



464096

LEGISLATIVE ACTION

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

Senate Amendment to Amendment (609336)

Delete lines 92 - 115
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.