

ENROLLED  
 HB 551, Engrossed 1

2005 Legislature

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.

11  
 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

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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:

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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.