Florida Senate - 2007

CS for SB 1742

By the Committee on Banking and Insurance; and Senator Fasano

597-2462-07

1	A bill to be entitled
2	An act relating to surplus lines coverage;
3	amending s. 626.916, F.S.; providing
4	requirements for insurance coverage eligible
5	for export for residential property risks;
6	requiring that the insured be notified that
7	coverage may be available from Citizens
8	Property Insurance Corporation; creating s.
9	626.9232, F.S.; requiring that surplus lines
10	agents who sell surplus lines of homeowners'
11	insurance provide customers, who also are
12	eligible for coverage through Citizens Property
13	Insurance Corporation, with a premium rate
14	quote from Citizens Property Insurance
15	Corporation before selling such a surplus lines
16	policy; providing an effective date.
17	
18	Be It Enacted by the Legislature of the State of Florida:
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20	Section 1. Paragraph (e) is added to subsection (1) of
21	section 626.916, Florida Statutes, to read:
22	626.916 Eligibility for export
23	(1) No insurance coverage shall be eligible for export
24	unless it meets all of the following conditions:
25	(e) For personal residential property risks, the
26	retail or producing agent must advise the insured in writing
27	that coverage may be available and may be less expensive from
28	<u>Citizens Property Insurance Corporation. The notice must</u>
29	include other information that states that Citizens'
30	assessments are higher and the coverage provided by Citizens
31	may be less than the property's existing coverage. If the

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1 notice is signed by the insured, it is presumed that the 2 insured has been informed and knows that policies from Citizens Property Insurance Corporation may be less expensive, 3 4 may provide less coverage, and will be accompanied by higher 5 assessments. 6 Section 2. Section 626.9232, Florida Statutes, is 7 created to read: 8 626.9232 Surplus lines of homeowners' insurance; quote 9 required. -- Surplus lines agents who sell surplus lines of 10 homeowners' insurance must provide to all customers who are eligible for coverage through Citizens Property Insurance 11 12 Corporation a premium rate quote from Citizens Property 13 Insurance Corporation before selling such a surplus lines policy. 14 Section 3. This act shall take effect upon becoming a 15 16 law. 17 18 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN COMMITTEE SUBSTITUTE FOR 19 Senate Bill 1742 20 21 The committee substitute provides the following change: Provides that a residential property insurance risk is not eligible for export to the surplus lines market 22 23 unless the retail or producing agent advises the insured in writing that coverage may be available and less expensive from Citizens Property Insurance Corporation. 2.4 The notice may also include other specified information. If the notice is signed by the insured, it is presumed that the insured has been informed. 25 26 27 28 29 30 31

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