

1 A bill to be entitled

2 An act relating to motor vehicle liability financial
 3 responsibility; amending s. 324.021, F.S.; revising the
 4 definition of the term "motor vehicle"; increasing
 5 financial responsibility limits with respect to bodily
 6 injury or death in a single accident; creating s. 324.023,
 7 F.S.; specifying an additional requirement for proof of
 8 financial responsibility for bodily injury or death;
 9 providing a hardship exception; amending s. 324.031, F.S.;
 10 increasing limits for proof of financial responsibility
 11 for for-hire transportation vehicle certificates of self-
 12 insurance; amending s. 324.161, F.S.; increasing the
 13 amount required for a surety bond or deposit for proof of
 14 financial responsibility; amending s. 324.171, F.S.;
 15 revising the required threshold limit for self-insurers;
 16 amending ss. 316.646 and 627.733, F.S., to conform;
 17 providing an effective date.

18
 19 Be It Enacted by the Legislature of the State of Florida:

20
 21 Section 1. Subsections (1) and (7) of section 324.021,
 22 Florida Statutes, are amended to read:

23 324.021 Definitions; minimum insurance required.--The
 24 following words and phrases when used in this chapter shall, for
 25 the purpose of this chapter, have the meanings respectively
 26 ascribed to them in this section, except in those instances
 27 where the context clearly indicates a different meaning:

28 (1) MOTOR VEHICLE.--Every self-propelled vehicle which is
 29 designed and required to be licensed for use upon a highway,
 30 including trailers and semitrailers designed for use with such
 31 vehicles, except traction engines, road rollers, farm tractors,
 32 power shovels, and well drillers, and every vehicle which is
 33 propelled by electric power obtained from overhead wires but not
 34 operated upon rails, but not including any bicycle or moped.
 35 ~~However, the term "motor vehicle" shall not include any motor~~
 36 ~~vehicle as defined in s. 627.732(3) when the owner of such~~
 37 ~~vehicle has complied with the requirements of ss. 627.730-~~
 38 ~~627.7405, inclusive, unless the provisions of s. 324.051 apply,~~
 39 ~~and, in such case, the applicable proof of insurance provisions~~
 40 ~~of s. 320.02 apply.~~

41 (7) PROOF OF FINANCIAL RESPONSIBILITY.--That proof of
 42 ability to respond in damages for liability on account of
 43 crashes arising out of the use of a motor vehicle:

44 (a) In the amount of \$25,000 ~~\$10,000~~ because of bodily
 45 injury to, or death of, one person in any one crash;

46 (b) Subject to such limits for one person, in the amount
 47 of \$50,000 ~~\$20,000~~ because of bodily injury to, or death of, two
 48 or more persons in any one crash;

49 (c) In the amount of \$10,000 because of injury to, or
 50 destruction of, property of others in any one crash; and

51 (d) With respect to commercial motor vehicles and
 52 nonpublic sector buses, in the amounts specified in ss. 627.7415
 53 and 627.742, respectively.

54 Section 2. Section 324.023, Florida Statutes, is created
 55 to read:

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56 324.023 Financial responsibility for bodily injury or
57 death.--Every owner of a motor vehicle that is required to be
58 registered in this state and every operator of any motor vehicle
59 located within this state shall establish and maintain, by one
60 of the methods established in s. 324.031, the ability to respond
61 in damages for liability on account of accidents arising out of
62 the use of the motor vehicle in at least the amounts prescribed
63 in s. 324.021(7)(a) and (b). This section does not apply to any
64 motor vehicle that has been continuously and exclusively used
65 for a commercial purpose since being acquired by its current
66 owner. The requirement of this section shall be in addition to
67 any other financial responsibility required of the owner of a
68 motor vehicle.

69 Section 3. Section 324.031, Florida Statutes, is amended
70 to read:

71 324.031 Manner of proving financial responsibility.--The
72 owner or operator of a taxicab, limousine, jitney, or any other
73 for-hire passenger transportation vehicle may prove financial
74 responsibility by providing satisfactory evidence of holding a
75 motor vehicle liability policy as defined in s. 324.021(8) or s.
76 324.151, which policy is issued by an insurance carrier which is
77 a member of the Florida Insurance Guaranty Association. The
78 operator or owner of any other vehicle may prove his or her
79 financial responsibility by:

80 (1) Furnishing satisfactory evidence of holding a motor
81 vehicle liability policy as defined in ss. 324.021(8) and
82 324.151;

83 (2) Posting with the department a satisfactory bond of a
 84 surety company authorized to do business in this state,
 85 conditioned for payment of the amount specified in s.
 86 324.021(7);

87 (3) Furnishing a certificate of the department showing a
 88 deposit of cash or securities in accordance with s. 324.161; or

89 (4) Furnishing a certificate of self-insurance issued by
 90 the department in accordance with s. 324.171.

91
 92 Any person, including any firm, partnership, association,
 93 corporation, or other person, other than a natural person,
 94 electing to use the method of proof specified in subsection (2)
 95 or subsection (3) shall post a bond or deposit equal to the
 96 number of vehicles owned times \$60,000 ~~\$30,000~~, to a maximum of
 97 \$240,000 ~~\$120,000~~; in addition, any such person, other than a
 98 natural person, shall maintain insurance providing coverage in
 99 excess of limits of \$25,000/50,000/10,000 ~~\$10,000/20,000/10,000~~
 100 or \$60,000 ~~\$30,000~~ combined single limits, and such excess
 101 insurance shall provide minimum limits of
 102 \$125,000/250,000/50,000 or \$300,000 combined single limits.
 103 These increased limits shall not affect the requirements for
 104 proving financial responsibility under s. 324.032(1).

105 Section 4. Section 324.161, Florida Statutes, is amended
 106 to read:

107 324.161 Proof of financial responsibility; surety bond or
 108 deposit.--The certificate of the department of a deposit may be
 109 obtained by depositing with it \$60,000 ~~\$30,000~~ cash or
 110 securities such as may be legally purchased by savings banks or

111 for trust funds, of a market value of \$60,000 ~~\$30,000~~ and which
 112 deposit shall be held by the department to satisfy, in
 113 accordance with the provisions of this chapter, any execution on
 114 a judgment issued against such person making the deposit, for
 115 damages because of bodily injury to or death of any person or
 116 for damages because of injury to or destruction of property
 117 resulting from the use or operation of any motor vehicle
 118 occurring after such deposit was made. Money or securities so
 119 deposited shall not be subject to attachment or execution unless
 120 such attachment or execution shall arise out of a suit for
 121 damages as aforesaid.

122 Section 5. Paragraphs (a) and (b) of subsection (1) of
 123 section 324.171, Florida Statutes, are amended to read:

124 324.171 Self-insurer.--

125 (1) Any person may qualify as a self-insurer by obtaining
 126 a certificate of self-insurance from the department which may,
 127 in its discretion and upon application of such a person, issue
 128 said certificate of self-insurance when such person has
 129 satisfied the requirements of this section to qualify as a self-
 130 insurer under this section:

131 (a) A private individual with private passenger vehicles
 132 shall possess unencumbered assets of at least \$100,000 that
 133 could be subject to a judgment creditor's writ of execution and
 134 a net unencumbered worth of at least \$100,000 ~~\$40,000~~.

135 (b) A person, including any firm, partnership,
 136 association, corporation, or other person, other than a natural
 137 person, shall:

138 1. Possess unencumbered assets of at least \$100,000 that
 139 could be subject to a judgment creditor's writ of execution and
 140 a net unencumbered worth of at least \$100,000 ~~\$40,000~~ for the
 141 first motor vehicle and \$50,000 ~~\$20,000~~ for each additional
 142 motor vehicle; or

143 2. Maintain sufficient net worth, as determined annually
 144 by the department, pursuant to rules promulgated by the
 145 department, with the assistance of the Office of Insurance
 146 Regulation of the Financial Services Commission, to be
 147 financially responsible for potential losses. The rules shall
 148 take into consideration excess insurance carried by the
 149 applicant. The department's determination shall be based upon
 150 reasonable actuarial principles considering the frequency,
 151 severity, and loss development of claims incurred by casualty
 152 insurers writing coverage on the type of motor vehicles for
 153 which a certificate of self-insurance is desired.

154 Section 6. Subsections (1) and (3) of section 316.646,
 155 Florida Statutes, are amended to read:

156 316.646 Security required; proof of security and display
 157 thereof; dismissal of cases.--

158 (1) Any person required by s. 324.023 to maintain
 159 liability coverage for bodily injury or death or any person
 160 required by s. 627.733 to maintain personal injury protection
 161 security on a motor vehicle shall have in his or her immediate
 162 possession at all times while operating such motor vehicle
 163 proper proof of maintenance of the security required by ss.
 164 324.023 and ~~s.~~ 627.733. Such proof shall be either a uniform
 165 proof-of-insurance card in a form prescribed by the department,

166 a valid insurance policy, an insurance policy binder, a
 167 certificate of insurance, or such other proof as may be
 168 prescribed by the department.

169 (3) Any person who violates this section is guilty of a
 170 nonmoving traffic infraction subject to the penalty provided in
 171 chapter 318 and shall be required to furnish proof of security
 172 as provided in this section. If any person charged with a
 173 violation of this section fails to furnish proof, at or before
 174 the scheduled court appearance date, that security was in effect
 175 at the time of the violation, the court may immediately suspend
 176 the registration and driver's license of such person. Such
 177 license and registration may only be reinstated as provided in
 178 ss. 324.023 and ~~§~~ 627.733.

179 Section 7. Subsection (7) of section 627.733, Florida
 180 Statutes, is amended to read:

181 627.733 Required security.--

182 (7) Any operator or owner whose driver's license or
 183 registration has been suspended pursuant to this section or s.
 184 316.646 may effect its reinstatement upon compliance with the
 185 requirements of this section and upon payment to the Department
 186 of Highway Safety and Motor Vehicles of a nonrefundable
 187 reinstatement fee of \$150 for the first reinstatement. Such
 188 reinstatement fee shall be \$250 for the second reinstatement and
 189 \$500 for each subsequent reinstatement during the 3 years
 190 following the first reinstatement. Any person reinstating her or
 191 his insurance under this subsection must also secure
 192 noncancelable coverage as described in ss. 324.021(8) and ~~§~~
 193 627.7275(2) and present to the appropriate person proof that the

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194 coverage is in force on a form promulgated by the Department of
195 Highway Safety and Motor Vehicles, such proof to be maintained
196 for 2 years. If the person does not have a second reinstatement
197 within 3 years after her or his initial reinstatement, the
198 reinstatement fee shall be \$150 for the first reinstatement
199 after that 3-year period. In the event that a person's license
200 and registration are suspended pursuant to this section or s.
201 316.646, only one reinstatement fee shall be paid to reinstate
202 the license and the registration. All fees shall be collected by
203 the Department of Highway Safety and Motor Vehicles at the time
204 of reinstatement. The Department of Highway Safety and Motor
205 Vehicles shall issue proper receipts for such fees and shall
206 promptly deposit those fees in the Highway Safety Operating
207 Trust Fund. One-third of the fee collected under this subsection
208 shall be distributed from the Highway Safety Operating Trust
209 Fund to the local government entity or state agency which
210 employed the law enforcement officer who seizes a license plate
211 pursuant to s. 324.201. Such funds may be used by the local
212 government entity or state agency for any authorized purpose.

213 Section 8. This act shall take effect October 1, 2007.