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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
04/13/2010	.	
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The Committee on General Government Appropriations (Dean)
recommended the following:

Senate Amendment (with title amendment)

Between lines 1298 and 1299
insert:
Section 8. Section 627.43141, Florida Statutes, is created
to read:
627.43141 Notice of change in policy terms.-
(1) As used in this section, the term:
(a) "Change in policy terms" means the modification,
addition, or deletion of any term, coverage, duty, or condition
from the previous policy. The correction of typographical or
scrivener's errors or the application of mandated legislative



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13 changes is not a change in policy terms.

14 (b) "Policy" means a written contract of personal lines
15 insurance or a written agreement for insurance, or the
16 certificate of such insurance, by whatever name called, and
17 includes all clauses, riders, endorsements, and papers that are
18 a part of such policy. The term does not include a binder as
19 defined in s. 627.420 unless the duration of the binder period
20 exceeds 60 days.

21 (c) "Renewal" means the issuance and delivery by an insurer
22 of a policy superseding at the end of the policy period a policy
23 previously issued and delivered by the same insurer or the
24 issuance and delivery of a certificate or notice extending the
25 term of a policy beyond its policy period or term. Any policy
26 that has a policy period or term of less than 6 months or any
27 policy that does not have a fixed expiration date shall, for
28 purposes of this section, be considered as written for
29 successive policy periods or terms of 6 months.

30 (2) A renewal policy may contain a change in policy terms.
31 If a renewal policy contains a change in policy terms, the
32 insurer shall give the named insured a written notice of the
33 change in policy terms, which must be enclosed along with the
34 written notice of renewal premium required by ss. 627.4133 and
35 627.728. Such notice should be entitled "Notice of Change in
36 Policy Terms."

37 (3) Although not required, proof of mailing or registered
38 mailing through the United States Postal Service of the Notice
39 of Change in Policy Terms to the named insured at the address
40 shown in the policy is sufficient proof of notice.

41 (4) Receipt of payment of the premium for the renewal



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42 policy by the insurer is deemed to be acceptance of the new
43 policy terms by the named insured.

44 (5) If an insurer fails to provide the notice required in
45 subsection (2), the original policy terms shall remain in effect
46 until the next renewal and the proper service of the notice or
47 until the effective date of replacement coverage obtained by the
48 named insured, whichever occurs first.

49 (6) The intent of this section is to:

50 (a) Allow an insurer to make a change in policy terms
51 without nonrenewing policyholders that the insurer wishes to
52 continue insuring.

53 (b) Alleviate concern and confusion to the policyholder
54 caused by the required policy nonrenewal for the limited issue
55 when an insurer intends to renew the insurance policy but the
56 new policy contains a change in policy terms.

57 (c) Encourage policyholders to discuss their coverages with
58 their insurance agents.

59
60 ===== T I T L E A M E N D M E N T =====

61 And the title is amended as follows:

62 Delete line 98

63 and insert:

64 circumstances; creating s. 627.41341, F.S.; providing
65 definitions; requiring the delivery of a "Notice of
66 Change in Policy Terms" under certain circumstances;
67 specifying requirements for such notice; specifying
68 actions constituting proof of notice; authorizing
69 policy renewals to contain a change in policy terms;
70 providing that receipt of payment by an insurer is



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71 deemed acceptance of new policy terms by an insured;
72 providing that the original policy remains in effect
73 until the occurrence of specified events if an insurer
74 fails to provide notice; providing intent; amending s.
75 627.7011, F.S.; authorizing