

hbd-032

Bill No. CS for SB 1362

Amendment No. ____ (for drafter's use only)

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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ORIGINAL STAMP BELOW

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Representative(s) Brown offered the following:

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Amendment (with title amendment)

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On page 1, line 15,

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insert:

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Section 1. Section 627.7283, Florida Statutes, is amended to read:

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627.7283 Cancellation; return of premium.--

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(1) If the insured ~~or insurer~~ cancels a policy of

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motor vehicle insurance, the insurer must mail to the insured
~~return~~ the unearned portion of any premium paid within 30 days
after the effective date of the policy cancellation or receipt
of notice or request for cancellation, whichever is later.

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This requirement applies to a cancellation initiated by an

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insured for any reason. This requirement also applies to a

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cancellation initiated by a premium finance company for

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nonpayment issuance or receipt by the insurer of notice of

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~~cancellation. If the unearned premium is not returned within~~

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~~the 30-day period, the insurer must pay 8 percent interest on~~

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~~the amount due. If the unearned premium is not returned~~

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1 ~~within 45 days after receipt of the notice, the insured may~~
2 ~~bring an action against the insurer pursuant to s. 624.155.~~

3 (2)(a) If an insurer cancels a policy of motor vehicle
4 insurance, the insurer must mail to the insured the unearned
5 premium portion of any premium within 15 days after the
6 effective date of the policy cancellation.

7 (b) If the unearned premium is not returned to the
8 insured within the applicable period, the insurer must pay to
9 the insured 8 percent interest on the amount due. If the
10 unearned premium is not returned to the insured within 45 days
11 after the applicable period, the insured may bring an action
12 against the insurer pursuant to s. 624.155.

13 (3)(2) If the insured cancels, the insurer may retain
14 up to 10 percent of the unearned premium and must refund at
15 least 90 percent of the unearned premium. If the insurer
16 cancels, the insurer must refund 100 percent of the unearned
17 premium. Cancellation is without prejudice to any claim
18 originating prior to the effective date of the cancellation.
19 For purposes of this section, unearned premiums must be
20 computed on a pro rata basis.

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

24 And the title is amended as follows:

25 On page 1, line 2, after the semicolon,

26

27 insert:

28 amending s. 627.7283, F.S.; revising criteria
29 and procedures for cancellation of a motor
30 vehicle insurance policy; providing for return
31 of unearned premium under certain

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1 circumstances; providing for interest under
 2 certain circumstances; providing for civil
 3 action under certain circumstances;
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