By Senator Perry

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A bill to be entitled An act relating to motor vehicle rentals; amending s. 212.0606, F.S.; defining and revising terms; requiring specified surcharges to be imposed upon the lease or rental of a certain motor vehicle if the lease or rental is facilitated by a car-sharing service, a motor vehicle rental company, or a peer-to-peer vehicle-sharing program under certain circumstances; creating s. 627.747, F.S.; defining terms; providing financial responsibility requirements for peer-to-peer vehicle-sharing programs; providing applicability; requiring specified entities to maintain certain motor vehicle liability insurance; providing certain indemnification requirements; providing construction; requiring a peer-to-peer vehicle-sharing program to give certain notice to a peer-to-peer vehicle owner relating to the implications of a lien under certain circumstances; authorizing a certain insurer to exclude coverage and the duty to defend or indemnify a vehicle owner for any claim under his or her motor vehicle liability insurance policy; providing construction; requiring a peer-to-peer vehicle-sharing program to collect, verify, and retain certain records, subject to certain requirements; requiring the program to provide the records to certain entities under certain circumstances; authorizing a motor vehicle insurer that defends or indemnifies a claim arising from the operation of a peer-to-peer vehicle that is excluded under the terms of its policy to seek

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contribution against specified entities under certain circumstances; providing that a peer-to-peer vehiclesharing program has an insurable interest in a vehicle during the sharing period; providing construction; authorizing a peer-to-peer vehicle-sharing program to own and maintain as the named insured policies of motor vehicle liability insurance which provide specified coverage; requiring each peer-to-peer vehicle-sharing program agreement made in this state to disclose specified information to the peer-to-peer vehicle owner and the peer-to-peer vehicle driver; requiring a peer-to-peer vehicle-sharing program to have sole responsibility for certain equipment; requiring the program to agree to indemnify and hold harmless the owner for any damage to or theft of such equipment under certain circumstances; authorizing the program to seek indemnity from the driver for any loss or damage to such equipment which occurs during the sharing period; requiring a peer-to-peer vehiclesharing program to verify certain information and notify the peer-to-peer vehicle owner of certain requirements related to safety recalls, subject to certain requirements; providing restrictions and requirements for the owner if he or she has received notice of a certain safety recall on the vehicle; prohibiting a peer-to-peer vehicle-sharing program from entering into a certain agreement with a driver unless the driver meets specified requirements related to a driver license or authorization to drive peer-to8-00531B-20 2020478

peer vehicles; prohibiting the program from renting a motor vehicle to another until the driver license of the peer-to-peer vehicle driver has been inspected and verified as being unexpired; requiring the program to keep specified records; requiring such records to be open to inspection by specified entities; providing that, under certain circumstances, the peer-to-peer vehicle-sharing program is deemed to have met specified requirements when the program requires the driver to verify at a certain time that he or she is duly licensed and that the license is unexpired; providing an effective date.

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

Section 1. Section 212.0606, Florida Statutes, is amended to read:

75 to read: 76 212

212.0606 Rental car surcharge.-

(1) As used in this section, the term:

(a) "Car-sharing service" means a membership-based organization or business, or division thereof, which requires the payment of an application fee or a membership fee and provides member access to motor vehicles:

1. Only at locations that are not staffed by car-sharing service personnel employed solely for the purpose of interacting with car-sharing service members;

2. Twenty-four hours per day, 7 days per week;

3. Only through automated means, including, but not limited to, a smartphone application or an electronic membership card;

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4. On an hourly basis or for a shorter increment of time;

- 5. Without a separate fee for refueling the motor vehicle;
- 6. Without a separate fee for minimum financial responsibility liability insurance; and
- 7. Owned or controlled by the car-sharing service or its affiliates.
- (b) "Dealer" means a car-sharing service, motor vehicle rental company, or peer-to-peer vehicle-sharing program.
- (c) "Motor vehicle rental company" means an entity that is in the business of providing motor vehicles to the public under a rental agreement for 30 days or less for financial consideration.
- (d) "Peer-to-peer vehicle-sharing program" has the same meaning as in s. 627.747.
- (2) (1) Except as provided in subsection (3) (2), a surcharge of \$2 per day or any part of a day is imposed upon the lease or rental of a motor vehicle that is licensed for hire and designed to carry fewer than nine passengers, regardless of whether the motor vehicle is licensed in this state, if the lease or rental is facilitated, in person or through digital means, by a car-sharing service, a motor vehicle rental company, or a peer-to-peer vehicle-sharing program for financial consideration without transfer of the title of the motor vehicle. The surcharge applies to only the first 30 days of the term of a lease or rental. The surcharge is subject to all applicable taxes imposed by this chapter.
- $\underline{(3)}$  (2) A member of a car-sharing service who uses a motor vehicle as described in subsection  $\underline{(2)}$  (1) for less than 24 hours pursuant to an agreement with the car-sharing service

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(4) (3) (a) Notwithstanding s. 212.20, and less the costs of administration, 80 percent of the proceeds of this surcharge shall be deposited in the State Transportation Trust Fund, 15.75 percent of the proceeds of this surcharge shall be deposited in the Tourism Promotional Trust Fund created in s. 288.122, and 4.25 percent of the proceeds of this surcharge shall be deposited in the Florida International Trade and Promotion Trust Fund. For the purposes of this subsection, the term "proceeds of this surcharge" of the surcharge means all funds collected and received by the department under this section, including interest and penalties on delinquent surcharges. The department shall provide the Department of Transportation rental car surcharge revenue information for the previous state fiscal year by September 1 of each year.

- (b) Notwithstanding any other provision of law, the proceeds deposited in the State Transportation Trust Fund shall be allocated on an annual basis in the Department of Transportation's work program to each department district, except the Turnpike District. The amount allocated to each district shall be based on the amount of proceeds attributed to the counties within each respective district.
- $\underline{(5)(a)}$  (4) Except as provided in this section, the department shall administer, collect, and enforce the surcharge as provided in this chapter.
- (b) (a) The department shall require a dealer dealers to report surcharge collections according to the county to which the surcharge was attributed. For purposes of this section, the surcharge shall be attributed to the county where the rental agreement was entered into.

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(c) (b) A dealer Dealers who collects collect the rental car surcharge shall report to the department all surcharge revenues attributed to the county where the rental agreement was entered into on a timely filed return for each required reporting period. The provisions of this chapter which apply to interest and penalties on delinquent taxes apply to the surcharge. The surcharge shall not be included in the calculation of estimated taxes pursuant to s. 212.11. The dealer's credit provided in s. 212.12 does not apply to any amount collected under this section.

 $\underline{(6)}$  The surcharge imposed by this section does not apply to a motor vehicle provided at no charge to a person whose motor vehicle is being repaired, adjusted, or serviced by the entity providing the replacement motor vehicle.

Section 2. Section 627.747, Florida Statutes, is created to read:

- 627.747 Peer-to-peer vehicle-sharing program.-
- (1) DEFINITIONS.—As used in this section, the term:
- (a) "Peer-to-peer vehicle" or "vehicle" means a vehicle
  made available for sharing through a peer-to-peer vehiclesharing program, used nonexclusively for peer-to-peer vehicle
  sharing, and used by the peer-to-peer vehicle owner for personal
  use outside of peer-to-peer vehicle sharing.
- (b) "Peer-to-peer vehicle delivery period" or "delivery period" means the period of time during which a peer-to-peer vehicle is being delivered to the location where the peer-to-peer vehicle-sharing start time commences, if applicable, as documented by the governing peer-to-peer vehicle-sharing program agreement.

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(c) "Peer-to-peer vehicle driver" or "driver" means an individual who has been authorized to drive the peer-to-peer vehicle by the peer-to-peer vehicle owner under a peer-to-peer vehicle-sharing program agreement.

- (d) "Peer-to-peer vehicle owner" or "owner" means the registered owner of a peer-to-peer vehicle made available for sharing to peer-to-peer vehicle drivers through a peer-to-peer vehicle-sharing program.
- (e) "Peer-to-peer vehicle sharing" or "sharing" means the authorized use of a peer-to-peer vehicle by an individual other than the peer-to-peer vehicle owner through a peer-to-peer vehicle-sharing program.
- (f) "Peer-to-peer vehicle-sharing agreement" or "agreement" means the terms and conditions applicable to a peer-to-peer vehicle owner and a peer-to-peer vehicle driver which govern the use of a peer-to-peer vehicle through a peer-to-peer vehicle-sharing program.
- geriod" means the period of time that commences with the peer-to-peer vehicle delivery period or, if there is no peer-to-peer vehicle delivery period, that commences with the peer-to-peer vehicle-sharing start time and in either case ends at the peer-to-peer vehicle-sharing termination time.
- (h) "Peer-to-peer vehicle-sharing program" or "program" means a business platform that connects peer-to-peer vehicle owners with peer-to-peer vehicle drivers to enable the sharing of peer-to-peer vehicles for financial consideration.
- (i) "Peer-to-peer vehicle-sharing start time" or "start time" means the time when the peer-to-peer vehicle becomes

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subject to the control of the peer-to-peer vehicle driver at or
after the time the reservation of a peer-to-peer vehicle is
scheduled to begin, as documented in the records of a peer-topeer vehicle-sharing program.

- (j) "Peer-to-peer vehicle-sharing termination time" or "termination time" means the earliest of the following events:
- 1. The expiration of the agreed-upon period of time established for the use of a peer-to-peer vehicle according to the terms of the vehicle-sharing program agreement, if the peer-to-peer vehicle is delivered to the location agreed upon in the peer-to-peer vehicle-sharing program agreement;
- 2. The expiration of the time period established for use of the peer-to-peer vehicle when the peer-to-peer vehicle is returned to an alternate location agreed upon by the peer-to-peer vehicle owner and the peer-to-peer vehicle driver as communicated through a peer-to-peer vehicle-sharing program; or
- 3. The peer-to-peer vehicle owner or the owner's authorized designee takes possession and control of the peer-to-peer vehicle.
  - (2) FINANCIAL RESPONSIBILITY.-
- (a) A peer-to-peer vehicle-sharing program shall assume the liability of a peer-to-peer vehicle owner, except as provided in paragraph (b), for bodily injury or property damage to third parties or uninsured and underinsured motorist or personal injury protection losses during the peer-to-peer vehicle-sharing period in an amount stated in the peer-to-peer vehicle-sharing program.
- (b) The assumption of liability under paragraph (a) does not apply to any peer-to-peer vehicle owner when:

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1. A peer-to-peer vehicle owner makes an intentional or fraudulent material misrepresentation or omission to the peer-to-peer vehicle-sharing program before the peer-to-peer vehicle-sharing period in which the loss occurred; or

- 2. A peer-to-peer vehicle owner acts in concert with a peer-to-peer vehicle driver who fails to return the vehicle pursuant to the terms of the peer-to-peer vehicle-sharing program agreement.
- (c) The assumption of liability under paragraph (a) applies to bodily injury and property damage losses by damaged third parties as required under s. 324.021(7).
- (d) A peer-to-peer vehicle-sharing program shall ensure that, during each peer-to-peer vehicle-sharing period, the peer-to-peer vehicle owner and the peer-to-peer vehicle driver are insured under a motor vehicle liability insurance policy that provides insurance coverage in amounts no less than the minimum amounts provided in s. 324.021(7), and:
- 1. Recognizes that the peer-to-peer vehicle insured under the policy is made available and used through a peer-to-peer vehicle-sharing program; or
- 2. Does not exclude use of a peer-to-peer vehicle by a peer-to-peer vehicle driver.
- (e) The insurance requirement under paragraph (d) may be satisfied by motor vehicle liability insurance maintained by a peer-to-peer vehicle owner; a peer-to-peer vehicle driver; a peer-to-peer vehicle-sharing program; or by a peer-to-peer vehicle owner, a peer-to-peer vehicle driver, and a peer-to-peer vehicle-sharing program.
  - (f) The insurance maintained under paragraph (e) which

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291 <u>satisfies the insurance requirement under paragraph (d) must be</u> 292 primary during each peer-to-peer vehicle-sharing period.

- (g) The peer-to-peer vehicle-sharing program must assume primary liability for a claim when it is providing, in whole or in part, the insurance required under paragraphs (d) and (e) and:
- 1. A dispute exists as to who was in control of the peer-to-peer vehicle at the time of the loss; and
- 2. The peer-to-peer vehicle-sharing program does not have available, did not retain, or fails to provide the information required in paragraph (11)(c).
- (h) The peer-to-peer vehicle owner's insurer shall indemnify the peer-to-peer vehicle-sharing program to the extent of the insurer's obligation, if any, under the applicable insurance policy, if it is determined that the peer-to-peer vehicle owner was in control of the peer-to-peer vehicle at the time of the loss.
- (i) If insurance maintained by a peer-to-peer vehicle owner or peer-to-peer vehicle driver in accordance with paragraph (e) lapses or does not provide the required coverage, insurance maintained by a peer-to-peer vehicle-sharing program shall provide the coverage required by paragraph (d) beginning with the first dollar of a claim and the insurer has the duty to defend such claim except under circumstances specified in paragraph (b).
- (j) Coverage under a motor vehicle insurance policy maintained by the peer-to-peer vehicle-sharing program may not be dependent on another motor vehicle insurer first denying a claim.

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(k) This subsection does not:

- 1. Limit the liability of the peer-to-peer vehicle-sharing program for any act or omission of the program itself which results in injury to any person as a result of the use of a peer-to-peer vehicle through the peer-to-peer vehicle-sharing program; or
- 2. Limit the ability of the peer-to-peer vehicle-sharing program to seek indemnification, by contract, from the peer-to-peer vehicle owner or the peer-to-peer vehicle driver for economic losses the peer-to-peer vehicle-sharing program sustains which result from a breach of the terms and conditions of the peer-to-peer vehicle-sharing program agreement.
- (3) NOTIFICATION OF IMPLICATIONS OF A LIEN.—At the time a peer-to-peer vehicle owner registers a vehicle for use through a peer-to-peer vehicle-sharing program and before the owner makes the vehicle available for use through the program, the program must notify the owner that, if the vehicle has a lien against it, the use of the vehicle through the program, including use without physical damage coverage, may violate the terms of the contract with the lienholder.
- (4) EXCLUSIONS IN MOTOR VEHICLE LIABILITY INSURANCE POLICIES.—
- (a) An authorized insurer that writes motor vehicle liability insurance in this state may exclude any coverage and the duty to defend or indemnify for any claim under the peer-to-peer vehicle owner's motor vehicle liability insurance policy, including, but not limited to:
- 1. Liability coverage for bodily injury and property damage;

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- 2. Personal injury protection coverage;
  - 3. Uninsured and underinsured motorist coverage;
- 351 4. Medical payments coverage;
  - 5. Comprehensive physical damage coverage; and
  - 6. Collision physical damage coverage.
    - (b) This subsection does not invalidate or limit an exclusion contained in a motor vehicle liability insurance policy, including any insurance policy in use or approved for use which excludes coverage for motor vehicles made available for rent, hire, or for any business use, including peer-to-peer vehicle sharing.
      - (5) RECORDKEEPING.-
    - (a) A peer-to-peer vehicle-sharing program must collect and verify records pertaining to the use of peer-to-peer vehicles, including, but not limited to, times used, fees paid by the peer-to-peer vehicle driver, and revenues received by the peer-to-peer vehicle owner.
    - (b) Pursuant to all applicable federal and state privacy obligations, and after receiving the informed consent of the peer-to-peer vehicle owner and the peer-to-peer vehicle driver, a peer-to-peer vehicle-sharing program must provide the information collected pursuant to paragraph (a), upon request, to the owner, the owner's insurer, and the driver's insurer to facilitate a claim investigation.
    - (c) The program must retain the records required in this subsection for not less than 3 years.
    - (6) CONTRIBUTION AGAINST INDEMNIFICATION.—A motor vehicle insurer that defends or indemnifies a claim arising from the operation of a peer-to-peer vehicle that is excluded under the

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terms of its policy may seek contribution against the peer-topeer vehicle-sharing program if the claim is made against the
peer-to-peer vehicle owner or the peer-to-peer vehicle driver
for loss or injury that occurs during the peer-to-peer vehiclesharing period.

(7) INSURABLE INTEREST.—

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- (a) A peer-to-peer vehicle-sharing program has an insurable interest in a vehicle during the sharing period.
- (b) This subsection does not impose liability on a peer-topeer vehicle-sharing program to maintain the coverage mandated by subsection (2).
- (c) A peer-to-peer vehicle-sharing program may own and maintain as the named insured one or more policies of motor vehicle liability insurance which provide coverage for:
- 1. Liabilities assumed by the peer-to-peer vehicle-sharing program under agreement;
  - 2. Liability of the peer-to-peer vehicle owner;
  - 3. Damage or loss to the vehicle; or
  - 4. Liability of the peer-to-peer vehicle driver.
  - (8) CONSUMER PROTECTIONS.—
- (a) Each peer-to-peer vehicle-sharing program agreement made in this state must disclose to the peer-to-peer vehicle owner and the peer-to-peer vehicle driver:
- 1. Any right of a program to seek indemnification from the owner or the driver for economic losses the program sustains which result from a breach of the terms and conditions of the agreement;
- 2. That a motor vehicle liability insurance policy issued to the owner for the peer-to-peer vehicle or to the driver does

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not provide defense indemnity for any claim asserted by the program;

- 3. That the program's financial responsibility afforded to the owner and driver is available only during the peer-to-peer vehicle-sharing period;
- 4. That, for any use of the peer-to-peer vehicle by the driver after the peer-to-peer vehicle-sharing termination time, the driver and owner may not have coverage;
- 5. The daily rate, fees, costs, and, if applicable, any insurance or protection package costs that are charged to the owner or driver; and
- 6. That the peer-to-peer vehicle owner's motor vehicle liability insurance may not provide coverage for the vehicle.
- (b) Each peer-to-peer vehicle-sharing program agreement made in this state must disclose to the peer-to-peer vehicle driver:
- 1. An emergency telephone number to contact personnel capable of fielding roadside assistance requests and other customer service inquiries; and
- 2. Any conditions under which a driver must maintain a personal motor vehicle insurance policy, and any required coverage limits, on a primary basis in order to rent the peer-to-peer vehicle.
- (9) RESPONSIBILITY FOR EQUIPMENT.—The peer-to-peer vehicle-sharing program has sole responsibility for any equipment that is put in or on the vehicle, such as a GPS system or other device, used to monitor or facilitate the sharing, and must agree to indemnify and hold harmless the owner for any damage to or theft of such equipment during the sharing period which is

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not caused by the owner. The program may seek indemnity from the driver for any loss or damage to such equipment which occurs during the sharing period.

- (10) AUTOMOBILE SAFETY RECALLS.—
- (a) At the time an owner registers a vehicle for use in the program, and before the owner makes the vehicle available for use, the peer-to-peer vehicle-sharing program must:
- 1. Verify that the vehicle does not have any safety recalls for which repairs have not been made; and
- 2. Notify the owner of the requirements under paragraph (c).
- (b) The program must periodically, at least once in each 72-hour period, verify that any vehicle available for use through the program is not subject to an open safety recall for which repairs have not been made.
- (c) If the peer-to-peer vehicle owner has received notice of a safety recall on the vehicle, he or she may not make the vehicle available for use through a peer-to-peer vehicle-sharing program until the safety recall repair has been made. Upon receiving notice of a safety recall on the vehicle when it is available for use through the program, the owner shall remove the vehicle from availability as soon as practicable, but in no case more than 48 hours after receiving the notice of the safety recall, and until the safety recall repair has been made. Upon receiving notice of a safety recall on the vehicle, and in no case more than 48 hours after such receipt, when such vehicle is in the possession of the driver, the owner must notify the program of the safety recall so that the program may notify the driver and the vehicle can be removed from use until the owner

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effects the necessary safety recall repair.

- (11) DRIVER LICENSE VERIFICATION AND RETENTION. -
- (a) A peer-to-peer vehicle-sharing program may not enter into a peer-to-peer vehicle-sharing program agreement with a driver unless the driver who will operate the peer-to-peer vehicle:
- 1. Holds an unexpired driver license in this state which authorizes the driver to operate vehicles of the class of the peer-to-peer vehicle; or
  - 2. Is a nonresident who:
- a. Has an unexpired driver license issued by the state or country of the driver's residence which authorizes the driver in that state or country to drive vehicles of the class of the peer-to-peer vehicle; and
- $\underline{\text{b. Is at least the same age as that required of a resident}}$  to drive.
- (b) A peer-to-peer vehicle-sharing program may not rent a motor vehicle to another until the driver license of the peer-to-peer vehicle driver has been inspected and the program has verified that the driver license is unexpired.
- (c) A peer-to-peer vehicle-sharing program must keep a
  record of:
  - 1. The registration number of the peer-to-peer vehicle;
  - 2. The name and address of the peer-to-peer vehicle driver;
- 3. The driver license number of the peer-to-peer vehicle driver and the place where the license was issued; and
- 4. Each other person, if any, who will operate the peer-to-peer vehicle.
  - (d) Such record must be open to inspection by any police

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officer, or officer or employee of the Department of Law Enforcement.

(e) If a peer-to-peer vehicle-sharing program rents a peer-to-peer vehicle to a driver through digital, electronic, or other means that allow the driver to obtain possession of the vehicle without direct contact with an agent, an employee of the peer-to-peer vehicle-sharing program, or the vehicle owner, or if the driver does not execute a peer-to-peer vehicle-sharing program agreement at the time he or she takes possession of the vehicle, the peer-to-peer vehicle-sharing program is deemed to have met all requirements of paragraphs (a) and (b) when the program, at the time the driver enrolls in a membership program, master agreement, or other means of establishing use of the program's services, or any time thereafter, requires the driver to verify that he or she is duly licensed and that the license is unexpired.

Section 3. This act shall take effect July 1, 2020.