

1 and the Financial Services Commission from
2 renewing or reissuing existing certificates of
3 authority of certain insurers; requiring rate
4 filings of certain insurers to include certain
5 parent company profits information; providing
6 effective dates.

7
8 Be It Enacted by the Legislature of the State of Florida:

9
10 Section 1. Paragraphs (a), (b), and (c) of subsection
11 (6) of section 627.351, Florida Statutes, as amended by
12 section 21 of chapter 2007-1, Laws of Florida, is amended to
13 read:

14 627.351 Insurance risk apportionment plans.--

15 (6) CITIZENS PROPERTY INSURANCE CORPORATION.--

16 (a)1. The Legislature finds that private insurers are
17 unwilling or unable to provide affordable property insurance
18 coverage in this state to the extent sought and needed. The
19 absence of affordable property insurance threatens the public
20 health, safety, and welfare and likewise threatens the
21 economic health of the state. The Legislature finds therefore
22 that it is a compelling public interest and public purpose to
23 assist in ensuring that property in the state is insured and
24 that it is insured at affordable rates so as to facilitate the
25 remediation, reconstruction, and replacement of damaged or
26 destroyed property in order to reduce or avoid the negative
27 effects otherwise resulting to the public health, safety, and
28 welfare; to the economy of the state; and to the revenues of
29 the state and local governments which are needed to provide
30 for the public welfare. It is necessary, therefore, to provide
31 affordable property insurance to applicants who are in good

1 faith entitled to procure insurance through the voluntary
2 market but are unable to do so. The Legislature intends by
3 this subsection that affordable property insurance be provided
4 and that it continue, as long as necessary, through an entity
5 that is not devoted to private profitmaking pursuits and that
6 is organized to achieve efficiencies and economies, while
7 providing service to policyholder, applicants, and agents
8 which equals or exceeds the quality generally provided in the
9 voluntary market, all toward the achievement of the foregoing
10 public purposes. To that end, such entity shall strive to
11 increase the availability of affordable property insurance in
12 this state and shall offer the lowest rates possible
13 consistent with sound business practices. Because it is
14 essential for the corporation to have the maximum financial
15 resources to pay claims following a catastrophic hurricane, it
16 is the intent of the Legislature that the income of the
17 corporation be exempt from federal income taxation and that
18 interest on the debt obligations issued by the corporation be
19 exempt from federal income taxation. The Legislature finds
20 ~~that actual and threatened catastrophic losses to property in~~
21 ~~this state from hurricanes have caused insurers to be~~
22 ~~unwilling or unable to provide property insurance coverage to~~
23 ~~the extent sought and needed. It is in the public interest and~~
24 ~~a public purpose to assist in assuring that property in the~~
25 ~~state is insured so as to facilitate the remediation,~~
26 ~~reconstruction, and replacement of damaged or destroyed~~
27 ~~property in order to reduce or avoid the negative effects~~
28 ~~otherwise resulting to the public health, safety, and welfare;~~
29 ~~to the economy of the state; and to the revenues of the state~~
30 ~~and local governments needed to provide for the public~~
31 ~~welfare. It is necessary, therefore, to provide property~~

1 ~~insurance to applicants who are in good faith entitled to~~
2 ~~procure insurance through the voluntary market but are unable~~
3 ~~to do so. The Legislature intends by this subsection that~~
4 ~~property insurance be provided and that it continues, as long~~
5 ~~as necessary, through an entity organized to achieve~~
6 ~~efficiencies and economies, while providing service to~~
7 ~~policyholders, applicants, and agents that is no less than the~~
8 ~~quality generally provided in the voluntary market, all toward~~
9 ~~the achievement of the foregoing public purposes. Because it~~
10 ~~is essential for the corporation to have the maximum financial~~
11 ~~resources to pay claims following a catastrophic hurricane, it~~
12 ~~is the intent of the Legislature that the income of the~~
13 ~~corporation be exempt from federal income taxation and that~~
14 ~~interest on the debt obligations issued by the corporation be~~
15 ~~exempt from federal income taxation.~~

16 2. The Residential Property and Casualty Joint
17 Underwriting Association originally created by this statute
18 shall be known, as of July 1, 2002, as the Citizens Property
19 Insurance Corporation. The corporation shall provide insurance
20 for residential and commercial property, for applicants who
21 are in good faith entitled, but are unable, to procure
22 insurance through the voluntary market. The corporation shall
23 operate pursuant to a plan of operation approved by order of
24 the Financial Services Commission. The plan is subject to
25 continuous review by the commission. The commission may, by
26 order, withdraw approval of all or part of a plan if the
27 commission determines that conditions have changed since
28 approval was granted and that the purposes of the plan require
29 changes in the plan. The corporation shall continue to operate
30 pursuant to the plan of operation approved by the Office of
31 Insurance Regulation until October 1, 2006. For the purposes

1 of this subsection, residential coverage includes both
2 personal lines residential coverage, which consists of the
3 type of coverage provided by homeowner's, mobile home owner's,
4 dwelling, tenant's, condominium unit owner's, and similar
5 policies, and commercial lines residential coverage, which
6 consists of the type of coverage provided by condominium
7 association, apartment building, and similar policies.

8 3. For the purposes of this subsection, the term
9 "homestead property" means:

10 a. Property that has been granted a homestead
11 exemption under chapter 196;

12 b. Property for which the owner has a current, written
13 lease with a renter for a term of at least 7 months and for
14 which the dwelling is insured by the corporation for \$200,000
15 or less;

16 c. An owner-occupied mobile home or manufactured home,
17 as defined in s. 320.01, which is permanently affixed to real
18 property, is owned by a Florida resident, and has been granted
19 a homestead exemption under chapter 196 or, if the owner does
20 not own the real property, the owner certifies that the mobile
21 home or manufactured home is his or her principal place of
22 residence;

23 d. Tenant's coverage;

24 e. Commercial lines residential property; or

25 f. Any county, district, or municipal hospital; a
26 hospital licensed by any not-for-profit corporation qualified
27 under s. 501(c)(3) of the United States Internal Revenue Code;
28 or a continuing care retirement community that is certified
29 under chapter 651 and that receives an exemption from ad
30 valorem taxes under chapter 196.

31

1 4. For the purposes of this subsection, the term
2 "nonhomestead property" means property that is not homestead
3 property.

4 5. Effective July 1, 2008, a personal lines
5 residential structure that has a dwelling replacement cost of
6 \$1 million or more, or a single condominium unit that has a
7 combined dwelling and content replacement cost of \$1 million
8 or more is not eligible for coverage by the corporation. Such
9 dwellings insured by the corporation on June 30, 2008, may
10 continue to be covered by the corporation until the end of the
11 policy term. However, such dwellings that are insured by the
12 corporation and become ineligible for coverage due to the
13 provisions of this subparagraph may reapply and obtain
14 coverage in the high-risk account and be considered
15 "nonhomestead property" if the property owner provides the
16 corporation with a sworn affidavit from one or more insurance
17 agents, on a form provided by the corporation, stating that
18 the agents have made their best efforts to obtain coverage and
19 that the property has been rejected for coverage by at least
20 one authorized insurer and at least three surplus lines
21 insurers. If such conditions are met, the dwelling may be
22 insured by the corporation for up to 3 years, after which time
23 the dwelling is ineligible for coverage. The office shall
24 approve the method used by the corporation for valuing the
25 dwelling replacement cost for the purposes of this
26 subparagraph. If a policyholder is insured by the corporation
27 prior to being determined to be ineligible pursuant to this
28 subparagraph and such policyholder files a lawsuit challenging
29 the determination, the policyholder may remain insured by the
30 corporation until the conclusion of the litigation.

31

1 6. For properties constructed on or after January 1,
2 2009, the corporation may not insure any property located
3 within 2,500 feet landward of the coastal construction control
4 line created pursuant to s. 161.053 unless the property meets
5 the requirements of the code-plus building standards developed
6 by the Florida Building Commission.

7 7. It is the intent of the Legislature that
8 policyholders, applicants, and agents of the corporation
9 receive service and treatment of the highest possible level
10 but never less than that generally provided in the voluntary
11 market. It also is intended that the corporation be held to
12 service standards no less than those applied to insurers in
13 the voluntary market by the office with respect to
14 responsiveness, timeliness, customer courtesy, and overall
15 dealings with policyholders, applicants, or agents of the
16 corporation.

17 (b)1. All insurers authorized to write one or more
18 subject lines of business in this state are subject to
19 assessment by the corporation and, for the purposes of this
20 subsection, are referred to collectively as "assessable
21 insurers." Insurers writing one or more subject lines of
22 business in this state pursuant to part VIII of chapter 626
23 are not assessable insurers, but insureds who procure one or
24 more subject lines of business in this state pursuant to part
25 VIII of chapter 626 are subject to assessment by the
26 corporation and are referred to collectively as "assessable
27 insureds." An authorized insurer's assessment liability shall
28 begin on the first day of the calendar year following the year
29 in which the insurer was issued a certificate of authority to
30 transact insurance for subject lines of business in this state
31 and shall terminate 1 year after the end of the first calendar

1 | year during which the insurer no longer holds a certificate of
2 | authority to transact insurance for subject lines of business
3 | in this state.

4 | 2.a. All revenues, assets, liabilities, losses, and
5 | expenses of the corporation shall be divided into three
6 | separate accounts as follows:

7 | (I) A personal lines account for personal residential
8 | policies issued by the corporation or issued by the
9 | Residential Property and Casualty Joint Underwriting
10 | Association and renewed by the corporation that provide
11 | comprehensive, multiperil coverage on risks that are not
12 | located in areas eligible for coverage in the Florida
13 | Windstorm Underwriting Association as those areas were defined
14 | on January 1, 2002, and for such policies that do not provide
15 | coverage for the peril of wind on risks that are located in
16 | such areas;

17 | (II) A commercial lines account for commercial
18 | residential and commercial nonresidential policies issued by
19 | the corporation or issued by the Residential Property and
20 | Casualty Joint Underwriting Association and renewed by the
21 | corporation that provide coverage for basic property perils on
22 | risks that are not located in areas eligible for coverage in
23 | the Florida Windstorm Underwriting Association as those areas
24 | were defined on January 1, 2002, and for such policies that do
25 | not provide coverage for the peril of wind on risks that are
26 | located in such areas; and

27 | (III) A high-risk account for personal residential
28 | policies and commercial residential and commercial
29 | nonresidential property policies issued by the corporation or
30 | transferred to the corporation that provide coverage for the
31 | peril of wind on risks that are located in areas eligible for

1 coverage in the Florida Windstorm Underwriting Association as
2 those areas were defined on January 1, 2002. Beginning July 1,
3 2007, the corporation may offer multiperil coverage, wind-only
4 coverage, or both types of coverage in the high-risk account.
5 In issuing multiperil coverage, the corporation may use its
6 approved policy forms and rates for personal lines accounts
7 through December 31, 2007. It is the intent of the Legislature
8 that the offer of multiperil coverage in the high-risk account
9 be made and implemented in a manner that does not adversely
10 affect the creditworthiness of or security for currently
11 outstanding financing obligations or credit facilities of the
12 high-risk account, the personal lines account, or the
13 commercial lines account. Subject to the approval of a
14 business plan by the Financial Services Commission and
15 Legislative Budget Commission as provided in this
16 sub-sub-subparagraph, but no earlier than March 31, 2007, the
17 corporation may offer policies that provide multiperil
18 coverage and the corporation shall continue to offer policies
19 that provide coverage only for the peril of wind for risks
20 located in areas eligible for coverage in the high-risk
21 account. In issuing multiperil coverage, the corporation may
22 use its approved policy forms and rates for the personal lines
23 account. An applicant or insured who is eligible to purchase a
24 multiperil policy from the corporation may purchase a
25 multiperil policy from an authorized insurer without prejudice
26 to the applicant's or insured's eligibility to prospectively
27 purchase a policy that provides coverage only for the peril of
28 wind from the corporation. An applicant or insured who is
29 eligible for a corporation policy that provides coverage only
30 for the peril of wind may elect to purchase or retain such
31 policy and also purchase or retain coverage excluding wind

1 | from an authorized insurer without prejudice to the
2 | applicant's or insured's eligibility to prospectively purchase
3 | a policy that provides multiperil coverage from the
4 | corporation. It is the goal of the Legislature that there
5 | would be an overall average savings of 10 percent or more for
6 | a policyholder who currently has a wind-only policy with the
7 | corporation, and an ex-wind policy with a voluntary insurer or
8 | the corporation, and who then obtains a multiperil policy from
9 | the corporation. It is the intent of the Legislature that the
10 | offer of multiperil coverage in the high-risk account be made
11 | and implemented in a manner that does not adversely affect the
12 | tax-exempt status of the corporation or creditworthiness of or
13 | security for currently outstanding financing obligations or
14 | credit facilities of the high-risk account, the personal lines
15 | account, or the commercial lines account. By March 1, 2007,
16 | the corporation shall prepare and submit for approval by the
17 | Financial Services Commission and Legislative Budget
18 | Commission a report detailing the corporation's business plan
19 | for issuing multiperil coverage in the high-risk account. The
20 | business plan shall be approved or disapproved within 30 days
21 | after receipt, as submitted or modified and resubmitted by the
22 | corporation. The business plan must include: the impact of
23 | such multiperil coverage on the corporation's financial
24 | resources, the impact of such multiperil coverage on the
25 | corporation's tax-exempt status, the manner in which the
26 | corporation plans to implement the processing of applications
27 | and policy forms for new and existing policyholders, the
28 | impact of such multiperil coverage on the corporation's
29 | ability to deliver customer service at the high level required
30 | by this subsection, the ability of the corporation to process
31 | claims, the ability of the corporation to quote and issue

1 | policies, the impact of such multiperil coverage on the
2 | corporation's agents, the impact of such multiperil coverage
3 | on the corporation's existing policyholders, and the impact of
4 | such multiperil coverage on rates and premium. The high-risk
5 | account must also include quota share primary insurance under
6 | subparagraph (c)2. The area eligible for coverage under the
7 | high-risk account also includes the area within Port
8 | Canaveral, which is bordered on the south by the City of Cape
9 | Canaveral, bordered on the west by the Banana River, and
10 | bordered on the north by Federal Government property.

11 | b. The three separate accounts must be maintained as
12 | long as financing obligations entered into by the Florida
13 | Windstorm Underwriting Association or Residential Property and
14 | Casualty Joint Underwriting Association are outstanding, in
15 | accordance with the terms of the corresponding financing
16 | documents. When the financing obligations are no longer
17 | outstanding, in accordance with the terms of the corresponding
18 | financing documents, the corporation may use a single account
19 | for all revenues, assets, liabilities, losses, and expenses of
20 | the corporation. Consistent with the requirement of this
21 | subparagraph and prudent investment policies that minimize the
22 | cost of carrying debt, the board shall exercise its best
23 | efforts to retire existing debt or to obtain approval of
24 | necessary parties to amend the terms of existing debt, so as
25 | to structure the most efficient plan to consolidate the three
26 | separate accounts into a single account. By February 1, 2007,
27 | the board shall submit a report to the Financial Services
28 | Commission, the President of the Senate, and the Speaker of
29 | the House of Representatives which includes an analysis of
30 | consolidating the accounts, the actions the board has taken to
31 |

1 minimize the cost of carrying debt, and its recommendations
2 for executing the most efficient plan.

3 c. Creditors of the Residential Property and Casualty
4 Joint Underwriting Association shall have a claim against, and
5 recourse to, the accounts referred to in sub-sub-subparagraphs
6 a.(I) and (II) and shall have no claim against, or recourse
7 to, the account referred to in sub-sub-subparagraph a.(III).
8 Creditors of the Florida Windstorm Underwriting Association
9 shall have a claim against, and recourse to, the account
10 referred to in sub-sub-subparagraph a.(III) and shall have no
11 claim against, or recourse to, the accounts referred to in
12 sub-sub-subparagraphs a.(I) and (II).

13 d. Revenues, assets, liabilities, losses, and expenses
14 not attributable to particular accounts shall be prorated
15 among the accounts.

16 e. The Legislature finds that the revenues of the
17 corporation are revenues that are necessary to meet the
18 requirements set forth in documents authorizing the issuance
19 of bonds under this subsection.

20 f. No part of the income of the corporation may inure
21 to the benefit of any private person.

22 3. With respect to a deficit in an account:

23 a. When the deficit incurred in a particular calendar
24 year is not greater than 10 percent of the aggregate statewide
25 direct written premium for the subject lines of business for
26 the prior calendar year, the entire deficit shall be recovered
27 through regular assessments of assessable insurers under
28 paragraph (p) and assessable insureds.

29 b. When the deficit incurred in a particular calendar
30 year exceeds 10 percent of the aggregate statewide direct
31 written premium for the subject lines of business for the

1 prior calendar year, the corporation shall levy regular
2 assessments on assessable insurers under paragraph (p) and on
3 assessable insureds in an amount equal to the greater of 10
4 percent of the deficit or 10 percent of the aggregate
5 statewide direct written premium for the subject lines of
6 business for the prior calendar year. Any remaining deficit
7 shall be recovered through emergency assessments under
8 sub-subparagraph d.

9 c. Each assessable insurer's share of the amount being
10 assessed under sub-subparagraph a. or sub-subparagraph b.
11 shall be in the proportion that the assessable insurer's
12 direct written premium for the subject lines of business for
13 the year preceding the assessment bears to the aggregate
14 statewide direct written premium for the subject lines of
15 business for that year. The assessment percentage applicable
16 to each assessable insured is the ratio of the amount being
17 assessed under sub-subparagraph a. or sub-subparagraph b. to
18 the aggregate statewide direct written premium for the subject
19 lines of business for the prior year. Assessments levied by
20 the corporation on assessable insurers under sub-subparagraphs
21 a. and b. shall be paid as required by the corporation's plan
22 of operation and paragraph (p). Notwithstanding any other
23 provision of this subsection, the aggregate amount of a
24 regular assessment for a deficit incurred in a particular
25 calendar year shall be reduced by the estimated amount to be
26 received by the corporation from the Citizens policyholder
27 surcharge under subparagraph (c)11. and the amount collected
28 or estimated to be collected from the assessment on Citizens
29 policyholders pursuant to sub-subparagraph i. Assessments
30 levied by the corporation on assessable insureds under
31 sub-subparagraphs a. and b. shall be collected by the surplus

1 | lines agent at the time the surplus lines agent collects the
2 | surplus lines tax required by s. 626.932 and shall be paid to
3 | the Florida Surplus Lines Service Office at the time the
4 | surplus lines agent pays the surplus lines tax to the Florida
5 | Surplus Lines Service Office. Upon receipt of regular
6 | assessments from surplus lines agents, the Florida Surplus
7 | Lines Service Office shall transfer the assessments directly
8 | to the corporation as determined by the corporation.

9 | d. Upon a determination by the board of governors that
10 | a deficit in an account exceeds the amount that will be
11 | recovered through regular assessments under sub-subparagraph
12 | a. or sub-subparagraph b., the board shall levy, after
13 | verification by the office, emergency assessments, for as many
14 | years as necessary to cover the deficits, to be collected by
15 | assessable insurers and the corporation and collected from
16 | assessable insureds upon issuance or renewal of policies for
17 | subject lines of business, excluding National Flood Insurance
18 | policies. The amount of the emergency assessment collected in
19 | a particular year shall be a uniform percentage of that year's
20 | direct written premium for subject lines of business and all
21 | accounts of the corporation, excluding National Flood
22 | Insurance Program policy premiums, as annually determined by
23 | the board and verified by the office. The office shall verify
24 | the arithmetic calculations involved in the board's
25 | determination within 30 days after receipt of the information
26 | on which the determination was based. Notwithstanding any
27 | other provision of law, the corporation and each assessable
28 | insurer that writes subject lines of business shall collect
29 | emergency assessments from its policyholders without such
30 | obligation being affected by any credit, limitation,
31 | exemption, or deferment. Emergency assessments levied by the

1 corporation on assessable insureds shall be collected by the
2 surplus lines agent at the time the surplus lines agent
3 collects the surplus lines tax required by s. 626.932 and
4 shall be paid to the Florida Surplus Lines Service Office at
5 the time the surplus lines agent pays the surplus lines tax to
6 the Florida Surplus Lines Service Office. The emergency
7 assessments so collected shall be transferred directly to the
8 corporation on a periodic basis as determined by the
9 corporation and shall be held by the corporation solely in the
10 applicable account. The aggregate amount of emergency
11 assessments levied for an account under this sub-subparagraph
12 in any calendar year may not exceed the greater of 10 percent
13 of the amount needed to cover the original deficit, plus
14 interest, fees, commissions, required reserves, and other
15 costs associated with financing of the original deficit, or 10
16 percent of the aggregate statewide direct written premium for
17 subject lines of business and for all accounts of the
18 corporation for the prior year, plus interest, fees,
19 commissions, required reserves, and other costs associated
20 with financing the original deficit.

21 e. The corporation may pledge the proceeds of
22 assessments, projected recoveries from the Florida Hurricane
23 Catastrophe Fund, other insurance and reinsurance
24 recoverables, policyholder surcharges and other surcharges,
25 and other funds available to the corporation as the source of
26 revenue for and to secure bonds issued under paragraph (p),
27 bonds or other indebtedness issued under subparagraph (c)3.,
28 or lines of credit or other financing mechanisms issued or
29 created under this subsection, or to retire any other debt
30 incurred as a result of deficits or events giving rise to
31 deficits, or in any other way that the board determines will

1 | efficiently recover such deficits. The purpose of the lines of
2 | credit or other financing mechanisms is to provide additional
3 | resources to assist the corporation in covering claims and
4 | expenses attributable to a catastrophe. As used in this
5 | subsection, the term "assessments" includes regular
6 | assessments under sub-subparagraph a., sub-subparagraph b., or
7 | subparagraph (p)1. and emergency assessments under
8 | sub-subparagraph d. Emergency assessments collected under
9 | sub-subparagraph d. are not part of an insurer's rates, are
10 | not premium, and are not subject to premium tax, fees, or
11 | commissions; however, failure to pay the emergency assessment
12 | shall be treated as failure to pay premium. The emergency
13 | assessments under sub-subparagraph d. shall continue as long
14 | as any bonds issued or other indebtedness incurred with
15 | respect to a deficit for which the assessment was imposed
16 | remain outstanding, unless adequate provision has been made
17 | for the payment of such bonds or other indebtedness pursuant
18 | to the documents governing such bonds or other indebtedness.

19 | f. As used in this subsection, the term "subject lines
20 | of business" means insurance written by assessable insurers or
21 | procured by assessable insureds for all property and casualty
22 | lines of business in this state, but not including workers'
23 | compensation or medical malpractice. As used in the
24 | sub-subparagraph, the term "property and casualty lines of
25 | business" includes all lines of business identified on Form 2,
26 | Exhibit of Premiums and Losses, in the annual statement
27 | required of authorized insurers by s. 624.424 and any rule
28 | adopted under this section, except for those lines identified
29 | as accident and health insurance and except for policies
30 | written under the National Flood Insurance Program or the
31 | Federal Crop Insurance Program. For purposes of this

1 sub-subparagraph, the term "workers' compensation" includes
2 both workers' compensation insurance and excess workers'
3 compensation insurance.

4 g. The Florida Surplus Lines Service Office shall
5 determine annually the aggregate statewide written premium in
6 subject lines of business procured by assessable insureds and
7 shall report that information to the corporation in a form and
8 at a time the corporation specifies to ensure that the
9 corporation can meet the requirements of this subsection and
10 the corporation's financing obligations.

11 h. The Florida Surplus Lines Service Office shall
12 verify the proper application by surplus lines agents of
13 assessment percentages for regular assessments and emergency
14 assessments levied under this subparagraph on assessable
15 insureds and shall assist the corporation in ensuring the
16 accurate, timely collection and payment of assessments by
17 surplus lines agents as required by the corporation.

18 i. If a deficit is incurred in any account in 2008 or
19 thereafter, the board of governors shall levy an immediate
20 assessment against the premium of each nonhomestead property
21 policyholder in all accounts of the corporation, as a uniform
22 percentage of the premium of the policy of up to 10 percent of
23 such premium, which funds shall be used to offset the deficit.
24 If this assessment is insufficient to eliminate the deficit,
25 the board of governors shall levy an additional assessment
26 against all policyholders of the corporation, which shall be
27 collected at the time of issuance or renewal of a policy, as a
28 uniform percentage of the premium for the policy of up to 10
29 percent of such premium, which funds shall be used to further
30 offset the deficit.

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1 j. The board of governors shall maintain separate
2 accounting records that consolidate data for nonhomestead
3 properties, including, but not limited to, number of policies,
4 insured values, premiums written, and losses. The board of
5 governors shall annually report to the office and the
6 Legislature a summary of such data.

7 (c) The plan of operation of the corporation:

8 1. Must provide for adoption of residential property
9 and casualty insurance policy forms and commercial residential
10 and nonresidential property insurance forms, which forms must
11 be approved by the office prior to use. The corporation shall
12 adopt the following policy forms:

13 a. Standard personal lines policy forms that are
14 comprehensive multiperil policies providing full coverage of a
15 residential property equivalent to the coverage provided in
16 the private insurance market under an HO-3, HO-4, or HO-6
17 policy.

18 b. Basic personal lines policy forms that are policies
19 similar to an HO-8 policy or a dwelling fire policy that
20 provide coverage meeting the requirements of the secondary
21 mortgage market, but which coverage is more limited than the
22 coverage under a standard policy.

23 c. Commercial lines residential and nonresidential
24 policy forms that are generally similar to the basic perils of
25 full coverage obtainable for commercial residential structures
26 and commercial nonresidential structures in the admitted
27 voluntary market.

28 d. Personal lines and commercial lines residential
29 property insurance forms that cover the peril of wind only.
30 The forms are applicable only to residential properties
31

1 | located in areas eligible for coverage under the high-risk
2 | account referred to in sub-subparagraph (b)2.a.

3 | e. Commercial lines nonresidential property insurance
4 | forms that cover the peril of wind only. The forms are
5 | applicable only to nonresidential properties located in areas
6 | eligible for coverage under the high-risk account referred to
7 | in sub-subparagraph (b)2.a.

8 | f. The corporation may adopt variations of the policy
9 | forms listed in sub-subparagraphs a.-e. that contain more
10 | restrictive coverage.

11 | 2.a. Must provide that the corporation adopt a program
12 | in which the corporation and authorized insurers enter into
13 | quota share primary insurance agreements for hurricane
14 | coverage, as defined in s. 627.4025(2)(a), for eligible risks,
15 | and adopt property insurance forms for eligible risks which
16 | cover the peril of wind only. As used in this subsection, the
17 | term:

18 | (I) "Quota share primary insurance" means an
19 | arrangement in which the primary hurricane coverage of an
20 | eligible risk is provided in specified percentages by the
21 | corporation and an authorized insurer. The corporation and
22 | authorized insurer are each solely responsible for a specified
23 | percentage of hurricane coverage of an eligible risk as set
24 | forth in a quota share primary insurance agreement between the
25 | corporation and an authorized insurer and the insurance
26 | contract. The responsibility of the corporation or authorized
27 | insurer to pay its specified percentage of hurricane losses of
28 | an eligible risk, as set forth in the quota share primary
29 | insurance agreement, may not be altered by the inability of
30 | the other party to the agreement to pay its specified
31 | percentage of hurricane losses. Eligible risks that are

1 provided hurricane coverage through a quota share primary
2 insurance arrangement must be provided policy forms that set
3 forth the obligations of the corporation and authorized
4 insurer under the arrangement, clearly specify the percentages
5 of quota share primary insurance provided by the corporation
6 and authorized insurer, and conspicuously and clearly state
7 that neither the authorized insurer nor the corporation may be
8 held responsible beyond its specified percentage of coverage
9 of hurricane losses.

10 (II) "Eligible risks" means personal lines residential
11 and commercial lines residential risks that meet the
12 underwriting criteria of the corporation and are located in
13 areas that were eligible for coverage by the Florida Windstorm
14 Underwriting Association on January 1, 2002.

15 b. The corporation may enter into quota share primary
16 insurance agreements with authorized insurers at corporation
17 coverage levels of 90 percent and 50 percent.

18 c. If the corporation determines that additional
19 coverage levels are necessary to maximize participation in
20 quota share primary insurance agreements by authorized
21 insurers, the corporation may establish additional coverage
22 levels. However, the corporation's quota share primary
23 insurance coverage level may not exceed 90 percent.

24 d. Any quota share primary insurance agreement entered
25 into between an authorized insurer and the corporation must
26 provide for a uniform specified percentage of coverage of
27 hurricane losses, by county or territory as set forth by the
28 corporation board, for all eligible risks of the authorized
29 insurer covered under the quota share primary insurance
30 agreement.

31

1 e. Any quota share primary insurance agreement entered
2 into between an authorized insurer and the corporation is
3 subject to review and approval by the office. However, such
4 agreement shall be authorized only as to insurance contracts
5 entered into between an authorized insurer and an insured who
6 is already insured by the corporation for wind coverage.

7 f. For all eligible risks covered under quota share
8 primary insurance agreements, the exposure and coverage levels
9 for both the corporation and authorized insurers shall be
10 reported by the corporation to the Florida Hurricane
11 Catastrophe Fund. For all policies of eligible risks covered
12 under quota share primary insurance agreements, the
13 corporation and the authorized insurer shall maintain complete
14 and accurate records for the purpose of exposure and loss
15 reimbursement audits as required by Florida Hurricane
16 Catastrophe Fund rules. The corporation and the authorized
17 insurer shall each maintain duplicate copies of policy
18 declaration pages and supporting claims documents.

19 g. The corporation board shall establish in its plan
20 of operation standards for quota share agreements which ensure
21 that there is no discriminatory application among insurers as
22 to the terms of quota share agreements, pricing of quota share
23 agreements, incentive provisions if any, and consideration
24 paid for servicing policies or adjusting claims.

25 h. The quota share primary insurance agreement between
26 the corporation and an authorized insurer must set forth the
27 specific terms under which coverage is provided, including,
28 but not limited to, the sale and servicing of policies issued
29 under the agreement by the insurance agent of the authorized
30 insurer producing the business, the reporting of information
31 concerning eligible risks, the payment of premium to the

1 corporation, and arrangements for the adjustment and payment
2 of hurricane claims incurred on eligible risks by the claims
3 adjuster and personnel of the authorized insurer. Entering
4 into a quota sharing insurance agreement between the
5 corporation and an authorized insurer shall be voluntary and
6 at the discretion of the authorized insurer.

7 3. May provide that the corporation may employ or
8 otherwise contract with individuals or other entities to
9 provide administrative or professional services that may be
10 appropriate to effectuate the plan. The corporation shall have
11 the power to borrow funds, by issuing bonds or by incurring
12 other indebtedness, and shall have other powers reasonably
13 necessary to effectuate the requirements of this subsection,
14 including, without limitation, the power to issue bonds and
15 incur other indebtedness in order to refinance outstanding
16 bonds or other indebtedness. The corporation may, but is not
17 required to, seek judicial validation of its bonds or other
18 indebtedness under chapter 75. The corporation may issue bonds
19 or incur other indebtedness, or have bonds issued on its
20 behalf by a unit of local government pursuant to subparagraph
21 (g)2., in the absence of a hurricane or other weather-related
22 event, upon a determination by the corporation, subject to
23 approval by the office, that such action would enable it to
24 efficiently meet the financial obligations of the corporation
25 and that such financings are reasonably necessary to
26 effectuate the requirements of this subsection. The
27 corporation is authorized to take all actions needed to
28 facilitate tax-free status for any such bonds or indebtedness,
29 including formation of trusts or other affiliated entities.
30 The corporation shall have the authority to pledge
31 assessments, projected recoveries from the Florida Hurricane

1 Catastrophe Fund, other reinsurance recoverables, market
2 equalization and other surcharges, and other funds available
3 to the corporation as security for bonds or other
4 indebtedness. In recognition of s. 10, Art. I of the State
5 Constitution, prohibiting the impairment of obligations of
6 contracts, it is the intent of the Legislature that no action
7 be taken whose purpose is to impair any bond indenture or
8 financing agreement or any revenue source committed by
9 contract to such bond or other indebtedness.

10 4.a. Must require that the corporation operate subject
11 to the supervision and approval of a board of governors
12 consisting of eight individuals who are residents of this
13 state, from different geographical areas of this state. The
14 Governor, the Chief Financial Officer, the President of the
15 Senate, and the Speaker of the House of Representatives shall
16 each appoint two members of the board. At least one of the two
17 members appointed by each appointing officer must have
18 demonstrated expertise in insurance. The Chief Financial
19 Officer shall designate one of the appointees as chair. All
20 board members serve at the pleasure of the appointing officer.
21 All members of the board of governors are subject to removal
22 at will by the officers who appointed them. All board members,
23 including the chair, must be appointed to serve for 3-year
24 terms beginning annually on a date designated by the plan. Any
25 board vacancy shall be filled for the unexpired term by the
26 appointing officer. The Chief Financial Officer shall appoint
27 a technical advisory group to provide information and advice
28 to the board of governors in connection with the board's
29 duties under this subsection. The executive director and
30 senior managers of the corporation shall be engaged by the
31 board and serve at the pleasure of the board. Any executive

1 | director appointed on or after July 1, 2006, is subject to
2 | confirmation by the Senate. The executive director is
3 | responsible for employing other staff as the corporation may
4 | require, subject to review and concurrence by the board.
5 | b. The board shall create a Market Accountability
6 | Advisory Committee to assist the corporation in developing
7 | awareness of its rates and its customer and agent service
8 | levels in relationship to the voluntary market insurers
9 | writing similar coverage. The members of the advisory
10 | committee shall consist of the following 11 persons, one of
11 | whom must be elected chair by the members of the committee:
12 | four representatives, one appointed by the Florida Association
13 | of Insurance Agents, one by the Florida Association of
14 | Insurance and Financial Advisors, one by the Professional
15 | Insurance Agents of Florida, and one by the Latin American
16 | Association of Insurance Agencies; three representatives
17 | appointed by the insurers with the three highest voluntary
18 | market share of residential property insurance business in the
19 | state; one representative from the Office of Insurance
20 | Regulation; one consumer appointed by the board who is insured
21 | by the corporation at the time of appointment to the
22 | committee; one representative appointed by the Florida
23 | Association of Realtors; and one representative appointed by
24 | the Florida Bankers Association. All members must serve for
25 | 3-year terms and may serve for consecutive terms. The
26 | committee shall report to the corporation at each board
27 | meeting on insurance market issues which may include rates and
28 | rate competition with the voluntary market; service, including
29 | policy issuance, claims processing, and general responsiveness
30 | to policyholders, applicants, and agents; and matters relating
31 | to depopulation.

1 5. Must provide procedures ~~a procedure~~ for determining
2 ~~the eligibility of a risk for coverage~~, as follows:

3 a. Applicants are not ineligible for coverage based on
4 the availability of coverage from the private insurance market
5 or the surplus lines market. An applicant or policyholder may
6 choose to be insured by the corporation even if the applicant
7 or policyholder has another offer of coverage if the risk
8 otherwise meets the underwriting guidelines of the
9 corporation. Subject to the provisions of s. 627.3517, with
10 ~~respect to personal lines residential risks, if the risk is~~
11 ~~offered coverage from an authorized insurer at the insurer's~~
12 ~~approved rate under either a standard policy including wind~~
13 ~~coverage or, if consistent with the insurer's underwriting~~
14 ~~rules as filed with the office, a basic policy including wind~~
15 ~~coverage, for a new application to the corporation for~~
16 ~~coverage, the risk is not eligible for any policy issued by~~
17 ~~the corporation unless the premium for coverage from the~~
18 ~~authorized insurer is more than 25 percent greater than the~~
19 ~~premium for comparable coverage from the corporation. If the~~
20 ~~risk is not able to obtain any such offer, the risk is~~
21 ~~eligible for either a standard policy including wind coverage~~
22 ~~or a basic policy including wind coverage issued by the~~
23 ~~corporation; however, if the risk could not be insured under a~~
24 ~~standard policy including wind coverage regardless of market~~
25 ~~conditions, the risk shall be eligible for a basic policy~~
26 ~~including wind coverage unless rejected under subparagraph 8.~~
27 ~~However, with regard to a policyholder of the corporation, the~~
28 ~~policyholder remains eligible for coverage from the~~
29 ~~corporation regardless of any offer of coverage from an~~
30 ~~authorized insurer or surplus lines insurer. The corporation~~
31 ~~shall determine the type of policy to be provided on the basis~~

1 ~~of objective standards specified in the underwriting manual~~
2 ~~and based on generally accepted underwriting practices.~~

3 (I) If the risk accepts an offer of coverage through
4 the market assistance plan or an offer of coverage through a
5 mechanism established by the corporation before a policy is
6 issued to the risk by the corporation or during the first 30
7 days of coverage by the corporation, and the producing agent
8 who submitted the application to the plan or to the
9 corporation is not currently appointed by the insurer, the
10 insurer shall:

11 (A) Pay to the producing agent of record of the
12 policy, for the first year, an amount that is the greater of
13 the insurer's usual and customary commission for the type of
14 policy written or a fee equal to the usual and customary
15 commission of the corporation; or

16 (B) Offer to allow the producing agent of record of
17 the policy to continue servicing the policy for a period of
18 not less than 1 year and offer to pay the agent the greater of
19 the insurer's or the corporation's usual and customary
20 commission for the type of policy written.

21
22 If the producing agent is unwilling or unable to accept
23 appointment, the new insurer shall pay the agent in accordance
24 with sub-sub-sub-subparagraph (A).

25 (II) When the corporation enters into a contractual
26 agreement for a take-out plan, the producing agent of record
27 of the corporation policy is entitled to retain any unearned
28 commission on the policy, and the insurer shall:

29 (A) Pay to the producing agent of record of the
30 corporation policy, for the first year, an amount that is the
31 greater of the insurer's usual and customary commission for

1 the type of policy written or a fee equal to the usual and
2 customary commission of the corporation; or

3 (B) Offer to allow the producing agent of record of
4 the corporation policy to continue servicing the policy for a
5 period of not less than 1 year and offer to pay the agent the
6 greater of the insurer's or the corporation's usual and
7 customary commission for the type of policy written.

8
9 If the producing agent is unwilling or unable to accept
10 appointment, the new insurer shall pay the agent in accordance
11 with sub-sub-sub-subparagraph (A).

12 ~~b. With respect to commercial lines residential risks,~~
13 ~~for a new application to the corporation for coverage, if the~~
14 ~~risk is offered coverage under a policy including wind~~
15 ~~coverage from an authorized insurer at its approved rate, the~~
16 ~~risk is not eligible for any policy issued by the corporation~~
17 ~~unless the premium for coverage from the authorized insurer is~~
18 ~~more than 25 percent greater than the premium for comparable~~
19 ~~coverage from the corporation. If the risk is not able to~~
20 ~~obtain any such offer, the risk is eligible for a policy~~
21 ~~including wind coverage issued by the corporation. However,~~
22 ~~with regard to a policyholder of the corporation, the~~
23 ~~policyholder remains eligible for coverage from the~~
24 ~~corporation regardless of any offer of coverage from an~~
25 ~~authorized insurer or surplus lines insurer.~~

26 b.(I) If the risk accepts an offer of coverage through
27 the market assistance plan or an offer of coverage through a
28 mechanism established by the corporation before a policy is
29 issued to the risk by the corporation or during the first 30
30 days of coverage by the corporation, and the producing agent

31

1 who submitted the application to the plan or the corporation
2 is not currently appointed by the insurer, the insurer shall:

3 ~~(I)(A)~~ Pay to the producing agent of record of the
4 policy, for the first year, an amount that is the greater of
5 the insurer's usual and customary commission for the type of
6 policy written or a fee equal to the usual and customary
7 commission of the corporation; or

8 ~~(II)(B)~~ Offer to allow the producing agent of record
9 of the policy to continue servicing the policy for a period of
10 not less than 1 year and offer to pay the agent the greater of
11 the insurer's or the corporation's usual and customary
12 commission for the type of policy written.

13
14 If the producing agent is unwilling or unable to accept
15 appointment, the new insurer shall pay the agent in accordance
16 with sub-sub-subparagraph (I) ~~sub sub sub subparagraph (A)~~.

17 ~~c.(II)~~ When the corporation enters into a contractual
18 agreement for a take-out plan, the producing agent of record
19 of the corporation policy is entitled to retain any unearned
20 commission on the policy, and the insurer shall:

21 ~~(I)(A)~~ Pay to the producing agent of record of the
22 corporation policy, for the first year, an amount that is the
23 greater of the insurer's usual and customary commission for
24 the type of policy written or a fee equal to the usual and
25 customary commission of the corporation; or

26 ~~(II)(B)~~ Offer to allow the producing agent of record
27 of the corporation policy to continue servicing the policy for
28 a period of not less than 1 year and offer to pay the agent
29 the greater of the insurer's or the corporation's usual and
30 customary commission for the type of policy written.

31

1 If the producing agent is unwilling or unable to accept
2 appointment, the new insurer shall pay the agent in accordance
3 with sub-sub-subparagraph (I) ~~sub-sub-sub-subparagraph (A)~~.

4 6. Must provide by July 1, 2007, that an application
5 for coverage for a new policy is subject to a waiting period
6 of 10 days before coverage is effective, during which time the
7 corporation shall make such application available for review
8 by general lines agents and authorized property and casualty
9 insurers. The board shall approve an exception that allows for
10 coverage to be effective before the end of the 10-day waiting
11 period, for coverage issued in conjunction with a real estate
12 closing. The board may approve such other exceptions as the
13 board determines are necessary to prevent lapses in coverage.

14 7. Must include rules for classifications of risks and
15 rates therefor.

16 8. Must provide that if premium and investment income
17 for an account attributable to a particular calendar year are
18 in excess of projected losses and expenses for the account
19 attributable to that year, such excess shall be held in
20 surplus in the account. Such surplus shall be available to
21 defray deficits in that account as to future years and shall
22 be used for that purpose prior to assessing assessable
23 insurers and assessable insureds as to any calendar year.

24 9. Must provide objective criteria and procedures to
25 be uniformly applied for all applicants in determining whether
26 an individual risk is eligible for coverage ~~so hazardous as to~~
27 ~~be uninsurable~~. In making this determination and in
28 establishing the criteria and procedures, the following shall
29 be considered:

30
31

1 a. Whether the likelihood of a loss for the individual
2 risk is ~~substantially~~ higher than for other risks of the same
3 class; and

4 b. Whether the applicant has taken such actions as are
5 reasonably necessary, as specified by the corporation, to
6 reduce the risk of loss ~~uncertainty associated with the~~
7 ~~individual risk is such that an appropriate premium cannot be~~
8 ~~determined.~~

9
10 The acceptance or rejection of a risk by the corporation shall
11 be construed as the private placement of insurance, and the
12 provisions of chapter 120 shall not apply.

13 10. Must provide that the corporation shall make its
14 best efforts to procure catastrophe reinsurance at reasonable
15 rates, to cover its projected 100-year probable maximum loss
16 as determined by the board of governors.

17 11. Must provide that in the event of regular deficit
18 assessments under sub-subparagraph (b)3.a. or sub-subparagraph
19 (b)3.b., in the personal lines account, the commercial lines
20 residential account, or the high-risk account, the corporation
21 shall levy upon corporation policyholders in its next rate
22 filing, or by a separate rate filing solely for this purpose,
23 a Citizens policyholder surcharge arising from a regular
24 assessment in such account in a percentage equal to the total
25 amount of such regular assessments divided by the aggregate
26 statewide direct written premium for subject lines of business
27 for the prior calendar year. For purposes of calculating the
28 Citizens policyholder surcharge to be levied under this
29 subparagraph, the total amount of the regular assessment to
30 which this surcharge is related shall be determined as set
31 forth in subparagraph (b)3., without deducting the estimated

1 Citizens policyholder surcharge. Citizens policyholder
2 surcharges under this subparagraph are not considered premium
3 and are not subject to commissions, fees, or premium taxes;
4 however, failure to pay a market equalization surcharge shall
5 be treated as failure to pay premium.

6 ~~12. The policies issued by the corporation must~~
7 ~~provide that, if the corporation or the market assistance plan~~
8 ~~obtains an offer from an authorized insurer to cover the risk~~
9 ~~at its approved rates, the risk is no longer eligible for~~
10 ~~renewal through the corporation, except as otherwise provided~~
11 ~~in this subsection.~~

12 ~~13. Corporation policies and applications must include~~
13 ~~a notice that the corporation policy could, under this~~
14 ~~section, be replaced with a policy issued by an authorized~~
15 ~~insurer that does not provide coverage identical to the~~
16 ~~coverage provided by the corporation. The notice shall also~~
17 ~~specify that acceptance of corporation coverage creates a~~
18 ~~conclusive presumption that the applicant or policyholder is~~
19 ~~aware of this potential.~~

20 12.14. May establish, subject to approval by the
21 office, different eligibility requirements and operational
22 procedures for any line or type of coverage for any specified
23 county or area if the board determines that such changes to
24 the eligibility requirements and operational procedures are
25 justified due to the voluntary market being sufficiently
26 stable and competitive in such area or for such line or type
27 of coverage and that consumers who, in good faith, are unable
28 to obtain insurance through the voluntary market through
29 ordinary methods would continue to have access to coverage
30 from the corporation. When coverage is sought in connection
31 with a real property transfer, such requirements and

1 | procedures shall not provide for an effective date of coverage
2 | later than the date of the closing of the transfer as
3 | established by the transferor, the transferee, and, if
4 | applicable, the lender.

5 | ~~13.15-~~ Must provide that, with respect to the
6 | high-risk account, any assessable insurer with a surplus as to
7 | policyholders of \$25 million or less writing 25 percent or
8 | more of its total countrywide property insurance premiums in
9 | this state may petition the office, within the first 90 days
10 | of each calendar year, to qualify as a limited apportionment
11 | company. A regular assessment levied by the corporation on a
12 | limited apportionment company for a deficit incurred by the
13 | corporation for the high-risk account in 2006 or thereafter
14 | may be paid to the corporation on a monthly basis as the
15 | assessments are collected by the limited apportionment company
16 | from its insureds pursuant to s. 627.3512, but the regular
17 | assessment must be paid in full within 12 months after being
18 | levied by the corporation. A limited apportionment company
19 | shall collect from its policyholders any emergency assessment
20 | imposed under sub-subparagraph (b)3.d. The plan shall provide
21 | that, if the office determines that any regular assessment
22 | will result in an impairment of the surplus of a limited
23 | apportionment company, the office may direct that all or part
24 | of such assessment be deferred as provided in subparagraph
25 | (g)4. However, there shall be no limitation or deferment of an
26 | emergency assessment to be collected from policyholders under
27 | sub-subparagraph (b)3.d.

28 | ~~14.16-~~ Must provide that the corporation appoint as
29 | its licensed agents only those agents who also hold an
30 | appointment as defined in s. 626.015(3) with an insurer who at
31 | the time of the agent's initial appointment by the corporation

1 is authorized to write and is actually writing personal lines
2 residential property coverage, commercial residential property
3 coverage, or commercial nonresidential property coverage
4 within the state.

5 ~~15.17.~~ Must provide, by July 1, 2007, a premium
6 payment plan option to its policyholders which allows for
7 quarterly and semiannual payment of premiums.

8 ~~16.18.~~ Must provide, effective June 1, 2007, that the
9 corporation contract with each insurer providing the non-wind
10 coverage for risks insured by the corporation in the high-risk
11 account, requiring that the insurer provide claims adjusting
12 services for the wind coverage provided by the corporation for
13 such risks. An insurer is required to enter into this contract
14 as a condition of providing non-wind coverage for a risk that
15 is insured by the corporation in the high-risk account unless
16 the board finds, after a hearing, that the insurer is not
17 capable of providing adjusting services at an acceptable level
18 of quality to corporation policyholders. The terms and
19 conditions of such contracts must be substantially the same as
20 the contracts that the corporation executed with insurers
21 under the "adjust-your-own" program in 2006, except as may be
22 mutually agreed to by the parties and except for such changes
23 that the board determines are necessary to ensure that claims
24 are adjusted appropriately. The corporation shall provide a
25 process for neutral arbitration of any dispute between the
26 corporation and the insurer regarding the terms of the
27 contract. The corporation shall review and monitor the
28 performance of insurers under these contracts.

29 ~~17.19.~~ Must limit coverage on mobile homes or
30 manufactured homes built prior to 1994 to actual cash value of
31 the dwelling rather than replacement costs of the dwelling.

1 ~~18.20.~~ May provide such limits of coverage as the
2 board determines, consistent with the requirements of this
3 subsection.

4 ~~19.21.~~ May require commercial property to meet
5 specified hurricane mitigation construction features as a
6 condition of eligibility for coverage.

7 Section 2. Effective January 1, 2008, and
8 notwithstanding any other provision of law:

9 (1) A new certificate of authority for the transaction
10 of residential property insurance may not be issued to any
11 insurer domiciled in this state that is a wholly owned
12 subsidiary of an insurer authorized to do business in any
13 other state.

14 (2)(a) The existing certificate of authority for the
15 transaction of residential property insurance held by any
16 insurer domiciled in this state that is a wholly owned
17 subsidiary of an insurer authorized to do business in any
18 other state shall expire at the end of its period of
19 validation and may not be renewed or reissued by the Office of
20 Insurance Regulation or the Financial Services Commission.

21 (b) The rate filings of any insurer domiciled in this
22 state that is a wholly owned subsidiary of an insurer
23 authorized to do business in any other state shall include
24 information relating to the profits of the parent company of
25 the insurer domiciled in this state.

26 Section 3. Except as otherwise expressly provided in
27 this act, this act shall take effect upon becoming a law.
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SENATE SUMMARY

Authorizes the Citizens Property Insurance Corporation to offer multiperil coverage, wind-only coverage, or both types of coverage in the high-risk account. Authorizes a policyholder to choose coverage from the corporation regardless of the availability of other coverage under certain circumstances. Deletes certain limitations on eligibility for a policy issued by the corporation. Revises requirements for the corporation in determining whether an individual risk is eligible for coverage. Deletes provisions providing that a policyholder is no longer eligible for coverage if an authorized insurer offers coverage at an approved rate. (See bill for details.)