

1 A bill to be entitled
2 An act relating to collateral protection
3 insurance; defining the term "collateral
4 protection insurance" for purposes of the
5 Florida Hurricane Catastrophe Fund and the
6 code; providing an effective date.

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

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10 Section 1. As used in sections 215.555, 627.311, and
11 627.351, Florida Statutes, the term "collateral protection
12 insurance" means commercial property insurance of which a
13 creditor is the primary beneficiary and policyholder and which
14 protects or covers an interest of the creditor arising out of
15 a credit transaction secured by real or personal property.
16 Initiation of such coverage is triggered by the mortgagor's
17 failure to maintain insurance coverage as required by the
18 mortgage or other lending document. Collateral protection
19 insurance is not residential coverage.

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