

1                                   A bill to be entitled  
 2           An act relating to manufactured and mobile homes;  
 3           amending s. 627.351, F.S.; requiring the Citizens  
 4           Property Insurance Corporation to provide coverage for  
 5           mobile homes and related structures; amending s.  
 6           723.06115, F.S.; specifying the procedure for  
 7           requesting and obtaining funds from the Florida Mobile  
 8           Home Relocation Trust Fund to pay for the operational  
 9           costs of the Florida Mobile Home Relocation  
 10          Corporation and the relocation costs of mobile home  
 11          owners; providing an effective date.

12  
 13 Be It Enacted by the Legislature of the State of Florida:

14  
 15           Section 1. Paragraph (c) of subsection (6) of section  
 16   627.351, Florida Statutes, is amended to read:

17           627.351 Insurance risk apportionment plans.—

18           (6) CITIZENS PROPERTY INSURANCE CORPORATION.—

19           (c) The corporation's plan of operation:

20           1. Must provide for adoption of residential property and  
 21   casualty insurance policy forms and commercial residential and  
 22   nonresidential property insurance forms, which must be approved  
 23   by the office before use. The corporation shall adopt the  
 24   following policy forms:

25           a. Standard personal lines policy forms that are  
 26   comprehensive multiperil policies providing full coverage of a  
 27   residential property equivalent to the coverage provided in the  
 28   private insurance market under an HO-3, HO-4, or HO-6 policy.

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29 |           b. Basic personal lines policy forms that are policies  
30 | similar to an HO-8 policy or a dwelling fire policy that provide  
31 | coverage meeting the requirements of the secondary mortgage  
32 | market, but which is more limited than the coverage under a  
33 | standard policy.

34 |           c. Commercial lines residential and nonresidential policy  
35 | forms that are generally similar to the basic perils of full  
36 | coverage obtainable for commercial residential structures and  
37 | commercial nonresidential structures in the admitted voluntary  
38 | market.

39 |           d. Personal lines and commercial lines residential  
40 | property insurance forms that cover the peril of wind only. The  
41 | forms are applicable only to residential properties located in  
42 | areas eligible for coverage under the coastal account referred  
43 | to in sub-subparagraph (b)2.a.

44 |           e. Commercial lines nonresidential property insurance  
45 | forms that cover the peril of wind only. The forms are  
46 | applicable only to nonresidential properties located in areas  
47 | eligible for coverage under the coastal account referred to in  
48 | sub-subparagraph (b)2.a.

49 |           f. The corporation may adopt variations of the policy  
50 | forms listed in sub-subparagraphs a.-e. which contain more  
51 | restrictive coverage.

52 |           g. Effective January 1, 2013, the corporation shall offer  
53 | a basic personal lines policy similar to an HO-8 policy with  
54 | dwelling repair based on common construction materials and  
55 | methods.

56 |           2. Must provide that the corporation adopt a program in

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57 | which the corporation and authorized insurers enter into quota  
58 | share primary insurance agreements for hurricane coverage, as  
59 | defined in s. 627.4025(2)(a), for eligible risks, and adopt  
60 | property insurance forms for eligible risks which cover the  
61 | peril of wind only.

62 | a. As used in this subsection, the term:

63 | (I) "Quota share primary insurance" means an arrangement  
64 | in which the primary hurricane coverage of an eligible risk is  
65 | provided in specified percentages by the corporation and an  
66 | authorized insurer. The corporation and authorized insurer are  
67 | each solely responsible for a specified percentage of hurricane  
68 | coverage of an eligible risk as set forth in a quota share  
69 | primary insurance agreement between the corporation and an  
70 | authorized insurer and the insurance contract. The  
71 | responsibility of the corporation or authorized insurer to pay  
72 | its specified percentage of hurricane losses of an eligible  
73 | risk, as set forth in the agreement, may not be altered by the  
74 | inability of the other party to pay its specified percentage of  
75 | losses. Eligible risks that are provided hurricane coverage  
76 | through a quota share primary insurance arrangement must be  
77 | provided policy forms that set forth the obligations of the  
78 | corporation and authorized insurer under the arrangement,  
79 | clearly specify the percentages of quota share primary insurance  
80 | provided by the corporation and authorized insurer, and  
81 | conspicuously and clearly state that the authorized insurer and  
82 | the corporation may not be held responsible beyond their  
83 | specified percentage of coverage of hurricane losses.

84 | (II) "Eligible risks" means personal lines residential and

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85 commercial lines residential risks that meet the underwriting  
86 criteria of the corporation and are located in areas that were  
87 eligible for coverage by the Florida Windstorm Underwriting  
88 Association on January 1, 2002.

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

92 c. If the corporation determines that additional coverage  
93 levels are necessary to maximize participation in quota share  
94 primary insurance agreements by authorized insurers, the  
95 corporation may establish additional coverage levels. However,  
96 the corporation's quota share primary insurance coverage level  
97 may not exceed 90 percent.

98 d. Any quota share primary insurance agreement entered  
99 into between an authorized insurer and the corporation must  
100 provide for a uniform specified percentage of coverage of  
101 hurricane losses, by county or territory as set forth by the  
102 corporation board, for all eligible risks of the authorized  
103 insurer covered under the agreement.

104 e. Any quota share primary insurance agreement entered  
105 into between an authorized insurer and the corporation is  
106 subject to review and approval by the office. However, such  
107 agreement shall be authorized only as to insurance contracts  
108 entered into between an authorized insurer and an insured who is  
109 already insured by the corporation for wind coverage.

110 f. For all eligible risks covered under quota share  
111 primary insurance agreements, the exposure and coverage levels  
112 for both the corporation and authorized insurers shall be

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113 reported by the corporation to the Florida Hurricane Catastrophe  
114 Fund. For all policies of eligible risks covered under such  
115 agreements, the corporation and the authorized insurer must  
116 maintain complete and accurate records for the purpose of  
117 exposure and loss reimbursement audits as required by fund  
118 rules. The corporation and the authorized insurer shall each  
119 maintain duplicate copies of policy declaration pages and  
120 supporting claims documents.

121 g. The corporation board shall establish in its plan of  
122 operation standards for quota share agreements which ensure that  
123 there is no discriminatory application among insurers as to the  
124 terms of the agreements, pricing of the agreements, incentive  
125 provisions if any, and consideration paid for servicing policies  
126 or adjusting claims.

127 h. The quota share primary insurance agreement between the  
128 corporation and an authorized insurer must set forth the  
129 specific terms under which coverage is provided, including, but  
130 not limited to, the sale and servicing of policies issued under  
131 the agreement by the insurance agent of the authorized insurer  
132 producing the business, the reporting of information concerning  
133 eligible risks, the payment of premium to the corporation, and  
134 arrangements for the adjustment and payment of hurricane claims  
135 incurred on eligible risks by the claims adjuster and personnel  
136 of the authorized insurer. Entering into a quota sharing  
137 insurance agreement between the corporation and an authorized  
138 insurer is voluntary and at the discretion of the authorized  
139 insurer.

140 3.a. May provide that the corporation may employ or

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141 otherwise contract with individuals or other entities to provide  
142 administrative or professional services that may be appropriate  
143 to effectuate the plan. The corporation may borrow funds by  
144 issuing bonds or by incurring other indebtedness, and shall have  
145 other powers reasonably necessary to effectuate the requirements  
146 of this subsection, including, without limitation, the power to  
147 issue bonds and incur other indebtedness in order to refinance  
148 outstanding bonds or other indebtedness. The corporation may  
149 seek judicial validation of its bonds or other indebtedness  
150 under chapter 75. The corporation may issue bonds or incur other  
151 indebtedness, or have bonds issued on its behalf by a unit of  
152 local government pursuant to subparagraph (q)2. in the absence  
153 of a hurricane or other weather-related event, upon a  
154 determination by the corporation, subject to approval by the  
155 office, that such action would enable it to efficiently meet the  
156 financial obligations of the corporation and that such  
157 financings are reasonably necessary to effectuate the  
158 requirements of this subsection. The corporation may take all  
159 actions needed to facilitate tax-free status for such bonds or  
160 indebtedness, including formation of trusts or other affiliated  
161 entities. The corporation may pledge assessments, projected  
162 recoveries from the Florida Hurricane Catastrophe Fund, other  
163 reinsurance recoverables, policyholder surcharges and other  
164 surcharges, and other funds available to the corporation as  
165 security for bonds or other indebtedness. In recognition of s.  
166 10, Art. I of the State Constitution, prohibiting the impairment  
167 of obligations of contracts, it is the intent of the Legislature  
168 that no action be taken whose purpose is to impair any bond

169 | indenture or financing agreement or any revenue source committed  
170 | by contract to such bond or other indebtedness.

171 |       b. To ensure that the corporation is operating in an  
172 | efficient and economic manner while providing quality service to  
173 | policyholders, applicants, and agents, the board shall  
174 | commission an independent third-party consultant having  
175 | expertise in insurance company management or insurance company  
176 | management consulting to prepare a report and make  
177 | recommendations on the relative costs and benefits of  
178 | outsourcing various policy issuance and service functions to  
179 | private servicing carriers or entities performing similar  
180 | functions in the private market for a fee, rather than  
181 | performing such functions in-house. In making such  
182 | recommendations, the consultant shall consider how other  
183 | residual markets, both in this state and around the country,  
184 | outsource appropriate functions or use servicing carriers to  
185 | better match expenses with revenues that fluctuate based on a  
186 | widely varying policy count. The report must be completed by  
187 | July 1, 2012. Upon receiving the report, the board shall develop  
188 | a plan to implement the report and submit the plan for review,  
189 | modification, and approval to the Financial Services Commission.  
190 | Upon the commission's approval of the plan, the board shall  
191 | begin implementing the plan by January 1, 2013.

192 |       4. Must require that the corporation operate subject to  
193 | the supervision and approval of a board of governors consisting  
194 | of eight individuals who are residents of this state, from  
195 | different geographical areas of this state.

196 |       a. The Governor, the Chief Financial Officer, the

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197 President of the Senate, and the Speaker of the House of  
198 Representatives shall each appoint two members of the board. At  
199 least one of the two members appointed by each appointing  
200 officer must have demonstrated expertise in insurance and ~~is~~  
201 deemed to be within the scope of the exemption provided in s.  
202 112.313(7)(b). The Chief Financial Officer shall designate one  
203 of the appointees as chair. All board members serve at the  
204 pleasure of the appointing officer. All members of the board are  
205 subject to removal at will by the officers who appointed them.  
206 All board members, including the chair, must be appointed to  
207 serve for 3-year terms beginning annually on a date designated  
208 by the plan. However, for the first term beginning on or after  
209 July 1, 2009, each appointing officer shall appoint one member  
210 of the board for a 2-year term and one member for a 3-year term.  
211 A board vacancy shall be filled for the unexpired term by the  
212 appointing officer. The Chief Financial Officer shall appoint a  
213 technical advisory group to provide information and advice to  
214 the board in connection with the board's duties under this  
215 subsection. The executive director and senior managers of the  
216 corporation shall be engaged by the board and serve at the  
217 pleasure of the board. Any executive director appointed on or  
218 after July 1, 2006, is subject to confirmation by the Senate.  
219 The executive director is responsible for employing other staff  
220 as the corporation may require, subject to review and  
221 concurrence by the board.

222       b. The board shall create a Market Accountability Advisory  
223 Committee to assist the corporation in developing awareness of  
224 its rates and its customer and agent service levels in

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225 relationship to the voluntary market insurers writing similar  
226 coverage.

227 (I) The members of the advisory committee consist of the  
228 following 11 persons, one of whom must be elected chair by the  
229 members of the committee: four representatives, one appointed by  
230 the Florida Association of Insurance Agents, one by the Florida  
231 Association of Insurance and Financial Advisors, one by the  
232 Professional Insurance Agents of Florida, and one by the Latin  
233 American Association of Insurance Agencies; three  
234 representatives appointed by the insurers with the three highest  
235 voluntary market share of residential property insurance  
236 business in the state; one representative from the Office of  
237 Insurance Regulation; one consumer appointed by the board who is  
238 insured by the corporation at the time of appointment to the  
239 committee; one representative appointed by the Florida  
240 Association of Realtors; and one representative appointed by the  
241 Florida Bankers Association. All members shall be appointed to  
242 3-year terms and may serve for consecutive terms.

243 (II) The committee shall report to the corporation at each  
244 board meeting on insurance market issues which may include rates  
245 and rate competition with the voluntary market; service,  
246 including policy issuance, claims processing, and general  
247 responsiveness to policyholders, applicants, and agents; and  
248 matters relating to depopulation.

249 5. Must provide a procedure for determining the  
250 eligibility of a risk for coverage, as follows:

251 a. Subject to s. 627.3517, with respect to personal lines  
252 residential risks, if the risk is offered coverage from an

253 | authorized insurer at the insurer's approved rate under a  
254 | standard policy including wind coverage or, if consistent with  
255 | the insurer's underwriting rules as filed with the office, a  
256 | basic policy including wind coverage, for a new application to  
257 | the corporation for coverage, the risk is not eligible for any  
258 | policy issued by the corporation unless the premium for coverage  
259 | from the authorized insurer is more than 15 percent greater than  
260 | the premium for comparable coverage from the corporation. If the  
261 | risk is not able to obtain such offer, the risk is eligible for  
262 | a standard policy including wind coverage or a basic policy  
263 | including wind coverage issued by the corporation; however, if  
264 | the risk could not be insured under a standard policy including  
265 | wind coverage regardless of market conditions, the risk is  
266 | eligible for a basic policy including wind coverage unless  
267 | rejected under subparagraph 8. However, a policyholder of the  
268 | corporation or a policyholder removed from the corporation  
269 | through an assumption agreement until the end of the assumption  
270 | period remains eligible for coverage from the corporation  
271 | regardless of any offer of coverage from an authorized insurer  
272 | or surplus lines insurer. The corporation shall determine the  
273 | type of policy to be provided on the basis of objective  
274 | standards specified in the underwriting manual and based on  
275 | generally accepted underwriting practices.

276 | (I) If the risk accepts an offer of coverage through the  
277 | market assistance plan or through a mechanism established by the  
278 | corporation before a policy is issued to the risk by the  
279 | corporation or during the first 30 days of coverage by the  
280 | corporation, and the producing agent who submitted the

281 application to the plan or to the corporation is not currently  
 282 appointed by the insurer, the insurer shall:

283 (A) Pay to the producing agent of record of the policy for  
 284 the first year, an amount that is the greater of the insurer's  
 285 usual and customary commission for the type of policy written or  
 286 a fee equal to the usual and customary commission of the  
 287 corporation; or

288 (B) Offer to allow the producing agent of record of the  
 289 policy to continue servicing the policy for at least 1 year and  
 290 offer to pay the agent the greater of the insurer's or the  
 291 corporation's usual and customary commission for the type of  
 292 policy written.

293  
 294 If the producing agent is unwilling or unable to accept  
 295 appointment, the new insurer shall pay the agent in accordance  
 296 with sub-sub-sub-subparagraph (A).

297 (II) If the corporation enters into a contractual  
 298 agreement for a take-out plan, the producing agent of record of  
 299 the corporation policy is entitled to retain any unearned  
 300 commission on the policy, and the insurer shall:

301 (A) Pay to the producing agent of record, for the first  
 302 year, an amount that is the greater of the insurer's usual and  
 303 customary commission for the type of policy written or a fee  
 304 equal to the usual and customary commission of the corporation;  
 305 or

306 (B) Offer to allow the producing agent of record to  
 307 continue servicing the policy for at least 1 year and offer to  
 308 pay the agent the greater of the insurer's or the corporation's

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309 usual and customary commission for the type of policy written.

310

311 If the producing agent is unwilling or unable to accept  
312 appointment, the new insurer shall pay the agent in accordance  
313 with sub-sub-sub-subparagraph (A).

314 b. With respect to commercial lines residential risks, for  
315 a new application to the corporation for coverage, if the risk  
316 is offered coverage under a policy including wind coverage from  
317 an authorized insurer at its approved rate, the risk is not  
318 eligible for a policy issued by the corporation unless the  
319 premium for coverage from the authorized insurer is more than 15  
320 percent greater than the premium for comparable coverage from  
321 the corporation. If the risk is not able to obtain any such  
322 offer, the risk is eligible for a policy including wind coverage  
323 issued by the corporation. However, a policyholder of the  
324 corporation or a policyholder removed from the corporation  
325 through an assumption agreement until the end of the assumption  
326 period remains eligible for coverage from the corporation  
327 regardless of an offer of coverage from an authorized insurer or  
328 surplus lines insurer.

329 (I) If the risk accepts an offer of coverage through the  
330 market assistance plan or through a mechanism established by the  
331 corporation before a policy is issued to the risk by the  
332 corporation or during the first 30 days of coverage by the  
333 corporation, and the producing agent who submitted the  
334 application to the plan or the corporation is not currently  
335 appointed by the insurer, the insurer shall:

336 (A) Pay to the producing agent of record of the policy,

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337 | for the first year, an amount that is the greater of the  
338 | insurer's usual and customary commission for the type of policy  
339 | written or a fee equal to the usual and customary commission of  
340 | the corporation; or

341 |       (B) Offer to allow the producing agent of record of the  
342 | policy to continue servicing the policy for at least 1 year and  
343 | offer to pay the agent the greater of the insurer's or the  
344 | corporation's usual and customary commission for the type of  
345 | policy written.

346

347 | If the producing agent is unwilling or unable to accept  
348 | appointment, the new insurer shall pay the agent in accordance  
349 | with sub-sub-sub-subparagraph (A).

350 |       (II) If the corporation enters into a contractual  
351 | agreement for a take-out plan, the producing agent of record of  
352 | the corporation policy is entitled to retain any unearned  
353 | commission on the policy, and the insurer shall:

354 |       (A) Pay to the producing agent of record, for the first  
355 | year, an amount that is the greater of the insurer's usual and  
356 | customary commission for the type of policy written or a fee  
357 | equal to the usual and customary commission of the corporation;  
358 | or

359 |       (B) Offer to allow the producing agent of record to  
360 | continue servicing the policy for at least 1 year and offer to  
361 | pay the agent the greater of the insurer's or the corporation's  
362 | usual and customary commission for the type of policy written.

363

364 | If the producing agent is unwilling or unable to accept

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365 | appointment, the new insurer shall pay the agent in accordance  
366 | with sub-sub-sub-subparagraph (A).

367 |       c. For purposes of determining comparable coverage under  
368 | sub-subparagraphs a. and b., the comparison must be based on  
369 | those forms and coverages that are reasonably comparable. The  
370 | corporation may rely on a determination of comparable coverage  
371 | and premium made by the producing agent who submits the  
372 | application to the corporation, made in the agent's capacity as  
373 | the corporation's agent. A comparison may be made solely of the  
374 | premium with respect to the main building or structure only on  
375 | the following basis: the same coverage A or other building  
376 | limits; the same percentage hurricane deductible that applies on  
377 | an annual basis or that applies to each hurricane for commercial  
378 | residential property; the same percentage of ordinance and law  
379 | coverage, if the same limit is offered by both the corporation  
380 | and the authorized insurer; the same mitigation credits, to the  
381 | extent the same types of credits are offered both by the  
382 | corporation and the authorized insurer; the same method for loss  
383 | payment, such as replacement cost or actual cash value, if the  
384 | same method is offered both by the corporation and the  
385 | authorized insurer in accordance with underwriting rules; and  
386 | any other form or coverage that is reasonably comparable as  
387 | determined by the board. If an application is submitted to the  
388 | corporation for wind-only coverage in the coastal account, the  
389 | premium for the corporation's wind-only policy plus the premium  
390 | for the ex-wind policy that is offered by an authorized insurer  
391 | to the applicant must be compared to the premium for multiperil  
392 | coverage offered by an authorized insurer, subject to the

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393 standards for comparison specified in this subparagraph. If the  
394 corporation or the applicant requests from the authorized  
395 insurer a breakdown of the premium of the offer by types of  
396 coverage so that a comparison may be made by the corporation or  
397 its agent and the authorized insurer refuses or is unable to  
398 provide such information, the corporation may treat the offer as  
399 not being an offer of coverage from an authorized insurer at the  
400 insurer's approved rate.

401 6. Must include rules for classifications of risks and  
402 rates.

403 7. Must provide that if premium and investment income for  
404 an account attributable to a particular calendar year are in  
405 excess of projected losses and expenses for the account  
406 attributable to that year, such excess shall be held in surplus  
407 in the account. Such surplus must be available to defray  
408 deficits in that account as to future years and used for that  
409 purpose before assessing assessable insurers and assessable  
410 insureds as to any calendar year.

411 8. Must provide objective criteria and procedures to be  
412 uniformly applied to all applicants in determining whether an  
413 individual risk is so hazardous as to be uninsurable. In making  
414 this determination and in establishing the criteria and  
415 procedures, the following must be considered:

416 a. Whether the likelihood of a loss for the individual  
417 risk is substantially higher than for other risks of the same  
418 class; and

419 b. Whether the uncertainty associated with the individual  
420 risk is such that an appropriate premium cannot be determined.

421  
422 The acceptance or rejection of a risk by the corporation shall  
423 be construed as the private placement of insurance, and the  
424 provisions of chapter 120 do not apply.

425 9. Must provide that the corporation make its best efforts  
426 to procure catastrophe reinsurance at reasonable rates, to cover  
427 its projected 100-year probable maximum loss as determined by  
428 the board of governors.

429 10. The policies issued by the corporation must provide  
430 that if the corporation or the market assistance plan obtains an  
431 offer from an authorized insurer to cover the risk at its  
432 approved rates, the risk is no longer eligible for renewal  
433 through the corporation, except as otherwise provided in this  
434 subsection.

435 11. Corporation policies and applications must include a  
436 notice that the corporation policy could, under this section, be  
437 replaced with a policy issued by an authorized insurer which  
438 does not provide coverage identical to the coverage provided by  
439 the corporation. The notice must also specify that acceptance of  
440 corporation coverage creates a conclusive presumption that the  
441 applicant or policyholder is aware of this potential.

442 12. May establish, subject to approval by the office,  
443 different eligibility requirements and operational procedures  
444 for any line or type of coverage for any specified county or  
445 area if the board determines that such changes are justified due  
446 to the voluntary market being sufficiently stable and  
447 competitive in such area or for such line or type of coverage  
448 and that consumers who, in good faith, are unable to obtain

449 insurance through the voluntary market through ordinary methods  
450 continue to have access to coverage from the corporation. If  
451 coverage is sought in connection with a real property transfer,  
452 the requirements and procedures may not provide an effective  
453 date of coverage later than the date of the closing of the  
454 transfer as established by the transferor, the transferee, and,  
455 if applicable, the lender.

456 13. Must provide that, with respect to the coastal  
457 account, any assessable insurer with a surplus as to  
458 policyholders of \$25 million or less writing 25 percent or more  
459 of its total countrywide property insurance premiums in this  
460 state may petition the office, within the first 90 days of each  
461 calendar year, to qualify as a limited apportionment company. A  
462 regular assessment levied by the corporation on a limited  
463 apportionment company for a deficit incurred by the corporation  
464 for the coastal account may be paid to the corporation on a  
465 monthly basis as the assessments are collected by the limited  
466 apportionment company from its insureds, but a limited  
467 apportionment company must begin collecting the regular  
468 assessments not later than 90 days after the regular assessments  
469 are levied by the corporation, and the regular assessments must  
470 be paid in full within 15 months after being levied by the  
471 corporation. A limited apportionment company shall collect from  
472 its policyholders any emergency assessment imposed under sub-  
473 subparagraph (b)3.d. The plan must provide that, if the office  
474 determines that any regular assessment will result in an  
475 impairment of the surplus of a limited apportionment company,  
476 the office may direct that all or part of such assessment be

477 deferred as provided in subparagraph (q)4. However, an emergency  
 478 assessment to be collected from policyholders under sub-  
 479 subparagraph (b)3.d. may not be limited or deferred.

480 14. Must provide that the corporation appoint as its  
 481 licensed agents only those agents who also hold an appointment  
 482 as defined in s. 626.015(3) with an insurer who at the time of  
 483 the agent's initial appointment by the corporation is authorized  
 484 to write and is actually writing personal lines residential  
 485 property coverage, commercial residential property coverage, or  
 486 commercial nonresidential property coverage within the state.

487 15. Must provide a premium payment plan option to its  
 488 policyholders which, at a minimum, allows for quarterly and  
 489 semiannual payment of premiums. A monthly payment plan may, but  
 490 is not required to, be offered.

491 16. Must provide coverage for manufactured or mobile home  
 492 dwellings. The coverage must include coverage for the following  
 493 structures whether attached to the dwelling or not: ~~limit~~  
 494 ~~coverage on mobile homes or manufactured homes built before 1994~~  
 495 ~~to actual cash value of the dwelling rather than replacement~~  
 496 ~~costs of the dwelling.~~

497 a. Screened or glassed enclosures, irrespective of type of  
 498 material used for the enclosure or for its roof;

499 b. Carports, irrespective of type of material used for the  
 500 carport or for its roof;

501 c. Patios, irrespective of type of material used for the  
 502 patio or for its roof;

503 d. Awnings, irrespective of type of material used for the  
 504 awning;

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505 e. Decks, irrespective of type of material used for the  
506 deck or for its roof; and

507 f. Storage rooms or areas, irrespective of type of  
508 material used for the storage room or area.

509  
510 The corporation shall insure the manufactured or mobile home  
511 dwelling and other structures for the value specified in a  
512 contract for sale dated within the previous 12 months, or, if  
513 there is no contract, for the value set forth in an appraisal  
514 submitted by the policyholder. The corporation shall insure each  
515 manufactured or mobile home dwelling and other structures  
516 regardless of value.

517 17. May provide such limits of coverage as the board  
518 determines, consistent with the requirements of this subsection.

519 18. May require commercial property to meet specified  
520 hurricane mitigation construction features as a condition of  
521 eligibility for coverage.

522 19. Must provide that new or renewal policies issued by  
523 the corporation on or after January 1, 2012, which cover  
524 sinkhole loss do not include coverage for any loss to  
525 appurtenant structures, driveways, sidewalks, decks, or patios  
526 that are directly or indirectly caused by sinkhole activity. The  
527 corporation shall exclude such coverage using a notice of  
528 coverage change, which may be included with the policy renewal,  
529 and not by issuance of a notice of nonrenewal of the excluded  
530 coverage upon renewal of the current policy.

531 20. As of January 1, 2012, must require that the agent  
532 obtain from an applicant for coverage from the corporation an

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533 acknowledgment signed by the applicant, which includes, at a  
534 minimum, the following statement:

535  
536 ACKNOWLEDGMENT OF POTENTIAL SURCHARGE  
537 AND ASSESSMENT LIABILITY:

538  
539 1. AS A POLICYHOLDER OF CITIZENS PROPERTY INSURANCE  
540 CORPORATION, I UNDERSTAND THAT IF THE CORPORATION SUSTAINS A  
541 DEFICIT AS A RESULT OF HURRICANE LOSSES OR FOR ANY OTHER REASON,  
542 MY POLICY COULD BE SUBJECT TO SURCHARGES, WHICH WILL BE DUE AND  
543 PAYABLE UPON RENEWAL, CANCELLATION, OR TERMINATION OF THE  
544 POLICY, AND THAT THE SURCHARGES COULD BE AS HIGH AS 45 PERCENT  
545 OF MY PREMIUM, OR A DIFFERENT AMOUNT AS IMPOSED BY THE FLORIDA  
546 LEGISLATURE.

547 2. I ALSO UNDERSTAND THAT I MAY BE SUBJECT TO EMERGENCY  
548 ASSESSMENTS TO THE SAME EXTENT AS POLICYHOLDERS OF OTHER  
549 INSURANCE COMPANIES, OR A DIFFERENT AMOUNT AS IMPOSED BY THE  
550 FLORIDA LEGISLATURE.

551 3. I ALSO UNDERSTAND THAT CITIZENS PROPERTY INSURANCE  
552 CORPORATION IS NOT SUPPORTED BY THE FULL FAITH AND CREDIT OF THE  
553 STATE OF FLORIDA.

554 a. The corporation shall maintain, in electronic format or  
555 otherwise, a copy of the applicant's signed acknowledgment and  
556 provide a copy of the statement to the policyholder as part of  
557 the first renewal after the effective date of this subparagraph.

558 b. The signed acknowledgment form creates a conclusive  
559 presumption that the policyholder understood and accepted his or  
560 her potential surcharge and assessment liability as a

561 policyholder of the corporation.

562 Section 2. Section 723.06115, Florida Statutes, is amended  
563 to read:

564 723.06115 Florida Mobile Home Relocation Trust Fund.—

565 (1) The Florida Mobile Home Relocation Trust Fund There is  
566 established within the Department of Business and Professional  
567 Regulation. ~~The Florida Mobile Home Relocation trust fund is,~~ to  
568 be used to fund ~~by the department for the purpose of funding~~ the  
569 administration and operations of the Florida Mobile Home  
570 Relocation Corporation. All interest earned from the investment  
571 or deposit of moneys in the trust fund shall be deposited in the  
572 trust fund. The trust fund shall be funded from ~~the~~ moneys  
573 collected by the corporation ~~department under s. 723.06116~~ from  
574 mobile home park owners under s. 723.06116, ~~who change the use~~  
575 ~~of their mobile home parks;~~ the surcharge collected by the  
576 department under s. 723.007(2), ~~+~~ the surcharge collected by the  
577 Department of Highway Safety and Motor Vehicles, ~~+~~ and from ~~by~~  
578 other appropriated funds.

579 (2) Moneys in the Florida Mobile Home Relocation Trust  
580 Fund may be expended only:

581 (a) To pay the administration costs of the Florida Mobile  
582 Home Relocation Corporation; and

583 (b) To carry out the purposes and objectives of the  
584 ~~Florida Mobile Home Relocation~~ corporation by making payments to  
585 mobile home owners under the relocation program.

586 (3) The department shall distribute moneys in the Florida  
587 Mobile Home Relocation Trust Fund to the Florida Mobile Home  
588 Relocation Corporation in accordance with the following:

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589 (a) At the beginning of each fiscal year, the corporation  
590 shall determine its operational costs for the fiscal year and  
591 set forth that amount to the department in writing. The  
592 department shall distribute that amount to the corporation  
593 within 2 business days after receipt of the written statement.  
594 Throughout the fiscal year, the corporation may seek additional  
595 funds in writing for administration and operational costs based  
596 on need as determined by the corporation and the department  
597 shall distribute these funds within 2 business days after  
598 receipt of the written statement. The corporation may place  
599 these funds in a noninterest bearing checking account; and

600 (b) As it deems necessary, the corporation shall set forth  
601 to the department in writing the amount needed to make payments  
602 to mobile home owners under the relocation program. The  
603 department shall distribute that amount to the corporation  
604 within 2 business days after receipt of the written statement.  
605 The corporation may place these funds in a non-interest-bearing  
606 checking account.

607 (4) Other than the requirements specified by this section,  
608 neither the corporation nor the department are required to take  
609 any other action as a prerequisite to the distribution of trust  
610 funds to the corporation.

611 Section 3. This act shall take effect upon becoming a law.