

By Representative Dockery

1 A bill to be entitled
 2 An act relating to collateral protection
 3 insurance; creating s. 624.6085, F.S.; defining
 4 collateral protection insurance; providing for
 5 initiation of coverage; excluding residential
 6 coverage; 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. Section 624.6085, Florida Statutes, is
11 created to read:

12 624.6085 "Collateral protection insurance"
 13 defined.--For purposes of the insurance code, "collateral
 14 protection insurance" means commercial insurance under which a
 15 creditor is the primary beneficiary and policyholder and which
 16 protects or covers an interest of the creditor arising out of
 17 a credit transaction secured by real or personal property.
 18 Initiation of such coverage is triggered by the mortgagor's
 19 failure to maintain insurance coverage as required by the
 20 mortgage or other lending document. Collateral protection
 21 insurance is not residential coverage.

22 Section 2. This act shall take effect upon becoming a
23 law.

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26 HOUSE SUMMARY

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28 Defines collateral protection insurance for purposes of
29 the insurance code and provides for initiation of
30 coverage.