

Bill No. PCS for SB 1980 (070118)

Barcode 513762

CHAMBER ACTION

Senate

House

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The Committee on Banking and Insurance (Posey) recommended the following amendment:

**Senate Amendment (with title amendment)**

On page 87, lines 2-28, delete those lines

and insert:

Section 14. Subsection (2) of section 627.7011, Florida Statutes, is amended, and subsection (6) is added to that section, to read:

627.7011 Homeowners' policies; offer of replacement cost coverage and law and ordinance coverage.--

(2) Unless the insurer obtains the policyholder's written refusal of the policies or endorsements specified in subsection (1), any policy covering the dwelling is deemed to include the law and ordinance coverage limited to 25 percent of the dwelling limit ~~specified in paragraph (1)(b)~~. The rejection or selection of alternative coverage shall be made on a form approved by the office. The form shall fully advise the applicant of the nature of the coverage being rejected. If this form is signed by a named insured, it will be

Bill No. PCS for SB 1980 (070118)

Barcode 513762

1 conclusively presumed that there was an informed, knowing  
 2 rejection of the coverage or election of the alternative  
 3 coverage on behalf of all insureds. Unless the policyholder  
 4 requests in writing the coverage specified in this section, it  
 5 need not be provided in or supplemental to any other policy  
 6 that renews, insures, extends, changes, supersedes, or  
 7 replaces an existing policy when the policyholder has rejected  
 8 the coverage specified in this section or has selected  
 9 alternative coverage. The insurer must provide such  
 10 policyholder with notice of the availability of such coverage  
 11 in a form approved by the office at least once every 3 years.  
 12 The failure to provide such notice constitutes a violation of  
 13 this code, but does not affect the coverage provided under the  
 14 policy.

15 (6) This section does not prohibit an insurer from  
 16 limiting its liability under a policy or endorsement providing  
 17 that loss will be adjusted on the basis of replacement costs  
 18 to the lesser of:

19 (a) The limit of liability shown on the policy  
 20 declarations page;

21 (b) The reasonable and necessary cost to repair the  
 22 damaged, destroyed, or stolen covered property; or

23 (c) The reasonable and necessary cost to replace the  
 24 damaged, destroyed, or stolen covered property.

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

28 And the title is amended as follows:

29 On page 5, line 20, after the semicolon,

30  
 31 insert:

Bill No. PCS for SB 1980 (070118)

Barcode 513762

1 providing that the section does not prohibit an  
2 insurer from limiting its liability concerning  
3 certain replacement costs;  
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