

By Senator Bullard

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1 A bill to be entitled
2 An act relating to windstorm insurance coverage;
3 amending s. 627.712, F.S.; deleting the requirement
4 that a mortgageholder or lienholder must approve a
5 policyholder's decision to exclude windstorm coverage
6 from a property insurance policy; providing an
7 effective date.
8

9 Be It Enacted by the Legislature of the State of Florida:
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11 Section 1. Section 627.712, Florida Statutes, is amended to
12 read:

13 627.712 Residential windstorm coverage ~~required~~;
14 availability of exclusions for windstorm or contents.-

15 (1) An insurer issuing a residential property insurance
16 policy must provide windstorm coverage. Except as provided in
17 paragraph (2) (b) ~~(2) (c)~~, this section does not apply to risks
18 that are eligible for wind-only coverage from Citizens Property
19 Insurance Corporation under s. 627.351(6), and risks that are
20 not eligible for coverage from Citizens Property Insurance
21 Corporation under s. 627.351(6) (a) 3. or 5. A risk ineligible for
22 coverage by the corporation under s. 627.351(6) (a) 3. or 5. is
23 exempt from this section only if the risk is located within the
24 boundaries of the coastal account of the corporation.

25 (2) A property insurer must make available, at the option
26 of the policyholder, an exclusion for ~~of~~ windstorm coverage.

27 (a) The coverage may be excluded only if:

28 1. ~~When~~ The policyholder is a natural person, the
29 policyholder personally writes and provides to the insurer the

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30 following statement in his or her own handwriting and signs his
31 or her name, which must also be signed by every other named
32 insured on the policy, and dated: "I do not want the insurance
33 on my (home/mobile home/condominium unit) to pay for damage from
34 windstorms. I will pay those costs. My insurance will not."

35 2. ~~When~~ The policyholder is other than a natural person,
36 the policyholder provides to the insurer on the policyholder's
37 letterhead the following statement that must be signed by the
38 policyholder's authorized representative and dated: "... (Name of
39 entity)... does not want the insurance on its ... (type of
40 structure)... to pay for damage from windstorms. ... (Name of
41 entity)... will be responsible for these costs. ... (Name of
42 entity's)... insurance will not."

43 ~~(b) If the structure insured by the policy is subject to a~~
44 ~~mortgage or lien, the policyholder must provide the insurer with~~
45 ~~a written statement from the mortgageholder or lienholder~~
46 ~~indicating that the mortgageholder or lienholder approves the~~
47 ~~policyholder electing to exclude windstorm coverage or hurricane~~
48 ~~coverage from his or her or its property insurance policy.~~

49 (b)(e) An insurer nonrenewing a policy and issuing a
50 replacement policy, or issuing a new policy, that does not
51 provide wind coverage shall provide a notice to the
52 mortgageholder or lienholder indicating the policyholder has
53 elected coverage that does not cover wind.

54 (3) An insurer issuing a residential property insurance
55 policy, except for a condominium unit owner's policy or a
56 tenant's policy, must make available, at the option of the
57 policyholder, an exclusion of coverage for the contents. The
58 coverage may be excluded only if the policyholder personally

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59 writes and provides to the insurer the following statement in
60 his or her own handwriting and signs his or her signature, which
61 must also be signed by every other named insured on the policy,
62 and dated: "I do not want the insurance on my (home/mobile home)
63 to pay for the costs to repair or replace any contents that are
64 damaged. I will pay those costs. My insurance will not."

65 (4) An insurer shall keep the original copy of a signed
66 statement required by this section, electronically or otherwise,
67 and provide a copy to the policyholder providing the signed
68 statement. A signed statement meeting the requirements of this
69 section creates a presumption that there was an informed,
70 knowing rejection of coverage.

71 (5) The exclusions authorized by this section apply for the
72 term of the policy and for each renewal thereafter. Changes to
73 the exclusions authorized by this section may be implemented
74 only as of the date of renewal.

75 (6) The commission shall adopt rules providing appropriate
76 alternative methods for providing the statements required by
77 this section for policyholders who have a handicapping or
78 disabling condition that prevents them from providing a
79 handwritten statement.

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