

By Senator Garcia

38-00531B-14

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1 A bill to be entitled

2 An act relating to motor vehicle liability policy  
3 requirements; amending s. 627.7275, F.S.; extending  
4 the period during which the policy may be cancelled by  
5 the insurer; specifying minimum limits for such  
6 policy; deleting a provision requiring an insured who  
7 obtains additional coverage to obtain a new 6-month  
8 noncancelable policy; providing an effective date.

9  
10 Be It Enacted by the Legislature of the State of Florida:

11  
12 Section 1. Subsection (2) of section 627.7275, Florida  
13 Statutes, is amended to read:

14 627.7275 Motor vehicle liability.-

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

18 1. Coverage under policies as described in subsection (1)  
19 to an ~~any~~ applicant for private passenger motor vehicle  
20 insurance coverage who is seeking the coverage in order to  
21 reinstate the applicant's driving privileges in this state if  
22 ~~when~~ the driving privileges were revoked or suspended pursuant  
23 to s. 316.646 or s. 324.0221 due to the failure of the applicant  
24 to maintain required security.

25 2. Coverage under policies as described in subsection (1),  
26 which also provides liability coverage for bodily injury, death,  
27 and property damage arising out of the ownership, maintenance,  
28 or use of the motor vehicle in an amount not less than the  
29 limits described in s. 324.021(7) and conforms to the

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30 requirements of s. 324.151, to an ~~any~~ applicant for private  
31 passenger motor vehicle insurance coverage who is seeking the  
32 coverage in order to reinstate the applicant's driving  
33 privileges in this state after such privileges were revoked or  
34 suspended under s. 316.193 or s. 322.26(2) for driving under the  
35 influence.

36 (b) The policies described in paragraph (a) shall be issued  
37 for ~~a period of~~ at least 6 months and, as to the minimum  
38 coverages required under this section, ~~may shall~~ not be canceled  
39 ~~cancelable~~ by the insured for any reason or by the insurer after  
40 60 a period not to exceed 30 days, during which period the  
41 insurer is completing the ~~must complete~~ underwriting of the  
42 policy. After the insurer has completed underwriting the policy  
43 ~~within the 30-day period,~~ the insurer shall notify the  
44 Department of Highway Safety and Motor Vehicles that the policy  
45 is in full force and effect and is ~~the policy shall~~ not be  
46 cancelable for the remainder of the policy period. A premium  
47 shall be collected and the coverage is ~~shall be~~ in effect for  
48 the 60-day ~~30-day~~ period during which the insurer is completing  
49 the underwriting of the policy whether or not the person's  
50 driver license, motor vehicle tag, and motor vehicle  
51 registration are in effect. Once the noncancelable provisions of  
52 the policy become effective, the coverages for bodily injury,  
53 property damage, and personal injury protection may not be  
54 reduced below the minimum limits required under s. 324.021 or s.  
55 324.023 coverage or risk shall not be changed during the policy  
56 period and ~~the premium shall be nonrefundable. If, during the~~  
57 ~~pendency of the 2-year proof of insurance period required under~~  
58 ~~s. 324.0221 or during the 3-year proof of financial~~

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59 ~~responsibility required under s. 324.131, whichever is~~  
60 ~~applicable, the insured obtains additional coverage or coverage~~  
61 ~~for an additional risk or changes territories, the insured must~~  
62 ~~obtain a new 6-month noncancelable policy in accordance with the~~  
63 ~~provisions of this section. However, if the insured must obtain~~  
64 ~~a new 6-month policy and obtains the policy from the same~~  
65 ~~insurer, the policyholder shall receive credit on the new policy~~  
66 ~~for any premium paid on the previously issued policy.~~

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

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

74 (e) ~~Nothing in~~ This subsection does not require ~~requires~~ an  
75 insurer to offer a policy of insurance to an applicant if such  
76 offer would be inconsistent with the insurer's underwriting  
77 guidelines and procedures.

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