

By Senator Casas

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A bill to be entitled  
An act relating to the Florida Insurance Code;  
defining the term "collateral protection  
insurance" for purposes of the code; providing  
an effective date.

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

Section 1. As used in the Florida Insurance Code, as defined in s. 624.01, Florida Statutes, the term "collateral protection insurance" means commercial insurance of which a creditor is the primary beneficiary and policyholder and which protects or covers an interest of the creditor arising out of a credit transaction secured by real or personal property. Initiation of such coverage is triggered by the mortgagor's failure to maintain insurance coverage as required by the mortgage or other lending document. Collateral protection insurance is not residential coverage.

Section 2. This act shall take effect July 1, 1999.

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SENATE SUMMARY

Defines the term "collateral protection insurance" for purposes of the Florida Insurance Code.