

By Senator Lee

23-737-99

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A bill to be entitled
An act relating to motor vehicle insurance policies; creating s. 627.7277, F.S.; requiring insurers to give the policyholder notice of the renewal premium; providing for continuation of policy coverage at existing rates if the insurer fails to comply; providing an effective date.

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

Section 1. Section 627.7277, Florida Statutes, is created to read:

627.7277 Notice of renewal premium.--

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

(2) An insurer shall give its policyholder at least 45 days' advance written notice of the renewal premium for the policy. Such notice must be mailed to the policyholder's last address as shown by the records of the insurer.

(3) If the insurer fails to provide the 45 days' notice of the renewal premium, the coverage under the policy remains in effect at the existing rates until 45 days after the notice is given or until the effective date of replacement coverage obtained by the insured, whichever occurs first.

Section 2. This act applies to the renewal of a policy having an effective date of renewal on or after November 15, 1999.

Section 3. This act shall take effect upon becoming a law.

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SENATE SUMMARY

Requires an insurer to give its policyholder at least 45 days' advance written notice of the renewal premium for the policy. The notice must be mailed to the policyholder's last address as shown by the insurer's records. Failure to provide the notice results in coverage remaining in effect at the existing rate until 45 days after the notice is given or until the effective date of replacement coverage obtained by the insured, whichever occurs first.