

By Senator Campbell

32-1023-05

See HB 551

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A bill to be entitled

An act relating to financial responsibility for operation of motor vehicles; amending s. 324.021, F.S.; expanding the definition of "rental company" for purposes of an exclusion from an exemption from application of certain limits of liability provisions to include certain holders of a motor vehicle title or an equity interest in a motor vehicle title under certain circumstances; providing an effective date.

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

Section 1. Paragraph (c) of subsection (9) of section 324.021, Florida Statutes, is amended to read:

324.021 Definitions; minimum insurance required.--The following words and phrases when used in this chapter shall, for the purpose of this chapter, have the meanings respectively ascribed to them in this section, except in those instances where the context clearly indicates a different meaning:

(9) OWNER; OWNER/LESSOR.--

(c) Application.--

1. The limits on liability in subparagraphs (b)2. and 3. do not apply to an owner of motor vehicles that are used for commercial activity in the owner's ordinary course of business, other than a rental company that rents or leases motor vehicles. For purposes of this paragraph, the term "rental company" includes only an entity that is engaged in the business of renting or leasing motor vehicles to the

1 | general public and that rents or leases a majority of its
2 | motor vehicles to persons with no direct or indirect
3 | affiliation with the rental company. The term also includes a
4 | motor vehicle dealer that provides temporary replacement
5 | vehicles to its customers for up to 10 days. The term also
6 | includes the holder of a motor vehicle title or an equity
7 | interest in a motor vehicle title if the title or equity
8 | interest is held pursuant to an asset-backed securitization of
9 | a fleet of motor vehicles under the dominion and control of a
10 | rental company, as described in this subparagraph, in the
11 | operation of such rental company's business.

12 | 2. Furthermore, with respect to commercial motor
13 | vehicles as defined in s. 627.732, the limits on liability in
14 | subparagraphs (b)2. and 3. do not apply if, at the time of the
15 | incident, the commercial motor vehicle is being used in the
16 | transportation of materials found to be hazardous for the
17 | purposes of the Hazardous Materials Transportation
18 | Authorization Act of 1994, as amended, 49 U.S.C. ss. 5101 et
19 | seq., and that is required pursuant to such act to carry
20 | placards warning others of the hazardous cargo, unless at the
21 | time of lease or rental either:

22 | a. The lessee indicates in writing that the vehicle
23 | will not be used to transport materials found to be hazardous
24 | for the purposes of the Hazardous Materials Transportation
25 | Authorization Act of 1994, as amended, 49 U.S.C. ss. 5101 et
26 | seq.; or

27 | b. The lessee or other operator of the commercial
28 | motor vehicle has in effect insurance with limits of at least
29 | \$5,000,000 combined property damage and bodily injury
30 | liability.

31 | Section 2. This act shall take effect July 1, 2005.