement and:

(a) Request from the manufacturer or distributor authorization to replace the components, parts, and accessories damaged or otherwise correct the damage; or

(b) Reject the vehicle within the timeframe set forth in subsection (3).

If the manufacturer or distributor refuses or fails to authorize repair of such damage within 10 days after receipt of notification or if the dealer rejects the recreational vehicle because of damage, ownership of the new recreational vehicle reverts to the manufacturer or distributor.

(2) The dealer shall exercise due care in custody of the damaged recreational vehicle, but the dealer shall have no other obligations, financial or otherwise, with respect to that recreational vehicle.

(3) The timeframe for inspection and rejection by the dealer must be part of the manufacturer/dealer agreement and may not be less than 2 business days after the physical delivery of the recreational vehicle.

(4) Any recreational vehicle that has, at the time of delivery to the dealer, an unreasonable amount of miles on its odometer, as determined by the dealer, may be subject to rejection by the dealer and reversion of the vehicle to the manufacturer or distributor. In no instance shall a dealer deem an amount less than the distance between the dealer and the manufacturer's factory or a distributor's point of distribution, plus 100 miles, as unreasonable.

Section 8. Section 320.3209, Florida Statutes, is created to read:

320.3209 Coercion of dealer prohibited.—

(1) A manufacturer or distributor may not coerce or attempt to coerce a dealer to:

(a) Purchase a product that the dealer did not order;

(b) Enter into an agreement with the manufacturer or distributor;

(c) Take any action that is unfair or unreasonable to the dealer; or

(d) Enter into an agreement that requires the dealer to submit its disputes to binding arbitration or otherwise waive rights or responsibilities provided under ss. 320.3201-320.3211.

(2) As used in this section, the term “coerce” includes, but is not limited to, threatening to terminate, cancel, or not renew a manufacturer/dealer agreement without good cause or threatening to withhold product lines or delay product delivery as an inducement to amending the manufacturer/dealer agreement.

Section 9. Section 320.3210, Florida Statutes, is created to read:

320.3210 Civil dispute resolution; mediation; relief.—

(1) A dealer, manufacturer, distributor, or warrantor injured by another party’s violation of ss. 320.3201-320.3211 may bring a civil action in circuit court to recover actual damages. The court shall award attorney’s fees and costs to the prevailing party in such action. Venue for any civil action authorized by this section must exclusively be in the county in which the dealership is located. In an action involving more than one dealer, venue may be in any county in which a dealer who is party to the action is located.

(2) Before bringing suit under this section, the party bringing suit for an alleged violation shall serve a written demand for mediation upon the offending party.

(a) The demand for mediation shall be served upon the offending party via certified mail at the address stated within the agreement between the parties. In the event of a civil action between two dealers, the demand must be mailed to the address on the dealer’s license filed with the department.

(b) The demand for mediation must contain a brief statement of the dispute and the relief sought by the party filing the demand.

(c) Within 20 days after the date a demand for mediation is served, the parties shall mutually select an independent certified mediator and meet with the mediator for the purpose of attempting to resolve the dispute. The meeting place must be in this state in a location selected by the mediator. The mediator may extend the date of the meeting for good cause shown by either party or upon stipulation of both parties.

(d) The service of a demand for mediation under this subsection stays the time for the filing of any complaint, petition, protest, or action under ss. 320.3201-320.3211 until representatives of both parties have met with a mutually selected mediator for the purpose of attempting to resolve the dispute. If a complaint, petition, protest, or action is filed before that meeting, the court shall enter an order suspending the proceeding or action until the meeting has occurred and may, upon written stipulation of all parties to the proceeding or action that they wish to continue to mediate under this subsection, enter an order suspending the proceeding or action for as long a period as the court considers appropriate. A suspension order issued under this paragraph may be revoked by the court.

(e) The parties to the mediation shall bear their own costs for attorney's fees and divide equally the cost of the mediator.

(3) In addition to the remedies provided in this section and notwithstanding the existence of any additional remedy at law, a dealer or manufacturer may apply to a circuit court for the grant, upon a hearing and for cause shown, of a temporary or permanent injunction, or both, restraining any person from acting as a dealer, manufacturer, distributor, or importer without being properly licensed pursuant to this chapter, from violating or continuing to violate any of the provisions of ss. 320.3201-320.3211, or from failing or refusing to comply with the requirements of ss. 320.3201-320.3211. Such injunction shall be issued without bond. A single act in violation of s. 320.3203 is sufficient to authorize the issuance of an injunction.

Section 10. Section 320.3211, Florida Statutes, is created to read:

320.3211 Penalties.—

(1) The department may suspend or revoke any license issued under s. 320.771 upon a finding that the dealer, manufacturer, distributor, or importer violated any provision of ss. 320.3201-320.3211. The department may impose, levy, and collect by legal process fines, in an amount not to exceed \$1,000 for each violation, against any person if it finds that such person has violated any provision of ss. 320.3201-320.3211. Such person is entitled to an administrative hearing pursuant to chapter 120 to contest the action or fine levied, or about to be levied, against the person.

(2) In addition to the civil and administrative remedies, a person who violates any provision of ss. 320.3201-320.3211 commits a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083.

Section 11. Section 320.8225, Florida Statutes, is amended to read:

320.8225 Mobile home and recreational vehicle manufacturer, distributor, and importer license manufacturer's license.—

(1) LICENSE REQUIRED.—Any person who engages in the business of a mobile home manufacturer or a recreational vehicle manufacturer, distributor, or importer in this state, or who manufactures mobile homes or recreational vehicles out of state which are ultimately offered for sale in this state, shall obtain annually a license for each factory location in this state and for each factory location out of state which manufactures mobile homes or recreational vehicles for sale in this state, prior to distributing or importing mobile homes or recreational vehicles for sale in this state.

(2) APPLICATION.—The application for a license ~~must~~ shall be in the form prescribed by the department and shall contain sufficient information to disclose the identity, location, and responsibility of the applicant. The application ~~must~~ shall also include a copy of the warranty and a complete statement of any service agreement or policy to be utilized by the applicant, any information relating to the applicant's solvency and financial standing, and any other pertinent matter commensurate with safeguarding the public. The department may prescribe an abbreviated application for renewal of a

license if the licensee has had previously filed an initial application pursuant to this section. The application for renewal must shall include any information necessary to make bring current the information required in the initial application.

(3) FEES.—Upon submitting an ~~making~~ initial application, the applicant shall pay to the department a fee of \$300. Upon submitting a ~~making~~ renewal application, the applicant shall pay to the department a fee of \$100. Any applicant for renewal who ~~fails~~ has failed to submit his or her renewal application by October 1 shall pay a renewal application fee equal to the original application fee. No fee is refundable. All fees must shall be deposited into the General Revenue Fund.

(4) NONRESIDENT.—Any person applying for a license who is not a resident of this state must designate ~~shall have designated~~ an agent for service of process pursuant to s. 48.181.

(5) REQUIREMENT OF ASSURANCE.—

(a) Annually, prior to the receipt of a license to manufacture mobile homes, the applicant or licensee shall submit a surety bond, cash bond, or letter of credit from a financial institution, or a proper continuation certificate, sufficient to assure satisfaction of claims against the licensee for failure to comply with appropriate code standards, failure to provide warranty service, or violation of any provisions of this section. The amount of the surety bond, cash bond, or letter of credit must shall be \$50,000. Only one surety bond, cash bond, or letter of credit shall be required for each manufacturer, regardless of the number of factory locations. The surety bond, cash bond, or letter of credit must shall be to the department, in favor of any retail customer who suffers a ~~shall suffer~~ loss arising out of noncompliance with code standards or failure to honor or provide warranty service. The department may shall have the right to disapprove any bond or letter of credit that does not provide assurance as provided in this section.

(b) Annually, prior to the receipt of a license to manufacture, distribute, or import recreational vehicles, the applicant or licensee shall submit a surety bond, or a proper continuation certificate, sufficient to assure satisfaction of claims against the licensee for failure to comply with appropriate code standards, failure to provide warranty service, or violation of any provisions of this section. The amount of the surety bond must shall be \$10,000 per year. The surety bond must shall be to the department, in favor of any retail customer who suffers shall suffer loss arising out of noncompliance with code standards or failure to honor or provide warranty service. The department may shall have the right to disapprove any bond that which does not provide assurance as provided in this section.

(c) The department shall adopt rules pursuant to chapter 120 relating to ~~consistent with this section in~~ providing assurance of satisfaction of claims under this section.

(d) The department shall, upon denial, suspension, or revocation of any license, notify the surety company of the licensee, in writing, that the license

has been denied, suspended, or revoked and shall state the reason for such denial, suspension, or revocation.

(e) Any surety company ~~that which~~ pays any claim against the bond of any licensee shall notify the department, in writing, that it has paid such a claim and shall state the amount of the claim.

(f) Any surety company ~~that which~~ cancels the bond of any licensee shall notify the department, in writing, of such cancellation, giving reason for the cancellation.

(6) LICENSE YEAR.—A license issued to a mobile home manufacturer or a recreational vehicle manufacturer, distributor, or importer entitles the licensee to conduct the business of ~~a mobile home or recreational vehicle manufacturer~~ for a period of 1 year from October 1 preceding the date of issuance.

(7) DENIAL OF LICENSE.—The department may deny a mobile home manufacturer or a recreational vehicle manufacturer, distributor, or importer ~~manufacturer's~~ license on the ground that:

(a) The applicant has made a material misstatement in his or her application for a license.

(b) The applicant has failed to comply with any applicable provision of this chapter.

(c) The applicant has failed to provide warranty service.

(d) The applicant or one or more of his or her principals or agents has violated any law, rule, or regulation relating to the manufacture or sale of mobile homes or recreational vehicles.

(e) The department has proof of the ~~an~~ unfitness of the applicant.

(f) The applicant or licensee has engaged in previous conduct in any state which would have been a ground for revocation or suspension of a license in this state.

(g) The applicant or licensee has violated any provision of the ~~provisions~~ of the National Mobile Home Construction and Safety Standards Act of 1974 or any related rule or regulation ~~adopted by~~ of the Department of Housing and Urban Development ~~promulgated thereunder~~.

Upon denial of a license, the department shall notify the applicant within 10 days, stating in writing its grounds for denial. The applicant is entitled to an administrative ~~a~~ public hearing and may request that such hearing be held within 45 days of denial of the license. All proceedings must ~~shall~~ be pursuant to chapter 120.

(8) REVOCATION OR SUSPENSION OF LICENSE.—The department shall suspend or, in the case of a subsequent offense, shall revoke any license upon a finding that the licensee violated any provision of this chapter or any

other law of this state regarding the manufacture, warranty, or sale of mobile homes or recreational vehicles. The department may reinstate the license if it ~~When any license has been revoked or suspended by the department, it may be reinstated if the department finds that the former licensee has complied with all applicable requirements of this chapter and an application for a license is refiled pursuant to this section.~~

(9) CIVIL PENALTIES; PROCEDURE.—~~In addition to the exercise of other powers provided in this section,~~ The department is authorized to assess, impose, levy, and collect by legal process a civil penalty, in an amount not to exceed \$1,000 for each violation, against any licensee if it finds that a licensee has violated any provision of this section or has violated any other law of this state having to do with dealing in motor vehicles. A ~~Any~~ licensee is ~~shall be~~ entitled to a hearing pursuant to chapter 120 ~~should the licensee wish to contest the fine levied, or about to be levied, upon him or her.~~

Section 12. If any provision of this act or the application thereof to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the act which can be given effect without the invalid provision or application and, to this end, the provisions of this act are severable.

Section 13. This act shall take effect October 1, 2007.

Approved by the Governor June 28, 2007.

Filed in Office Secretary of State June 28, 2007.