

CHAPTER 521

MOTOR VEHICLE LEASE DISCLOSURE

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521.001 Short title.—Sections 521.001–521.006 may be cited as the “Motor Vehicle Lease Disclosure Act.”

History.—s. 1, ch. 95–350.

521.002 Applicability.—Sections 521.001–521.006 do not supersede applicable federal law, including the federal Truth in Lending Act, 15 U.S.C. ss. 1601 et seq.; the rules adopted under the federal Truth in Lending Act; or any state law, including the Uniform Commercial Code.

History.—s. 2, ch. 95–350.

521.003 Definitions.—As used in ss. 521.001–521.006, the term:

(1) “Adjusted or net capitalized cost” means the capitalized cost, less any capitalized cost–reduction payments made by the retail lessee at the inception of the lease agreement. The adjusted or net capitalized cost shall serve as the basis for calculating the amount of the retail lessee’s periodic payment under the lease agreement.

(2) “Capitalized cost” means the agreed–upon total amount which, after deducting any capitalized cost reductions, serves as the basis for calculating the amount of the periodic payment under the lease agreement. The capitalized cost may include, without limitation:

- (a) Taxes.
- (b) Registration fees.
- (c) License fees.
- (d) Insurance charges.
- (e) Charges for guaranteed auto protection or GAP coverage.
- (f) Charges for service contracts and extended warranties.
- (g) Fees and charges for accessories and for installing accessories.
- (h) Charges for delivery, service, and repair.
- (i) Administrative fees, acquisition fees, and any and all fees or charges for providing services incidental to the lease agreement.
- (j) The unpaid balance of any amount financed under an outstanding motor vehicle loan agreement or motor vehicle retail installment contract with respect to a motor vehicle used as a trade–in.
- (k) The unpaid portion of the early termination obligation under an outstanding lease agreement.
- (l) The first periodic payment due at the inception of the lease agreement.

(3) “Capitalized cost reduction” means a payment made by cash, check, credit card debit, net vehicle trade–in, rebate, or other similar means in the nature of

a down payment or credit, made by the retail lessee at the inception of the lease agreement, for the purpose of reducing the capitalized cost and shall not include any periodic payments received by the retail lessor at the inception of the lease agreement.

(4) “Lease agreement” means a written agreement entered into in this state for the transfer from a retail lessor to a retail lessee of the right to possess and use a motor vehicle in exchange for consideration for a scheduled term exceeding 4 months, whether or not the retail lessee has the option to purchase or otherwise become the owner of the motor vehicle upon expiration of the agreement. The term does not include an agreement which covers an absolute sale, a sale pending approval, or a retail installment sale, including a transaction or contract which is governed by the Motor Vehicle Retail Sales Finance Act of Florida.

(5) “Lease transaction” means a presentation made to the retail lessee concerning the motor vehicle, including a sales presentation or a document presented to the retail lessee, resulting in the execution of a lease agreement.

(6) “Motor vehicle” means a motor vehicle of the type and kind required to be registered and titled under chapters 319 and 320, excluding a recreational vehicle, moped, motorcycle powered by a motor with a displacement of 50 cubic centimeters or less, or a mobile home.

(7) “Retail lessee” means an individual who executes a lease agreement for a motor vehicle from a retail lessor primarily for personal, family, or household purposes.

(8) “Retail lessor” means a person who regularly engages in the business of selling or leasing motor vehicles and who offers or arranges a lease agreement for a motor vehicle. The term includes an agent or affiliate who acts on behalf of the retail lessor and excludes any assignee of the lease agreement.

History.—s. 3, ch. 95–350.

521.004 Disclosures.—A retail lessor must:

(1) Disclose to the retail lessee in the lease agreement in a separate blocked section, in capital letters of at least 12–point bold type, with the appropriate amounts specified, as follows:

THIS IS A LEASE AGREEMENT.
THIS IS NOT A PURCHASE AGREEMENT.

PLEASE REVIEW THESE MATTERS CAREFULLY AND SEEK INDEPENDENT PROFESSIONAL ADVICE IF YOU HAVE ANY QUESTIONS CONCERNING THIS TRANSACTION. YOU ARE ENTITLED TO AN EXACT COPY OF THE AGREEMENT YOU SIGN.

CAPITALIZED COST \$ _____
(Your total cost of goods, services, & fees.)

CAPITALIZED COST REDUCTION \$ _____
(Your total credits.)

ADJUSTED OR NET CAPITALIZED COST \$ _____
(Your net cost of goods, services, & fees.)

(2) Provide the retail lessee with a copy of each document signed by the retail lessee during the course of the lease transaction.

History.—s. 4, ch. 95-350.

521.005 Trade-in vehicle.—A trade-in vehicle used to reduce the capitalized cost must be identified as a trade-in vehicle in the lease agreement and identified by year, make, and model. The lease agreement must state the net credit of the trade-in vehicle used to reduce capitalized costs.

History.—s. 5, ch. 95-350.

521.006 Civil remedies.—

(1) A retail lessor who fails to comply with the requirements of this act shall be liable to the retail lessee for actual damages sustained, a civil penalty of up to \$1,000 per lease transaction, and reasonable attorney fees and costs.

(2) In addition to any other remedies provided by law, a retail lessee may bring an action in circuit court to recover actual damages sustained, civil penalties up to \$1,000 per lease transaction, and reasonable attorney fees and costs.

(3) In addition to any other remedies provided by law except for subsection (2), the Department of Legal Affairs may bring an action in circuit court to recover actual damages sustained and civil penalties up to \$1,000 per lease transaction on behalf of a consumer, and reasonable attorney fees and costs.

(4) An action authorized by this section must be brought within 1 year from the date of the last payment under the lease agreement.

(5) A bona fide printing error identified on the face of the lease agreement shall not constitute a violation of this act.

History.—s. 6, ch. 95-350.