

1 A bill to be entitled
2 An act relating to financial responsibility for
3 operation of motor vehicles; amending s.
4 324.021, F.S.; expanding the definition of
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
9 equity interest in a motor vehicle title under
10 certain circumstances; providing an effective
11 date.

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

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15 Section 1. Paragraph (c) of subsection (9) of section
16 324.021, Florida Statutes, is amended to read:

17 324.021 Definitions; minimum insurance required.--The
18 following words and phrases when used in this chapter shall,
19 for the purpose of this chapter, have the meanings
20 respectively ascribed to them in this section, except in those
21 instances where the context clearly indicates a different
22 meaning:

23 (9) OWNER; OWNER/LESSOR.--

24 (c) Application.--

25 1. The limits on liability in subparagraphs (b)2. and
26 3. do not apply to an owner of motor vehicles that are used
27 for commercial activity in the owner's ordinary course of
28 business, other than a rental company that rents or leases
29 motor vehicles. For purposes of this paragraph, the term
30 "rental company" includes only an entity that is engaged in
31 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 a related rental or leasing company that is a
7 | subsidiary of the same parent company that rented or leased
8 | the vehicle and the holder of a motor vehicle title or an
9 | equity interest in a motor vehicle title if the title or
10 | equity interest is held pursuant to or to facilitate an
11 | asset-backed securitization of a fleet of motor vehicles under
12 | the dominion and control of a rental company, as described in
13 | this subparagraph, in the operation of such rental company's
14 | business.

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

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

30 | b. The lessee or other operator of the commercial
31 | motor vehicle has in effect insurance with limits of at least

1 | \$5,000,000 combined property damage and bodily injury
2 | liability.

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