

Committee on Banking and Insurance

CS/SB 292 — Insurance Claims Data

by Banking and Insurance Committee and Senator Broxson

The bill requires admitted and nonadmitted insurance carriers to provide a loss run statement to an insured within 15 days of receipt of a written request submitted by the insured. For personal lines of insurance, an insurance carrier may instead provide the insured with information on how to obtain a loss run statement at no charge through a consumer reporting agency. The insurance carrier must notify the agent of record that the loss run statement was provided electronically or made available through an electronic portal. The loss run statement must include a loss run history for the preceding 5 years or, if the loss run history is less than 5 years, a complete loss run history with the insurance carrier. The bill specifies that an insurance carrier is not required to provide loss reserve information as part of a loss run statement. The insurance carrier may not charge a fee for preparing or annually providing one loss run statement.

If approved by the Governor, these provisions take effect January 1, 2021.

Vote: Senate 39-0; House 117-0

Committee on Banking and Insurance

CS/HB 437 — Nurse Registries

by Insurance and Banking Subcommittee and Rep. Stone and others (CS/SB 880 by Banking and Insurance Committee and Senator Baxley)

The bill specifically authorizes an employer or workers' compensation insurer to use a licensed nurse registry to place authorized, compensable attendant care services for the benefit of an injured worker under the Workers' Compensation Law.

If approved by the Governor, these provisions take effect July 1, 2020.

Vote: Senate 38-0; House 118-0

Committee on Banking and Insurance

HB 469 — Real Estate Conveyances

by Rep. Duggan (SB 1224 by Senators Simmons and Gruters)

The bill provides that no subscribing witnesses are required for a lease of real property or any instrument pertaining to a lease of real property. The bill eliminates the requirement that two subscribing witnesses be present when the lessor, or lessor's lawfully authorized agent, signs a lease with a term of more than 1 year.

If approved by the Governor, these provisions take effect July 1, 2020.

Vote: Senate 40-0; House 117-0

Committee on Banking and Insurance

CS/HB 529 — Insurance Guaranty Associations

by Insurance and Banking Subcommittee and Reps. Webb, Donalds, and others (CS/SB 898 by Banking and Insurance Committee and Senators Gruters and Broxson)

The bill increases the obligation upon insurer insolvency of the Florida Insurance Guaranty Association (FIGA) for covered claims of an insured condominium association or homeowners association to the amount of each covered property insurance claim less than \$200,000 multiplied by the number of condominium or other residential units, which is a per-unit increase of \$100,000. The bill thus doubles the possible claim payout an insurance consumer could expect to receive upon experiencing both a covered loss and the insolvency of their insurer. The bill also increases the amount of funding available to FIGA through emergency assessments levied against insurers for the payment of claims of insurers rendered insolvent by the effects of a hurricane by authorizing emergency assessments of up to 4 percent of an insurer's net written premiums in this state in any one calendar year, which is an increase from the current limit of 2 percent.

If approved by the Governor, these provisions take effect July 1, 2020.

Vote: Senate 39-0; House 115-0

Committee on Banking and Insurance

SB 540 — Insurance Guaranty Associations

by Senators Rader and Rouson

The bill allows Florida Insurance Guaranty Association (FIGA) employees to adjust losses if the employee holds or has held within the past 10 years, licensure which allows for the adjustment of such losses. Employees of other guaranty associations may also adjust losses for FIGA if such employees maintain the appropriate experience and training for adjusting such claims. The use of other state's guaranty association employees must be done pursuant to a contract between FIGA and the employee's guaranty association or the guaranty association's authorized representative.

The bill clarifies that the assessment due from FIGA and Florida Workers' Compensation Insurance Guaranty Association (FWCIGA) member insurers will be a uniform percentage of premium collected instead of a proportion of the total net direct written premium for the prior calendar year.

The bill establishes that assessment installment payments made by FIGA member insurers may be made quarterly rather than monthly.

The bill clarifies the method by which assessments are levied against insurers and collected by FWCIGA related to policy deductibles and to retrospectively rated policies.

The bill provides FWCIGA with the authority to audit reports from insurers regarding payments made to FWCIGA and the amount collected from policyholders. The bill clarifies that assessments paid that are required to be remitted by the insurer prior to the insurer surcharging policyholders constitute advances of funds to FWCIGA, to allow for proper accounting treatment.

If approved by the Governor, these provisions take effect July 1, 2020.

Vote: Senate 40-0; House 116-0

Committee on Banking and Insurance

CS/CS/HB 747 — Coverage for Air Ambulance Services

by Health and Human Services Committee; Health Market Reform Subcommittee; and Rep. Williamson and others (CS/CS/CS/SB 736 by Rules Committee; Health Policy Committee; Banking and Insurance Committee; and Senator Diaz)

The bill requires health insurers and health maintenance organizations (HMOs) to provide reasonable reimbursement to air ambulances for covered services. The bill defines the term, “reasonable reimbursement,” to mean reimbursement that considers the direct cost to provide air ambulance transportation service to an insured or subscriber, the operation of an air ambulance service by a county that operates entirely within a designated area of critical state concern, and the in-network reimbursement established by the insurer or HMO for the specific policy or contract.

The bill provides that reasonable reimbursement may be reduced only by applicable copayments, coinsurance, and deductibles. Further, the bill provides that payment in full by the insured or subscriber of his or her cost-sharing obligations constitutes an accord and satisfaction of, and a release of, any claim for monies owed by the insured or subscriber in connection with the air ambulance service.

Currently, patients who are transported by air ambulance providers that are outside of provider networks of their respective insurer or HMO are at financial risk for balance billing, which is the difference between prices charged by providers and the payment rates established by insurers or HMOs. Any balance billing incurred by a patient is in addition to copayments or other types of cost-sharing typically paid under the insurance policy or HMO contract.

If approved by the Governor, these provisions take effect upon becoming law.

Vote: Senate 37-0; House 117-0

Committee on Banking and Insurance

SB 1092 — Fire Prevention and Control

by Senators Bean and Perry

The bill creates the Firefighter Cancer Decontamination Equipment Grant Program within the Division of the State Fire Marshal to provide financial assistance to qualifying fire departments to help procure equipment, supplies, and educational training material designed to mitigate exposure to hazardous, cancer-causing chemicals.

The bill authorizes the State Fire Marshal to adopt rules and procedures to administer the program, including for the approval of applications and development of need-based criteria. Need-based criteria must include, but are not limited to, the decontamination equipment and supply needs of the fire department, the financial needs of the fire department, and the level of nonstate matching funds proposed in the application.

The bill requires grant recipients to:

- Obtain a minimum 25 percent nonstate funds;
- Report their activity to the Division of State Fire Marshal for submission in the Fire and Emergency Incident Information Reporting System;
- Comply with the Florida Firefighters Occupational Safety and Health Act; and
- Comply with any other rule determined by the State Fire Marshal to effectively implement, administer, and manage the program.

For Fiscal Year 2020-2021, the bill appropriates \$250,000 in general revenue funds to implement the program.

If approved by the Governor, these provisions take effect July 1, 2020.

Vote: Senate 40-0; House 118-0

Committee on Banking and Insurance

HB 1189 — Genetic Information for Insurance Purposes

by Reps. Sprowls, Williamson, and others (CS/CS/SB 1564 by Judiciary Committee; Banking and Insurance Committee; and Senator Stargel)

The bill provides that life insurers and long-term care insurers may not cancel, limit, or deny coverage or establish differentials in insurance rates based on genetic information. Such insurers also may not require or solicit genetic information, use genetic test results, or consider a person's decisions or actions relating to genetic testing in any manner for any insurance purpose. The bill applies to life insurers and long-term care insurers the existing prohibitions that apply to health insurers.

The bill specifies that these prohibitions do not prevent a life insurer or long-term care insurer from accessing an individual's medical record as part of an application exam or considering a medical diagnosis included in the medical record, even if a diagnosis was made based on the results of a genetic test.

The bill applies to policies entered into or renewed on or after January 1, 2021.

If approved by the Governor, these provisions take effect July 1, 2020.

Vote: Senate 35-3; House 110-0

Committee on Banking and Insurance

CS/HB 1409 — Pub. Rec./Records of Insurers/Department of Financial Services

by Oversight, Transparency and Public Management Subcommittee and Rep. Grant, M.
(CS/CS/SB 1188 by Rules Committee; Governmental Oversight and Accountability Committee;
and Senator Albritton)

The bill creates s. 631.195, F.S., to provide a public records exemption for the personal financial and health information of insurance consumers, along with sensitive underwriting, personnel, payroll, and consumer claim information held by the Department of Financial Services pursuant to its receivership duties related to insolvent insurers. Since these records are exempt under current law when held by the Office of Insurance Regulation during the course of regular supervision, the bill creates parity for policyholders and claimants regardless of the solvency of their insurance provider. The bill provides that this exemption applies retroactively to those records held by DFS prior to bill taking effect, as well as those held by DFS on or after that date. Records made confidential and exempt by the bill may be released under specified circumstances.

If approved by the Governor, these provisions take effect July 1, 2020.

Vote: Senate 38-1; House 118-0

Committee on Banking and Insurance

CS/CS/HB 1439 — Bank Property of Deceased Account Holders

by Commerce Committee; Insurance and Banking Subcommittee; and Rep. Yarborough (CS/CS/SB 380 by Judiciary Committee; Banking and Insurance Committee; and Senator Baxley)

The bill authorizes a financial institution to pay the family member of a deceased deposit account holder, without any additional court proceeding, order, or judgment authorizing the payment, the funds on deposit in all qualified accounts, if the total amount of such funds does not exceed \$1,000. The bill allows family members of a deceased deposit account holder to claim such funds upon presentation of the decedent's death certificate and an affidavit stating that the family member is entitled to the funds, that he or she is not aware of a will, that a personal representative has not been appointed to administer the estate, that no probate proceeding has commenced for the account holder's estate, and that he or she expressly accepts liability for the disbursement of the funds. The bill provides criminal penalties for making a false statement in the affidavit, classifying such action as theft. The bill releases a financial institution from liability upon its disbursement of funds to an affiant and expressly provides that the financial institution is not required to verify the content of the affidavit.

The bill also authorizes the distribution of small intestate estates without probate administration or other "formal proceedings." "Small intestate estates" means estates consisting of personal property exempt from creditor claims under the Florida Constitution or exempt under s. 732.402, F.S., and nonexempt personal property that does not exceed the sum of \$10,000 and the amount of preferred funeral expenses and reasonable and necessary medical and hospital expenses of the last 60 days of the last illness. To claim the property of these estates, an heir of a person who has been deceased for at least one year must file an affidavit with the court, which in turn provides the heir with a letter authorizing anyone holding the decedent's property to release it to the heir. The required content of the affidavit is designed to demonstrate to the court that the rights of any creditors and other heirs are and will be protected.

If approved by the Governor, these provisions take effect July 1, 2020.

Vote: Senate 40-0; House 115-0

Committee on Banking and Insurance

CS/CS/SB 1606 — Insurance Administration

by Infrastructure and Security Committee; Banking and Insurance Committee; and Senator Perry

The bill:

- Requires that an electronic signature used to satisfy the signature requirement for a salvage certificate of title must be executed using a system providing a Level 2 authentication level;
- Allows workers' compensation benefits to be transmitted to the employee's account with a licensed money transmitter;
- Requires authorized insurers to file with the Department of Financial Services (DFS) the name and e-mail address of the person who will receive civil remedy notices and requires the DFS to provide civil remedy notices to the designated e-mail address;
- Requires the applicable statute of limitations for statutory bad faith actions to be tolled for 60 days after the date appraisal is invoked in a residential property insurance claim;
- Changes the amount of time the applicable statute of limitations for statutory bad faith actions is tolled pursuant to the civil remedy notice from 65 days after mailing of the notice to 60 days after the insurer receives the notice from the DFS;
- Prohibits the DFS and the Office of Insurance Regulation (OIR) from disseminating aggregated information if it contains trade secret information that can be individually extrapolated;
- Provides that when the OIR periods for reviewing specified rates and forms end on a weekend or holiday, the period is extended until the conclusion of the next business day;
- Clarifies that the condominium unit owner's property loss assessment coverage in effect one day before the date of an occurrence that resulted in a loss is the applicable coverage for the loss; and
- Reduces from 60 days to 30 days the period during which an insurer may not cancel a new policy or binder of private passenger motor vehicle insurance except for the disallowance of the initial premium payment.

The bill creates a new chapter to regulate the transaction of travel insurance based on the National Association of Insurance Commissioners (NAIC) Model Act. The chapter:

- Provides definitions;
- Requires that travel insurers pay the premium tax under s. 624.509, F.S.;
- Provides standards for offering travel protection plans providing travel insurance, travel assistance waivers, and cancellation fee waivers;
- Provides sales practice standards requiring that all documents provided to the consumer are consistent with the travel insurance policy, requiring specified disclosures, allowing the purchaser a right of cancellation, and prohibiting violations of the chapter or the Unfair Insurance Trade Practices Act;
- Requires that a travel administrator must be a licensed and appointed property and casualty insurance producer in this state, a licensed insurance agency appointed as a managing general agency in this state, or hold a valid third-party administrator license in this state;

- Classifies travel insurance generally under the inland marine line of insurance, though travel insurance providing coverage for sickness, accident, disability, or death may be classified and filed as an accident and health line of insurance or inland marine insurance; and
- Provides rulemaking to administer the chapter.

The bill provides that a person may not act as a limited licensed travel insurance producer unless properly licensed, and may not act as a travel retailer unless properly registered. Travel insurance producers are licensed to sell, solicit, or negotiate travel insurance through a licensed insurer. Travel retailers are business entities that make, arrange, or offer planned travel, and may offer and disseminate travel insurance.

If approved by the Governor, these provisions take effect July 1, 2020.

Vote: Senate 40-0; House 116-0

Committee on Banking and Insurance

HB 7003 — OGSR/Payment Instrument Transaction Information/Office of Financial Regulation

by Oversight, Transparency and Public Management Subcommittee and Rep. Andrade (SB 7014 by Banking and Insurance Committee)

The bill reenacts and saves from repeal the public records exemption in s. 560.312, F.S., which protects certain payment transaction information held by the Office of Financial Regulation (OFR) in accordance with its statutory duties to maintain a check cashing database. In order to curtail fraudulent check cashing activity, the OFR requires check cashers to submit both personal identifying information and business transaction records to this database. Release of this information may reveal sensitive, personal financial information about payees and conductors which is traditionally private, and could be used by competitors to harm one another in the marketplace. Thus, the Legislature found it to be a public necessity that payment transaction information held by the OFR in the database which identifies a licensee, payor, payee, or conductor continue to be confidential and exempt from public records disclosure requirements.

If approved by the Governor, these provisions take effect October 1, 2020.

Vote: Senate 40-0; House 117-0