

1 A bill to be entitled
2 An act relating to insurance; amending s.
3 20.121, F.S.; requiring the Division of
4 Consumer Services of the Department of
5 Financial Services to designate an employee as
6 primary contact for consumers on issues
7 involving sinkholes; amending s. 501.137, F.S.;
8 requiring an insurer to reinstate, under
9 certain circumstances, an insurance policy that
10 is cancelled due to failure of the lender to
11 pay a premium for which sufficient escrow funds
12 are on deposit; requiring that the lender
13 reimburse the property owner for any penalties
14 or fees paid for purposes of reinstating the
15 policy; requiring the lender to pay the
16 increased cost of insurance premiums for a
17 specified period of time under certain
18 conditions; amending s. 624.4622, F.S.;
19 providing that a local government
20 self-insurance fund must initially be organized
21 as a commercial self-insurance fund or a group
22 self-insurance fund and, for a specified
23 period, must comply with the requirements for
24 such a fund; providing that a local government
25 self-insurance fund comply with specified
26 provisions relating to financial statements;
27 amending s. 624.610, F.S.; revising the
28 requirements of a trust fund for a single
29 assuming insurer; amending s. 625.081, F.S.;
30 providing an exception for credit disability
31 insurance from a health insurance active life

1 reserve requirement; amending s. 625.121, F.S.;
2 providing for valuation of life insurance
3 policies; amending s. 626.321, F.S.; limiting
4 the types of business that may be transacted by
5 personal lines agents; creating s. 626.9743,
6 F.S., relating to claim settlement practices
7 for motor vehicle insurance; prescribing
8 standards to be followed by insurers; creating
9 s. 626.9744, F.S., relating to claim settlement
10 practices for homeowners' insurance;
11 prescribing standards to be followed by
12 insurers; amending s. 627.311, F.S.; allowing
13 the automobile insurance joint underwriting
14 plan to require additional proof from insureds
15 regarding cancellation of coverage; allowing
16 additional time for the investigation of claims
17 against the plan; providing for expiration of
18 the provision; amending s. 627.4091, F.S.;
19 providing additional disclosure requirements
20 with respect to a refusal to insure; amending
21 s. 627.4133, F.S.; requiring property insurers
22 to reinstate a canceled policy as required by
23 s. 501.137, F.S.; restricting the use of
24 certain claims as a cause for cancellation or
25 nonrenewal; amending s. 627.476, F.S.;
26 authorizing the use of certain mortality tables
27 for purposes of the Standard Nonforfeiture Law
28 for Life Insurance; creating s. 627.7077, F.S.;
29 providing for a feasibility study for a
30 proposed Florida Sinkhole Insurance Facility;
31 amending s. 627.838, F.S.; deleting a filing

1 fee; amending s. 627.848, F.S.; specifying
2 provisions for cancellation of insurance
3 contracts; amending s. 627.849, F.S., to
4 conform to the elimination of a filing fee;
5 providing for a study and report by the Florida
6 State University College of Business on
7 personal lines property and casualty insurance;
8 repealing s. 625.131, F.S., relating to credit
9 life and disability policies; providing for
10 construction of the act; providing effective
11 dates.

12
13 Be It Enacted by the Legislature of the State of Florida:

14
15 Section 1. Paragraph (h) of subsection (2) of section
16 20.121, Florida Statutes, is amended to read:

17 20.121 Department of Financial Services.--There is
18 created a Department of Financial Services.

19 (2) DIVISIONS.--The Department of Financial Services
20 shall consist of the following divisions:

21 (h) The Division of Consumer Services, which shall
22 include a Bureau of Funeral and Cemetery Services.

23 1. The Division of Consumer Services shall perform the
24 following functions concerning products or services regulated
25 by the Department of Financial Services or by either office of
26 the Financial Services Commission:

27 a. Receive inquiries and complaints from consumers.†

28 b. Prepare and disseminate such information as the
29 department deems appropriate to inform or assist consumers.†

30 c. Provide direct assistance and advocacy for
31 consumers who request such assistance or advocacy.†

1 d. With respect to apparent or potential violations of
2 law or applicable rules by a person or entity licensed by the
3 department or by either office of the commission, report such
4 apparent or potential violation to the appropriate division of
5 the department or office of the commission, which may take
6 such further action as it deems appropriate.

7 e. Designate an employee of the division as primary
8 contact for consumers on issues relating to sinkholes.

9 2. Any person licensed or issued a certificate of
10 authority by the department or by the Office of Insurance
11 Regulation shall respond, in writing, to the Division of
12 Consumer Services within 20 days after receipt of a written
13 request for information from the division concerning a
14 consumer complaint. The response must address the issues and
15 allegations raised in this complaint. The division may, in its
16 discretion, impose an administrative penalty for failure to
17 comply with this subparagraph in an amount up to \$2,500 per
18 violation upon any entity licensed by the department or the
19 Office of Insurance Regulation and \$250 for the first
20 violation, \$500 for the second violation and up to \$1,000 per
21 violation thereafter upon any individual licensed by the
22 department or the Office of Insurance Regulation.

23 3. The department may adopt rules to implement the
24 provisions of this paragraph.

25 4. The powers, duties, and responsibilities expressed
26 or granted in this paragraph shall not limit the powers,
27 duties, and responsibilities of the Department of Financial
28 Services, the Financial Services Commission, the Office of
29 Insurance Regulation, or the Office of Financial Regulation
30 set forth elsewhere in the Florida Statutes.

31

1 Section 2. Section 501.137, Florida Statutes, is
2 amended to read:

3 501.137 Mortgage lenders; tax and insurance payments
4 from escrow accounts; duties.--

5 (1) Every lender of money, whether a natural person or
6 an artificial entity, whose loans are secured by a mortgage on
7 real estate located within the state and who receives funds
8 incidental thereto or in connection therewith for the payment
9 of property taxes or hazard insurance premiums when the ~~such~~
10 funds are held in escrow by or on behalf of the lender, shall
11 promptly pay the ~~such~~ taxes or insurance premiums when the
12 ~~such~~ taxes or premiums become due and adequate escrow funds
13 are deposited, so that the maximum tax discount available may
14 be obtained with regard to the taxable property and so that
15 insurance coverage on the property does not lapse.

16 (2) If an escrow account for the ~~such~~ taxes or
17 insurance premiums is deficient, the lender shall notify the
18 property owner within 15 days after the lender receives the
19 notification of taxes due from the county tax collector or
20 receives the notification from the insurer that a premium is
21 due.

22 (3)(a) If the lender, as a result of neglect, fails to
23 pay any tax or insurance premium when the tax or premium is
24 due and there are sufficient escrow funds on deposit to pay
25 the tax or premium, and if the property owner suffers a loss
26 as a result of this ~~such~~ failure, then the lender is ~~will be~~
27 liable for the ~~such~~ loss; except, however, that with respect
28 to any loss which would otherwise have been insured, the
29 extent of the ~~such~~ liability shall not exceed the coverage
30 limits of any insurance policy which has lapsed.

31

1 (b) If the lender violates paragraph (a) and the
2 premium payment is not more than 90 days overdue, the insurer
3 shall reinstate the insurance policy, retroactive to the date
4 of cancellation, and the lender shall reimburse the property
5 owner for any penalty or fees imposed by the insurer and paid
6 by the property owner for purposes of reinstating the policy.

7 (c) If the lender violates paragraph (a) and the
8 premium payment is more than 90 days overdue or if the insurer
9 refuses to reinstate the insurance policy, the lender shall
10 pay the difference between the cost of the previous insurance
11 policy and a new, comparable insurance policy for a period of
12 2 years.

13 (4) At the expiration of the annual accounting period,
14 the lender shall issue to the property owner an annual
15 statement of the escrow account.

16 Section 3. Subsections (3) and (4) are added to
17 section 624.4622, Florida Statutes, to read:

18 624.4622 Local government self-insurance funds.--

19 (3) Notwithstanding subsection (2), a local government
20 self-insurance fund created under this section after October
21 1, 2004, shall initially be organized as a commercial
22 self-insurance fund under s. 624.462 or a group self-insurance
23 fund under s. 624.4621 and, for the first 5 years of its
24 existence, shall be subject to all the requirements applied to
25 commercial self-insurance funds or to group self-insurance
26 funds, respectively.

27 (4)(a) A local government self-insurance fund formed
28 after January 1, 2005, shall, for its first 5 fiscal years,
29 file with the office full and true statements of its financial
30 condition, transactions, and affairs. An annual statement
31 covering the preceding fiscal year shall be filed within 60

1 days after the end of the fund's fiscal year and quarterly
2 statements shall be filed within 45 days after each such date.
3 The office may, for good cause, grant an extension of time for
4 filing an annual or quarterly statement. The statements shall
5 contain information generally included in insurers' financial
6 statements prepared in accordance with generally accepted
7 insurance accounting principles and practices and in a form
8 generally used by insurers for financial statements, sworn to
9 by at least two executive officers of the self-insurance fund.
10 The form for financial statements shall be the form currently
11 approved by the National Association of Insurance
12 Commissioners for use by property and casualty insurers.

13 (b) Each annual statement shall contain a statement of
14 opinion on loss and loss adjustment expense reserves made by a
15 member of the American Academy of Actuaries. Workpapers in
16 support of the statement of opinion must be provided to the
17 office upon request.

18 Section 4. Paragraph (c) of subsection (3) of section
19 624.610, Florida Statutes, is amended to read:

20 624.610 Reinsurance.--

21 (3)

22 (c)1. Credit must be allowed when the reinsurance is
23 ceded to an assuming insurer that maintains a trust fund in a
24 qualified United States financial institution, as defined in
25 paragraph (5)(b), for the payment of the valid claims of its
26 United States ceding insurers and their assigns and successors
27 in interest. To enable the office to determine the sufficiency
28 of the trust fund, the assuming insurer shall report annually
29 to the office information substantially the same as that
30 required to be reported on the NAIC Annual Statement form by
31 authorized insurers. The assuming insurer shall submit to

1 examination of its books and records by the office and bear
2 the expense of examination.

3 2.a. Credit for reinsurance must not be granted under
4 this subsection unless the form of the trust and any
5 amendments to the trust have been approved by:

6 (I) The insurance regulator of the state in which the
7 trust is domiciled; or

8 (II) The insurance regulator of another state who,
9 pursuant to the terms of the trust instrument, has accepted
10 principal regulatory oversight of the trust.

11 b. The form of the trust and any trust amendments must
12 be filed with the insurance regulator of every state in which
13 the ceding insurer beneficiaries of the trust are domiciled.
14 The trust instrument must provide that contested claims are
15 valid and enforceable upon the final order of any court of
16 competent jurisdiction in the United States. The trust must
17 vest legal title to its assets in its trustees for the benefit
18 of the assuming insurer's United States ceding insurers and
19 their assigns and successors in interest. The trust and the
20 assuming insurer are subject to examination as determined by
21 the insurance regulator.

22 c. The trust remains in effect for as long as the
23 assuming insurer has outstanding obligations due under the
24 reinsurance agreements subject to the trust. No later than
25 February 28 of each year, the trustee of the trust shall
26 report to the insurance regulator in writing the balance of
27 the trust and list the trust's investments at the preceding
28 year end, and shall certify that the trust will not expire
29 prior to the following December 31.

30 3. The following requirements apply to the following
31 categories of assuming insurer:

1 a. The trust fund for a single assuming insurer
2 consists of funds in trust in an amount not less than the
3 assuming insurer's liabilities attributable to reinsurance
4 ceded by United States ceding insurers, and, in addition, the
5 assuming insurer shall maintain a trusted surplus of not less
6 than \$20 million. Not less than 50 percent of the funds in the
7 trust covering the assuming insurer's liabilities attributable
8 to reinsurance ceded by United States ceding insurers and
9 trusted surplus shall consist of assets of a quality
10 substantially similar to that required in part II of chapter
11 625. Clean, irrevocable, unconditional, and evergreen letters
12 of credit, issued or confirmed by a qualified United States
13 financial institution, as defined in paragraph (5)(a),
14 effective no later than December 31 of the year for which the
15 filing is made and in the possession of the trust on or before
16 the filing date of its annual statement, may be used to fund
17 the remainder of the trust and trusted surplus.

18 b.(I) In the case of a group including incorporated
19 and individual unincorporated underwriters:

20 (A) For reinsurance ceded under reinsurance agreements
21 with an inception, amendment, or renewal date on or after
22 August 1, 1995, the trust consists of a trusted account in an
23 amount not less than the group's several liabilities
24 attributable to business ceded by United States domiciled
25 ceding insurers to any member of the group;

26 (B) For reinsurance ceded under reinsurance agreements
27 with an inception date on or before July 31, 1995, and not
28 amended or renewed after that date, notwithstanding the other
29 provisions of this section, the trust consists of a trusted
30 account in an amount not less than the group's several
31

1 insurance and reinsurance liabilities attributable to business
2 written in the United States; and

3 (C) In addition to these trusts, the group shall
4 maintain in trust a trusteed surplus of which \$100 million
5 must be held jointly for the benefit of the United States
6 domiciled ceding insurers of any member of the group for all
7 years of account.

8 (II) The incorporated members of the group must not be
9 engaged in any business other than underwriting of a member of
10 the group, and are subject to the same level of regulation and
11 solvency control by the group's domiciliary regulator as the
12 unincorporated members.

13 (III) Within 90 days after its financial statements
14 are due to be filed with the group's domiciliary regulator,
15 the group shall provide to the insurance regulator an annual
16 certification by the group's domiciliary regulator of the
17 solvency of each underwriter member or, if a certification is
18 unavailable, financial statements, prepared by independent
19 public accountants, of each underwriter member of the group.

20 Section 5. Section 625.081, Florida Statutes, is
21 amended to read:

22 625.081 Reserve for health insurance.--For all health
23 insurance policies, the insurer shall maintain an active life
24 reserve which places a sound value on the insurer's
25 liabilities under such policies; is not less than the reserve
26 according to appropriate standards set forth in rules issued
27 by the commission; and, with the exception of credit
28 disability insurance, in no event, is less in the aggregate
29 than the pro rata gross unearned premiums for such policies.

30 Section 6. Paragraphs (a), (e), and (f) of subsection
31 (5) and subsection (13) of section 625.121, Florida Statutes,

1 are amended, and paragraphs (k) and (l) are added to
2 subsection (5) of that section, to read:

3 625.121 Standard Valuation Law; life insurance.--
4 (5) MINIMUM STANDARD FOR VALUATION OF POLICIES AND
5 CONTRACTS ISSUED ON OR AFTER OPERATIVE DATE OF STANDARD
6 NONFORFEITURE LAW.--Except as otherwise provided in paragraph
7 (h) and subsections (6), (11), and (14), the minimum standard
8 for the valuation of all such policies and contracts issued on
9 or after the operative date of s. 627.476 (Standard
10 Nonforfeiture Law for Life Insurance) shall be the
11 commissioners' reserve valuation method defined in subsections
12 (7), (11), and (14); 5 percent interest for group annuity and
13 pure endowment contracts and 3.5 percent interest for all
14 other such policies and contracts, or in the case of life
15 insurance policies and contracts, other than annuity and pure
16 endowment contracts, issued on or after July 1, 1973, 4
17 percent interest for such policies issued prior to October 1,
18 1979, and 4.5 percent interest for such policies issued on or
19 after October 1, 1979; and the following tables:

20 (a) For all ordinary policies of life insurance issued
21 on the standard basis, excluding any disability and accidental
22 death benefits in such policies:

23 1. For policies issued prior to the operative date of
24 s. 627.476(9), the commissioners' 1958 Standard Ordinary
25 Mortality Table; except that, for any category of such
26 policies issued on female risks, modified net premiums and
27 present values, referred to in subsection (7), may be
28 calculated according to an age not more than 6 years younger
29 than the actual age of the insured. † ~~and~~

30 2. For policies issued on or after the operative date
31 of s. 627.476(9), the commissioners' 1980 Standard Ordinary

1 Mortality Table or, at the election of the insurer for any one
2 or more specified plans of life insurance, the commissioners'
3 1980 Standard Ordinary Mortality Table with Ten-Year Select
4 Mortality Factors.

5 3. For policies issued on or after July 1, 2004,
6 ordinary mortality tables, adopted after 1980 by the National
7 Association of Insurance Commissioners, adopted by rule by the
8 commission for use in determining the minimum standard of
9 valuation for such policies.

10 (e) For total and permanent disability benefits in or
11 supplementary to ordinary policies or contracts:

12 1. For policies or contracts issued on or after
13 January 1, 1966, the tables of period 2 disablement rates and
14 the 1930 to 1950 termination rates of the 1952 disability
15 study of the Society of Actuaries, with due regard to the type
16 of benefit;

17 2. For policies or contracts issued on or after
18 January 1, 1961, and prior to January 1, 1966, either those
19 tables or, at the option of the insurer, the class three
20 disability table (1926); ~~and~~

21 3. For policies issued prior to January 1, 1961, the
22 class three disability table (1926); ~~and-~~

23 4. For policies or contracts issued on or after July
24 1, 2004, tables of disablement rates and termination rates
25 adopted after 1980 by the National Association of Insurance
26 Commissioners, adopted by rule by the commission for use in
27 determining the minimum standard of valuation for those
28 policies or contracts.

29
30
31

1 Any such table for active lives shall be combined with a
2 mortality table permitted for calculating the reserves for
3 life insurance policies.

4 (f) For accidental death benefits in or supplementary
5 to policies:

6 1. For policies issued on or after January 1, 1966,
7 the 1959 Accidental Death Benefits Table;

8 2. For policies issued on or after January 1, 1961,
9 and prior to January 1, 1966, either that table or, at the
10 option of the insurer, the Intercompany Double Indemnity
11 Mortality Table; ~~and~~

12 3. For policies issued prior to January 1, 1961, the
13 Intercompany Double Indemnity Mortality Table; ~~and~~

14 4. For policies issued on or after July 1, 2004,
15 tables of accidental death benefits adopted after 1980 by the
16 National Association of Insurance Commissioners, adopted by
17 rule by the commission for use in determining the minimum
18 standard of valuation for those policies.

19
20 Either table shall be combined with a mortality table
21 permitted for calculating the reserves for life insurance
22 policies.

23 (k) For individual annuity and pure endowment
24 contracts issued on or after July 1, 2004, excluding any
25 disability and accidental death benefits purchased under those
26 contracts, individual annuity mortality tables adopted after
27 1980 by the National Association of Insurance Commissioners,
28 adopted by rule by the commission for use in determining the
29 minimum standard of valuation for those contracts.

30 (l) For all annuities and pure endowments purchased on
31 or after July 1, 2004, under group annuity and pure endowment

1 contracts, excluding any disability and accidental death
2 benefits purchased under those contracts, group annuity
3 mortality tables adopted after 1980 by the National
4 Association of Insurance Commissioners, adopted by rule by the
5 commission for use in determining the minimum standard of
6 valuation for those contracts.

7 (13) ~~APPLICABILITY TO~~ CREDIT LIFE AND DISABILITY
8 ~~INSURANCE~~ POLICIES.--

9 (a) For policies issued prior to January 1, 2004:

10 1. The minimum reserve for single-premium credit
11 disability insurance, monthly premium credit life insurance
12 and monthly premium credit disability insurance shall be the
13 unearned gross premium.

14 2. As to single-premium credit life insurance
15 policies, the insurer shall establish and maintain reserves
16 that are not less than the value, at the valuation date, of
17 the risk for the unexpired portion of the period for which the
18 premium has been paid as computed on the basis of the
19 commissioners' 1980 Standard Ordinary Mortality Table and 3.5
20 percent interest. At the discretion of the office, the insurer
21 may make a reasonable assumption as to the ages at which net
22 premiums are to be determined. In lieu of the foregoing basis,
23 reserves based upon unearned gross premiums may be used at the
24 option of the insurer.

25 (b) For policies issued on or after January 1, 2004:

26 1. The minimum reserve for single-premium credit
27 disability insurance shall be either:

28 a. The unearned gross premium, or

29 b. Based upon a morbidity table that is adopted by the
30 National Association of Insurance Commissioners and is

31

1 specified in a rule the commission adopts pursuant to
2 subsection (14).

3 2. The minimum reserve for monthly premium credit
4 disability insurance shall be the unearned gross premium.

5 3. The minimum reserve for monthly premium credit life
6 insurance shall be the unearned gross premium.

7 4. As to single-premium credit life insurance
8 policies, the insurer shall establish and maintain reserves
9 that are not less than the value, at the valuation date, of
10 the risk for the unexpired portion of the period for which the
11 premium has been paid as computed on the basis of the
12 commissioners' 1980 Standard Ordinary Mortality Table or any
13 ordinary mortality table, adopted after 1980 by the National
14 Association of Insurance Commissioners, that is approved by
15 rule adopted by the commission for use in determining the
16 minimum standard of valuation for such policies; and an
17 interest rate determined in accordance with subsection (6). At
18 the discretion of the office, the insurer may make a
19 reasonable assumption as to the ages at which net premiums are
20 to be determined. In lieu of the foregoing basis, reserves
21 based upon unearned gross premiums may be used at the option
22 of the insurer.~~This section does not apply as to those credit~~
23 ~~life insurance policies for which reserves are computed and~~
24 ~~maintained as required under s. 625.131.~~

25 Section 7. Paragraph (d) of subsection (1) of section
26 626.321, Florida Statutes, is amended to read:

27 626.321 Limited licenses.--

28 (1) The department shall issue to a qualified
29 individual, or a qualified individual or entity under
30 paragraphs (c), (d), (e), and (i), a license as agent
31

1 authorized to transact a limited class of business in any of
2 the following categories:

3 (d) Baggage and motor vehicle excess liability
4 insurance.--

5 1. License covering only insurance of personal effects
6 except as provided in subparagraph 2. The license may be
7 issued only:

8 a. To a full-time salaried employee of a common
9 carrier or a full-time salaried employee or owner of a
10 transportation ticket agency, which person is engaged in the
11 sale or handling of transportation of baggage and personal
12 effects of travelers, and may authorize the sale of such
13 insurance only in connection with such transportation; or

14 b. To the full-time salaried employee of a licensed
15 general lines agent, ~~a full-time salaried employee of a~~
16 ~~business which offers motor vehicles for rent or lease, or to~~
17 ~~a business office of a business entity that~~ which offers motor
18 vehicles for rent or lease if insurance sales activities
19 authorized by the license are in connection with and
20 incidental to the rental of a motor vehicle limited to
21 full-time salaried employees. An entity applying for a license
22 under this sub-subparagraph:

23 (I) Is required to submit only one application for a
24 license under s. 626.171. The requirements of s. 626.171(5)
25 shall apply only to the officers and directors of the entity
26 submitting the application.

27 (II) Is required to obtain a license for each office,
28 branch office, or place of business making use of the entity's
29 business name by applying to the department for the license on
30 a simplified application form developed by rule of the
31 department for this purpose.

1 (III) Is required to pay the applicable fees for a
2 license as prescribed in s. 624.501, be appointed under s.
3 626.112, and pay the prescribed appointment fee under s.
4 624.501. A licensed and appointed entity shall be directly
5 responsible and accountable for all acts of the licensee's
6 employees.

7
8 The purchaser of baggage insurance shall be provided written
9 information disclosing that the insured's homeowner's policy
10 may provide coverage for loss of personal effects and that the
11 purchase of such insurance is not required in connection with
12 the purchase of tickets or in connection with the lease or
13 rental of a motor vehicle.

14 2. A business entity that ~~office licensed pursuant to~~
15 ~~subparagraph 1., or a person licensed pursuant to subparagraph~~
16 ~~1. who is a full-time salaried employee of a business which~~
17 offers motor vehicles for rent or lease, may include lessees
18 under a master contract providing coverage to the lessor or
19 may transact excess motor vehicle liability insurance
20 providing coverage in excess of the standard liability limits
21 provided by the lessor in its lease to a person renting or
22 leasing a motor vehicle from the licensee's employer for
23 liability arising in connection with the negligent operation
24 of the leased or rented motor vehicle, provided that the lease
25 or rental agreement is for not more than 30 days; that the
26 lessee is not provided coverage for more than 30 consecutive
27 days per lease period, and, if the lease is extended beyond 30
28 days, the coverage may be extended one time only for a period
29 not to exceed an additional 30 days; that the lessee is given
30 written notice that his or her personal insurance policy
31 providing coverage on an owned motor vehicle may provide

1 additional excess coverage; and that the purchase of the
2 insurance is not required in connection with the lease or
3 rental of a motor vehicle. The excess liability insurance may
4 be provided to the lessee as an additional insured on a policy
5 issued to the licensee's employer.

6 3. A business entity that ~~office licensed pursuant to~~
7 ~~subparagraph 1., or a person licensed pursuant to subparagraph~~
8 ~~1. who is a full-time salaried employee of a business which~~
9 offers motor vehicles for rent or lease, may, as an agent of
10 an insurer, transact insurance that provides coverage for the
11 liability of the lessee to the lessor for damage to the leased
12 or rented motor vehicle if:

13 a. The lease or rental agreement is for not more than
14 30 days; or the lessee is not provided coverage for more than
15 30 consecutive days per lease period, but, if the lease is
16 extended beyond 30 days, the coverage may be extended one time
17 only for a period not to exceed an additional 30 days;

18 b. The lessee is given written notice that his or her
19 personal insurance policy that provides coverage on an owned
20 motor vehicle may provide such coverage with or without a
21 deductible; and

22 c. The purchase of the insurance is not required in
23 connection with the lease or rental of a motor vehicle.

24 Section 8. Section 626.9743, Florida Statutes, is
25 created to read:

26 626.9743 Claim settlement practices relating to motor
27 vehicle insurance.--

28 (1) This section shall apply to the adjustment and
29 settlement of personal and commercial motor vehicle insurance
30 claims.

31

1 (2) An insurer may not, when liability and damages
2 owed under the policy are reasonably clear, recommend that a
3 third-party claimant make a claim under his or her own policy
4 solely to avoid paying the claim under the policy issued by
5 that insurer. However, the insurer may identify options to a
6 third-party claimant relative to the repair of his or her
7 vehicle.

8 (3) An insurer that elects to repair a motor vehicle
9 and specifically requires a particular repair shop for vehicle
10 repairs shall cause the damaged vehicle to be restored to its
11 physical condition as to performance and appearance
12 immediately prior to the loss at no additional cost to the
13 insured or third-party claimant other than as stated in the
14 policy.

15 (4) An insurer may not require the use of replacement
16 parts in the repair of a motor vehicle which are not at least
17 equivalent in kind and quality to the damaged parts prior to
18 the loss in terms of fit, appearance, and performance.

19 (5) When the insurance policy provides for the
20 adjustment and settlement of first-party motor vehicle total
21 losses on the basis of actual cash value or replacement with
22 another of like kind and quality, the insurer shall use one of
23 the following methods:

24 (a) The insurer may elect a cash settlement based upon
25 the actual cost to purchase a comparable motor vehicle,
26 including sales tax, if applicable pursuant to subsection (9).
27 Such cost may be derived from:

28 1. When comparable motor vehicles are available in the
29 local market area, the cost of two or more such comparable
30 motor vehicles available within the preceding 90 days;
31

1 2. The retail cost as determined from a generally
2 recognized used motor vehicle industry source such as:

3 a. An electronic database if the pertinent portions of
4 the valuation documents generated by the database are provided
5 by the insurer to the first-party insured upon request; or

6 b. A guidebook that is generally available to the
7 general public if the insurer identifies the guidebook used as
8 the basis for the retail cost to the first-party insured upon
9 request; or

10 3. The retail cost using two or more quotations
11 obtained by the insurer from two or more licensed dealers in
12 the local market area.

13 (b) The insurer may elect to offer a replacement motor
14 vehicle that is a specified comparable motor vehicle available
15 to the insured, including sales tax if applicable pursuant to
16 subsection (9), paid for by the insurer at no cost other than
17 any deductible provided in the policy and betterment as
18 provided in subsection (6). The offer must be documented in
19 the insurer's claim file. For purposes of this subsection, a
20 comparable motor vehicle is one that is made by the same
21 manufacturer, of the same or newer model year, and of similar
22 body type and that has similar options and mileage as the
23 insured vehicle. Additionally, a comparable motor vehicle must
24 be in as good or better overall condition than the insured
25 vehicle and available for inspection within a reasonable
26 distance of the insured's residence.

27 (c) When a motor vehicle total loss is adjusted or
28 settled on a basis that varies from the methods described in
29 paragraph (a) or paragraph (b), the determination of value
30 must be supported by documentation, and any deductions from
31 value must be itemized and specified in appropriate dollar

1 amounts. The basis for such settlement shall be explained to
2 the claimant in writing, if requested, and a copy of the
3 explanation shall be retained in the insurer's claim file.

4 (d) Any other method agreed to by the claimant.

5 (6) When the amount offered in settlement reflects a
6 reduction by the insurer because of betterment or
7 depreciation, information pertaining to the reduction shall be
8 maintained with the insurer's claim file. Deductions shall be
9 itemized and specific as to dollar amount and shall accurately
10 reflect the value assigned to the betterment or depreciation.
11 The basis for any deduction shall be explained to the claimant
12 in writing, if requested, and a copy of the explanation shall
13 be maintained with the insurer's claim file.

14 (7) Every insurer shall, if partial losses are settled
15 on the basis of a written estimate prepared by or for the
16 insurer, supply the insured a copy of the estimate upon which
17 the settlement is based.

18 (8) Every insurer shall provide notice to an insured
19 before termination of payment for previously authorized
20 storage charges, and the notice shall provide 72 hours for the
21 insured to remove the vehicle from storage before terminating
22 payment of the storage charges.

23 (9) If sales tax will necessarily be incurred by a
24 claimant upon replacement of a total loss or upon repair of a
25 partial loss, the insurer may defer payment of the sales tax
26 unless and until the obligation has actually been incurred.

27 (10) Nothing in this section shall be construed to
28 authorize or preclude enforcement of policy provisions
29 relating to settlement disputes.

30 Section 9. Section 626.9744, Florida Statutes, is
31 created to read:

1 626.9744 Claim settlement practices relating to
2 property insurance.--Unless otherwise provided by the policy,
3 when a homeowner's insurance policy provides for the
4 adjustment and settlement of first-party losses based on
5 repair or replacement cost, the following requirements apply:

6 (1) When a loss requires repair or replacement of an
7 item or part, any physical damage incurred in making such
8 repair or replacement which is covered and not otherwise
9 excluded by the policy shall be included in the loss to the
10 extent of any applicable limits. The insured may not be
11 required to pay for betterment required by ordinance or code
12 except for the applicable deductible, unless specifically
13 excluded or limited by the policy.

14 (2) When a loss requires replacement of items and the
15 replaced items do not match in quality, color, or size, the
16 insurer shall make reasonable repairs or replacement of items
17 in adjoining areas. In determining the extent of the repairs
18 or replacement of items in adjoining areas, the insurer may
19 consider the cost of repairing or replacing the undamaged
20 portions of the property, the degree of uniformity that can be
21 achieved without such cost, the remaining useful life of the
22 undamaged portion, and other relevant factors.

23 (3) This section shall not be construed to make the
24 insurer a warrantor of the repairs made pursuant to this
25 section.

26 (4) Nothing in this section shall be construed to
27 authorize or preclude enforcement of policy provisions
28 relating to settlement disputes.

29 Section 10. Effective July 1, 2004, and applicable to
30 cancellation requests and notices received on or after that
31

1 date, subsection (3) of section 627.311, Florida Statutes, is
2 amended to read:

3 627.311 Joint underwriters and joint reinsurers;
4 public records and public meetings exemptions.--

5 (3) The office may, after consultation with insurers
6 licensed to write automobile insurance in this state, approve
7 a joint underwriting plan for purposes of equitable
8 apportionment or sharing among insurers of automobile
9 liability insurance and other motor vehicle insurance, as an
10 alternate to the plan required in s. 627.351(1). All insurers
11 authorized to write automobile insurance in this state shall
12 subscribe to the plan and participate therein. The plan shall
13 be subject to continuous review by the office which may at any
14 time disapprove the entire plan or any part thereof if it
15 determines that conditions have changed since prior approval
16 and that in view of the purposes of the plan changes are
17 warranted. Any disapproval by the office shall be subject to
18 the provisions of chapter 120. The Florida Automobile Joint
19 Underwriting Association is created under the plan. The plan
20 and the association:

21 (a) Must be subject to all provisions of s.
22 627.351(1), except apportionment of applicants.

23 (b) May provide for one or more designated insurers,
24 able and willing to provide policy and claims service, to act
25 on behalf of all other insurers to provide insurance for
26 applicants who are in good faith entitled to, but unable to,
27 procure insurance through the voluntary insurance market at
28 standard rates.

29 (c) Must provide that designated insurers will issue
30 policies of insurance and provide policyholder and claims
31

1 service on behalf of all insurers for the joint underwriting
2 association.

3 (d) Must provide for the equitable apportionment among
4 insurers of losses and expenses incurred.

5 (e) Must provide that the joint underwriting
6 association will operate subject to the supervision and
7 approval of a board of governors consisting of 11 individuals,
8 including 1 who will be elected as chair. Five members of the
9 board must be appointed by the Chief Financial Officer. Two of
10 the Chief Financial Officer's appointees must be chosen from
11 the insurance industry. Any board member appointed by the
12 Chief Financial Officer may be removed and replaced by her or
13 him at any time without cause. Six members of the board must
14 be appointed by the participating insurers, two of whom must
15 be from the insurance agents' associations. All board members,
16 including the chair, must be appointed to serve for 2-year
17 terms beginning annually on a date designated by the plan.

18 (f) Must provide that an agent appointed to a
19 servicing carrier must be a licensed general lines agent of an
20 insurer which is authorized to write automobile liability and
21 physical damage insurance in the state and which is actively
22 writing such coverage in the county in which the agent is
23 located, or the immediately adjoining counties, or an agent
24 who places a volume of other property and casualty insurance
25 in an amount equal to the premium volume placed with the
26 Florida Joint Underwriting Association. The office may,
27 however, determine that an agent may be appointed to a
28 servicing carrier if, after public hearing, the office finds
29 that consumers in the agent's operating area would not have
30 adequate and reasonable access to the purchase of automobile
31

1 insurance if the agent were not appointed to a servicing
2 carrier.

3 (g) Must make available noncancelable coverage as
4 provided in s. 627.7275(2).

5 (h) Must provide for the furnishing of a list of
6 insureds and their mailing addresses upon the request of a
7 member of the association or an insurance agent licensed to
8 place business with an association member. The list must
9 indicate whether the insured is currently receiving a good
10 driver discount from the association. The plan may charge a
11 reasonable fee to cover the cost incurred in providing the
12 list.

13 (i) Must not provide a renewal credit or discount or
14 any other inducement designed to retain a risk.

15 (j) Must not provide any other good driver credit or
16 discount that is not actuarially sound. In addition to other
17 criteria that the plan may specify, to be eligible for a good
18 driver credit, an insured must not have any criminal traffic
19 violations within the most recent 36-month period preceding
20 the date the discount is received.

21 (k)1. Shall have no liability, and no cause of action
22 of any nature shall arise against any member insurer or its
23 agents or employees, agents or employees of the association,
24 members of the board of governors of the association, the
25 Chief Financial Officer, or the office or its representatives
26 for any action taken by them in the performance of their
27 duties or responsibilities under this subsection. Such
28 immunity does not apply to actions for or arising out of
29 breach of any contract or agreement pertaining to insurance,
30 or any willful tort.

31

1 2. Notwithstanding the requirements of s.
2 624.155(3)(a), as a condition precedent to bringing an action
3 against the plan under s. 624.155, the department and the plan
4 must have been given 90 days' written notice of the violation.
5 If the department returns a notice for lack of specificity,
6 the 90-day time period shall not begin until a proper notice
7 is filed. This notice must comply with the information
8 requirements of s. 624.155(3)(b). Effective October 1, 2007,
9 this subparagraph shall expire unless reenacted by the
10 Legislature prior to that date.

11 (1) May require from the insured proof that he or she
12 has obtained the mandatory types and amounts of insurance from
13 another admitted carrier prior to the cancellation of a policy
14 the insured obtained from the plan and prior to the return of
15 any unearned premium the insured paid for such coverage from
16 the plan. This paragraph does not apply to any person who
17 provides proof of sale or inoperability of the vehicle covered
18 under the policy purchased from the plan or relocation outside
19 the state.

20 Section 11. Subsection (5) is added to section
21 627.4091, Florida Statutes, to read:

22 627.4091 Specific reasons for denial, cancellation, or
23 nonrenewal.--

24 (5) When an insurer refuses to provide private
25 passenger automobile insurance or personal lines residential
26 property insurance, including, but not limited to,
27 homeowner's, mobile home owner's, condominium unit owner's, or
28 other insurance covering a personal residential structure, to
29 an applicant due to adverse underwriting information, the
30 insurer shall:

31

1 (a) Provide to the applicant specific information
2 regarding the reasons for the refusal to insure.

3 (b) If the reason for the refusal to insure is based
4 on a loss underwriting history or report from a consumer
5 reporting agency, to the extent applicable identify the loss
6 underwriting history and notify the applicant of his or her
7 right under the federal Fair and Accurate Credit Transactions
8 Act to obtain a copy of the report from the consumer reporting
9 agency.

10 Section 12. Effective upon this act becoming a law,
11 subsections (4) and (5) are added to section 627.4133, Florida
12 Statutes, to read:

13 627.4133 Notice of cancellation, nonrenewal, or
14 renewal premium.--

15 (4) An insurer that cancels a property insurance
16 policy on property secured by a mortgage due to the failure of
17 the lender to timely pay the premium when due shall reinstate
18 the policy as required by s. 501.137.

19 (5) A single claim on a property insurance policy
20 which is the result of water damage may not be used as the
21 sole cause for cancellation or nonrenewal unless the insurer
22 can demonstrate that the insured has failed to take action
23 reasonably requested by the insurer to prevent a future
24 similar occurrence of damage to the insured property.

25 Section 13. Paragraph (h) of subsection (9) of section
26 627.476, Florida Statutes, is amended to read:

27 627.476 Standard Nonforfeiture Law for Life
28 Insurance.--

29 (9) CALCULATION OF ADJUSTED PREMIUMS AND PRESENT
30 VALUES FOR POLICIES ISSUED AFTER OPERATIVE DATE OF THIS
31 SUBSECTION.--

1 (h) All adjusted premiums and present values referred
2 to in this section shall for all policies of ordinary
3 insurance be calculated on the basis of the Commissioners'
4 1980 Standard Ordinary Mortality Table or, at the election of
5 the insurer for any one or more specified plans of life
6 insurance, the Commissioners' 1980 Standard Ordinary Mortality
7 Table with Ten-Year Select Mortality Factors; shall for all
8 policies of industrial insurance be calculated on the basis of
9 the Commissioners' 1961 Standard Industrial Mortality Table;
10 and shall for all policies issued in a particular calendar
11 year be calculated on the basis of a rate of interest not
12 exceeding the nonforfeiture interest rate as defined in this
13 subsection for policies issued in that calendar year. However:

14 1. At the option of the insurer, calculations for all
15 policies issued in a particular calendar year may be made on
16 the basis of a rate of interest not exceeding the
17 nonforfeiture interest rate, as defined in this subsection,
18 for policies issued in the immediately preceding calendar
19 year.

20 2. Under any paid-up nonforfeiture benefit, including
21 any paid-up dividend additions, any cash surrender value
22 available, whether or not required by subsection (2), shall be
23 calculated on the basis of the mortality table and rate of
24 interest used in determining the amount of such paid-up
25 nonforfeiture benefit and paid-up dividend additions, if any.

26 3. An insurer may calculate the amount of any
27 guaranteed paid-up nonforfeiture benefit, including any
28 paid-up additions under the policy, on the basis of an
29 interest rate no lower than that specified in the policy for
30 calculating cash surrender values.

31

1 4. In calculating the present value of any paid-up
2 term insurance with accompanying pure endowment, if any,
3 offered as a nonforfeiture benefit, the rates of mortality
4 assumed may be not more than those shown in the Commissioners'
5 1980 Extended Term Insurance Table for policies of ordinary
6 insurance and not more than the Commissioners' 1961 Industrial
7 Extended Term Insurance Table for policies of industrial
8 insurance.

9 5. In lieu of the mortality tables specified in this
10 section, at the option of the insurance company and subject to
11 rules adopted by the commission, the insurance company may
12 substitute:

13 a. The 1958 CSO or CET Smoker and Nonsmoker Mortality
14 Tables, whichever is applicable, for policies issued on or
15 after the operative date of this subsection and before January
16 1, 1989;

17 b. The 1980 CSO or CET Smoker and Nonsmoker Mortality
18 Tables, whichever is applicable, for policies issued on or
19 after the operative date of this subsection;

20 c. A mortality table that is a blend of the
21 sex-distinct 1980 CSO or CET mortality table standard,
22 whichever is applicable, or a mortality table that is a blend
23 of the sex-distinct 1980 CSO or CET smoker and nonsmoker
24 mortality table standards, whichever is applicable, for
25 policies that are subject to the United States Supreme Court
26 decision in Arizona Governing Committee v. Norris to prevent
27 unfair discrimination in employment situations.

28 6. Ordinary mortality tables, adopted after 1980 by
29 the National Association of Insurance Commissioners, adopted
30 by rule by the commission for use in determining the minimum
31 nonforfeiture standard may be substituted for the

1 Commissioners' 1980 Standard Ordinary Mortality Table with or
2 without Ten-Year Select Mortality Factors or for the
3 Commissioners' 1980 Extended Term Insurance Table.

4 ~~7.6.~~ For insurance issued on a substandard basis, the
5 calculation of any such adjusted premiums and present values
6 may be based on appropriate modifications of the
7 aforementioned tables.

8 Section 14. Section 627.7077, Florida Statutes, is
9 created to read:

10 627.7077 Florida Sinkhole Insurance Facility and other
11 matters related to affordability and availability of sinkhole
12 insurance; feasibility study.--

13 (1) The Florida State University College of Business
14 Department of Risk Management and Insurance shall, under the
15 direction of the office, conduct a feasibility and
16 cost-benefit study of a potential Florida Sinkhole Insurance
17 Facility and of other matters related to affordability and
18 availability of sinkhole insurance. The study shall be
19 conducted in consultation with the State Board of
20 Administration and the Florida Geological Survey. The
21 university shall provide a preliminary report of its analysis,
22 findings, and recommendations to the Financial Services
23 Commission and the presiding officers of the Legislature no
24 later than February 1, 2005, and shall provide a final report
25 no later than April 1, 2005.

26 (2) The potential functions of the facility to be
27 analyzed include:

28 (a) Serving as the direct insurer or the reinsurer for
29 all or some sinkhole losses.

30
31

1 (b) Providing training, communication, and other
2 educational services to the public, engineers, the
3 construction industry, insurance professionals, or others.

4 (c) Providing uniform standards for use by insurers in
5 evaluating sinkhole loss claims.

6 (d) Providing consulting services for insurers.

7 (e) Maintaining a public database of all confirmed
8 sinkholes and paid sinkhole loss claims, for use by consumers
9 and by the insurance, building construction, banking, and real
10 estate industries.

11 (3) The feasibility study shall, at a minimum, address
12 the following issues:

13 (a) Where the facility should be housed, including,
14 but not limited to, the options of creating a separate
15 facility or using the Citizens Property Insurance Corporation
16 or the Florida Hurricane Catastrophe Fund.

17 (b) Federal income taxation implications.

18 (c) Funding options and costs associated with
19 operating the facility, including means of funding sinkhole
20 insurance through premiums that are adequate to fund covered
21 losses.

22 (d) Applicability of the experience of similar
23 facilities of other states.

24 (e) Other economic impact considerations pertinent to
25 a facility.

26 (f) Alternative dispute resolution mechanisms.

27 (g) The impact of all present requirements in the
28 Florida Insurance Code on affordability and availability of
29 sinkhole insurance and recommendations to address such
30 impacts.

31

1 (4) The study shall be funded from a budget of no more
2 than \$300,000, which will be funded by assessments on insurers
3 issuing property insurance in this state. Such assessments
4 shall be collected by the office and shall be prorated among
5 such insurers according to a formula whereby each insurer
6 shall pay a fraction of such budget, the numerator of which
7 shall be such insurer's direct earned premiums for property
8 insurance in this state and the denominator of which shall be
9 the total direct earned premiums for property insurance in
10 this state for calendar year 2003.

11 Section 15. Section 627.838, Florida Statutes, is
12 amended to read:

13 627.838 Filing and approval of forms; service
14 charges.--

15 (1) No premium finance agreement form or related form
16 shall be used in this state by a premium finance company
17 unless it has been filed with and approved by the office.
18 Every filing shall be made within 30 days of issuance or use.

19 (2) Each premium finance company shall file with the
20 office the service charge and interest rate plan, including
21 all modifications thereto, for informational purposes only.
22 Every filing shall be made within 30 days of its effective
23 date.

24 ~~(3) Each filing shall be accompanied by the filing fee~~
25 ~~specified in s. 627.849.~~

26 Section 16. Paragraph (e) of subsection (1) of section
27 627.848, Florida Statutes, is amended to read:

28 627.848 Cancellation of insurance contract upon
29 default.--

30 (1) When a premium finance agreement contains a power
31 of attorney or other authority enabling the premium finance

1 company to cancel any insurance contract listed in the
2 agreement, the insurance contract shall not be canceled unless
3 cancellation is in accordance with the following provisions:

4 (e) Whenever a financed ~~an~~ insurance contract is
5 canceled ~~in accordance with this section~~, the insurer shall,
6 within 30 days of the cancellation date, ~~promptly~~ return the
7 unpaid balance due under the finance contract, up to the gross
8 amount available upon the cancellation of the policy, to the
9 premium finance company and any remaining unearned premium to
10 the agent or the insured, or both, for the benefit of the
11 insured or insureds. The insurer shall, within 30 days of the
12 cancellation date, notify the insured and the agent of the
13 amount of unearned premium returned to the premium finance
14 company and the amount of unearned commission held by the
15 agent. The premium finance company shall, within 15 days after
16 the account has been overpaid, either refund to the insured
17 for the insured's benefit any refund due on his or her account
18 or, if the refund is sent or credited to the agent, return or
19 credit to the agent the amount of the overpayment and notify
20 the insured of the refunded amount. ~~The premium finance~~
21 ~~company within 15 days shall notify the insured and the agent~~
22 ~~of the amount of unearned premium.~~ Within 15 days of receipt
23 of notification from the premium finance company, the agent
24 shall return such amount including any unearned commission to
25 the insured or with the written approval of the insured apply
26 such amount to the purchase of other insurance products
27 regulated by the office. The commission may adopt rules
28 necessary to implement the provisions of this subsection.

29 Section 17. Subsection (1) of section 627.849, Florida
30 Statutes, is amended to read:

31 627.849 Fees.--

1 (1) The office shall collect in advance, and the
2 persons so served shall pay to it in advance, the following
3 fees:

- 4 (a) Annual license fee.....\$250
- 5 (b) Investigation fee.....100
- 6 (c) Annual report filing fee.....25
- 7 ~~(d) Form filing fee.....10~~

8 Section 18. Analysis of factors affecting premium
9 levels and availability of personal lines property and
10 casualty insurance to consumers in Florida.--

11 (1) The Legislative Auditing Committee shall enter
12 into a contract with the Florida State University College of
13 Business Department of Risk Management and Insurance to
14 provide, no later than February 1, 2005, a detailed analysis
15 of factors affecting costs and potential assessments on
16 consumers, and availability, of personal lines property and
17 casualty insurance in Florida generally and in those areas in
18 which coverage is underwritten by the Citizens Property and
19 Casualty Insurance Company. The analysis shall include an
20 evaluation of such factors and recommendations appropriate to
21 moderate or enhance their impact on premiums potential
22 assessments and availability of such insurance. Such factors
23 shall include, but are not limited to:

24 (a) The factors affecting the level of competition and
25 premium levels specifically, including the impact of rate
26 regulation and possible rating law reforms, and including
27 reforms that have succeeded or failed in other states.

28 (b) The cost and benefits of required coverages and of
29 restrictions on optional coverages that could otherwise be
30 made available to consumers.

31

1 (c) Such other information as may be useful to the
2 Legislature in determining how to increase availability and,
3 over the short and long term, to moderate costs and potential
4 consumer assessments.

5 (2) The study shall be funded from a budget of no more
6 than \$250,000, which shall be funded by assessments on
7 insurers issuing personal lines property and casualty
8 insurance in the state. Such assessments shall be collected by
9 the Office of Insurance Regulation and shall be prorated among
10 such insurers according to a formula whereby each insurer
11 shall pay a fraction of such budget, the numerator of which
12 shall be such insurer's direct earned premiums for personal
13 lines property and casualty insurance in the state and the
14 denominator of which shall be the total direct earned premiums
15 for personal lines property and casualty insurance in the
16 state for calendar year 2003.

17 (3) The Department of Financial Services, the Office
18 of Insurance Regulation, and insurers shall cooperate with the
19 Florida State University College of Business Department of
20 Risk Management and Insurance conducting the analysis and
21 shall provide such information as the Florida State University
22 College of Business Department of Risk Management and
23 Insurance may request in the format requested by the
24 university.

25 Section 19. Section 625.131, Florida Statutes, is
26 repealed.

27 Section 20. Nothing in this act shall be construed to
28 create or be the basis of a civil action. Nothing in this act
29 shall be construed as limiting settlement or adjustment of
30 claims by methods that are otherwise permissible under Florida
31 law.

1 Section 21. Except as otherwise expressly provided in
2 this act and except for this section, which shall take effect
3 upon becoming a law, this act shall take effect July 1, 2004.
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31