

15C-7.003 Application for License; Requirements for Office, Display Space and Operation; Denial, Suspension or Revocation; Implementation.

(1) Purpose and Scope. The purpose of this rule is to provide requirements for completion of the application for a motor vehicle dealer's license, to provide requirements for the place of business, including offices and display spaces of motor vehicle dealers, and to provide requirements for the operation of a motor vehicle dealership.

(2) Definitions.

(a) The words or phrases: Department, person, franchised motor vehicle dealer, independent motor vehicle dealer, wholesale motor vehicle dealer, motor vehicle auction, motor vehicle dealer and motor vehicle broker as used in this rule shall have the meanings ascribed to them in Section 320.27(1), F.S.

(b) The words or phrases as used in this rule shall have the following meanings:

1. Applicant – The business on behalf of whom a natural person signs an application for a motor vehicle dealer's license in the space designated for the applicant's signature.

2. Barrier – Any permanent structure that separates or marks a boundary.

3. Corporate Officer – The president, vice president, secretary, treasurer, or director of any organization incorporated under the laws of Florida or any other state.

4. Display Space – The unoccupied land, or space within a building, at a place of business, on or within which a motor vehicle dealer displays motor vehicles for sale.

5. Rental or Lease Agreement – A written contract with specific terms and fees between a motor vehicle dealer and a property owner which conveys to the motor vehicle dealer rights to occupy specified property.

6. Office – A structure of a permanent nature where the business of dealing in motor vehicles can be conducted.

7. Residence – A structure where a person or persons are domiciled or actually live. The definition also shall include, but not be limited to, structures such as tool sheds, storage sheds or free standing or attached garages located on the same property as the residence or located within a common enclosure or boundary which surrounds the residence.

8. True Copy – A complete and accurate photographic copy of a document which reflects all characters, marks and signatures contained in the original.

(3) Applications for Motor Vehicle Dealer's License.

(a) All applications for motor vehicle dealer licenses shall be on the form HSMV 84011, Application for a License as a Motor Vehicle, Mobile Home, or Recreational Vehicle Dealer (Rev. 6/88), hereby adopted by reference.

(b) All applications shall be complete in all details and shall be signed by the applicant.

(c) All applications shall have attached all documentation and endorsements necessary to substantiate the applicant's compliance with the requirements of Section 320.27(3), F.S., and this rule. Such documentation or endorsements shall include:

1. Proof that the applicant owns the place of business and the date it was acquired, or, in the case of lease or rental, a true copy of the written rental or lease agreement signed by the property owner and the applicant.

2. Designation of the name under which the dealership will operate.

3. If the dealership is to operate in a corporate capacity, a true copy of the corporate charter, minutes of the corporation's meeting at which the corporate officers were designated, and a certificate of good standing from the state in which the business is incorporated.

4. If the business is to operate as a partnership, a true copy of any partnership agreement.

5. A surety bond or an irrevocable letter of credit prescribed by Section 320.27(10), F.S., in the amount of \$25,000. An irrevocable letter of credit must be issued by a bank authorized to do business in this state. A surety bond for a franchised motor vehicle dealer shall be submitted on form HSMV 84702 Bond-Franchise Motor Vehicle Dealer (Rev. 9/86), hereby adopted by reference. Independent and wholesale motor vehicle dealer and motor vehicle auction surety bonds shall be submitted on form HSMV 84713 Bond-Independent Motor Vehicle Dealer (Rev.9/86), hereby adopted by reference. An irrevocable letter of credit for a franchised motor vehicle dealer shall be submitted on form HSMV 84253 Franchise Motor Vehicle Dealer Irrevocable Letter of Credit (Rev. 9/86), hereby adopted by reference. An irrevocable letter of credit for an independent or wholesale motor vehicle dealer or motor vehicle auction shall be submitted on form HSMV 84252 Independent Motor Vehicle Dealer Irrevocable Letter of Credit (Rev. 9/86), hereby adopted by reference.

6. A statement completed and signed on form HSMV 84254 Garage Liability Statement (Rev. 8/89), hereby adopted by reference, that garage liability insurance of the type and in the amounts prescribed in Section 320.27(3), F.S., has been obtained,

including the name and address of the insurance company and the policy number.

7. A declaration as to whether or not the applicant, any partner or any corporate officer or director has been found guilty of any felony or offense in any jurisdiction which would be a felony if committed in Florida, or has been found guilty of a violation of any motor vehicle law in any jurisdiction (other than traffic laws) and a complete certified copy of the court records pertaining to any such conviction.

8. If applicant is to act as a franchised motor vehicle dealer, the requirements of Rule 15C-1.008, F.A.C., must be met.

9. Verification that the applicant or one or more of his employees has attended and completed a training program for motor vehicle dealer license applicants within the six months preceding filing of an initial application as prescribed by Section 320.27(4), F.S.

10. Two positive print photographs of the proposed licensed place of business. The photographs shall be a minimum of 3" × 4" in size. One photograph shall depict the exterior of the dealership from a distance to clearly show two (2) sides of the building, one side of which shall be the public entrance into the dealership. The second photograph shall show the remaining sides of the building which will house the dealership. At least one of the photographs must reflect the area to be used for display of vehicles/units offered for sale, if display space is required.

(4) Requirements for Office Space.

(a) Each licensed motor vehicle dealer shall maintain an office as part of his place of business. The offices of motor vehicle dealers shall conform to the following standards:

1. No office shall be operated from or maintained in any residence.

2. The office must be in a permanent structure at the licensed location. In the case of an office trailer, the office must be anchored or tied down as required by Rule 15C-1.010, F.A.C.

3. Each office shall have a minimum of 100 square feet of interior floor space exclusive of any hallways, closets or restrooms and a minimum 7' ceiling.

4. The office must be clearly separated from any other business which is being operated in the structure or building which houses the dealership.

(5) Requirements for Display Space.

(a) Each licensed motor vehicle dealer shall maintain a display space as part of his place of business.

(b) Such display space shall be for the purpose of displaying motor vehicles offered for sale by the motor vehicle dealer and shall conform to the following specifications:

1. The display space of each licensed motor vehicle dealer will be of a sufficient size to store and display all vehicles offered for sale. The display space may be located within a building.

2. Display spaces shall be under the exclusive control of the motor vehicle dealer and shall not include an area or space set aside for customer, employee or general public parking nor shall it include any public right-of-way.

3. Display spaces shall be contiguous to the dealership office or shall be situated so as to allow easy access by dealership customers.

4. Display spaces, whether outside or inside a building, shall have immediate and direct access to a public street or highway or be situated on property, owned or leased by the dealer, to which public access has been granted.

5. Display spaces shall physically be divided from any other motor vehicle dealer's display space by a permanent barrier no less than three feet in height and erected in such a manner as to clearly distinguish one dealer's display space from another dealer's display space.

(6) Requirements for Operation.

(a) Each licensed motor vehicle dealer or his designee shall be available to consumers and the department during regular business hours.

(b) The business of a motor vehicle dealer must be the principal business conducted at the licensed location.

(c) Licenses are not transferable and may not be transferred by any means by the licensee to a second party. Dealerships may be operated by agents or employees of the licensee; however, the licensee shall be responsible for the operation of the dealership.

(d) To insure availability of the licensee, the following standards must be met and maintained by each licensee. Each dealer:

1. Shall post hours of operation in a clear manner at or near the main entrance to the dealership office on a placard, sign or by other durable means.

2. Shall maintain the posted hours of operation.

3. Shall provide the department with all information and telephone numbers necessary to contact the dealer. Information and telephone numbers shall be provided in writing to the Division of Motorist Services Regional Administrator.

4. Shall insure that information and telephone numbers required in the preceding subsection are current and correct.

5. Shall make his dealership records available to inspection by the department during reasonable hours.

6. Shall be familiar with the obligations and responsibilities of a motor vehicle dealer as provided in Chapters 319 and 320, F.S.; shall be knowledgeable of the procedures necessary to assign, transfer or apply for title to a motor vehicle and of the requirements and procedures necessary to transfer or apply for registration of motor vehicles.

7. Shall make every reasonable effort to resolve, in an equitable and expeditious manner, all complaints which have been filed against him.

8. Shall, upon revocation or suspension of his license:

a. Surrender the license to the department;

b. Surrender all dealer registration plates assigned to him to the department;

c. Surrender, for refund, all temporary tags purchased by him; and,

d. Cease operation of the business.

9. Shall notify the department in writing of a permanent closing or cessation of business at the main or any licensed supplemental location.

10. Shall have a permanent sign identifying the dealership at its place of business. Such sign shall clearly identify the dealership and shall use lettering or other graphic representation of sufficient size and color so as to be visible and readable at a distance of 50 yards from the public right-of-way serving the dealership.

11. Shall maintain a location address for the place of business which is assigned by the United States Postal Service.

12. Shall report any change of address to the department and shall receive approval for any new place of business prior to relocating the business.

(7) Prohibitions.

No licensed motor vehicle dealer shall authorize or knowingly permit or allow any person, employee, agent or representative to use the dealer's license identification number to effect a sale of a motor vehicle, a title transfer, or a registration transaction for the sale of a motor vehicle wherein the purchaser of that motor vehicle was not given notice that the sale, transfer or registration was not made by a licensed motor vehicle dealer.

(8) Under Section 320.27(9), F.S., the department is authorized to deny, suspend or revoke a dealer license for failure to comply with the requirements of this rule.

(9) Standards for Implementation.

(a) This rule shall be fully applicable to all applicants for motor vehicle dealer's licenses whose applications are received on or after the effective date of this rule.

(b) Persons licensed as motor vehicle dealers on the effective date of this rule shall comply with the requirements for office space and display space not later than the time of application for renewal of license for the third renewal period following the effective date of the rule. The requirements for business operation as prescribed in subsection 15C-7.003(6), F.A.C., shall be applicable to all licensees upon the rule's effective date.

(10) All forms mentioned in this rule may be obtained free of charge from the Department by contacting any License and Registration Inspector or any Regional Office of the Bureau of Licenses and Enforcement, Division of Motorist Services. Addresses and telephone numbers are available from the bureau, Room 308, 2900 Apalachee Parkway, Tallahassee, Florida 32399.