By the Committee on Judiciary; and Senator Campbell

590-2349-05

A bill to be entitled 2 An act relating to financial responsibility for operation of motor vehicles; amending s. 3 324.021, F.S.; expanding the definition of 4 5 "rental company" for purposes of an exclusion 6 from an exemption from application of certain 7 limits of liability provisions to include 8 certain holders of a motor vehicle title or an equity interest in a motor vehicle title under 9 certain circumstances; providing an effective 10 11 date. 12 13 Be It Enacted by the Legislature of the State of Florida: 14 Section 1. Paragraph (c) of subsection (9) of section 15 324.021, Florida Statutes, is amended to read: 16 324.021 Definitions; minimum insurance required.--The following words and phrases when used in this chapter shall, 18 for the purpose of this chapter, have the meanings 19 respectively ascribed to them in this section, except in those 20 21 instances where the context clearly indicates a different 22 meaning: 23 (9) OWNER; OWNER/LESSOR.--(c) Application. --24 1. The limits on liability in subparagraphs (b)2. and 25 26 3. do not apply to an owner of motor vehicles that are used for commercial activity in the owner's ordinary course of 27 business, other than a rental company that rents or leases motor vehicles. For purposes of this paragraph, the term 29 "rental company" includes only an entity that is engaged in 30 the business of renting or leasing motor vehicles to the

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CODING: Words stricken are deletions; words underlined are additions.

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- general public and that rents or leases a majority of its 2 motor vehicles to persons with no direct or indirect affiliation with the rental company. The term also includes a 3 motor vehicle dealer that provides temporary replacement 4 5 vehicles to its customers for up to 10 days. The term also 6 includes a related rental or leasing company that is a 7 subsidiary of the same parent company that rented or leased the vehicle and the holder of a motor vehicle title or an 8 equity interest in a motor vehicle title if the title or 9 equity interest is held pursuant to an asset-backed 10 securitization of a fleet of motor vehicles under the dominion 11 12 and control of a rental company, as described in this 13 subparagraph, in the operation of such rental company's 14 business.
 - 2. Furthermore, with respect to commercial motor vehicles as defined in s. 627.732, the limits on liability in subparagraphs (b)2. and 3. do not apply if, at the time of the incident, the commercial motor vehicle is being used in the transportation of materials found to be hazardous for the purposes of the Hazardous Materials Transportation

 Authorization Act of 1994, as amended, 49 U.S.C. ss. 5101 et seq., and that is required pursuant to such act to carry placards warning others of the hazardous cargo, unless at the time of lease or rental either:
 - a. The lessee indicates in writing that the vehicle will not be used to transport materials found to be hazardous for the purposes of the Hazardous Materials Transportation Authorization Act of 1994, as amended, 49 U.S.C. ss. 5101 et seq.; or
- b. The lessee or other operator of the commercialmotor vehicle has in effect insurance with limits of at least

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$5,000,000 combined property damage and bodily injury
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     liability.
               Section 2. This act shall take effect July 1, 2005.
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                STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
                               COMMITTEE SUBSTITUTE FOR
 6
                                     Senate Bill 1030
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     The committee substitute expands the definition of the term "rental company" to include a related rental or leasing company that is a subsidiary of the same parent company that
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     rented or leased a rental vehicle.
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