A bill to be entitled
An act relating to luxury ground transportation companies; creating s. 627.747, F.S.; providing definitions; providing that a luxury ground transportation company (LGTC) driver is not required to register certain vehicles as commercial motor vehicles or for-hire vehicles; requiring an LGTC to designate and maintain an agent for service of process in this state; providing fare requirements; providing requirements for an LGTC's digital network; providing for an electronic receipt, subject to certain requirements; providing automobile insurance requirements for an LGTC and an LGTC driver; providing requirements for specified proof of coverage for an LGTC driver under certain circumstances; providing certain disclosure requirements for an LGTC driver in the event of an accident; requiring an LGTC to cause its insurer to issue certain payments directly to certain parties; requiring an LGTC to make specified disclosures in writing to LGTC drivers under certain circumstances; authorizing specified insurers to exclude certain coverage; providing that the right to exclude coverage applies to any coverage included in an automobile insurance policy; providing applicability; providing that automobile insurers do
not have a duty to defend or indemnify certain claims; providing that specified automobile insurers have a right of contribution against other insurers that provide automobile insurance to the same LGTC drivers in satisfaction of certain coverage requirements under certain circumstances; requiring an LGTC to provide specified information upon request by certain parties during a claims coverage investigation; requiring certain insurers to disclose specified information upon request by any other insurer involved in the particular claim; providing that LGTC drivers are independent contractors if specified conditions are met; requiring an LGTC to implement a zero-tolerance policy for drug or alcohol use; providing LGTC driver requirements; requiring an LGTC to conduct a certain background check for an LGTC driver; prohibiting an individual from becoming an LGTC driver under certain circumstances; requiring an LGTC to submit to the Department of Financial Services an examination report prepared by a certified public accountant; providing fines for noncompliance; providing administrative proceedings; authorizing injunctive relief under certain circumstances; providing rulemaking authority; prohibiting an LGTC driver from accepting certain rides or soliciting or accepting street hails;
requiring an LGTC to adopt a policy of
nondiscrimination with respect to riders and potential
riders and to notify LGTC drivers of such policy;
requiring LGTC drivers to comply with the
nondiscrimination policy and certain applicable laws
regarding nondiscrimination and accommodation of
service animals; prohibiting an LGTC from imposing
additional charges for providing services to persons
who have physical disabilities; requiring an LGTC that
contracts with a governmental entity to provide
paratransit services to comply with certain state and
federal laws; requiring an LGTC to reevaluate a
decision to remove an LGTC driver's authorization to
access its digital network in certain instances;
requiring an LGTC to maintain specified records;
providing legislative intent; specifying that LGTCs,
LGTC drivers, and LGTC vehicles are governed
exclusively by state law; prohibiting local
governmental entities and subdivisions from taking
specified actions; providing construction; providing
an effective date.

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

Section 1. Section 627.747, Florida Statutes, is created

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CODING: Words stricken are deletions; words underlined are additions.
627.747 Luxury ground transportation companies.—

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

(a) "Digital network" means any online-enabled technology application service, website, or system offered or used by a luxury ground transportation company which enables the prearrangement of rides with luxury ground transportation company drivers.

(b) "Luxury ground transportation company" or "LGTC" means an entity operating in this state pursuant to this section using a digital network to connect a rider to an LGTC driver, who provides prearranged rides. An LGTC is not required to own, control, operate, direct, or manage the luxury ground transportation company vehicles or luxury ground transportation drivers that connect to its digital network, except where agreed to by written contract, and is not a taxicab or taxicab association. The term does not include an individual, corporation, partnership, sole proprietorship, or other entity that arranges medical transportation for individuals who qualify for Medicaid or Medicare pursuant to a contract with the state or a managed care organization. This section does not prohibit an LGTC from providing prearranged rides to individuals who qualify for Medicaid or Medicare if the LGTC meets the requirements of this section.

(c) "Luxury ground transportation company driver" or "LGTC
"driver" means an individual who:

1. Receives connections to potential riders and related services from a luxury ground transportation company.
2. In return for compensation, uses an LGTC vehicle to offer or provide a prearranged ride to a rider upon connection through a digital network.

(d) "Luxury ground transportation company vehicle" or "LGTC vehicle" means a vehicle that is not a taxicab or a for-hire vehicle as defined in s. 320.01(15) and that is:

1. Used by an LGTC driver to offer or provide a prearranged ride.
2. Owned, leased, or otherwise authorized to be used by the LGTC driver.

Notwithstanding any other provision of law, a vehicle that is let or rented to another for consideration may be used as a luxury ground transportation company vehicle.

(e) "Prearranged ride" means the provision of transportation by an LGTC driver to a rider, beginning when an LGTC driver accepts a ride requested by a rider through a digital network controlled by a luxury ground transportation company, continuing while the LGTC driver transports the requesting rider, and ending when the last requesting rider departs from the LGTC vehicle. The term does not include a taxicab or street hail service and does not include ridesharing.

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CODING: Words stricken are deletions; words underlined are additions.
as defined in s. 341.031, carpool as defined in s. 450.28, or any other type of service in which the driver receives a fee that does not exceed the driver's cost to provide the ride.

(f) "Rider" means an individual who uses a digital network to connect with an LGTC driver in order to obtain a prearranged ride in the LGTC vehicle between points chosen by the rider. A person may use a digital network to request a prearranged ride on behalf of a rider.

(g) "Street hail" means an immediate arrangement on a street with a driver by a person using any method other than a digital network to seek immediate transportation.

(2) NOT OTHER CARRIERS.—An LGTC or LGTC driver is not a common carrier, contract carrier, or motor carrier and does not provide taxicab or for-hire vehicle services. In addition, an LGTC driver is not required to register the vehicle that the LGTC driver uses to provide prearranged rides as a commercial motor vehicle or a for-hire vehicle.

(3) AGENT.—An LGTC must designate and maintain an agent for service of process in this state.

(4) FARE TRANSPARENCY.—If a fare is collected from a rider, the LGTC must disclose to the rider the fare or fare calculation method on its website or within the online-enabled technology application service before the beginning of the prearranged ride. If the fare is not disclosed to the rider before the beginning of the prearranged ride, the rider must
have the option to receive an estimated fare before the beginning of the prearranged ride.

(5) IDENTIFICATION OF LGTC VEHICLES AND DRIVERS.—The LGTC's digital network must display a photograph of the LGTC driver and the license plate number of the LGTC vehicle used for providing the prearranged ride before the rider enters the LGTC vehicle.

(6) ELECTRONIC RECEIPT.—Within a reasonable period after the completion of a ride, an LGTC shall transmit an electronic receipt to the rider on behalf of the LGTC driver which lists:

(a) The origin and destination of the ride.
(b) The total time and distance of the ride.
(c) The total fare paid.

(7) LUXURY GROUND TRANSPORTATION COMPANY AND LGTC DRIVER INSURANCE REQUIREMENTS.—

(a) Beginning July 1, 2019, an LGTC driver or an LGTC on behalf of the LGTC driver shall maintain primary automobile insurance that:

1. Recognizes that the LGTC driver is an LGTC driver or otherwise uses a vehicle to transport riders for compensation.
2. Covers the LGTC driver while the LGTC driver is logged on to the digital network of the LGTC or while the LGTC driver is engaged in a prearranged ride.

(b) The following automobile insurance requirements apply while a participating LGTC driver is logged on to the digital
network but is not engaged in a prearranged ride:

1. Automobile insurance that provides:
   a. A primary automobile liability coverage of at least $50,000 for death and bodily injury per person, $100,000 for death and bodily injury per incident, and $25,000 for property damage.
   b. Personal injury protection benefits that meet the minimum coverage amounts required under ss. 627.730-627.7405.
   c. Uninsured and underinsured vehicle coverage as required by s. 627.727.

2. The coverage requirements of this paragraph may be satisfied by any of the following:
   a. Automobile insurance maintained by the LGTC driver;
   b. Automobile insurance maintained by the LGTC; or
   c. A combination of sub-subparagraphs a. and b.

(c) The following automobile insurance requirements apply while an LGTC driver is engaged in a prearranged ride:

1. Automobile insurance that provides:
   a. A primary automobile liability coverage of at least $1 million for death, bodily injury, and property damage;
   b. Personal injury protection benefits that meet the minimum coverage amounts required of a limousine.
   c. Uninsured and underinsured vehicle coverage as required by s. 627.727.

2. The coverage requirements of this paragraph may be
satisfied by any of the following:

a. Automobile insurance maintained by the LGTC driver;

b. Automobile insurance maintained by the LGTC; or

c. A combination of sub-subparagraphs a. and b.

(d) If the LGTC driver's insurance under paragraph (b) or paragraph (c) has lapsed or does not provide the required coverage, the insurance maintained by the LGTC must provide the coverage required under this subsection, beginning with the first dollar of a claim, and has the duty to defend such claim.

(e) Coverage under an automobile insurance policy maintained by the LGTC must not be dependent on a personal automobile insurer first denying a claim, and a personal automobile insurance policy is not required to first deny a claim.

(f) Insurance required under this subsection must be provided by an insurer authorized to do business in this state which is a member of the Florida Insurance Guaranty Association or an eligible surplus lines insurer that has a superior, excellent, exceptional, or equivalent financial strength rating by a rating agency acceptable to the office.

(g) Insurance satisfying the requirements of this subsection is deemed to satisfy the financial responsibility requirement for a motor vehicle under chapter 324 and the security required under s. 627.733 for any period when the LGTC driver is logged onto the digital network or engaged in a
prearranged ride.

(h) An LGTC driver shall carry proof of coverage satisfying paragraphs (b) and (c) with him or her at all times during his or her use of an LGTC vehicle in connection with a digital network. In the event of an accident, an LGTC driver shall provide this insurance coverage information to any party directly involved in the accident or the party's designated representative, automobile insurers, and investigating police officers. Proof of financial responsibility may be presented through an electronic device, such as a digital phone application, under s. 316.646. Upon request, an LGTC driver shall also disclose to any party directly involved in the accident or the party's designated representative, automobile insurers, and investigating police officers whether he or she was logged on to a digital network or was engaged in a prearranged ride at the time of the accident.

(i) If an LGTC's insurer makes a payment for a claim covered under comprehensive coverage or collision coverage, the LGTC shall cause its insurer to issue the payment directly to the business repairing the vehicle or jointly to the owner of the vehicle and the primary lienholder on the covered vehicle.

(8) LUXURY GROUND TRANSPORTATION COMPANY AND INSURER; DISCLOSURE; EXCLUSIONS.—

(a) Before an LGTC driver is allowed to accept a request for a prearranged ride on the digital network, the LGTC must
disclose in writing to the LGTC driver:

1. The insurance coverage, including the types of coverage and the limits for each coverage, which the LGTC provides while the LGTC driver uses an LGTC vehicle in connection with the LGTC's digital network.

2. That the LGTC driver's own automobile insurance policy might not provide any coverage while the LGTC driver is logged on to the digital network or is engaged in a prearranged ride, depending on the terms of the LGTC driver's own automobile insurance policy.

3. That the provision of rides for compensation which are not prearranged rides subjects the driver to the coverage requirements imposed under s. 324.032(1) and that failure to meet such coverage requirements subjects the LGTC driver to penalties provided in s. 324.221, up to and including a misdemeanor of the second degree.

(b) 1. An insurer that provides an automobile liability insurance policy under this part may exclude any and all coverage afforded under the policy issued to an owner or operator of an LGTC vehicle for any loss or injury that occurs while an LGTC driver is logged on to a digital network or while an LGTC driver provides a prearranged ride. This right to exclude all coverage may apply to any coverage included in an automobile insurance policy, including, but not limited to:

a. Liability coverage for bodily injury and property
276  damage.
277  b. Uninsured and underinsured motorist coverage.
278  c. Medical payments coverage.
279  d. Comprehensive physical damage coverage.
280  e. Collision physical damage coverage.
281  f. Personal injury protection.
282  2. The exclusions described in subparagraph 1. apply
283  notwithstanding any requirement under chapter 324. These
284  exclusions do not affect or diminish coverage otherwise
285  available for permissive drivers or resident relatives under the
286  personal automotive insurance policy of the LGTC driver or owner
287  of the LGTC vehicle who are not occupying the LGTC vehicle at
288  the time of loss. This section does not require that a personal
289  automobile insurance policy provide coverage while the LGTC
290  driver is logged on to a digital network, while the LGTC driver
291  is engaged in a prearranged ride, or while the LGTC driver
292  otherwise uses a vehicle to transport riders for compensation.
293  3. This section may not be construed to require an insurer
294  to use any particular policy language or reference to this
295  section in order to exclude any and all coverage for any loss or
296  injury that occurs while an LGTC driver is logged on to a
297  digital network or while an LGTC driver provides a prearranged
298  ride.
299  4. This section does not preclude an insurer from
300  providing primary or excess coverage for the LGTC vehicle by
contract or endorsement.

(c)1. An automobile insurer that excludes the coverage described in subparagraph (b)1. does not have a duty to defend or indemnify any claim expressly excluded thereunder. This section does not invalidate or limit an exclusion contained in a policy, including a policy in use or approved for use in this state before July 1, 2019, which excludes coverage for vehicles used to carry persons or property for a charge or available for hire by the public.

2. An automobile insurer that defends or indemnifies a claim against an LGTC driver which is excluded under the terms of its policy has a right of contribution against other insurers that provide automobile insurance to the same LGTC driver in satisfaction of the coverage requirements of subsection (7) at the time of loss.

(d) In a claims coverage investigation, an LGTC shall immediately provide, upon request by a directly involved party or any insurer of the LGTC driver, if applicable, the precise times that the LGTC driver logged on and off the digital network in the 12-hour period immediately preceding and in the 12-hour period immediately following the accident. An insurer providing coverage under subsection (7) shall disclose, upon request by any other insurer involved in the particular claim, the applicable coverages, exclusions, and limits provided under any automobile insurance maintained in order to satisfy the
requirements of subsection (7).

(9) LIMITATION ON LUXURY GROUND TRANSPORTATION COMPANIES.—
An LGTC driver is an independent contractor and not an employee
of the LGTC if all of the following conditions are met:

(a) The LGTC does not unilaterally prescribe specific
hours during which the LGTC driver must be logged on to the
LGTC's digital network.

(b) The LGTC does not prohibit the LGTC driver from using
digital networks from other LGTCs.

(c) The LGTC does not restrict the LGTC driver from
engaging in any other occupation or business.

(d) The LGTC and LGTC driver agree in writing that the
LGTC driver is an independent contractor with respect to the
LGTC.

(10) ZERO TOLERANCE FOR DRUG OR ALCOHOL USE.—

(a) The LGTC shall implement a zero-tolerance policy
regarding an LGTC driver's activities while accessing the LGTC's
digital network. The zero-tolerance policy must address the use
of drugs or alcohol while an LGTC driver is providing a
prearranged ride or is logged on to the digital network.

(b) The LGTC shall provide notice of this policy on its
website, as well as procedures to report a complaint about an
LGTC driver who a rider reasonably suspects was under the
influence of drugs or alcohol during the course of the ride.

(c) Upon receipt of a rider's complaint alleging a
violation of the zero-tolerance policy, the LGTC shall suspend
an LGTC driver's ability to accept any ride request through the
LGTC's digital network as soon as possible and shall conduct an
investigation into the reported incident. The suspension must
last the duration of the investigation.

(11) LUXURY GROUND TRANSPORTATION COMPANY DRIVER
REQUIREMENTS.—
(a) Before an individual is authorized to accept a ride
request through a digital network:
1. The individual must submit an application to the LGTC
which includes information regarding his or her address, age,
driver license, motor vehicle registration, and other
information required by the LGTC.
2. The LGTC must conduct, or have a third party conduct, a
local and national criminal background check that includes:
   a. A search of the Multi-State/Multi-Jurisdiction Criminal
   Records Locator or other similar commercial nationwide database
   with validation of any records through primary source search.
   b. A search of the National Sex Offender Public Website
   maintained by the United States Department of Justice.
3. The LGTC must obtain and review, or have a third party
obtain and review, a driving history research report for the
applicant.
   (b) The LGTC shall conduct the background check required
under paragraph (a) for an LGTC driver every 2 years.
(c) The LGTC may not authorize an individual to act as an LGTC driver on its digital network if the driving history research report conducted when the individual first seeks access to the digital network reveals that the individual has had more than three moving violations in the prior 2-year period.

(d) The LGTC may not authorize an individual to act as an LGTC driver on its digital network if the background check conducted when the individual first seeks access to the digital network or any subsequent background check required under paragraph (b) reveals that the individual:

1. Has been convicted, within the past 2 years, of:
   a. A felony and the individual has not paid restitution;
   b. A misdemeanor for driving under the influence of drugs or alcohol, for reckless driving, for hit and run, or for fleeing or attempting to elude a law enforcement officer; or
   c. A misdemeanor for a violent offense or sexual battery, or a crime of lewdness or indecent exposure under chapter 800;

2. Is a match in the National Sex Offender Public Website maintained by the United States Department of Justice;

3. Does not possess a valid driver license; or

4. Does not possess proof of registration for the motor vehicle used to provide prearranged rides.

(12) LUXURY GROUND TRANSPORTATION COMPANY REPORT.—

(a) No later than January 1 of every other year beginning
in 2021, an LGTC shall submit to the department an examination report prepared by an independent certified public accountant for the sole purpose of verifying that the LGTC is in compliance with subsections (8) and (11) on a continual basis either for the preceding 2 years or for the timeframe that the LGTC has been operating in this state if that timeframe is less than 2 years. The report shall expressly state whether the LGTC was compliant or noncompliant. The report must be prepared in accordance with applicable attestation standards established by the American Institute of Certified Public Accountants. The LGTC shall bear all costs associated with the preparation and submission of the report.

(b)1. Within 30 days after receipt of the report required under paragraph (a), the department shall impose a fine of $10,000 if the report includes a finding that the LGTC has been noncompliant with subsection (8) or subsection (11), or both. An LGTC that has been found to be noncompliant shall submit another examination report prepared by an independent certified public accountant to the department no later than January 1 of the following year. This subsequent report shall evaluate the records of the LGTC for the timeframe since the independent certified public accountant last reviewed the records of the LGTC to determine whether the LGTC has been compliant with subsections (8) and (11) on a continual basis. Within 30 days after receipt of the subsequent report required by this
subparagraph, the department shall impose a fine of $20,000 if the subsequent report includes a finding that the LGTC has been noncompliant with subsection (8) or subsection (11), or both. Failure to timely submit any report required under this subparagraph shall result in the imposition of an additional fine of $10,000 for noncompliance.

2. Any fine imposed by the department shall be payable within 21 days after receipt of notice from the department. The moneys so received may be deposited by the department for use in defraying the expenses of the department in the discharge of its administrative and regulatory duties under this subsection and subsection (11). The payment of a fine shall be stayed by the filing of a petition for an administrative proceeding pursuant to chapter 120 with the department's agency clerk. Failure to timely petition will waive any rights to an administrative hearing. The department may, pursuant to the Florida Rules of Civil Procedure, seek injunctive relief against a LGTC that fails to comply with the requirements of this subsection.

(c) The department may adopt rules to implement this subsection.

(13) PROHIBITED CONDUCT.—

(a) An LGTC driver may not accept a ride for compensation other than by a rider arranged through a digital network.

(b) An LGTC driver may not solicit or accept street hails.

(14) NONDISCRIMINATION; ACCESSIBILITY.—
(a) An LGTC shall adopt a policy of nondiscrimination with respect to riders and potential riders and shall notify LGTC drivers of such policy.  

(b) An LGTC driver shall comply with the LGTC's nondiscrimination policy.  

(c) An LGTC driver shall comply with all applicable laws regarding nondiscrimination against riders and potential riders.  

(d) An LGTC driver shall comply with all applicable laws relating to accommodation of service animals.  

(e) An LGTC may not impose additional charges for providing services to a person who has a physical disability because of the person's disability.  

(f) An LGTC that contracts with a governmental entity to provide paratransit services must comply with all applicable state and federal laws related to individuals with disabilities.  

(g) An LGTC shall reevaluate any decision to remove an LGTC driver's authorization to access its digital network due to a low-quality rating by riders if the LGTC driver alleges that the low-quality rating was because of a characteristic identified in the company's nondiscrimination policy and there is a plausible basis for such allegation.  

(15) RECORDS.—An LGTC shall maintain all of the following records:  

(a) Individual ride records for at least 1 year after the date on which each ride is provided.
(b) Individual records of LGTC drivers for at least 1 year after the date on which the LGTC driver's relationship with the LGTC ends.

(16) PREEMPTION.—
   (a) It is the intent of the Legislature to provide for uniformity of laws governing LGTCs, LGTC drivers, and LGTC vehicles throughout the state. LGTCs, LGTC drivers, and LGTC vehicles are governed exclusively by state law, including in any locality or other jurisdiction that enacted a law or created rules governing LGTCs, LGTC drivers, or LGTC vehicles before July 1, 2019. A county, municipality, special district, airport authority, port authority, or other local governmental entity or subdivision may not:

1. Impose a tax on, or require a license for, an LGTC, an LGTC driver, or an LGTC vehicle if such tax or license relates to providing prearranged rides;

2. Subject an LGTC, an LGTC driver, or an LGTC vehicle to any rate, entry, operation, or other requirement of the county, municipality, special district, airport authority, port authority, or other local governmental entity or subdivision; or

3. Require an LGTC or an LGTC driver to obtain a business license or any other type of similar authorization to operate within the local governmental entity's jurisdiction.

(b) This subsection does not prohibit an airport or seaport from charging reasonable pickup fees consistent with any
pickup fees charged to taxicab companies at that airport or
seaport for their use of the airport's or seaport's facilities
or prohibit the airport or seaport from designating locations
for staging, pickup, and other similar operations at the airport
or seaport.

Section 2. This act shall take effect upon becoming a law.