

Bill No. CS for SB 1108

Amendment No. ____

<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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Senator Silver moved the following amendment to House
Amendment 2:

Senate Amendment (with title amendment)

On page 1, between lines 16 and 17,

insert:

Section 5. Subsection (2) of section 627.4091, Florida Statutes, is amended to read:

627.4091 Specific reasons for denial, cancellation, or nonrenewal.--

(2)(a) Each notice of nonrenewal or cancellation must be accompanied by the specific reasons for nonrenewal or cancellation, including the specific underwriting reasons, if applicable.

(b) An insurer may not cancel or nonrenew a policy providing residential coverage as described in s. 627.4025(1) for an underwriting reason unless the insurer provides the policyholder, in writing, with the underwriting reason for the cancellation or nonrenewal. The reason stated must be based upon a specific underwriting rule on file with the department

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1 or contained in an approved rating manual of a licensed rating
2 organization of which the insurer is a subscriber or member,
3 must cite the specific underwriting rule being invoked as a
4 basis for the cancellation or nonrenewal, and must state or
5 paraphrase such underwriting rule.

6 Section 6. Section 627.4138, Florida Statutes, is
7 created to read:

8 627.4138 Residential coverage; restrictions on
9 cancellation or nonrenewal.--

10 (1) For the purposes of this section, the term
11 "residential coverage" has the same meaning as provided in s.
12 627.4025.

13 (2) An insurer may not cancel or nonrenew a policy of
14 residential coverage because of a property damage claim that
15 arose due to causes that were not within the control of the
16 policyholder and does not exceed 25 percent of the insured
17 value of the dwelling, unless there has been a similar claim
18 by the policyholder within the previous 5 years.

19 (3) With regard to policyholders who have maintained
20 residential coverage with an insurer for a period of at least
21 10 years, such insurer may not cancel or nonrenew coverage for
22 such policyholder solely on the basis of a single claim that
23 was not intentionally or willfully caused by the policyholder.

24 (4) An insurer may not use as grounds for cancellation
25 or nonrenewal of a policy of residential coverage notice to
26 the insurer of damage to the insured property if a claim is
27 not filed.

28 (5) The provisions of this section shall supplement,
29 and shall not restrict or replace, any other provision of the
30 Florida Insurance Code relating to the cancellation or
31 nonrenewal of a policy of residential coverage.

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(Redesignate subsequent sections.)

===== T I T L E A M E N D M E N T =====

And the title is amended as follows:

On page 20, line 5, after the colon,

insert:

amending s. 627.4091, F.S.; prohibiting
insurers from canceling or nonrenewing
residential policies without notice; providing
requirements for such notice; creating s.
627.4138, F.S.; providing restrictions on
cancellation or nonrenewal of residential
coverage;