

1 A bill to be entitled
 2 An act relating to financial responsibility for operation
 3 of motor vehicles; amending s. 324.021, F.S.; expanding
 4 the definition of "rental company" for purposes of an
 5 exclusion from an exemption from application of certain
 6 limits of liability provisions to include certain holders
 7 of a motor vehicle title or an equity interest in a motor
 8 vehicle title under certain circumstances; providing an
 9 effective date.

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

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13 Section 1. Paragraph (c) of subsection (9) of section
 14 324.021, Florida Statutes, is amended to read:

15 324.021 Definitions; minimum insurance required.--The
 16 following words and phrases when used in this chapter shall, for
 17 the purpose of this chapter, have the meanings respectively
 18 ascribed to them in this section, except in those instances
 19 where the context clearly indicates a different meaning:

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

21 (c) Application.--

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

29 rents or leases a majority of its motor vehicles to persons with
 30 no direct or indirect affiliation with the rental company. The
 31 term also includes a motor vehicle dealer that provides
 32 temporary replacement vehicles to its customers for up to 10
 33 days. The term also includes the holder of a motor vehicle title
 34 or an equity interest in a motor vehicle title if the title or
 35 equity interest is held pursuant to an asset-backed
 36 securitization of a fleet of motor vehicles under the dominion
 37 and control of a rental company, as described in this
 38 subparagraph, in the operation of such rental company's
 39 business.

40 2. Furthermore, with respect to commercial motor vehicles
 41 as defined in s. 627.732, the limits on liability in
 42 subparagraphs (b)2. and 3. do not apply if, at the time of the
 43 incident, the commercial motor vehicle is being used in the
 44 transportation of materials found to be hazardous for the
 45 purposes of the Hazardous Materials Transportation Authorization
 46 Act of 1994, as amended, 49 U.S.C. ss. 5101 et seq., and that is
 47 required pursuant to such act to carry placards warning others
 48 of the hazardous cargo, unless at the time of lease or rental
 49 either:

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

54 b. The lessee or other operator of the commercial motor
 55 vehicle has in effect insurance with limits of at least
 56 \$5,000,000 combined property damage and bodily injury liability.

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