



127374

LEGISLATIVE ACTION

Senate	.	House
Comm: TP	.	
03/07/2013	.	
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The Committee on Banking and Insurance (Margolis) recommended the following:

**Senate Substitute for Amendment (671744)**

Delete lines 699 - 722  
and insert:

3. With respect to coverage for personal lines residential structures:

a. Effective January 1, 2014 ~~2009~~, a personal lines residential structure that has a dwelling replacement cost of \$1 ~~\$2~~ million or more, or a single condominium unit that has a combined dwelling and contents replacement cost of \$1 ~~\$2~~ million or more is not eligible for coverage by the corporation. Such dwellings insured by the corporation on December 31, 2013 ~~2008~~,



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13 may continue to be covered by the corporation until the end of  
14 the policy term. ~~However, such dwellings may reapply and obtain~~  
15 ~~coverage if the property owner provides the corporation with a~~  
16 ~~sworn affidavit from one or more insurance agents, on a form~~  
17 ~~provided by the corporation, stating that the agents have made~~  
18 ~~their best efforts to obtain coverage and that the property has~~  
19 ~~been rejected for coverage by at least one authorized insurer~~  
20 ~~and at least three surplus lines insurers. If such conditions~~  
21 ~~are met, the dwelling may be insured by the corporation for up~~  
22 ~~to 3 years, after which time the dwelling is ineligible for~~  
23 ~~coverage.~~ The office shall approve the method used by the  
24 corporation for valuing ~~the~~ dwelling replacement costs under  
25 cost for the purposes of this subparagraph. If a policyholder is  
26 insured by the corporation before ~~prior to~~ being determined ~~to~~  
27 ~~be~~ ineligible pursuant to this subparagraph and such  
28 policyholder files a lawsuit challenging the determination, the  
29 policyholder may remain insured by the corporation until the  
30 conclusion of the litigation.

31 b. Effective January 1, 2015, a structure that has a  
32 dwelling replacement cost of \$900,000 or more, or a single  
33 condominium unit that has a combined dwelling and contents  
34 replacement cost of \$900,000 or more, is not eligible for  
35 coverage by the corporation. Such dwellings insured by the  
36 corporation on December 31, 2014, may continue to be covered by  
37 the corporation until the end of the policy term.

38 c. Effective January 1, 2016, a structure that has a  
39 dwelling replacement cost of \$800,000 or more, or a single  
40 condominium unit that has a combined dwelling and contents  
41 replacement cost of \$800,000 or more, is not eligible for



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42 coverage by the corporation. Such dwellings insured by the  
43 corporation on December 31, 2015, may continue to be covered by  
44 the corporation until the end of the policy term.

45 d. Effective January 1, 2017, a structure that has a  
46 dwelling replacement cost of \$700,000 or more, or a single  
47 condominium unit that has a combined dwelling and contents  
48 replacement cost of \$700,000 or more, is not eligible for  
49 coverage by the corporation. Such dwellings insured by the  
50 corporation on December 31, 2016, may continue to be covered by  
51 the corporation until the end of the policy term.

52 e. Effective January 1, 2018, a structure that has a  
53 dwelling replacement cost of \$600,000 or more, or a single  
54 condominium unit that has a combined dwelling and contents  
55 replacement cost of \$600,000 or more, is not eligible for  
56 coverage by the corporation. Such dwellings insured by the  
57 corporation on December 31, 2017, may continue to be covered by  
58 the corporation until the end of the policy term.

59 f. Effective January 1, 2019, a structure that has a  
60 dwelling replacement cost of \$500,000 or more, or a single  
61 condominium unit that has a combined dwelling and contents  
62 replacement cost of \$500,000 or more, is not eligible for  
63 coverage by the corporation. Such dwellings insured by the  
64 corporation on December 31, 2018, may continue to be covered by  
65 the corporation until the end of the policy term.