

CHAPTER 2010-198

Council Substitute for Committee Substitute for Committee Substitute for House Bill No. 631

An act relating to motor vehicles; amending ss. 261.03 and 317.0003, F.S.; redefining the term "ROV" for purposes of provisions relating to off-highway vehicles to include vehicles of increased width and weight; amending s. 316.1951, F.S.; removing a requirement that the Department of Highway Safety and Motor Vehicles adopt a uniform written notice to be used to enforce provisions that prohibit parking a motor vehicle on certain property for the purpose of displaying the motor vehicle as being for sale, hire, or rental; removing a requirement that each law enforcement agency provide its own notice for such enforcement; authorizing a local government to adopt an ordinance to enforce such provisions; authorizing a code enforcement officer from any local government agency to enforce such provisions; providing for immediate removal of a motor vehicle in violation of specified provisions; providing for assessment of a fine in addition to towing and storage fees; requiring a release form prescribed by the department to be completed before release of the motor vehicle; amending s. 318.14, F.S.; providing a lifetime limitation on the number of times a person may elect to attend a driver improvement course in lieu of appearing in court for certain traffic infractions; amending s. 318.18, F.S.; specifying a fine for a vehicle that is displayed for sale, hire, or rental in violation of such provisions; providing for disposition of fines collected; amending s. 319.225, F.S.; prohibiting the department from requiring the signature of the transferor to be notarized on certain motor vehicle title transfer forms relating to mileage of the vehicle; requiring the forms to include an affidavit declaring facts in the document to be true; amending s. 319.23, F.S.; providing that, under certain circumstances, a motor vehicle dealer is not required to apply for a certificate of title for a motor vehicle sold to a general purchaser who resides outside the state; amending s. 319.241, F.S.; revising provisions relating to an application for the removal of a lien from the files of the department or from the certificate of title; authorizing the department to remove the lien from its files within a specified period after receiving an application for a derelict motor vehicle certificate and notification to the lienholder, unless a written statement protesting such removal is received; amending s. 319.30, F.S.; revising definitions; revising requirements for disposition of a motor vehicle, recreational vehicle, or mobile home that is sold, transported, or delivered to a salvage motor vehicle dealer or a secondary metals recycler; requiring certificates of title to conform to specified provisions; providing for the dealer or recycler to apply to the department for a derelict motor vehicle certificate if the certificate of title, salvage certificate of title, or certificate of destruction is not available; requiring the derelict motor vehicle certificate application to be completed by the seller or owner of the motor vehicle or mobile home, the seller's or owner's authorized transporter, or the dealer or recycler; requiring certain identification

information be included with the application; revising the types of documentation that a secondary metals recycler must obtain; permitting recyclers to obtain salvage certificates of title from sellers or owners as a valid method of documentation; providing that a person engaged in the business of recovering, towing, or storing vehicles may not claim certain liens, claim that certain vehicles have remained on any premises after tenancy has terminated, or use the derelict motor vehicle certificate application to transport, sell, or dispose of a motor vehicle at a salvage motor vehicle dealer or secondary metals recycler without otherwise obtaining title to the vehicle or a certificate of destruction; requiring that the department accept all properly endorsed and completed derelict motor vehicle certificate applications and issue such certification having an effective date that authorizes when the vehicle is eligible for dismantling or destruction; requiring that such electronic information be stored and made available to authorized persons; requiring that all licensed salvage motor vehicle dealers or registered secondary metals recyclers make all payments for the purchase of any derelict motor vehicle that is sold by a seller who is not the owner of record by check or money order; amending s. 320.02, F.S.; directing the department to place the name of the owner of a motor vehicle on the list of persons who may not be issued a license plate or revalidation sticker if that person is on a list submitted to the department by a licensed dealer; amending s. 320.27, F.S.; clarifying an exemption from certain dealer precicensing requirements; removing a requirement for evaluation of privatized applicant training methods; authorizing dealer records to be kept in either paper or electronic form; providing procedures for transfer of documents to electronic form; authorizing the department to deny, suspend, or revoke a dealer's license for certain actions relating to payments made to the department; amending s. 322.0261, F.S.; revising provisions requiring persons who were convicted of or who pleaded nolo contendere to specified traffic infractions to attend a driver improvement course; providing that the department shall not require a person to attend a driver improvement course for specified traffic violations when adjudication has been withheld by the court in certain circumstances; requiring the department to send notice of a requirement to attend a driver improvement course within a certain time period after receiving a report of an adjudication; amending s. 627.7295, F.S.; revising application of certain provisions relating to motor vehicle insurance contracts; providing an effective date.

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

Section 1. Subsection (9) of section 261.03, Florida Statutes, is amended to read:

261.03 Definitions.—As used in this chapter, the term:

(9) "ROV" means any motorized recreational off-highway vehicle ~~64~~ 60 inches or less in width, having a dry weight of ~~2,000~~ 1,500 pounds or less, designed to travel on four or more nonhighway tires, having nonstraddle

seating and a steering wheel, and manufactured for recreational use by one or more persons. The term “ROV” does not include a golf cart as defined in ss. 320.01(22) and 316.003(68) or a low-speed vehicle as defined in s. 320.01(42).

Section 2. Subsection (9) of section 317.0003, Florida Statutes, is amended to read:

317.0003 Definitions.—As used in this chapter, the term:

(9) “ROV” means any motorized recreational off-highway vehicle ~~64~~ 60 inches or less in width, having a dry weight of ~~2,000~~ 1,500 pounds or less, designed to travel on four or more nonhighway tires, having nonstraddle seating and a steering wheel, and manufactured for recreational use by one or more persons. The term “ROV” does not include a golf cart as defined in ss. 320.01(22) and 316.003(68) or a low-speed vehicle as defined in s. 320.01(42).

Section 3. Section 316.1951, Florida Statutes, is amended to read:

316.1951 Parking for certain purposes prohibited; sale of motor vehicles; prohibited acts.—

(1) It is unlawful for any person to park a motor vehicle, as defined in s. 320.01, upon a public street or highway, ~~upon~~ a public parking lot, or other public property, or upon private property where the public has the right to travel by motor vehicle, for the principal purpose and intent of displaying the motor vehicle thereon for sale, hire, or rental unless the sale, hire, or rental of the motor vehicle is specifically authorized on such property by municipal or county regulation and the person is in compliance with all municipal or county licensing regulations.

(2) The provisions of subsection (1) do not prohibit a person from parking his or her own motor vehicle or his or her other personal property on any private real property which the person owns or leases or on private real property which the person does not own or lease, but for which he or she obtains the permission of the owner, or on the public street immediately adjacent thereto, for the principal purpose and intent of sale, hire, or rental.

(3) Subsection (1) does not prohibit a licensed motor vehicle dealer from displaying for sale or offering for sale motor vehicles at locations other than the dealer’s licensed location if the dealer has been issued a supplemental license for off-premises sales, as provided in s. 320.27(5), and has complied with the requirements in subsection (1). A vehicle displayed for sale by a licensed dealer at any location other than the dealer’s licensed location is subject to immediate removal without warning.

~~(4) The Department of Highway Safety and Motor Vehicles shall adopt by rule a uniform written notice to be used to enforce this section. Each law enforcement agency in this state shall provide, at each agency’s expense, the notice forms necessary to enforce this section.~~

~~(4)(5)~~ A local government may adopt an ordinance to allow the towing of a motor vehicle parked in violation of this section. A law enforcement officer, compliance officer, code enforcement officer from any local government agency, or supervisor of the department may issue a citation and cause to be immediately removed at the owner's expense any motor vehicle found in violation of subsection (1), except as provided in subsections (2) and (3), or in violation of subsection (5), subsection (6), subsection (7), or subsection (8), and the owner shall be assessed a penalty as provided in s. 318.18(21) by the government agency or authority that orders immediate removal of the motor vehicle. A motor vehicle removed under this section shall not be released from an impound or towing and storage facility before a release form prescribed by the department has been completed verifying that the fine has been paid to the government agency or authority that ordered immediate removal of the motor vehicle. However, the owner may pay towing and storage charges to the towing and storage facility pursuant to s. 713.78 before payment of the fine or before the release form has been completed which has been parked in one location for more than 24 hours after a written notice has been issued. Every written notice issued pursuant to this section shall be affixed in a conspicuous place upon a vehicle by a law enforcement officer, compliance officer, or supervisor of the department. Any vehicle found in violation of subsection (1) within 30 days after a previous violation and written notice is subject to immediate removal without an additional waiting period.

~~(5)(6)~~ It is unlawful to offer a vehicle for sale if the vehicle identification number has been destroyed, removed, covered, altered, or defaced, as described in s. 319.33(1)(d). A vehicle found in violation of this subsection is subject to immediate removal without warning.

~~(6)(7)~~ It is unlawful to knowingly attach to any motor vehicle a registration that was not assigned or lawfully transferred to the vehicle pursuant to s. 320.261. A vehicle found in violation of this subsection is subject to immediate removal without warning.

~~(7)(8)~~ It is unlawful to display or offer for sale a vehicle that does not have a valid registration as provided in s. 320.02. A vehicle found in violation of this subsection is subject to immediate removal without warning. This subsection does not apply to vehicles and recreational vehicles being offered for sale through motor vehicle auctions as defined in s. 320.27(1)(c)4.

~~(8)(9)~~ A vehicle is subject to immediate removal without warning if it bears a telephone number that has been displayed on three or more vehicles offered for sale within a 12-month period.

~~(9)(10)~~ Any other provision of law to the contrary notwithstanding, a violation of subsection (1), subsection (5), subsection (6), subsection (7), or subsection (8) shall subject the owner of such motor vehicle to towing fees reasonably necessitated by removal and storage of the motor vehicle and a fine as required by s. 318.18.

~~(10)~~(11) This section does not prohibit the governing body of a municipality or county, with respect to streets, highways, or other property under its jurisdiction, from regulating the parking of motor vehicles for any purpose.

~~(11)~~(12) A violation of this section is a noncriminal traffic infraction, punishable as a nonmoving violation as provided in chapter 318, unless otherwise mandated by general law.

Section 4. Subsection (9) of section 318.14, Florida Statutes, is amended to read:

318.14 Noncriminal traffic infractions; exception; procedures.—

(9) Any person who does not hold a commercial driver’s license and who is cited for an infraction under this section other than a violation of s. 316.183(2), s. 316.187, or s. 316.189 when the driver exceeds the posted limit by 30 miles per hour or more, s. 320.0605, s. 320.07(3)(a) or (b), s. 322.065, s. 322.15(1), s. 322.61, or s. 322.62 may, in lieu of a court appearance, elect to attend in the location of his or her choice within this state a basic driver improvement course approved by the Department of Highway Safety and Motor Vehicles. In such a case, adjudication must be withheld and points, as provided by s. 322.27, may not be assessed. However, a person may not make an election under this subsection if the person has made an election under this subsection in the preceding 12 months. A person may make no more than five elections within his or her lifetime ~~10 years~~ under this subsection. The requirement for community service under s. 318.18(8) is not waived by a plea of nolo contendere or by the withholding of adjudication of guilt by a court. If a person makes an election to attend a basic driver improvement course under this subsection, 18 percent of the civil penalty imposed under s. 318.18(3) shall be deposited in the State Courts Revenue Trust Fund; however, that portion is not revenue for purposes of s. 28.36 and may not be used in establishing the budget of the clerk of the court under that section or s. 28.35.

Section 5. Subsection (21) is added to section 318.18, Florida Statutes, to read:

318.18 Amount of penalties.—The penalties required for a noncriminal disposition pursuant to s. 318.14 or a criminal offense listed in s. 318.17 are as follows:

(21) One hundred dollars for a violation of s. 316.1951 for a vehicle that is unlawfully displayed for sale, hire, or rental. Notwithstanding any other law to the contrary, fines collected under this subsection shall be retained by the governing authority that authorized towing of the vehicle. Fines collected by the department shall be deposited into the Highway Safety Operating Trust Fund.

Section 6. Paragraphs (a) and (b) of subsection (6) of section 319.225, Florida Statutes, are amended to read:

319.225 Transfer and reassignment forms; odometer disclosure statements.—

(6)(a) If the certificate of title is physically held by a lienholder, the transferor may give a power of attorney to his or her transferee for the purpose of odometer disclosure. The power of attorney must be on a form issued or authorized by the department, which form must be in compliance with 49 C.F.R. ss. 580.4 and 580.13. The department shall not require the signature of the transferor to be notarized on the form; however, in lieu of notarization, the form shall include an affidavit with the following wording: UNDER PENALTY OF PERJURY, I DECLARE THAT I HAVE READ THE FOREGOING DOCUMENT AND THAT THE FACTS STATED IN IT ARE TRUE. The transferee shall sign the power of attorney form, print his or her name, and return a copy of the power of attorney form to the transferor. Upon receipt of a title certificate, the transferee shall complete the space for mileage disclosure on the title certificate exactly as the mileage was disclosed by the transferor on the power of attorney form. If the transferee is a licensed motor vehicle dealer who is transferring the vehicle to a retail purchaser, the dealer shall make application on behalf of the retail purchaser as provided in s. 319.23(6) and shall submit the original power of attorney form to the department with the application for title and the transferor's title certificate; otherwise, a dealer may reassign the title certificate by using the dealer reassignment form in the manner prescribed in subsection (3), and, at the time of physical transfer of the vehicle, the original power of attorney shall be delivered to the person designated as the transferee of the dealer on the dealer reassignment form. A copy of the executed power of attorney shall be submitted to the department with a copy of the executed dealer reassignment form within 5 business days after the certificate of title and dealer reassignment form are delivered by the dealer to its transferee.

(b) If the certificate of title is lost or otherwise unavailable, the transferor may give a power of attorney to his or her transferee for the purpose of odometer disclosure. The power of attorney must be on a form issued or authorized by the department, which form must be in compliance with 49 C.F.R. ss. 580.4 and 580.13. The department shall not require the signature of the transferor to be notarized on the form; however, in lieu of notarization, the form shall include an affidavit with the following wording: UNDER PENALTY OF PERJURY, I DECLARE THAT I HAVE READ THE FOREGOING DOCUMENT AND THAT THE FACTS STATED IN IT ARE TRUE. The transferee shall sign the power of attorney form, print his or her name, and return a copy of the power of attorney form to the transferor. Upon receipt of the title certificate or a duplicate title certificate, the transferee shall complete the space for mileage disclosure on the title certificate exactly as the mileage was disclosed by the transferor on the power of attorney form. If the transferee is a licensed motor vehicle dealer who is transferring the vehicle to a retail purchaser, the dealer shall make application on behalf of the retail purchaser as provided in s. 319.23(6) and shall submit the original

power of attorney form to the department with the application for title and the transferor's title certificate or duplicate title certificate; otherwise, a dealer may reassign the title certificate by using the dealer reassignment form in the manner prescribed in subsection (3), and, at the time of physical transfer of the vehicle, the original power of attorney shall be delivered to the person designated as the transferee of the dealer on the dealer reassignment form. A copy of the executed power of attorney shall be submitted to the department with a copy of the executed dealer reassignment form within 5 business days after the duplicate certificate of title and dealer reassignment form are delivered by the dealer to its transferee.

Section 7. Subsection (6) of section 319.23, Florida Statutes, is amended to read:

319.23 Application for, and issuance of, certificate of title.—

(6)(a) In the case of the sale of a motor vehicle or mobile home by a licensed dealer to a general purchaser, the certificate of title must be obtained in the name of the purchaser by the dealer upon application signed by the purchaser, and in each other case such certificate must be obtained by the purchaser. In each case of transfer of a motor vehicle or mobile home, the application for a certificate of title, a ~~or~~ corrected certificate, or an assignment or reassignment; must be filed within 30 days after ~~from~~ the delivery of the motor vehicle or mobile home to the purchaser. An applicant must pay a fee of \$20, in addition to all other fees and penalties required by law, for failing to file such application within the specified time. In the case of the sale of a motor vehicle by a licensed motor vehicle dealer to a general purchaser who resides in another state or country, the dealer is not required to apply for a certificate of title for the motor vehicle; however, the dealer must transfer ownership and reassign the certificate of title or manufacturer's certificate of origin to the purchaser, and the purchaser must sign an affidavit, as approved by the department, that the purchaser will title and register the motor vehicle in another state or country.

(b) If a licensed dealer acquires a motor vehicle or mobile home as a trade-in, the dealer must file with the department, within 30 days, a notice of sale signed by the seller. The department shall update its database for that title record to indicate "sold." A licensed dealer need not apply for a certificate of title for any motor vehicle or mobile home in stock acquired for stock purposes except as provided in s. 319.225.

Section 8. Section 319.241, Florida Statutes, is amended to read:

319.241 Removal of lien from records.—The owner of a motor vehicle or mobile home upon which a lien has been filed with the department or noted upon a certificate of title for a period of 5 years may apply to the department in writing for such lien to be removed from the department files or from the certificate of title. The application shall be accompanied by evidence satisfactory to the department that the applicant has notified the lienholder by certified mail, not less than 20 days prior to the date of the application, of

his or her intention to apply to the department for removal of the lien. Ten days after receipt of the application, the department may remove the lien from its files or from the certificate of title, as the case may be, if no statement in writing protesting removal of the lien is received by the department from the lienholder within the 10-day period. If, however, the lienholder files with the department within the 10-day period a written statement that the lien is still outstanding, the department shall not remove the lien until the lienholder presents a satisfaction of lien to the department. Ten days after the receipt of an application for a derelict motor vehicle certificate and notification to the lienholder, the department may remove the lien from the derelict motor vehicle record if a written statement protesting removal of the lien is not received by the department from the lienholder within the 10-day period.

Section 9. Subsections (1) and (2), paragraph (b) of subsection (3), paragraph (a) of subsection (7), and subsection (8) of section 319.30, Florida Statutes, are amended to read:

319.30 Definitions; dismantling, destruction, change of identity of motor vehicle or mobile home; salvage.—

(1) As used in this section, the term:

(a) “Certificate of destruction” means the certificate issued pursuant to s. 713.78(11) or s. 713.785(7)(a).

(b) “Certificate of registration number” means the certificate of registration number issued by the Department of Revenue of the State of Florida pursuant to s. 538.25.

(c) “Certificate of title” means a record that serves as evidence of ownership of a vehicle, whether such record is a paper certificate authorized by the department or by a motor vehicle department authorized to issue titles in another state or a certificate consisting of information stored in electronic form in the department’s database.

(d) “Derelict” means any material which is or may have been a motor vehicle or mobile home, which is not a major part or major component part, which is inoperable, and which is in such condition that its highest or primary value is in its sale or transfer as scrap metal.

(e) “Derelict motor vehicle” means:

1. Any motor vehicle as defined in s. 320.01(1) or mobile home as defined in s. 320.01(2), with or without all parts, major parts, or major component parts, which is valued under \$1,000, is at least 10 model years old, beginning with the model year of the vehicle as year one, and is in such condition that its highest or primary value is for sale, transport, or delivery to a licensed salvage motor vehicle dealer or registered secondary metals recycler for dismantling its component parts or conversion to scrap metal; or

2. Any trailer as defined in s. 320.01(1), with or without all parts, major parts, or major component parts, which is valued under \$5,000, is at least 10 model years old, beginning with the model year of the vehicle as year one, and is in such condition that its highest or primary value is for sale, transport, or delivery to a licensed salvage motor vehicle dealer or registered secondary metals recycler for conversion to scrap metal.

~~(f) “Derelict motor vehicle certificate” means a certificate issued by the department which serves as evidence that a derelict motor vehicle will be dismantled or converted to scrap metal. This certificate may be obtained by completing a derelict motor vehicle certificate application authorized by the department completed by the derelict motor vehicle owner, the owner’s authorized transporter when different from the owner, and the licensed salvage motor vehicle dealer or the registered secondary metals recycler and submitted to the department for cancellation of the title record of the derelict motor vehicle. A derelict motor vehicle certificate may be reassigned only one time if the derelict motor vehicle certificate was completed by a licensed salvage motor vehicle dealer and the derelict motor vehicle was sold to another licensed salvage motor vehicle dealer or a secondary metals recycler.~~

(g) “Junk” means any material which is or may have been a motor vehicle or mobile home, with or without all component parts, which is inoperable and which material is in such condition that its highest or primary value is either in its sale or transfer as scrap metal or for its component parts, or a combination of the two, except when sold or delivered to or when purchased, possessed, or received by a secondary metals recycler or salvage motor vehicle dealer.

(h) “Major component parts” means:

1. For motor vehicles other than motorcycles, any fender the front-end assembly (fenders, hood, grill, and bumper), cowl assembly, rear body section (both quarter panel panels, trunk lid, door, decklid, and bumper), floor pan, door assemblies, engine, frame, transmission, catalytic converter, or and ~~airbag.~~

2. For trucks, in addition to those parts listed in subparagraph 1., any truck bed, including dump, wrecker, crane, mixer, cargo box, or any bed which mounts to a truck frame.

3. For motorcycles, the body assembly, frame, fenders, gas tanks, engine, cylinder block, heads, engine case, crank case, transmission, drive train, front fork assembly, and wheels.

4. For mobile homes, the frame.

(i) “Major part” means the front-end assembly, cowl assembly, or rear body section.

(j) “Materials” means motor vehicles, derelicts, and major parts that are not prepared materials.

(k) “Mobile home” means mobile home as defined in s. 320.01(2).

(l) “Motor vehicle” means motor vehicle as defined in s. 320.01(1).

(m) “Parts” means parts of motor vehicles or combinations thereof that do not constitute materials or prepared materials.

~~(n) “Personal identification card” means personal identification card as defined in s. 538.18(5).~~

~~(n)(o)~~ “Prepared materials” means motor vehicles, mobile homes, derelict motor vehicles, major parts, or parts that have been processed by mechanically flattening or crushing, or otherwise processed such that they are not the motor vehicle or mobile home described in the certificate of title, or their only value is as scrap metal.

~~(o)(p)~~ “Processing” means the business of performing the manufacturing process by which ferrous metals or nonferrous metals are converted into raw material products consisting of prepared grades and having an existing or potential economic value, or the purchase of materials, prepared materials, or parts therefor.

~~(p)(q)~~ “Recreational vehicle” means a motor vehicle as defined in s. 320.01(1).

~~(q)(r)~~ “Salvage” means a motor vehicle or mobile home which is a total loss as defined in paragraph (3)(a).

~~(r)(s)~~ “Salvage certificate of title” means a salvage certificate of title issued by the department or by another motor vehicle department authorized to issue titles in another state.

~~(s)(t)~~ “Salvage motor vehicle dealer” means salvage motor vehicle dealer as defined in s. 320.27(1)(c)5.

~~(t)(u)~~ “Secondary metals recycler” means secondary metals recycler as defined in s. 538.18(8).

(u) “Seller” means the owner of record or a person who has physical possession and responsibility for a derelict motor vehicle and attests that possession of the vehicle was obtained through lawful means along with all ownership rights. A seller does not include a towing company, repair shop, or landlord unless the towing company, repair shop, or landlord has obtained title, salvage title, or a certificate of destruction in the name of the towing company, repair shop, or landlord.

(2)(a) Each person mentioned as owner in the last issued certificate of title, when such motor vehicle or mobile home is dismantled, destroyed, or changed in such manner that it is not the motor vehicle or mobile home described in the certificate of title, shall surrender his or her certificate of title to the department, and thereupon the department shall, with the

consent of any lienholders noted thereon, enter a cancellation upon its records. Upon cancellation of a certificate of title in the manner prescribed by this section, the department may cancel and destroy all certificates in that chain of title. Any person who knowingly willfully and deliberately violates this paragraph commits a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083.

(b)1. When a motor vehicle, recreational vehicle, or mobile home is sold, transported, ~~or delivered to,~~ or received by a salvage motor vehicle dealer, it shall be accompanied by:

a. A valid certificate of title issued in the name of the seller or properly endorsed, as required in s. 319.22, over to the seller;

b. A valid salvage certificate of title issued in the name of the seller or properly endorsed, as required in s. 319.22, over to the seller; or

c. A valid certificate of destruction issued in the name of the seller or properly endorsed over to the seller.

2. Any person who knowingly willfully and deliberately violates this paragraph by selling, transporting, delivering, purchasing, or receiving a motor vehicle, recreational vehicle, or mobile home without obtaining a properly endorsed certificate of title, salvage certificate of title, or certificate of destruction from the owner commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

(c)1. When a derelict motor vehicle is sold, transported, or delivered to a licensed salvage motor vehicle dealer, the purchaser shall record the date of purchase and the name, address, and valid Florida driver's license number or valid Florida identification card number, or a valid driver's license number or identification card number issued by another state, ~~personal identification card number~~ of the person selling the derelict motor vehicle, and it shall be accompanied by:

a. A valid certificate of title issued in the name of the seller or properly endorsed over to the seller;

b. A valid salvage certificate of title issued in the name of the seller or properly endorsed over to the seller; or

c. A valid certificate of destruction issued in the name of the seller or properly endorsed over to the seller.

2. If a valid ~~the~~ certificate of title, salvage certificate of title, or certificate of destruction is not available, a derelict motor vehicle certificate application shall be completed by the seller or owner of the motor vehicle or mobile home, the seller's or owner's authorized transporter, and the licensed salvage motor vehicle dealer at the time of sale, transport, or delivery to the licensed salvage motor vehicle dealer. The derelict motor vehicle certificate application shall be used by the seller or owner, the seller's or owner's authorized

transporter, and the licensed salvage motor vehicle dealer to obtain a derelict motor vehicle certificate from the department. The derelict motor vehicle certificate application must be accompanied by a legible copy of the seller's or owner's valid Florida driver's license or Florida identification card, or a valid driver's license or identification card issued by another state. If the seller is not the owner of record of the vehicle being sold, the dealer shall, at the time of sale, ensure that a smudge-free right thumbprint, or other digit if the seller has no right thumb, of the seller is imprinted upon the derelict motor vehicle certificate application and that a legible copy of the seller's driver's license or identification card is affixed to the application and transmitted to the department. The licensed salvage motor vehicle dealer shall secure the ~~derelict motor vehicle or mobile home~~ for 3 full business days, excluding weekends and holidays, if there is no active lien or a lien of 3 years or more on the department's records before destroying or dismantling the derelict motor vehicle and shall follow all reporting procedures established by the department, including electronic notification to the department or delivery of the original derelict motor vehicle certificate application to an agent of the department within 24 hours after receiving the derelict motor vehicle. If there is an active lien of less than 3 years on the derelict motor vehicle, the licensed salvage motor vehicle dealer shall secure the derelict motor vehicle for 10 days. The department shall notify the lienholder that a derelict motor vehicle certificate has been issued and shall notify the lienholder of its intention to remove the lien. Ten days after receipt of the motor vehicle derelict certificate application, the department may remove the lien from its records if a written statement protesting removal of the lien is not received by the department from the lienholder within the 10-day period. However, if the lienholder files with the department and the licensed salvage motor vehicle dealer within the 10-day period a written statement that the lien is still outstanding, the department shall not remove the lien and shall place an administrative hold on the record for 30 days to allow the lienholder to apply for title to the vehicle or a repossession certificate under s. 319.28. The licensed salvage motor vehicle dealer must secure the derelict motor vehicle until the department's administrative stop is removed, the lienholder submits a lien satisfaction, or the lienholder takes possession of the vehicle.

3. Any person who knowingly willfully and deliberately violates this paragraph by selling, transporting, delivering, purchasing, or receiving a derelict motor vehicle without obtaining a certificate of title, salvage certificate of title, certificate of destruction, or derelict motor vehicle certificate application; enters false or fictitious information on a derelict motor vehicle certificate application; does not complete the derelict motor vehicle certificate application as required; does not obtain a legible copy of the seller's or owner's valid driver's license or identification card when required; ~~or~~ does not make the required notification to the department; or destroys or dismantles a derelict motor vehicle without waiting the required time as set forth in subparagraph 2. ~~3 full business days~~ commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

(3)

(b) The owner, including persons who are self-insured, of any motor vehicle or mobile home which is considered to be salvage shall, within 72 hours after the motor vehicle or mobile home becomes salvage, forward the title to the motor vehicle or mobile home to the department for processing. However, an insurance company which pays money as compensation for total loss of a motor vehicle or mobile home shall obtain the certificate of title for the motor vehicle or mobile home and, within 72 hours after receiving such certificate of title, shall forward such title to the department for processing. The owner or insurance company, as the case may be, may not dispose of a vehicle or mobile home that is a total loss before it has obtained a salvage certificate of title or certificate of destruction from the department. When applying for a salvage certificate of title or certificate of destruction, the owner or insurance company must provide the department with an estimate of the costs of repairing the physical and mechanical damage suffered by the vehicle for which a salvage certificate of title or certificate of destruction is sought. If the estimated costs of repairing the physical and mechanical damage to the vehicle are equal to 80 percent or more of the current retail cost of the vehicle, as established in any official used car or used mobile home guide, the department shall declare the vehicle unrebuildable and print a certificate of destruction, which authorizes the dismantling or destruction of the motor vehicle or mobile home described therein. However, if the damaged motor vehicle is equipped with custom-lowered floors for wheelchair access or a wheelchair lift, the insurance company may, upon determining that the vehicle is repairable to a condition that is safe for operation on public roads, submit the certificate of title to the department for reissuance as a salvage rebuildable title and the addition of a title brand of "insurance-declared total loss." The certificate of destruction shall be reassignable a maximum of two times before dismantling or destruction of the vehicle shall be required, and shall accompany the motor vehicle or mobile home for which it is issued, when such motor vehicle or mobile home is sold for such purposes, in lieu of a certificate of title, and, thereafter, the department shall refuse issuance of any certificate of title for that vehicle. Nothing in this subsection shall be applicable when a vehicle is worth less than \$1,500 retail in undamaged condition in any official used motor vehicle guide or used mobile home guide or when a stolen motor vehicle or mobile home is recovered in substantially intact condition and is readily resalable without extensive repairs to or replacement of the frame or engine. Any person who ~~knowingly willfully and deliberately~~ violates this paragraph or falsifies any document to avoid the requirements of this paragraph commits a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

(7)(a) In the event of a purchase by a secondary metals recycler, that has been issued a certificate of registration number, of:

1. Materials, prepared materials, or parts from any seller for purposes other than the processing of such materials, prepared materials, or parts, the purchaser shall obtain such documentation as may be required by this

section and shall record the seller's name and address, date of purchase, and the personal identification card number of the person delivering such items.

2. Parts or prepared materials from any seller for purposes of the processing of such parts or prepared materials, the purchaser shall record the seller's name and address and date of purchase and, in the event of a purchase transaction consisting primarily of parts or prepared materials, the personal identification card number of the person delivering such items.

3. Materials from another secondary metals recycler for purposes of the processing of such materials, the purchaser shall record the seller's name and address and date of purchase.

4.a. Motor vehicles, recreational vehicles, mobile homes, or derelict motor vehicles from other than a secondary metals recycler for purposes of the processing of such motor vehicles, recreational vehicles, mobile homes, or derelict motor vehicles, the purchaser shall record the date of purchase and the name, address, and personal identification card number of the person selling such items and shall obtain the following documentation from the seller with respect to each item purchased:

(I) A valid certificate of title issued in the name of the seller or properly endorsed, as required in s. 319.22, over to the seller;

(II) A valid salvage certificate of title issued in the name of the seller or properly endorsed, as required in s. 319.22, over to the seller;

~~(III)~~(H) A valid certificate of destruction issued in the name of the seller or properly endorsed over to the seller; or

~~(IV)~~(H) A valid derelict motor vehicle certificate obtained from the department completed by a licensed salvage motor vehicle dealer and properly reassigned to the secondary metals recycler.

b. If a valid certificate of title, salvage certificate of title, certificate of destruction, or derelict motor vehicle certificate is not available and the motor vehicle or mobile home is a derelict motor vehicle, a derelict motor vehicle certificate application shall be completed by the seller or owner of the motor vehicle or mobile home, the seller's or owner's authorized transporter, and the registered secondary metals recycler at the time of sale, transport, or delivery to the registered secondary metals recycler to obtain a derelict motor vehicle certificate from the department. The derelict motor vehicle certificate application must be accompanied by a legible copy of the seller's or owner's valid Florida driver's license or Florida identification card, or a valid driver's license or identification card from another state. If the seller is not the owner of record of the vehicle being sold, the recycler shall, at the time of sale, ensure that a smudge-free right thumbprint, or other digit if the seller has no right thumb, of the seller is imprinted upon the derelict motor vehicle certificate application and that the legible copy of the seller's driver's license or identification card is affixed to the application and transmitted to the

department. The derelict motor vehicle certificate shall be used by the owner, the owner's authorized transporter, and the registered secondary metals recycler. The registered secondary metals recycler shall secure the derelict motor vehicle for 3 full business days, excluding weekends and holidays, if there is no active lien or a lien of 3 years or more on the department's records before destroying or dismantling the derelict motor vehicle and shall follow all reporting procedures established by the department, including electronic notification to the department or delivery of the original derelict motor vehicle certificate application to an agent of the department within 24 hours after receiving the derelict motor vehicle. If there is an active lien of less than 3 years on the derelict motor vehicle, the registered secondary metals recycler shall secure the derelict motor vehicle for 10 days. The department shall notify the lienholder of the application for a derelict motor vehicle certificate and shall notify the lienholder of its intention to remove the lien. Ten days after receipt of the motor vehicle derelict application, the department may remove the lien from its records if a written statement protesting removal of the lien is not received by the department from the lienholder within the 10-day period. However, if the lienholder files with the department and the registered secondary metals recycler within the 10-day period a written statement that the lien is still outstanding, the department shall not remove the lien and shall place an administrative hold on the record for 30 days to allow the lienholder to apply for title to the vehicle or a repossession certificate under s. 319.28. The registered secondary metals recycler must secure the derelict motor vehicle until the department's administrative stop is removed, the lienholder submits a lien satisfaction, or the lienholder takes possession of the vehicle.

c. Any person who ~~knowingly willfully and deliberately~~ violates this subparagraph by selling, transporting, delivering, purchasing, or receiving a motor vehicle, recreational motor vehicle, mobile home, or derelict motor vehicle without obtaining a certificate of title, salvage certificate of title, certificate of destruction, or derelict motor vehicle certificate; enters false or fictitious information on a derelict motor vehicle certificate application; does not complete the derelict motor vehicle certificate application as required or does not make the required notification to the department; does not obtain a legible copy of the seller's or owner's driver's license or identification card when required; or destroys or dismantles a derelict motor vehicle without waiting the required time as set forth in sub-subparagraph b. ~~3 full business days~~ commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

5. Major parts from other than a secondary metals recycler for purposes of the processing of such major parts, the purchaser shall record the seller's name, address, date of purchase, and the personal identification card number of the person delivering such items, as well as the vehicle identification number, if available, of each major part purchased.

(8)(a) Secondary metals recyclers and salvage motor vehicle dealers shall return to the department on a monthly basis all certificates of title and salvage certificates of title that are required by this section to be obtained.

Secondary metals recyclers and salvage motor vehicle dealers may elect to notify the department electronically through procedures established by the department when they receive each motor vehicle or mobile home, salvage motor vehicle or mobile home, or derelict motor vehicle with a certificate of title or salvage certificate of title through procedures established by the department. The department may adopt rules and establish fees as it deems necessary or proper for the administration of the electronic notification service.

(b) Secondary metals recyclers and salvage motor vehicle dealers shall keep originals, or a copy in the event the original was returned to the department, of all certificates of title, salvage certificates of title, certificates of destruction, derelict motor vehicle certificates, and all other information required by this section to be recorded or obtained, on file in the offices of such secondary metals recyclers or salvage motor vehicle dealers for a period of 3 years after the date of purchase of the items reflected in such certificates of title, salvage certificates of title, certificates of destruction, or derelict motor vehicle certificates. These records shall be maintained in chronological order.

(c) For the purpose of enforcement of this section, the department or its agents and employees have the same right of inspection as law enforcement officers as provided in s. 812.055.

(d) Whenever the department, its agent or employee, or any law enforcement officer has reason to believe that a stolen or fraudulently titled motor vehicle, mobile home, recreational vehicle, salvage motor vehicle, or derelict motor vehicle is in the possession of a salvage motor vehicle dealer or secondary metals recycler, the department, its agent or employee, or the law enforcement officer may issue an extended a hold notice, not to exceed 5 additional business days, excluding weekends and holidays, to the salvage motor vehicle dealer or registered secondary metals recycler.

(e) Whenever a salvage motor vehicle dealer or registered secondary metals recycler is notified by the department, its agent or employee, or any law enforcement officer to hold a motor vehicle, mobile home, recreational vehicle, salvage motor vehicle, or derelict motor vehicle that is believed to be stolen or fraudulently titled, the salvage motor vehicle dealer or registered secondary metals recycler shall hold the motor vehicle, mobile home, recreational vehicle, salvage motor vehicle, or derelict motor vehicle and may not dismantle or destroy the motor vehicle, mobile home, recreational vehicle, salvage motor vehicle, or derelict motor vehicle until it is recovered by a law enforcement officer, the hold is released by the department or the law enforcement officer placing the hold, or the 5 additional business working days have passed since being notified of the hold.

(f) This section does not authorize any person who is engaged in the business of recovering, towing, or storing vehicles pursuant to s. 713.78, and who is claiming a lien for performing labor or services on a motor vehicle or mobile home pursuant to s. 713.58, or is claiming that a motor vehicle or

mobile home has remained on any premises after tenancy has terminated pursuant to s. 715.104, to use a derelict motor vehicle certificate application for the purpose of transporting, selling, disposing, or delivering a motor vehicle to a salvage motor vehicle dealer or secondary metals recycler without obtaining the title or certificate of destruction required under s. 713.58, s. 713.78, or s. 715.104.

(g) The department shall accept all properly endorsed and completed derelict motor vehicle certificate applications and shall issue a derelict motor vehicle certificate having an effective date that authorizes when a derelict motor vehicle is eligible for dismantling or destruction. The electronic information obtained from the derelict motor vehicle certificate application shall be stored electronically and shall be made available to authorized persons after issuance of the derelict motor vehicle certificate in the Florida Real Time Vehicle Information System.

(h)(f) The department is authorized to adopt rules pursuant to ss. 120.536(1) and 120.54 establishing policies and procedures to administer and enforce this section.

(i)(g) The department shall charge a fee of \$3 for each derelict motor vehicle certificate delivered to the department or one of its agents for processing and shall mark the title record canceled. A service charge may be collected under s. 320.04.

(j) The licensed salvage motor vehicle dealer or registered secondary metals recycler shall make all payments for the purchase of any derelict motor vehicle that is sold by a seller who is not the owner of record on file with the department by check or money order made payable to the seller and may not make payment to the authorized transporter. The licensed salvage motor vehicle dealer or registered secondary metals recycler may not cash the check that such dealer or recycler issued to the seller.

Section 10. Subsection (16) of section 320.02, Florida Statutes, is amended to read:

320.02 Registration required; application for registration; forms.—

(16) The department is authorized to withhold registration or re-registration of a motor vehicle if the name of the owner or of a coowner appears on a list submitted to the department by a licensed motor vehicle dealer for a previous registration of that vehicle. The department shall place the name of the registered owner of that vehicle on the list of those persons who may not be issued a license plate, revalidation sticker, or replacement plate for the vehicle purchased from the licensed motor vehicle dealer. The motor vehicle dealer must maintain signed evidence that the owner or coowner acknowledged the dealer's authority to submit the list to the department if he or she failed to pay and must note the amount for which the owner or coowner would be responsible for the vehicle registration. The dealer must maintain the necessary documentation required in this

subsection or face penalties as provided in s. 320.27. This subsection does not affect the issuance of a title to a motor vehicle.

(a) The motor vehicle owner or coowner may dispute the claim that money is owed to a dealer for registration fees by submitting a form to the department if the motor vehicle owner or coowner has documentary proof that the registration fees have been paid to the dealer for the disputed amount. Without clear evidence of the amounts owed for the vehicle registration and repayment, the department will assume initial payments are applied to government-assessed fees first.

(b) If the registered owner's dispute complies with paragraph (a), the department shall immediately remove the motor vehicle owner or coowner's name from the list, thereby allowing the issuance of a license plate or revalidation sticker.

Section 11. Subsections (4) and (6) and paragraph (a) of subsection (9) of section 320.27, Florida Statutes, are amended to read:

320.27 Motor vehicle dealers.—

(4) LICENSE CERTIFICATE.—

(a) A license certificate shall be issued by the department in accordance with such application when the application is regular in form and in compliance with the provisions of this section. The license certificate may be in the form of a document or a computerized card as determined by the department. The actual cost of each original, additional, or replacement computerized card shall be borne by the licensee and is in addition to the fee for licensure. Such license, when so issued, entitles the licensee to carry on and conduct the business of a motor vehicle dealer. Each license issued to a franchise motor vehicle dealer expires annually on December 31 unless revoked or suspended prior to that date. Each license issued to an independent or wholesale dealer or auction expires annually on April 30 unless revoked or suspended prior to that date. Not less than 60 days prior to the license expiration date, the department shall deliver or mail to each licensee the necessary renewal forms. Each independent dealer shall certify that the dealer (owner, partner, officer, or director of the licensee, or a full-time employee of the licensee that holds a responsible management-level position) has completed 8 hours of continuing education prior to filing the renewal forms with the department. Such certification shall be filed once every 2 years ~~commencing with the 2006 renewal period~~. The continuing education shall include at least 2 hours of legal or legislative issues, 1 hour of department issues, and 5 hours of relevant motor vehicle industry topics. Continuing education shall be provided by dealer schools licensed under paragraph (b) either in a classroom setting or by correspondence. Such schools shall provide certificates of completion to the department and the customer which shall be filed with the license renewal form, and such schools may charge a fee for providing continuing education. Any licensee who does not file his or her application and fees and any other requisite documents, as

required by law, with the department at least 30 days prior to the license expiration date shall cease to engage in business as a motor vehicle dealer on the license expiration date. A renewal filed with the department within 45 days after the expiration date shall be accompanied by a delinquent fee of \$100. Thereafter, a new application is required, accompanied by the initial license fee. A license certificate duly issued by the department may be modified by endorsement to show a change in the name of the licensee, provided, as shown by affidavit of the licensee, the majority ownership interest of the licensee has not changed or the name of the person appearing as franchisee on the sales and service agreement has not changed. Modification of a license certificate to show any name change as herein provided shall not require initial licensure or reissuance of dealer tags; however, any dealer obtaining a name change shall transact all business in and be properly identified by that name. All documents relative to licensure shall reflect the new name. In the case of a franchise dealer, the name change shall be approved by the manufacturer, distributor, or importer. A licensee applying for a name change endorsement shall pay a fee of \$25 which fee shall apply to the change in the name of a main location and all additional locations licensed under the provisions of subsection (5). Each initial license application received by the department shall be accompanied by verification that, within the preceding 6 months, the applicant, or one or more of his or her designated employees, has attended a training and information seminar conducted by a licensed motor vehicle dealer training school. Any applicant for a new franchised motor vehicle dealer license who has held a valid franchised motor vehicle dealer license continuously for the past 2 years and who remains in good standing with the department is exempt from the prelicensing training requirement. Such seminar shall include, but is not limited to, statutory dealer requirements, which requirements include required bookkeeping and recordkeeping procedures, requirements for the collection of sales and use taxes, and such other information that in the opinion of the department will promote good business practices. No seminar may exceed 8 hours in length.

(b) Each initial license application received by the department for licensure under subparagraph (1)(c)2. shall ~~must~~ be accompanied by verification that, within the preceding 6 months, the applicant (owner, partner, officer, or director of the applicant, or a full-time employee of the applicant that holds a responsible management-level position) has successfully completed training conducted by a licensed motor vehicle dealer training school. Such training must include training in titling and registration of motor vehicles, laws relating to unfair and deceptive trade practices, laws relating to financing with regard to buy-here, pay-here operations, and such other information that in the opinion of the department will promote good business practices. Successful completion of this training shall be determined by examination administered at the end of the course and attendance of no less than 90 percent of the total hours required by such school. Any applicant who had held a valid motor vehicle dealer's license continuously within the past 2 years and who remains in good standing with the department is exempt from the prelicensing requirements of this section

paragraph. The department shall have the authority to adopt any rule necessary for establishing the training curriculum; length of training, which shall not exceed 8 hours for required department topics and shall not exceed an additional 24 hours for topics related to other regulatory agencies' instructor qualifications; and any other requirements under this section. The curriculum for other subjects shall be approved by any and all other regulatory agencies having jurisdiction over specific subject matters; however, the overall administration of the licensing of these dealer schools and their instructors shall remain with the department. Such schools are authorized to charge a fee. ~~This privatized method for training applicants for dealer licensing pursuant to subparagraph (1)(c)2. is a pilot program that shall be evaluated by the department after it has been in operation for a period of 2 years.~~

(6) **RECORDS TO BE KEPT BY LICENSEE.**—Every licensee shall keep a book or record in either paper or electronic such form as shall be prescribed or approved by the department for a period of 5 years, in which the licensee shall keep a record of the purchase, sale, or exchange, or receipt for the purpose of sale, of any motor vehicle, the date upon which any temporary tag was issued, the date of title transfer, and a description of such motor vehicle together with the name and address of the seller, the purchaser, and the alleged owner or other person from whom such motor vehicle was purchased or received or to whom it was sold or delivered, as the case may be. Such description shall include the identification or engine number, maker's number, if any, chassis number, if any, and such other numbers or identification marks as may be thereon and shall also include a statement that a number has been obliterated, defaced, or changed, if such is the fact. When a licensee chooses to maintain electronic records, the original paper documents may be destroyed after the licensee successfully transfers title and registration to the purchaser as required by chapter 319 for any purchaser who titles and registers the motor vehicle in this state. In the case of a sale to a purchaser who will title and register the motor vehicle in another state or country, the licensee may destroy the original paper documents after successfully delivering a lawfully reassigned title or manufacturer's certificate or statement of origin to the purchaser and after producing electronic images of all documents related to the sale.

(9) **DENIAL, SUSPENSION, OR REVOCATION.**—

(a) The department may deny, suspend, or revoke any license issued hereunder or under the provisions of s. 320.77 or s. 320.771, upon proof that an applicant or a licensee has committed any of the following activities:

1. Committed Commission of fraud or willful misrepresentation in application for or in obtaining a license.

2. Been convicted Conviction of a felony.

3. Failed Failure to honor a bank draft or check given to a motor vehicle dealer for the purchase of a motor vehicle by another motor vehicle dealer

within 10 days after notification that the bank draft or check has been dishonored. If the transaction is disputed, the maker of the bank draft or check shall post a bond in accordance with the provisions of s. 559.917, and no proceeding for revocation or suspension shall be commenced until the dispute is resolved.

4.a. Failed to provide payment within 10 business days to the department for a check payable to the department that was dishonored due to insufficient funds in the amount due plus any statutorily authorized fee for uttering a worthless check. The department shall notify an applicant or licensee when the applicant or licensee makes payment to the department by a check that is subsequently dishonored by the bank due to insufficient funds. The applicant or licensee shall, within 10 business days after receiving the notice, provide payment to the department in the form of cash in the amount due plus any statutorily authorized fee. If the applicant or licensee fails to make such payment within 10 business days, the department may deny, suspend, or revoke the applicant's or licensee's motor vehicle dealer license.

b. Stopped payment on a check payable to the department, issued a check payable to the department from an account that has been closed, or charged back a credit card transaction to the department. If an applicant or licensee commits any such act, the department may deny, suspend, or revoke the applicant's or licensee's motor vehicle dealer license.

Section 12. Subsection (4) of section 322.0261, Florida Statutes, is amended to read:

322.0261 Driver improvement course; requirement to maintain driving privileges; failure to complete; department approval of course.—

(4)(a) The department shall identify any operator convicted of, or who pleaded nolo contendere to, a violation of s. 316.074(1), s. 316.075(1)(c)1., s. 316.172, s. 316.191, or s. 316.192 and shall require that operator, in addition to other applicable penalties, to attend a department-approved driver improvement course in order to maintain driving privileges. The department shall, within 10 days after receiving a notice of judicial disposition, send notice to the operator of the requirement to attend a driver improvement course. If the operator fails to complete the course within 90 days after receiving notice from the department, the operator's driver license shall be canceled by the department until the course is successfully completed.

(b) Any operator who receives a traffic citation for a violation of s. 316.074(1), s. 316.075(1)(c)1., s. 316.191, or s. 316.192, for which the court withholds adjudication, is not required to attend a driver improvement course, unless the court finds that the nature or severity of the violation is such that attendance to a driver improvement course is necessary. The department shall, within 10 days after receiving a notice of judicial disposition, send notice to the operator of the requirement to attend a driver improvement course. If the operator fails to complete the course within 90

days after receiving notice from the department, the operator's driver license shall be canceled by the department until the course is successfully completed.

(c) Any operator who receives a traffic citation for a violation of s. 316.172, for which the court withholds adjudication, is required to attend a driver improvement course. The department shall, within 10 days after receiving a notice of judicial disposition, send notice to the operator of the requirement to attend a driver improvement course. If the operator fails to complete the course within 90 days after receiving notice from the department, the operator's driver license shall be canceled by the department until the course is successfully completed.

Section 13. Subsection (7) of section 627.7295, Florida Statutes, is amended to read:

627.7295 Motor vehicle insurance contracts.—

(7) A policy of private passenger motor vehicle insurance or a binder for such a policy may be initially issued in this state only if the insurer or agent has collected from the insured an amount equal to 2 months' premium. An insurer, agent, or premium finance company may not, directly or indirectly, take any action resulting in the insured having paid from the insured's own funds an amount less than the 2 months' premium required by this subsection. This subsection applies without regard to whether the premium is financed by a premium finance company or is paid pursuant to a periodic payment plan of an insurer or an insurance agent. This subsection does not apply if an insured or member of the insured's family is renewing or replacing a policy or a binder for such policy written by the same insurer or a member of the same insurer group. This subsection does not apply to an insurer that issues private passenger motor vehicle coverage primarily to active duty or former military personnel or their dependents. This subsection does not apply if all policy payments are paid pursuant to a payroll deduction plan or an automatic electronic funds transfer payment plan from the policyholder, provided that the first policy payment is made by cash, cashier's check, check, or a money order. This subsection and subsection (4) do not apply if all policy payments to an insurer are paid pursuant to an automatic electronic funds transfer payment plan from an agent, ~~or~~ a managing general agent, or a premium finance company and if the policy includes, at a minimum, personal injury protection pursuant to ss. 627.730-627.7405; motor vehicle property damage liability pursuant to s. 627.7275; and bodily injury liability in at least the amount of \$10,000 because of bodily injury to, or death of, one person in any one accident and in the amount of \$20,000 because of bodily injury to, or death of, two or more persons in any one accident. This subsection and subsection (4) do not apply if an insured has had a policy in effect for at least 6 months, the insured's agent is terminated by the insurer that issued the policy, and the insured obtains coverage on the policy's renewal date with a new company through the terminated agent.

Section 14. This act shall take effect July 1, 2010.

Approved by the Governor June 3, 2010.

Filed in Office Secretary of State June 3, 2010.