

## CHAPTER 2014-130

### Committee Substitute for Committee Substitute for House Bill No. 783

An act relating to motor vehicle sales; amending s. 545.01, F.S.; revising and reordering definitions; defining terms; creating s. 545.045, F.S.; prohibiting an affiliated finance company from taking specified actions relating to certain finance obligations arising from a vehicle contract that contains a third-party provider's specified automotive related product; providing factors to determine whether an automotive related product is similar in nature, scope, and quality to an automotive related product offered for sale by an affiliated finance company or its related manufacturer or wholesale distributor; providing that a violation does not constitute a criminal offense; providing an effective date.

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

Section 1. Section 545.01, Florida Statutes, is reordered and amended to read:

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

(1) “Affiliated finance company” means a finance company which:

(a) Is affiliated with or controlled by a manufacturer or wholesale distributor through common ownership, officers, directors, or management; or

(b) Has a contractual agreement with a manufacturer or wholesale distributor to finance, via sale or lease, motor vehicles produced or distributed by such manufacturer or wholesale distributor.

(2) “Automotive related product” means a motor vehicle service agreement, as defined in s. 634.011, or a guaranteed asset protection product, as defined in s. 520.02, or other non-tangible ancillary product that is purchased or otherwise provided as part of the sale or lease of a motor vehicle by a dealer.

(6)(1)—The term “Person” as used in this chapter means an any individual, firm, corporation, partnership, limited liability company, association, trustee, receiver, or assignee for the benefit of creditors.

(7)(2)—The terms “Sell,” “sold,” “buy,” or and “purchase,” includes as used in this chapter, include an exchange, barter, gift, or and offer to contract to sell or buy.

(5)(3)—The term “Manufacturer” means a any person engaged, directly or indirectly, in the manufacture of motor vehicles.

~~(10)(4) The term “Wholesale distributor” means a any person engaged, directly or indirectly, in the sale or distribution of motor vehicles to agents or to dealers.~~

~~(3)(5) The term “Dealer” means a franchised motor vehicle dealer, as defined in s. 320.27(1)(c)1. any person who is engaged in, or who intends to engage in the business of selling motor vehicles at retail in this state. The term “dealer” shall also include “retail agent.”~~

~~(4)(6) The term “Finance company” means a any person engaged in the business of financing the sale or lease of motor vehicles, or engaged in the business of purchasing or acquiring vehicle contracts conditional bills of sale, or promissory notes, either secured by vendor’s lien or chattel mortgages, or arising from the sale of motor vehicles in this state.~~

~~(8) “Third-party provider” means a provider of an automotive related product that is not an affiliated finance company, manufacturer, or wholesale distributor.~~

~~(9) “Vehicle contract” means a conditional sales contract, retail installment sales contract, chattel mortgage, lease agreement, promissory note, or any other financial obligation arising from the retail sale or lease of a motor vehicle.~~

Section 2. Section 545.045, Florida Statutes, is created to read:

545.045 Purchase or assignment of third-party financing.—

(1) When a vehicle contract contains a third-party provider’s automotive related product that is of similar nature, scope, and quality to an automotive related product offered for sale by an affiliated finance company or its related manufacturer or wholesale distributor, that affiliated finance company may not, solely because the vehicle contract contains a third party’s automotive related product:

(a) Refuse to purchase or accept the assignment of the vehicle contract from a dealer; or

(b) Charge a dealer an additional fee or surcharge for the purchase of, or acceptance of the assignment of, the vehicle contract.

(2) Factors in determining whether an automotive related product is similar in nature, scope, and quality include, but are not limited to, the financial capacity of the third-party provider to meet all of its obligations, inclusive of any contractual liability insurance policies, and the third-party provider’s history of compliance with any applicable state and federal regulations.

(3) A violation of this section does not constitute a criminal offense pursuant to s. 545.12.

Section 3. This act shall take effect July 1, 2014.

Approved by the Governor June 13, 2014.

Filed in Office Secretary of State June 13, 2014.