

1 A bill to be entitled

2 An act relating to noncancelable insurance policies;  
3 amending s. 627.7275, F.S.; revising requirements for  
4 issuance, underwriting, and coverage of motor vehicle  
5 insurance policies; providing an effective date.

6  
7 Be It Enacted by the Legislature of the State of Florida:

8  
9 Section 1. Section 627.7275, Florida Statutes, is amended  
10 to read:

11 627.7275 Motor vehicle liability.—

12 (1) A motor vehicle insurance policy providing personal  
13 injury protection as set forth in s. 627.736 may not be  
14 delivered or issued for delivery in this state with respect to  
15 any specifically insured or identified motor vehicle registered  
16 or principally garaged in this state unless the policy also  
17 provides coverage for property damage liability as required by  
18 s. 324.022.

19 (2) (a) Insurers writing motor vehicle insurance in this  
20 state shall make available, subject to the insurers' usual  
21 underwriting restrictions:

22 1. Coverage under policies as described in subsection (1)  
23 to any applicant for private passenger motor vehicle insurance  
24 coverage who is seeking the coverage in order to reinstate the  
25 applicant's driving privileges in this state when the driving  
26 privileges were revoked or suspended pursuant to s. 316.646 or

27 s. 324.0221 due to the failure of the applicant to maintain  
28 required security.

29 2. Coverage under policies as described in subsection (1),  
30 which also provides liability coverage for bodily injury, death,  
31 and property damage arising out of the ownership, maintenance,  
32 or use of the motor vehicle in an amount not less than the  
33 limits described in s. 324.021(7) and conforms to the  
34 requirements of s. 324.151, to any applicant for private  
35 passenger motor vehicle insurance coverage who is seeking the  
36 coverage in order to reinstate the applicant's driving  
37 privileges in this state after such privileges were revoked or  
38 suspended under s. 316.193 or s. 322.26(2) for driving under the  
39 influence.

40 (b) The policies described in paragraph (a) shall be  
41 issued for a period of at least 6 months and as to the minimum  
42 coverages required under this section shall not be cancelable by  
43 the insured for any reason or by the insurer after a period not  
44 to exceed 60 ~~30~~ days during which the insurer must complete  
45 underwriting of the policy. After the insurer has completed  
46 underwriting the policy within the 60-day ~~30-day~~ period, the  
47 insurer shall notify the Department of Highway Safety and Motor  
48 Vehicles that the policy is in full force and effect and the  
49 policy shall not be cancelable for the remainder of the policy  
50 period. A premium shall be collected and coverage shall be in  
51 effect for the 60-day ~~30-day~~ period during which the insurer is  
52 completing the underwriting of the policy whether or not the

53 person's driver license, motor vehicle tag, and motor vehicle  
54 registration are in effect. Once the noncancelable provisions of  
55 the policy become effective, the coverages for bodily injury,  
56 property damage, and personal injury protection shall not be  
57 reduced below the state-required minimum limits as required by  
58 s. 324.023 or s. 324.021 during the policy period ~~coverage or~~  
59 ~~risk shall not be changed during the policy period and the~~  
60 ~~premium shall be nonrefundable. If, during the pendency of the~~  
61 ~~2-year proof of insurance period required under s. 324.0221 or~~  
62 ~~during the 3-year proof of financial responsibility required~~  
63 ~~under s. 324.131, whichever is applicable, the insured obtains~~  
64 ~~additional coverage or coverage for an additional risk or~~  
65 ~~changes territories, the insured must obtain a new 6-month~~  
66 ~~noncancelable policy in accordance with the provisions of this~~  
67 ~~section. However, if the insured must obtain a new 6-month~~  
68 ~~policy and obtains the policy from the same insurer, the~~  
69 ~~policyholder shall receive credit on the new policy for any~~  
70 ~~premium paid on the previously issued policy.~~

71 (c) This subsection controls to the extent of any conflict  
72 with any other section.

73 (d) An insurer issuing a policy subject to this section  
74 may cancel the policy if, during the policy term, the named  
75 insured or any other operator, who resides in the same household  
76 or customarily operates an automobile insured under the policy,  
77 has his or her driver's license suspended or revoked.

78 (e) Nothing in this subsection requires an insurer to

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79 | offer a policy of insurance to an applicant if such offer would  
80 | be inconsistent with the insurer's underwriting guidelines and  
81 | procedures.

82 |       Section 2.   This act shall take effect July 1, 2014.