



HB 0489

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A bill to be entitled
An act relating to motor vehicle insurance; amending s.
627.7283, F.S.; requiring an insurer to refund the entire
unearned premium to any member of the armed services who
cancels a policy under certain circumstances; providing an
effective date.

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

Section 1. Subsection (4) of section 627.7283, Florida
Statutes, is amended to read:

627.7283 Cancellation; return of premium.--

(4) If the insured cancels, the insurer may retain up to
10 percent of the unearned premium and must refund at least 90
percent of the unearned premium. However, the insurer must
refund 100 percent of the unearned premium if the insured is a
member of any branch of the United States Armed Services,
whether an active or a reserve member, who cancels because he or
she has been called to active duty or transferred by the armed
services to a location where the insurance is not required. If
the insurer cancels, the insurer must refund 100 percent of the
unearned premium. Cancellation is without prejudice to any claim
originating prior to the effective date of the cancellation.
For purposes of this section, unearned premiums must be computed
on a pro rata basis.

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