Bill No. CS for SB 1866

Barcode 612906

CHAMBER ACTION Senate House 1 2 3 Floor: 3/AD/2R 05/02/2007 12:47 PM 4 5 б 7 8 9 10 Senator Posey moved the following amendment: 11 12 Senate Amendment (with title amendment) 13 On page 20, between lines 2 and 3, 14 15 insert: 16 Section 5. Subsection (2) of section 626.9201, Florida 17 18 Statutes, is amended to read: 626.9201 Notice of cancellation or nonrenewal.--19 20 (2) An insurer issuing a policy providing coverage for property, casualty, surety, or marine insurance shall give the 21 22 named insured written notice of cancellation or termination 23 other than nonrenewal at least 45 days prior to the effective 24 date of the cancellation or termination, including in the 25 written notice the reason or reasons for the cancellation or 26 termination, except that: 27 (a) When cancellation is for nonpayment of premium, at least 10 days' written notice of cancellation accompanied by 28 29 the reason therefor shall be given. As used in this paragraph, 30 the term "nonpayment of premium" means failure of the named 31 insured to discharge when due any of his or her obligations in 1 8:31 AM 05/01/07 s1866c1c-24-t2b

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SENATOR AMENDMENT

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1	connection with the payment of premiums on a policy or any
2	installment of such premium, whether the premium is payable
3	directly to the insurer or its agent or indirectly under any
4	premium finance plan or extension of credit, or failure to
5	<u>maintain membership in an organization if such membership is a</u>
6	condition precedent to insurance coverage. The term
7	"nonpayment of premium" also means the failure of a financial
8	institution to honor an insurance applicant's check after
9	delivery to a licensed agent for payment of a premium, even if
10	the agent has previously delivered or transferred the premium
11	to the insurer. If a correctly dishonored check represents the
12	initial premium payment, the contract and all contractual
13	obligations shall be void ab initio unless the nonpayment is
14	cured within the earlier of 5 days after actual notice by
15	certified mail is received by the applicant or 15 days after
16	notice is sent to the applicant by certified mail or
17	registered mail, and, if the contract is void, any premium
18	received by the insurer from a third party shall be refunded
19	to that party in full; and
20	(b) When such cancellation or termination occurs
21	during the first 90 days during which the insurance is in
22	force and the insurance is canceled or terminated for reasons
23	other than nonpayment, at least 20 days' written notice of
24	cancellation or termination accompanied by the reason therefor
25	shall be given except where there has been a material
26	misstatement or misrepresentation or failure to comply with
27	the underwriting requirements established by the insurer.
28	
29	(Redesignate subsequent sections.)
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                                            SENATOR AMENDMENT
   Bill No. <u>CS for SB 1866</u>
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   And the title is amended as follows:
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          On page 1, line 22, after the semicolon,
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5
   insert:
б
          amending s. 626.9201, F.S.; defining the term
7
          "nonpayment of premium"; providing additional
          criterion for cancellation for nonpayment of
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9
         premium;
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