

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.; revising the
4 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 related
7 rental or leasing companies and certain holders of a motor
8 vehicle title or an equity interest in a motor vehicle
9 title under certain circumstances; providing an effective
10 date.

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

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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
17 following words and phrases when used in this chapter shall, for
18 the purpose of this chapter, have the meanings respectively
19 ascribed to them in this section, except in those instances
20 where the context clearly indicates a different meaning:

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

22 (c) Application.--

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

29 renting or leasing motor vehicles to the general public and that
30 rents or leases a majority of its motor vehicles to persons with
31 no direct or indirect affiliation with the rental company. The
32 term also includes a motor vehicle dealer that provides
33 temporary replacement vehicles to its customers for up to 10
34 days. The term "rental company" also includes:

35 a. A related rental or leasing company that is a
36 subsidiary of the same parent company as that of the renting or
37 leasing company that rented or leased the vehicle.

38 b. The holder of a motor vehicle title or an equity
39 interest in a motor vehicle title if the title or equity
40 interest is held pursuant to or to facilitate an asset-backed
41 securitization of a fleet of motor vehicles used solely in the
42 business of renting or leasing motor vehicles to the general
43 public and under the dominion and control of a rental company,
44 as described in this subparagraph, in the operation of such
45 rental company's business.

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

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

60 b. The lessee or other operator of the commercial motor
61 vehicle has in effect insurance with limits of at least
62 \$5,000,000 combined property damage and bodily injury liability.

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