



Bill No. CS for SB 1866

Barcode 612906

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 maintain membership in an organization if such membership is a  
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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1 ===== T I T L E    A M E N D M E N T =====

2 And the title is amended as follows:

3            On page 1, line 22, after the semicolon,

4

5 insert:

6            amending s. 626.9201, F.S.; defining the term

7            "nonpayment of premium"; providing additional

8            criterion for cancellation for nonpayment of

9            premium;

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