

Amendment No.

CHAMBER ACTION

Senate

House

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1 Representative(s) Reagan offered the following:

2  
3 **Amendment (with title amendment)**

4 On page 3, between lines 5 and 6, insert:

5 Section 3. Paragraph (c) of subsection (1) of section  
6 627.728, Florida Statutes, is amended to read:

7 627.728 Cancellations; nonrenewals.--

8 (1) As used in this section, the term:

9 (c) "Nonpayment of premium" means failure of the named  
10 insured to discharge when due any of her or his obligations in  
11 connection with the payment of premiums on a policy or any  
12 installment of such premium, whether the premium is payable  
13 directly to the insurer or its agent or indirectly under any  
14 premium finance plan or extension of credit, or failure to  
15 maintain membership in an organization if such membership is a  
16 condition precedent to insurance coverage. "Nonpayment of

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17 premium" also means the failure of a financial institution to  
18 honor an insurance applicant's check after delivery to a  
19 licensed agent for payment of a premium, even if the agent has  
20 previously delivered or transferred the premium to the insurer.~~+~~  
21 ~~further,~~ If the dishonored check represents the initial premium  
22 payment, the contract and all contractual obligations shall be  
23 void ab initio unless the nonpayment is cured within the earlier  
24 of 5 days after actual notice by certified mail is received by  
25 the applicant or 15 days after notice is sent to the applicant  
26 by certified mail or registered mail, and if the contract is  
27 void, any premium received by the insurer from a third party  
28 shall be refunded to that party in full. If a dishonored check  
29 is made payable to the insurer, the insurer may cancel the  
30 policy in accordance with paragraph (3)(a).

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

33 On page 1, line 19,  
34 remove: all of said line,

35

36 and insert: Law as provided for in that section; amending s.  
37 627.728, F.S.; revising the definition of the term "nonpayment  
38 of premium"; reenacting