

Amendment No.

CHAMBER ACTION

Senate

House

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Representative Horner offered the following:

**Amendment (with title amendment)**

Remove lines 425-439 and insert:

Section 8. Section 626.9201, Florida Statutes, is amended to read:

626.9201 Notice of cancellation or nonrenewal.-

(1) An insurer issuing a policy providing coverage for property, casualty, surety, or marine insurance must ~~shall~~ give the first named insured at least 45 days' advance written notice of nonrenewal. If the policy is not to be renewed, the written notice shall state the ~~reason or~~ reasons as to why the policy is not to be renewed. This subsection does not apply:

(a) If the insurer has manifested its willingness to renew, and the offer is not rescinded prior to expiration of the policy; or

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17        (b) If a notice of cancellation for nonpayment of premium  
18 is provided under subsection (2).

19        (2) An insurer issuing a policy providing coverage for  
20 property, casualty, surety, or marine insurance must ~~shall~~ give  
21 the named insured written notice of cancellation or termination  
22 other than nonrenewal at least 45 days before ~~prior to~~ the  
23 effective date of the cancellation or termination, including in  
24 the written notice the ~~reason or~~ reasons for the cancellation or  
25 termination, except that:

26        (a) If ~~When~~ cancellation is for nonpayment of premium, at  
27 least 10 days' written notice of cancellation accompanied by the  
28 reason for cancellation must ~~therefor~~ shall be given. As used in  
29 this paragraph, the term "nonpayment of premium" means the  
30 failure of the named insured to discharge when due any of his or  
31 her obligations in connection with the payment of premiums on a  
32 policy or an installment of such a premium, whether the premium  
33 or installment is payable directly to the insurer or its agent  
34 or indirectly under any plan for financing premiums or extension  
35 of credit or the failure of the named insured to maintain  
36 membership in an organization if such membership is a condition  
37 precedent to insurance coverage. The term also includes the  
38 failure of a financial institution to honor the check of an  
39 applicant for insurance which was delivered to a licensed agent  
40 for payment of a premium, even if the agent previously delivered  
41 or transferred the premium to the insurer. If a correctly  
42 dishonored check represents payment of the initial premium, the  
43 contract and all contractual obligations are void ab initio  
44 unless the nonpayment is cured within the earlier of 5 days

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45 after actual notice by certified mail is received by the  
46 applicant or 15 days after notice is sent to the applicant by  
47 certified mail or registered mail, and, if the contract is void,  
48 any premium received by the insurer from a third party shall be  
49 refunded to that party in full; and

50 (b) If ~~When such~~ cancellation or termination occurs during  
51 the first 90 days during which the insurance is in force and if  
52 the insurance is canceled or terminated for reasons other than  
53 nonpayment, at least 20 days' written notice of cancellation or  
54 termination accompanied by the reason for cancellation or  
55 termination must ~~therefor shall~~ be given, except if ~~where~~ there  
56 has been a material misstatement or misrepresentation or failure  
57 to comply with the underwriting requirements established by the  
58 insurer.

59 (3) If an insurer fails to provide the ~~45-day or 20-day~~  
60 written notice as required under this section, the coverage  
61 provided to the named insured remains ~~shall remain~~ in effect  
62 until 45 days after the notice is given or until the effective  
63 date of replacement coverage obtained by the named insured,  
64 whichever occurs first. The premium for the coverage remains  
65 ~~shall remain~~ the same during any such extension period.

66 Section 9. Paragraphs (a) and (h) of subsection (1) of  
67 section 626.9541, Florida Statutes, are amended to read:

68 626.9541 Unfair methods of competition and unfair or  
69 deceptive acts or practices defined.—

70 (1) UNFAIR METHODS OF COMPETITION AND UNFAIR OR DECEPTIVE  
71 ACTS.—The following are defined as unfair methods of competition  
72 and unfair or deceptive acts or practices:

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73 (a) Misrepresentations and false advertising of insurance  
74 policies.—Knowingly making, issuing, circulating, or causing to  
75 be made, issued, or circulated, any estimate, illustration,  
76 circular, statement, sales presentation, omission, ~~or~~  
77 comparison, or property and casualty certificate of insurance  
78 altered after being issued, which:  
79

80 -----  
81 **T I T L E A M E N D M E N T**

82 Remove line 30 and insert:  
83 placing coverage in the surplus lines market; amending s.  
84 626.9201, F.S.; providing specified exemptions from the  
85 requirement that an insurer provide notification of nonrenewal  
86 to an insured; amending