

20151298e1

1 A bill to be entitled
2 An act relating to minimum insurance requirements;
3 amending s. 316.646, F.S.; requiring a transportation
4 network company driver to have proof of certain
5 insurance in his or her possession during a specified
6 timeframe; creating s. 627.716, F.S.; defining terms;
7 establishing insurance requirements for short-term
8 rental network companies during certain timeframes;
9 requiring a short-term rental network company to make
10 certain written disclosures to participating lessors;
11 requiring an insurer to defend and indemnify an
12 insured in this state; prohibiting the personal
13 insurance policy of a participating lessor of a short-
14 term rental property from providing specified coverage
15 during certain timeframes except under specified
16 circumstances; requiring a short-term rental network
17 company and its insurer to cooperate with certain
18 claims investigations; providing that the section does
19 not limit the liability of a short-term rental network
20 company under specified circumstances; creating s.
21 627.748, F.S.; defining terms; requiring a
22 transportation network company driver or such company
23 on the driver's behalf, or a combination thereof, to
24 maintain primary automobile insurance issued by
25 specified insurers with certain coverages in specified
26 amounts during certain timeframes; requiring a
27 transportation network company driver to maintain
28 primary automobile insurance issued by specified
29 insurers with certain coverages in specified amounts

20151298e1

30 during certain timeframes; requiring the
31 transportation network company to provide automobile
32 insurance in the event insurance maintained by the
33 transportation network company driver lapses or does
34 not provide the required coverage; requiring a
35 transportation network company driver to carry proof
36 of certain insurance coverage at all times during his
37 or her use of a personal vehicle and to disclose
38 specified information in the event of an accident;
39 requiring a transportation network company to make
40 certain disclosures to transportation network company
41 drivers; authorizing insurers to exclude certain
42 coverages during specified periods for policies issued
43 to transportation network company drivers for personal
44 vehicles; requiring a transportation network company
45 and certain insurers to cooperate during a claims
46 investigation to facilitate the exchange of specified
47 information; requiring a transportation network
48 company to determine whether an individual's personal
49 vehicle is subject to a lien before allowing the
50 individual to act as a driver and, if the vehicle is
51 subject to a lien, to verify that the insurance
52 required by this section provides coverage to the
53 lienholder during specified periods; authorizing the
54 Office of Insurance Regulation to adopt rules to
55 implement the section; providing an effective date.

56
57 Be It Enacted by the Legislature of the State of Florida:
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20151298e1

59 Section 1. Subsection (1) of section 316.646, Florida
60 Statutes, is amended to read:

61 316.646 Security required; proof of security and display
62 thereof.—

63 (1) Any person required by s. 324.022 to maintain property
64 damage liability security, required by s. 324.023 to maintain
65 liability security for bodily injury or death, ~~or~~ required by s.
66 627.733 to maintain personal injury protection security on a
67 motor vehicle, or required by s. 627.748(2)(d) to maintain
68 insurance shall have in his or her immediate possession at all
69 times while operating such motor vehicle proper proof of
70 maintenance of the required security.

71 (a) Such proof shall be in a uniform paper or electronic
72 format, as prescribed by the department, a valid insurance
73 policy, an insurance policy binder, a certificate of insurance,
74 or such other proof as may be prescribed by the department.

75 (b)1. The act of presenting to a law enforcement officer an
76 electronic device displaying proof of insurance in an electronic
77 format does not constitute consent for the officer to access any
78 information on the device other than the displayed proof of
79 insurance.

80 2. The person who presents the device to the officer
81 assumes the liability for any resulting damage to the device.

82 Section 2. Section 627.716, Florida Statutes, is created to
83 read:

84 627.716 Short-term rental network company insurance.—

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

86 (a) "Application" means an Internet-enabled application or
87 platform or any similar method that is used to provide rental

20151298e1

88 services to a participating renter and that is owned or used by
89 a short-term rental network company.

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

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

95 (d) "Short-term rental network company" or "company" means
96 an individual or organization, including, but not limited to, a
97 corporation, limited liability company, partnership, sole
98 proprietorship, or other entity for which participating lessors
99 provide prearranged, short-term rentals for compensation using
100 an application to connect a participating renter with a
101 participating lessor. The term does not include a licensee under
102 chapter 509, an association as defined in s. 718.103 or s.
103 719.103, a homeowners' association as defined in s. 720.301, a
104 developer or managing entity as defined in s. 721.05, or other
105 entity that owns, manages, or otherwise controls the short-term
106 rental property of the participating lessor.

107 (e) "Short-term rental network company insurance" means an
108 insurance policy that provides coverage as required by this
109 section at all times during the short-term rental period.

110 (f) "Short-term rental period" means the period beginning
111 at the time the participating renter first uses or occupies the
112 short-term rental property and ending at the time the
113 participating renter vacates the short-term rental property.

114 (g) "Short-term rental property" means the entirety or any
115 portion of a property which is used for residential occupancy
116 purposes. The term includes, but is not limited to, a

20151298e1

117 condominium, an apartment, a multifamily dwelling, a single-
118 family structure, or any other rental unit located in this state
119 which is owned or rented by a participating lessor. The term
120 does not include timeshare property as defined in s. 721.05.

121 (2) During the short-term rental period, a short-term
122 rental network company shall maintain short-term rental network
123 company insurance as excess coverage, except that such coverage
124 shall be primary to the extent that the participating lessor's
125 insurance does not provide coverage. The short-term rental
126 network company insurance must:

127 (a) Insure the participating lessor against direct physical
128 loss to the short-term rental property and its contents,
129 exclusive of the property of the participating renter, with
130 limits of at least \$1 million per occurrence with a policy
131 period aggregate limit of \$2 million for each short-term rental
132 property.

133 (b) Provide liability coverage for personal injury and
134 property damage with limits of at least \$1 million which covers
135 the acts and omissions of the short-term rental network company,
136 a participating lessor, and all other persons using or occupying
137 the short-term rental property, except for a participating
138 renter, against claims arising out of the use or occupancy of
139 the short-term rental property by a participating renter and
140 which does not contain an exclusion for co-insureds.

141 (3) A short-term rental network company shall disclose in
142 writing to a participating lessor the insurance coverages and
143 limits of liability that the short-term rental network company
144 provides during the short-term rental period. The company shall
145 advise the participating lessor in writing that the

20151298e1

146 participating lessor's personal insurance policy may not provide
147 the insurance coverage required by subsection (2).

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

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

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

155 2. Provide any coverage to the participating lessor, the
156 participating renter, or a third party unless the policy, with
157 or without a separate charge, provides for such coverage or
158 contains an amendment or endorsement to provide such coverage.

159 3. Have any duty to indemnify or defend for liabilities
160 arising during the short-term rental period unless the policy,
161 with or without a separate charge, provides for such duties or
162 contains an amendment or endorsement to provide for such duties.

163 (b) Before or after the short-term rental period, the
164 participating lessor's personal policy for the short-term rental
165 property may not provide coverage for claims arising from any
166 rental arrangement entered into by a participating renter with
167 the short-term rental company or the participating lessor for
168 the short-term rental property or for acts and omissions related
169 to the rental arrangement unless the policy, with or without a
170 separate charge, provides for such coverage or contains an
171 amendment or endorsement to provide such coverage.

172 (6) In a claims investigation, a short-term rental network
173 company or its insurer shall cooperate with other insurers to
174 facilitate the exchange of information, which must include the

20151298e1

175 number and duration of all short-term rental periods made with
176 respect to the short-term rental property for the 12 months
177 preceding the date of loss.

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

182 Section 3. Section 627.748, Florida Statutes, is created to
183 read:

184 627.748 Transportation network company insurance.—

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

186 (a) "Digital network" means an online-enabled application,
187 software, website, or system offered or used by a transportation
188 network company which enables the prearrangement of rides with
189 transportation network company drivers.

190 (b) "Personal vehicle" means a vehicle, however titled,
191 which is used by a transportation network company driver in
192 connection with providing transportation network company service
193 and that:

194 1. Is owned, leased, or otherwise authorized for use by the
195 transportation network company driver; and

196 2. Is not a taxi, jitney, limousine, or for-hire vehicle as
197 defined in s. 320.01(15).

198 (c) "Prearranged ride" means the provision of
199 transportation by a driver to or on behalf of a rider, beginning
200 when a driver accepts a ride requested by a rider through a
201 digital network controlled by a transportation network company,
202 continuing while the driver transports the rider, and ending
203 when the last rider departs from the personal vehicle. A

20151298e1

204 prearranged ride does not include transportation provided using
205 a taxi, jitney, limousine, for-hire vehicle as defined in s.
206 320.01(15), or street hail services.

207 (d) "Transportation network company" or "company" means a
208 corporation, partnership, sole proprietorship, or other entity
209 operating in this state which uses a digital network to connect
210 transportation network company riders to transportation network
211 company drivers who provide prearranged rides. A transportation
212 network company may not be deemed to control, direct, or manage
213 the personal vehicles or transportation network company drivers
214 that connect to its digital network, unless agreed to in a
215 written contract. A transportation network company does not
216 include an individual, corporation, partnership, sole
217 proprietorship, or other entity arranging nonemergency medical
218 transportation for individuals qualifying for Medicaid or
219 Medicare pursuant to a contract with the state or a managed care
220 organization.

221 (e) "Transportation network company driver" or "driver"
222 means an individual who:

223 1. Receives connections to potential riders and related
224 services from a transportation network company in exchange for
225 any form of compensation, including payment of a fee to the
226 transportation network company; and

227 2. Uses a personal vehicle to offer or provide a
228 prearranged ride to riders upon connection through a digital
229 network controlled by a transportation network company in return
230 for compensation, including payment of a fee.

231 (f) "Transportation network company rider" or "rider" means
232 an individual who directly or indirectly uses a transportation

20151298e1

233 network company's digital network to connect with a
234 transportation network company driver who provides
235 transportation services to such individual in the driver's
236 personal vehicle.

237 (2) (a) A transportation network company driver, or a
238 transportation network company on the driver's behalf, shall
239 maintain primary automobile insurance that recognizes that the
240 driver is a transportation network company driver or that the
241 driver otherwise uses a personal vehicle to transport riders for
242 compensation. Such primary automobile insurance must cover the
243 driver as required under this section, including while the
244 driver is logged on to the transportation network company's
245 digital network and engaged in a prearranged ride.

246 (b) The following automobile insurance requirements apply
247 while a participating transportation network company driver is
248 logged on to the transportation network company's digital
249 network and is available to receive transportation requests, but
250 is not engaged in a prearranged ride:

251 1. Primary automobile liability insurance of at least
252 \$125,000 for death and bodily injury per person, \$250,000 for
253 death and bodily injury per incident, and \$25,000 for property
254 damage; and

255 2. Primary automobile insurance that provides the minimum
256 coverage requirements under ss. 627.730-627.7405.

257 (c) While a transportation network company driver is
258 engaged in a prearranged ride, the automobile insurance
259 requirements that apply are primary automobile liability
260 insurance of at least \$1 million for death and bodily injury and
261 \$50,000 for property damage.

20151298e1

262 (d) The following automobile insurance requirements apply
263 at all times other than the periods specified in paragraph (b)
264 or paragraph (c) if a driver has an agreement with a
265 transportation network company to provide any form of
266 transportation services to riders:

267 1. Primary automobile liability insurance of at least
268 \$100,000 for death and bodily injury per person, \$200,000 for
269 death and bodily injury per incident, and \$25,000 for property
270 damage; and

271 2. Primary automobile insurance that provides the minimum
272 coverage requirements under ss. 627.730-627.7405.

273 (e) The coverage requirements of paragraph (d) shall be
274 satisfied by automobile insurance maintained by the
275 transportation network company driver. The coverage requirements
276 of paragraphs (b) and (c) may be satisfied by any of the
277 following:

278 1. Automobile insurance maintained by the transportation
279 network company driver;

280 2. Automobile insurance maintained by the transportation
281 network company; or

282 3. Any combination of subparagraphs 1. and 2.

283 (f) If automobile insurance maintained by a driver under
284 paragraph (b), paragraph (c), or paragraph (d) has lapsed or
285 does not provide the required coverage, automobile insurance
286 maintained by a transportation network company must provide the
287 coverage required by this section beginning with the first
288 dollar of a claim and must require that the insurer have the
289 duty to defend such claim in this state.

290 (g) Coverage under an automobile insurance policy

20151298e1

291 maintained by the transportation network company may not be
292 dependent on a personal automobile liability insurance policy
293 first denying a claim.

294 (h) Automobile insurance required by this section must be
295 provided by an insurer authorized to do business in this state
296 which is a member of the Florida Insurance Guaranty Association.

297 (i) Automobile insurance satisfying the requirements of
298 this section shall be deemed to satisfy the financial
299 responsibility requirements for a motor vehicle under chapter
300 324 and the security required under s. 627.733.

301 (j) A transportation network company driver shall carry
302 proof of insurance coverage satisfying paragraphs (b), (c), and
303 (d) at all times during his or her use of a personal vehicle. In
304 the event of an accident:

305 1. The driver shall provide the insurance coverage
306 information to the directly involved parties, automobile
307 insurers, and investigating police officers. Proof of financial
308 responsibility may be provided through a digital telephone
309 application under s. 316.646 controlled by a transportation
310 network company.

311 2. The driver, upon request, shall disclose to the directly
312 involved parties, automobile insurers, and investigating police
313 officers whether the driver, at the time of the accident, was
314 logged on to the transportation network company's digital
315 network or engaged in prearranged ride.

316 (k) Before a driver may accept a request for a prearranged
317 ride on the transportation network company's digital network,
318 the transportation network company shall disclose in writing to
319 each transportation network company driver each type of:

20151298e1

320 1. Insurance coverage and the limit for each coverage the
321 transportation network company provides; and

322 2. Automobile insurance coverage that the driver must
323 maintain while the driver uses a personal vehicle in connection
324 with the transportation network company.

325 (1) An insurer that provides personal automobile insurance
326 policies under part XI of chapter 627 may exclude from coverage
327 under a policy issued to an owner or operator of a personal
328 vehicle any loss or injury that occurs while a driver is logged
329 on to a transportation network company's digital network or
330 while a driver is engaged in a prearranged ride. Such right to
331 exclude coverage applies to any coverage under an automobile
332 insurance policy, including, but not limited to:

333 1. Liability coverage for bodily injury and property
334 damage.

335 2. Personal injury protection coverage under s. 627.736.

336 3. Uninsured and underinsured motorist coverage.

337 4. Medical payments coverage.

338 5. Comprehensive physical damage coverage.

339 6. Collision physical damage coverage.

340 (m) The exclusions authorized under paragraph (1) apply
341 notwithstanding any financial responsibility requirements under
342 chapter 324. This section does not require that a personal
343 automobile insurance policy provide coverage while the driver is
344 logged on to the transportation network company's digital
345 network, while the driver is engaged in a prearranged ride, or
346 while the driver otherwise uses a personal vehicle to transport
347 riders for compensation. However, an insurer may voluntarily
348 elect to provide coverage for such driver's personal vehicle by

20151298e1

349 contract or endorsement.

350 (n) An insurer that excludes coverage, as authorized under
351 paragraph (l):

352 1. Does not have a duty to defend or indemnify any claim
353 excluded. This section does not invalidate or limit an exclusion
354 contained in a policy, including any policy in use or approved
355 for use in this state before July 1, 2015.

356 2. Has a right of contribution against other insurers that
357 provide automobile insurance to the same driver in satisfaction
358 of the coverage requirements of this section at the time of loss
359 if the insurer defends or indemnifies a claim against a driver
360 which is excluded under the terms of its policy.

361 (o) In a claims investigation, a transportation network
362 company and any insurer potentially providing coverage for such
363 claim under this section shall cooperate to facilitate the
364 exchange of relevant information with directly involved parties
365 and insurers of the transportation network company driver, if
366 applicable. Such information must provide:

367 1. The precise times that a driver logged on and off the
368 transportation network company's digital network during the 12-
369 hour period immediately preceding and immediately after the
370 accident.

371 2. A clear description of the coverage, any exclusions, and
372 limits provided under any automobile insurance maintained under
373 this section.

374 (p) Before allowing an individual to act as a driver on its
375 digital network, a transportation network company shall
376 determine whether the driver's personal vehicle is subject to a
377 lien. If the personal vehicle is subject to a lien, the

20151298e1

378 transportation network company shall verify that the insurance
379 required by this section provides coverage to the lienholder
380 while the driver is logged into the transportation network
381 company's digital network and while the driver is providing a
382 prearranged ride.

383 (3) The office may adopt rules to implement this section.
384 Section 4. This act shall take effect January 1, 2016.