

Bill No. HB 295, 2nd Eng.

Amendment No.

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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11	Senator Diaz-Balart moved the following amendment:		
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13	Senate Amendment (with title amendment)		
14	Delete everything after the enacting clause		
15			
16	and insert:		
17	Section 1. Section 627.739, Florida Statutes, is		
18	amended to read:		
19	627.739 Personal injury protection; optional		
20	limitations; deductibles.--		
21	(1) The named insured may elect a deductible <u>or</u>		
22	<u>modified coverage or combination thereof</u> to apply to the named		
23	insured alone or to the named insured and dependent relatives		
24	residing in the same household, but may not elect a deductible		
25	<u>or modified coverage</u> to apply to any other person covered		
26	under the policy. Any person electing a deductible or modified		
27	coverage, <u>or a combination thereof,</u> or subject to such		
28	deductible or modified coverage as a result of the named		
29	insured's election, shall have no right to claim or to recover		
30	any amount so deducted from any owner, registrant, operator,		
31	or occupant of a vehicle or any person or organization legally		

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1 responsible for any such person's acts or omissions who is
2 made exempt from tort liability by ss. 627.730-627.7405.

3 (2) Insurers shall offer to each applicant and to each
4 policyholder, upon the renewal of an existing policy,
5 deductibles, in amounts of \$250, \$500, \$1,000, and \$2,000,
6 such amount to be deducted from the benefits otherwise due
7 each person subject to the deduction. However, this
8 subsection shall not be applied to reduce the amount of any
9 benefits received in accordance with s. 627.736(1)(c).

10 ~~(3) Insurers shall offer coverage wherein, at the~~
11 ~~election of the named insured, all benefits payable under 42~~
12 ~~U.S.C. s. 1395, the federal "Medicare" program, or to active~~
13 ~~or retired military personnel and their dependent relatives~~
14 ~~shall be deducted from those benefits otherwise payable~~
15 ~~pursuant to s. 627.736(1).~~

16 (3)(4) Insurers shall offer coverage wherein, at the
17 election of the named insured, the benefits for loss of gross
18 income and loss of earning capacity described in s.
19 627.736(1)(b) shall be excluded.

20 (4) The named insured shall not be prevented from
21 electing a deductible under subsection (2) and modified
22 coverage under subsection (3). Each election made by the named
23 insured under this section shall result in an appropriate
24 reduction of premium associated with that election.

25 (5) All such offers shall be made in clear and
26 unambiguous language at the time the initial application is
27 taken and prior to each annual renewal and shall indicate that
28 a premium reduction will result from each election. At the
29 option of the insurer, the requirements of the preceding
30 sentence are met by using forms of notice approved by the
31 department, or by providing the following notice in 10-point

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1 type in the insurer's application for initial issuance of a
2 policy of motor vehicle insurance and the insurer's annual
3 notice of renewal premium:

4 "For personal injury protection insurance, the
5 named insured may elect a deductible and to
6 exclude coverage for loss of gross income and
7 loss of earning capacity ("lost wages"). These
8 elections apply to the named insured alone, or
9 to the named insured and all dependent resident
10 relatives. A premium reduction will result from
11 these elections. The named insured is hereby
12 advised not to elect the lost wage exclusion if
13 the named insured or dependent resident
14 relatives are employed, since lost wages will
15 not be payable in the event of an accident."

16 Section 2. Section 627.7277, Florida Statutes,
17 is created to read:

18 627.7277 Notice of renewal premium.--

19 (1) As used in this section, the terms "policy" and
20 "renewal" have the meaning ascribed in s. 627.728.

21 (2) An insurer shall mail or deliver to its
22 policyholder at least 30 days' advance written notice of the
23 renewal premium for the policy.

24 (3) If the insurer fails to provide the 30 days'
25 notice of a renewal premium that results in a premium
26 increase, the coverage under the policy remains in effect at
27 the existing rates until 30 days after the notice is given or
28 until the effective date of replacement coverage obtained by
29 the insured, whichever occurs first.

30 Section 3. Subsection (7) of section 627.7295, Florida
31 Statutes, 1998 Supplement, is amended to read:

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1 627.7295 Motor vehicle insurance contracts.--
2 (7) A policy of private passenger motor vehicle
3 insurance or a binder for such a policy may be initially
4 issued in this state only if the insurer or agent has
5 collected from the insured an amount equal to 2 months'
6 premium. An insurer, agent, or premium finance company may
7 not directly or indirectly take any action resulting in the
8 insured having paid from the insured's own funds an amount
9 less than the 2 months' premium required by this subsection.
10 This subsection applies without regard to whether the premium
11 is financed by a premium finance company or is paid pursuant
12 to a periodic payment plan of an insurer or an insurance
13 agent. This subsection does not apply if an insured or member
14 of the insured's family is renewing or replacing a policy or a
15 binder for such policy written by the same insurer or a member
16 of the same insurer group. This subsection does not apply to
17 an insurer that issues private passenger motor vehicle
18 coverage primarily to active duty or former military personnel
19 or their dependents. This subsection does not apply if all the
20 policy payments are is paid pursuant to a payroll deduction
21 plan or an automatic electronic funds transfer payment plan
22 from the policyholder, provided that the first policy payment
23 is made by cash, cashier's check, check, or a money order.
24 This subsection and subsection (4) do not apply if all policy
25 payment to an insurer are paid pursuant to an automatic
26 electronic funds transfer payment plan from an agent or a
27 managing general agent and if the policy includes, at a
28 minimum, personal injury protection pursuant to ss.
29 627.730-627.7405; motor vehicle property damage liability
30 pursuant to s. 627.7275; and bodily injury liability in at
31 least the amount of \$10,000 because of bodily injury to, or

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1 death of, one person in any one accident and in the amount of
 2 \$20,000 because of bodily injury to, or death of, two or more
 3 persons in any one accident.This subsection and subsection
 4 (4) do not apply if an insured has had a policy in effect for
 5 at least 6 months, the insured's agent is terminated by the
 6 insurer that issued the policy, and the insured obtains
 7 coverage on the policy's renewal date with a new company
 8 through the terminated agent.

9 Section 4. This act shall take effect July 1, 1999,
 10 except that sections 1 and 2 shall apply to policies issued or
 11 renewed on or after July 1, 2000.

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

15 And the title is amended as follows:

16 Delete everything before the enacting clause

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18 and insert:

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A bill to be entitled

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An act relating to automobile insurance;
 21 amending s. 627.739, F.S.; allowing insureds to
 22 elect multiple personal injury protection
 23 policy limitations; deleting requirement that
 24 insurers offer certain limitations; allowing
 25 insureds to receive appropriate premium
 26 reductions; requiring notice; creating s.
 27 627.7277, F.S.; requiring insurers to give the
 28 policyholders notice of the renewal premium;
 29 providing for continuation of policy coverage
 30 at existing rates if the insurer fails to
 31 comply; amending s. 627.7295, F.S.; providing

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1 inapplicability of the section in specified
2 circumstances; providing an effective date.
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