

By Senator Simmons

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1 A bill to be entitled
2 An act relating to insurance for short-term rental and
3 transportation network companies; creating s. 627.716,
4 F.S.; defining terms; establishing insurance
5 requirements for short-term rental network companies
6 during certain timeframes; requiring a short-term
7 rental network company to make certain written
8 disclosures to participating lessors; requiring an
9 insurer to defend and indemnify an insured in this
10 state; prohibiting the personal insurance policy of a
11 participating lessor of a short-term rental property
12 from providing specified coverage during certain
13 timeframes except under specified circumstances;
14 requiring a short-term rental network company and its
15 insurer to cooperate with certain claims
16 investigations; providing that the section does not
17 limit the liability of a short-term rental network
18 company under specified circumstances; creating s.
19 627.748, F.S.; defining terms; establishing insurance
20 requirements for transportation network companies and
21 participating drivers during certain timeframes;
22 requiring a transportation network company to make
23 certain written disclosures to participating drivers;
24 requiring an insurer to defend and indemnify an
25 insured in this state; prohibiting the personal motor
26 vehicle insurance policy of a participating driver
27 from providing specified coverage during certain
28 timeframes except under specified circumstances;
29 requiring a transportation network company and its

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30 insurer to cooperate with certain claims
31 investigations; requiring participating drivers to
32 carry proof of insurance coverage; providing for
33 application of certain coverage requirements;
34 providing an effective date.

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

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38 Section 1. Section 627.716, Florida Statutes, is created to
39 read:

40 627.716 Short-term rental network company insurance.-

41 (1) For purposes of this section, the term:

42 (a) "Application" means an Internet-enabled application or
43 platform owned or used by a short-term rental network company or
44 any similar method of providing rental services to a
45 participating renter.

46 (b) "Participating lessor" means a person who makes a
47 short-term rental property available through an application to
48 participating renters.

49 (c) "Participating renter" means a person who enters into a
50 short-term rental arrangement through an application.

51 (d) "Short-term rental network company" or "company" means
52 an organization, including, but not limited to, a corporation,
53 limited liability company, partnership, sole proprietorship, or
54 other entity for which participating lessors provide
55 prearranged, short-term rentals for compensation using an
56 application to connect a participating renter with a
57 participating lessor.

58 (e) "Short-term rental network company insurance" means an

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59 insurance policy that expressly provides coverage as required by
60 this section at all times during the short-term rental period.

61 (f) "Short-term rental period" means the period beginning
62 at the time the participating renter first uses or occupies the
63 short-term rental property and ending at the time the
64 participating renter vacates the short-term rental property.

65 (g) "Short-term rental property" means the entirety or any
66 portion of a residential property, condominium, tenancy in
67 common, apartment, or other rental unit located in this state
68 which is owned or rented by a participating lessor.

69 (2) (a) During the short-term rental period, a short-term
70 rental network company shall maintain short-term rental network
71 company insurance that is primary and that:

72 1. Insures the participating lessor against direct physical
73 loss to the short-term rental property and its contents,
74 exclusive of the property of the participating renter, with
75 limits equal to any multi- or named-peril property insurance
76 maintained by the participating lessor.

77 2. Provides liability coverage for personal injury and
78 property damage with limits of at least \$1 million which covers
79 the acts and omissions of the short-term rental network company,
80 a participating lessor, and all persons using or occupying the
81 short-term rental property.

82 (b) Short-term rental network company insurance may not
83 require as a prerequisite of coverage that another insurance
84 policy first deny a claim.

85 (3) A short-term rental network company shall disclose in
86 writing to a participating lessor the insurance coverages and
87 limits of liability that the short-term rental network company

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88 provides during the short-term rental period. The company shall
89 advise the participating lessor in writing that the
90 participating lessor's personal insurance policy may not provide
91 the insurance coverage required by subsection (2).

92 (4) An insurer that provides short-term rental network
93 company insurance shall defend and indemnify in this state the
94 insured in accordance with the policy's provisions.

95 (5) (a) During the short-term rental period, the
96 participating lessor's personal insurance policy for the short-
97 term rental property may not:

98 1. Be required to provide primary or excess coverage.

99 2. Provide any coverage to the participating lessor, the
100 participating renter, or a third party unless the policy, with
101 or without a separate charge, expressly provides for such
102 coverage or contains an amendment or endorsement to provide such
103 coverage.

104 3. Have any duty to indemnify or defend for liabilities
105 arising during the short-term rental period unless the policy,
106 with or without a separate charge, expressly provides for such
107 duties or contains an amendment or endorsement to provide for
108 such duties.

109 (b) Before or after the short-term rental period, the
110 participating lessor's personal policy for the short-term rental
111 property may not provide coverage for claims arising from any
112 rental arrangement entered into by a participating renter with
113 the short-term rental company or the participating lessor for
114 the short-term rental property or for acts and omissions related
115 to the rental arrangement unless the policy, with or without a
116 separate charge, provides for such coverage or contains an

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117 amendment or endorsement to provide such coverage.

118 (6) In a claims investigation, a short-term rental network
119 company or its insurer shall cooperate with other insurers to
120 facilitate the exchange of information, which must include the
121 number and duration of all short-term rental periods made with
122 respect to the short-term rental property for the 12 months
123 preceding the date of loss.

124 (7) This section does not limit the liability of a short-
125 term rental network company arising out of the use or occupancy
126 of short-term rental property by a participating renter for an
127 amount that exceeds the limits specified in subsection (2).

128 Section 2. Section 627.748, Florida Statutes, is created to
129 read:

130 627.748 Transportation network company insurance.-

131 (1) For purposes of this section, the term:

132 (a) "Application" means an Internet-enabled application or
133 platform owned or used by a transportation network company or
134 any similar method for providing transportation services to a
135 passenger.

136 (b) "On-call period" means the period beginning at the time
137 the driver:

138 1. Logs onto an application and ending at the time the
139 driver accepts a ride request through the application; or

140 2. Completes a ride request on an application, or the ride
141 is complete, whichever is later, or, if not completed, beginning
142 at the time the ride request is terminated by the driver or
143 requester, and ending at the time the driver accepts another
144 ride request on the application or logs off the application.

145 (c) "Participating driver" or "driver" means a person who

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146 uses a motor vehicle in connection with an application to
147 connect with a passenger.

148 (d) "Ride-acceptance period" means the period beginning at
149 the time a driver accepts a ride request made through an
150 application and ending at the time the driver completes the ride
151 request on the application or the ride is completed, whichever
152 is later, or, if not completed, ending at the time the ride
153 request is terminated by the driver or requester.

154 (e) "Transportation network company" or "company" means an
155 organization, including, but not limited to, a corporation,
156 limited liability company, partnership, sole proprietorship, or
157 other entity for which drivers operating a vehicle in this state
158 provide transportation services for compensation using an
159 application to connect a passenger with a participating driver.

160 (f) "Transportation network company insurance" means an
161 insurance policy that expressly provides coverage for a
162 participating driver's use of a motor vehicle in connection with
163 an application.

164 (2) (a) During the ride-acceptance period, transportation
165 network company insurance must provide:

166 1. Liability coverage of at least \$1 million for death,
167 bodily injury, and property damage.

168 2. Uninsured and underinsured motorist coverage of at least
169 \$1 million.

170 3. Personal injury protection as required under s. 627.736.

171 4. Physical damage coverage, including collision or
172 comprehensive physical damage coverage, if the driver carries
173 such coverage on his or her personal motor vehicle insurance
174 policy.

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175 (b) During the on-call period, transportation network
176 company insurance must provide:

177 1. Liability coverage for death and bodily injury of at
178 least \$125,000 per person and \$250,000 per incident.

179 2. Liability coverage for property damage of at least
180 \$50,000.

181 3. Uninsured and underinsured motorist coverage of at least
182 \$250,000.

183 4. Personal injury protection as required under s. 627.736.

184 5. Physical damage coverage, including collision or
185 comprehensive physical damage coverage, if the driver carries
186 such coverage on his or her personal motor vehicle insurance
187 policy.

188 (c) The coverage requirements of this subsection may be
189 satisfied by transportation network company insurance maintained
190 by a driver, by a company, or, in combination, by both. If the
191 requirement is satisfied by a policy maintained by the driver,
192 the company shall verify that the insurance policy is
193 specifically written to cover the driver's use of a motor
194 vehicle in connection with an application. If a driver fails to
195 continuously maintain the transportation network company
196 insurance required by this subsection, the transportation
197 network company shall provide such insurance.

198 (d) A transportation network company insurance policy may
199 not require as a prerequisite of coverage that another motor
200 vehicle insurance policy first deny a claim.

201 (3) A transportation network company shall disclose in
202 writing to a participating driver the insurance coverage and
203 limits of liability the company provides when the driver uses a

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204 motor vehicle in connection with an application. The company
205 shall advise the driver that the personal motor vehicle
206 insurance policy of the driver may not provide the insurance
207 coverage required under subsection (2), except as provided in
208 subsection (5).

209 (4) An insurer that provides transportation network company
210 insurance shall defend and indemnify in this state the insured
211 in accordance with the policy's provisions.

212 (5) (a) This section may not be construed to require that a
213 participating driver's personal motor vehicle insurance policy
214 provide primary or excess coverage during the on-call period or
215 the ride-acceptance period.

216 (b) Unless the policy expressly provides otherwise, with or
217 without a separate charge, or the policy contains an amendment
218 or endorsement to provide such coverage, for which a separately
219 stated premium is charged, the personal motor vehicle insurance
220 policy of the driver or motor vehicle owner may not, during the
221 on-call period or ride-acceptance period, provide any coverage
222 to the driver, motor vehicle owner, or a third party or have a
223 duty to defend or indemnify the driver's activities in
224 connection with the company.

225 (6) In a claims investigation, a transportation network
226 company or its insurer shall cooperate with other insurers to
227 facilitate the exchange of information, which must include the
228 date and time at which the accident occurred which involved a
229 participating driver and the precise times that the driver
230 logged on and off the application.

231 (7) A participating driver shall carry proof of
232 transportation network company insurance coverage at all times

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233 during his or her use of a motor vehicle in connection with an
234 application. In the event of an accident, a driver shall, upon
235 request, provide insurance coverage information to any party
236 involved in the accident and to a police officer.

237 (8) Notwithstanding any law regarding primary or excess
238 policy coverage, this section determines the minimum obligations
239 of an insurance policy issued to a transportation network
240 company and a participating driver using a motor vehicle in
241 connection with an application.

242 Section 3. This act shall take effect July 1, 2015.

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