



527578

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
04/08/2015	.	
	.	
	.	
	.	

Appropriations Subcommittee on General Government (Hays)
recommended the following:

Senate Amendment (with directory and title amendments)

Delete lines 177 - 569

and insert:

representative by the Governor is deemed to be within the scope
of the exemption provided in s. 112.313(7) (b) and is in addition
to the appointments authorized under sub-subparagraph a.

a. The Governor, the Chief Financial Officer, the President
of the Senate, and the Speaker of the House of Representatives
shall each appoint two members of the board. At least one of the



527578

11 two members appointed by each appointing officer must have
12 demonstrated expertise in insurance and be deemed to be within
13 the scope of the exemption provided in s. 112.313(7)(b). The
14 Chief Financial Officer shall designate one of the appointees as
15 chair. All board members serve at the pleasure of the appointing
16 officer. All members of the board are subject to removal at will
17 by the officers who appointed them. All board members, including
18 the chair, must be appointed to serve for 3-year terms beginning
19 annually on a date designated by the plan. However, for the
20 first term beginning on or after July 1, 2009, each appointing
21 officer shall appoint one member of the board for a 2-year term
22 and one member for a 3-year term. A board vacancy shall be
23 filled for the unexpired term by the appointing officer. The
24 Chief Financial Officer shall appoint a technical advisory group
25 to provide information and advice to the board in connection
26 with the board's duties under this subsection. The executive
27 director and senior managers of the corporation shall be engaged
28 by the board and serve at the pleasure of the board. Any
29 executive director appointed on or after July 1, 2006, is
30 subject to confirmation by the Senate. The executive director is
31 responsible for employing other staff as the corporation may
32 require, subject to review and concurrence by the board.

33 b. The board shall create a Market Accountability Advisory
34 Committee to assist the corporation in developing awareness of
35 its rates and its customer and agent service levels in
36 relationship to the voluntary market insurers writing similar
37 coverage.

38 (I) The members of the advisory committee consist of the
39 following 11 persons, one of whom must be elected chair by the



527578

40 members of the committee: four representatives, one appointed by
41 the Florida Association of Insurance Agents, one by the Florida
42 Association of Insurance and Financial Advisors, one by the
43 Professional Insurance Agents of Florida, and one by the Latin
44 American Association of Insurance Agencies; three
45 representatives appointed by the insurers with the three highest
46 voluntary market share of residential property insurance
47 business in the state; one representative from the Office of
48 Insurance Regulation; one consumer appointed by the board who is
49 insured by the corporation at the time of appointment to the
50 committee; one representative appointed by the Florida
51 Association of Realtors; and one representative appointed by the
52 Florida Bankers Association. All members shall be appointed to
53 3-year terms and may serve for consecutive terms.

54 (II) The committee shall report to the corporation at each
55 board meeting on insurance market issues which may include rates
56 and rate competition with the voluntary market; service,
57 including policy issuance, claims processing, and general
58 responsiveness to policyholders, applicants, and agents; and
59 matters relating to depopulation.

60 5. Must provide a procedure for determining the eligibility
61 of a risk for coverage, as follows:

62 a. Subject to s. 627.3517, with respect to personal lines
63 residential risks, if the risk is offered coverage from an
64 authorized insurer at the insurer's approved rate under a
65 standard policy including wind coverage or, if consistent with
66 the insurer's underwriting rules as filed with the office, a
67 basic policy including wind coverage, for a new application to
68 the corporation for coverage, the risk is not eligible for any



527578

69 policy issued by the corporation unless the premium for coverage
70 from the authorized insurer is more than 15 percent greater than
71 the premium for comparable coverage from the corporation.
72 Whenever an offer of coverage for a personal lines residential
73 risk is received for a policyholder of the corporation at
74 renewal from an authorized insurer, if the offer is equal to or
75 less than the corporation's renewal premium for comparable
76 coverage, the risk is not eligible for coverage with the
77 corporation. If the risk is not able to obtain such offer, the
78 risk is eligible for a standard policy including wind coverage
79 or a basic policy including wind coverage issued by the
80 corporation; however, if the risk could not be insured under a
81 standard policy including wind coverage regardless of market
82 conditions, the risk is eligible for a basic policy including
83 wind coverage unless rejected under subparagraph 8. However, a
84 policyholder removed from the corporation through an assumption
85 agreement remains eligible for coverage from the corporation
86 until the end of the assumption period. The corporation shall
87 determine the type of policy to be provided on the basis of
88 objective standards specified in the underwriting manual and
89 based on generally accepted underwriting practices.

90 (I) If the risk accepts an offer of coverage through the
91 market assistance plan or through a mechanism established by the
92 corporation other than a plan established by s. 627.3518, before
93 a policy is issued to the risk by the corporation or during the
94 first 30 days of coverage by the corporation, and the producing
95 agent who submitted the application to the plan or to the
96 corporation is not currently appointed by the insurer, the
97 insurer shall:



527578

98 (A) Pay to the producing agent of record of the policy for
99 the first year, an amount that is the greater of the insurer's
100 usual and customary commission for the type of policy written or
101 a fee equal to the usual and customary commission of the
102 corporation; or

103 (B) Offer to allow the producing agent of record of the
104 policy to continue servicing the policy for at least 1 year and
105 offer to pay the agent the greater of the insurer's or the
106 corporation's usual and customary commission for the type of
107 policy written.

108
109 If the producing agent is unwilling or unable to accept
110 appointment, the new insurer shall pay the agent in accordance
111 with sub-sub-sub-subparagraph (A).

112 (II) If the corporation enters into a contractual agreement
113 for a take-out plan, the producing agent of record of the
114 corporation policy is entitled to retain any unearned commission
115 on the policy, and the insurer shall:

116 (A) Pay to the producing agent of record, for the first
117 year, an amount that is the greater of the insurer's usual and
118 customary commission for the type of policy written or a fee
119 equal to the usual and customary commission of the corporation;
120 or

121 (B) Offer to allow the producing agent of record to
122 continue servicing the policy for at least 1 year and offer to
123 pay the agent the greater of the insurer's or the corporation's
124 usual and customary commission for the type of policy written.

125
126 If the producing agent is unwilling or unable to accept



527578

127 appointment, the new insurer shall pay the agent in accordance
128 with sub-sub-sub-subparagraph (A).

129 b. With respect to commercial lines residential risks, for
130 a new application to the corporation for coverage, if the risk
131 is offered coverage under a policy including wind coverage from
132 an authorized insurer at its approved rate, the risk is not
133 eligible for a policy issued by the corporation unless the
134 premium for coverage from the authorized insurer is more than 15
135 percent greater than the premium for comparable coverage from
136 the corporation. Whenever an offer of coverage for a commercial
137 lines residential risk is received for a policyholder of the
138 corporation at renewal from an authorized insurer, if the offer
139 is equal to or less than the corporation's renewal premium for
140 comparable coverage, the risk is not eligible for coverage with
141 the corporation. If the risk is not able to obtain any such
142 offer, the risk is eligible for a policy including wind coverage
143 issued by the corporation. However, a policyholder removed from
144 the corporation through an assumption agreement remains eligible
145 for coverage from the corporation until the end of the
146 assumption period.

147 (I) If the risk accepts an offer of coverage through the
148 market assistance plan or through a mechanism established by the
149 corporation other than a plan established by s. 627.3518, before
150 a policy is issued to the risk by the corporation or during the
151 first 30 days of coverage by the corporation, and the producing
152 agent who submitted the application to the plan or the
153 corporation is not currently appointed by the insurer, the
154 insurer shall:

155 (A) Pay to the producing agent of record of the policy, for



527578

156 the first year, an amount that is the greater of the insurer's
157 usual and customary commission for the type of policy written or
158 a fee equal to the usual and customary commission of the
159 corporation; or

160 (B) Offer to allow the producing agent of record of the
161 policy to continue servicing the policy for at least 1 year and
162 offer to pay the agent the greater of the insurer's or the
163 corporation's usual and customary commission for the type of
164 policy written.

165

166 If the producing agent is unwilling or unable to accept
167 appointment, the new insurer shall pay the agent in accordance
168 with sub-sub-sub-subparagraph (A).

169 (II) If the corporation enters into a contractual agreement
170 for a take-out plan, the producing agent of record of the
171 corporation policy is entitled to retain any unearned commission
172 on the policy, and the insurer shall:

173 (A) Pay to the producing agent of record, for the first
174 year, an amount that is the greater of the insurer's usual and
175 customary commission for the type of policy written or a fee
176 equal to the usual and customary commission of the corporation;
177 or

178 (B) Offer to allow the producing agent of record to
179 continue servicing the policy for at least 1 year and offer to
180 pay the agent the greater of the insurer's or the corporation's
181 usual and customary commission for the type of policy written.

182

183 If the producing agent is unwilling or unable to accept
184 appointment, the new insurer shall pay the agent in accordance



527578

185 with sub-sub-sub-subparagraph (A).

186 c. For purposes of determining comparable coverage under
187 sub-subparagraphs a. and b., the comparison must be based on
188 those forms and coverages that are reasonably comparable. The
189 corporation may rely on a determination of comparable coverage
190 and premium made by the producing agent who submits the
191 application to the corporation, made in the agent's capacity as
192 the corporation's agent. A comparison may be made solely of the
193 premium with respect to the main building or structure only on
194 the following basis: the same coverage A or other building
195 limits; the same percentage hurricane deductible that applies on
196 an annual basis or that applies to each hurricane for commercial
197 residential property; the same percentage of ordinance and law
198 coverage, if the same limit is offered by both the corporation
199 and the authorized insurer; the same mitigation credits, to the
200 extent the same types of credits are offered both by the
201 corporation and the authorized insurer; the same method for loss
202 payment, such as replacement cost or actual cash value, if the
203 same method is offered both by the corporation and the
204 authorized insurer in accordance with underwriting rules; and
205 any other form or coverage that is reasonably comparable as
206 determined by the board. If an application is submitted to the
207 corporation for wind-only coverage in the coastal account, the
208 premium for the corporation's wind-only policy plus the premium
209 for the ex-wind policy that is offered by an authorized insurer
210 to the applicant must be compared to the premium for multiperil
211 coverage offered by an authorized insurer, subject to the
212 standards for comparison specified in this subparagraph. If the
213 corporation or the applicant requests from the authorized



527578

214 insurer a breakdown of the premium of the offer by types of
215 coverage so that a comparison may be made by the corporation or
216 its agent and the authorized insurer refuses or is unable to
217 provide such information, the corporation may treat the offer as
218 not being an offer of coverage from an authorized insurer at the
219 insurer's approved rate.

220 6. Must include rules for classifications of risks and
221 rates.

222 7. Must provide that if premium and investment income for
223 an account attributable to a particular calendar year are in
224 excess of projected losses and expenses for the account
225 attributable to that year, such excess shall be held in surplus
226 in the account. Such surplus must be available to defray
227 deficits in that account as to future years and used for that
228 purpose before assessing assessable insurers and assessable
229 insureds as to any calendar year.

230 8. Must provide objective criteria and procedures to be
231 uniformly applied to all applicants in determining whether an
232 individual risk is so hazardous as to be uninsurable. In making
233 this determination and in establishing the criteria and
234 procedures, the following must be considered:

235 a. Whether the likelihood of a loss for the individual risk
236 is substantially higher than for other risks of the same class;
237 and

238 b. Whether the uncertainty associated with the individual
239 risk is such that an appropriate premium cannot be determined.

240

241 The acceptance or rejection of a risk by the corporation shall
242 be construed as the private placement of insurance, and the



527578

243 provisions of chapter 120 do not apply.

244 9. Must provide that the corporation make its best efforts
245 to procure catastrophe reinsurance at reasonable rates, to cover
246 its projected 100-year probable maximum loss as determined by
247 the board of governors.

248 10. The policies issued by the corporation must provide
249 that if the corporation or the market assistance plan obtains an
250 offer from an authorized insurer to cover the risk at its
251 approved rates, the risk is no longer eligible for renewal
252 through the corporation, except as otherwise provided in this
253 subsection.

254 11. Corporation policies and applications must include a
255 notice that the corporation policy could, under this section, be
256 replaced with a policy issued by an authorized insurer which
257 does not provide coverage identical to the coverage provided by
258 the corporation. The notice must also specify that acceptance of
259 corporation coverage creates a conclusive presumption that the
260 applicant or policyholder is aware of this potential.

261 12. May establish, subject to approval by the office,
262 different eligibility requirements and operational procedures
263 for any line or type of coverage for any specified county or
264 area if the board determines that such changes are justified due
265 to the voluntary market being sufficiently stable and
266 competitive in such area or for such line or type of coverage
267 and that consumers who, in good faith, are unable to obtain
268 insurance through the voluntary market through ordinary methods
269 continue to have access to coverage from the corporation. If
270 coverage is sought in connection with a real property transfer,
271 the requirements and procedures may not provide an effective



527578

272 date of coverage later than the date of the closing of the
273 transfer as established by the transferor, the transferee, and,
274 if applicable, the lender.

275 13. Must provide that, with respect to the coastal account,
276 any assessable insurer with a surplus as to policyholders of \$25
277 million or less writing 25 percent or more of its total
278 countrywide property insurance premiums in this state may
279 petition the office, within the first 90 days of each calendar
280 year, to qualify as a limited apportionment company. A regular
281 assessment levied by the corporation on a limited apportionment
282 company for a deficit incurred by the corporation for the
283 coastal account may be paid to the corporation on a monthly
284 basis as the assessments are collected by the limited
285 apportionment company from its insureds, but a limited
286 apportionment company must begin collecting the regular
287 assessments not later than 90 days after the regular assessments
288 are levied by the corporation, and the regular assessments must
289 be paid in full within 15 months after being levied by the
290 corporation. A limited apportionment company shall collect from
291 its policyholders any emergency assessment imposed under sub-
292 subparagraph (b)3.d. The plan must provide that, if the office
293 determines that any regular assessment will result in an
294 impairment of the surplus of a limited apportionment company,
295 the office may direct that all or part of such assessment be
296 deferred as provided in subparagraph (q)4. However, an emergency
297 assessment to be collected from policyholders under sub-
298 subparagraph (b)3.d. may not be limited or deferred.

299 14. Must provide that the corporation appoint as its
300 licensed agents only those agents who also hold an appointment



527578

301 as defined in s. 626.015(3) with an insurer who at the time of
302 the agent's initial appointment by the corporation is authorized
303 to write and is actually writing personal lines residential
304 property coverage, commercial residential property coverage, or
305 commercial nonresidential property coverage within the state.

306 15. Must provide a premium payment plan option to its
307 policyholders which, at a minimum, allows for quarterly and
308 semiannual payment of premiums. A monthly payment plan may, but
309 is not required to, be offered.

310 16. Must limit coverage on mobile homes or manufactured
311 homes built before 1994 to actual cash value of the dwelling
312 rather than replacement costs of the dwelling.

313 17. Must provide coverage for manufactured or mobile home
314 dwellings. Such coverage must also include the following
315 attached structures:

316 a. Screened enclosures that are aluminum framed or screened
317 enclosures that are not covered by the same or substantially the
318 same materials as those of the primary dwelling;

319 b. Carports that are aluminum or carports that are not
320 covered by the same or substantially the same materials as those
321 of the primary dwelling; and

322 c. Patios that have a roof covering that is constructed of
323 materials that are not the same or substantially the same
324 materials as those of the primary dwelling.

325

326 The corporation shall make available a policy for mobile homes
327 or manufactured homes for a minimum insured value of at least
328 \$3,000.

329 18. May provide such limits of coverage as the board



527578

330 determines, consistent with the requirements of this subsection.

331 19. May require commercial property to meet specified
332 hurricane mitigation construction features as a condition of
333 eligibility for coverage.

334 20. Must provide that new or renewal policies issued by the
335 corporation on or after January 1, 2012, which cover sinkhole
336 loss do not include coverage for any loss to appurtenant
337 structures, driveways, sidewalks, decks, or patios that are
338 directly or indirectly caused by sinkhole activity. The
339 corporation shall exclude such coverage using a notice of
340 coverage change, which may be included with the policy renewal,
341 and not by issuance of a notice of nonrenewal of the excluded
342 coverage upon renewal of the current policy.

343 21. As of January 1, 2012, must require that the agent
344 obtain from an applicant for coverage from the corporation an
345 acknowledgment signed by the applicant, which includes, at a
346 minimum, the following statement:

347 ACKNOWLEDGMENT OF POTENTIAL SURCHARGE
348 AND ASSESSMENT LIABILITY:

349 1. AS A POLICYHOLDER OF CITIZENS PROPERTY INSURANCE
350 CORPORATION, I UNDERSTAND THAT IF THE CORPORATION SUSTAINS A
351 DEFICIT AS A RESULT OF HURRICANE LOSSES OR FOR ANY OTHER REASON,
352 MY POLICY COULD BE SUBJECT TO SURCHARGES, WHICH WILL BE DUE AND
353 PAYABLE UPON RENEWAL, CANCELLATION, OR TERMINATION OF THE
354 POLICY, AND THAT THE SURCHARGES COULD BE AS HIGH AS 45 PERCENT
355 OF MY PREMIUM, OR A DIFFERENT AMOUNT AS IMPOSED BY THE FLORIDA
356 LEGISLATURE.

357 2. I UNDERSTAND THAT I CAN AVOID THE CITIZENS POLICYHOLDER
358 SURCHARGE, WHICH COULD BE AS HIGH AS 45 PERCENT OF MY PREMIUM,



527578

359 BY OBTAINING COVERAGE FROM A PRIVATE MARKET INSURER AND THAT TO
360 BE ELIGIBLE FOR COVERAGE BY CITIZENS, I MUST FIRST TRY TO OBTAIN
361 PRIVATE MARKET COVERAGE BEFORE APPLYING FOR OR RENEWING COVERAGE
362 WITH CITIZENS. I UNDERSTAND THAT PRIVATE MARKET INSURANCE RATES
363 ARE REGULATED AND APPROVED BY THE STATE.

364 3. I UNDERSTAND THAT I MAY BE SUBJECT TO EMERGENCY
365 ASSESSMENTS TO THE SAME EXTENT AS POLICYHOLDERS OF OTHER
366 INSURANCE COMPANIES, OR A DIFFERENT AMOUNT AS IMPOSED BY THE
367 FLORIDA LEGISLATURE.

368 4. I ALSO UNDERSTAND THAT CITIZENS PROPERTY INSURANCE
369 CORPORATION IS NOT SUPPORTED BY THE FULL FAITH AND CREDIT OF THE
370 STATE OF FLORIDA.

371 a. The corporation shall maintain, in electronic format or
372 otherwise, a copy of the applicant's signed acknowledgment and
373 provide a copy of the statement to the policyholder as part of
374 the first renewal after the effective date of this subparagraph.

375 b. The signed acknowledgment form creates a conclusive
376 presumption that the policyholder understood and accepted his or
377 her potential surcharge and assessment liability as a
378 policyholder of the corporation.

379 (x)1. The following records of the corporation are
380 confidential and exempt from the provisions of s. 119.07(1) and
381 s. 24(a), Art. I of the State Constitution:

382 a. Underwriting files, except that a policyholder or an
383 applicant shall have access to his or her own underwriting
384 files. Confidential and exempt underwriting file records may
385 also be released to other governmental agencies upon written
386 request and demonstration of need; such records held by the
387 receiving agency remain confidential and exempt as provided



527578

388 herein.

389 b. Claims files, until termination of all litigation and
390 settlement of all claims arising out of the same incident,
391 although portions of the claims files may remain exempt, as
392 otherwise provided by law. Confidential and exempt claims file
393 records may be released to other governmental agencies upon
394 written request and demonstration of need; such records held by
395 the receiving agency remain confidential and exempt as provided
396 herein.

397 c. Records obtained or generated by an internal auditor
398 pursuant to a routine audit, until the audit is completed, or if
399 the audit is conducted as part of an investigation, until the
400 investigation is closed or ceases to be active. An investigation
401 is considered "active" while the investigation is being
402 conducted with a reasonable, good faith belief that it could
403 lead to the filing of administrative, civil, or criminal
404 proceedings.

405 d. Matters reasonably encompassed in privileged attorney-
406 client communications.

407 e. Proprietary information licensed to the corporation
408 under contract and the contract provides for the confidentiality
409 of such proprietary information.

410 f. All information relating to the medical condition or
411 medical status of a corporation employee which is not relevant
412 to the employee's capacity to perform his or her duties, except
413 as otherwise provided in this paragraph. Information that is
414 exempt shall include, but is not limited to, information
415 relating to workers' compensation, insurance benefits, and
416 retirement or disability benefits.



527578

417 g. Upon an employee's entrance into the employee assistance
418 program, a program to assist any employee who has a behavioral
419 or medical disorder, substance abuse problem, or emotional
420 difficulty which affects the employee's job performance, all
421 records relative to that participation shall be confidential and
422 exempt from the provisions of s. 119.07(1) and s. 24(a), Art. I
423 of the State Constitution, except as otherwise provided in s.
424 112.0455(11).

425 h. Information relating to negotiations for financing,
426 reinsurance, depopulation, or contractual services, until the
427 conclusion of the negotiations.

428 i. Minutes of closed meetings regarding underwriting files,
429 and minutes of closed meetings regarding an open claims file
430 until termination of all litigation and settlement of all claims
431 with regard to that claim, except that information otherwise
432 confidential or exempt by law shall be redacted.

433 2. If an authorized insurer is considering underwriting a
434 risk insured by the corporation, relevant underwriting files and
435 confidential claims files may be released to the insurer
436 provided the insurer agrees in writing, notarized and under
437 oath, to maintain the confidentiality of such files. If a file
438 is transferred to an insurer, that file is no longer a public
439 record because it is not held by an agency subject to the
440 provisions of the public records law. Underwriting files and
441 confidential claims files may also be released to staff and the
442 board of governors of the market assistance plan established
443 pursuant to s. 627.3515, who must retain the confidentiality of
444 such files, except such files may be released to authorized
445 insurers that are considering assuming the risks to which the



527578

446 files apply, provided the insurer agrees in writing, notarized
447 and under oath, to maintain the confidentiality of such files.
448 Finally, the corporation or the board or staff of the market
449 assistance plan may make the following information obtained from
450 underwriting files and confidential claims files available to
451 licensed general lines insurance agents: name, address, and
452 telephone number of the residential property owner or insured;
453 location of the risk; rating information; loss history; and
454 policy type. The receiving licensed general lines insurance
455 agent must retain the confidentiality of the information
456 received and may use the information only for the purposes of
457 developing a take-out plan to be submitted to the office for
458 approval or otherwise analyzing the underwriting of a risk or
459 risks insured by the corporation on behalf of the private
460 insurance market. The licensed general lines agent and an
461 insurer receiving information under this subparagraph may not
462 use the information for the direct solicitation of
463 policyholders. An entity that has obtained a permit to become an
464 authorized insurer, a reinsurer, a reinsurance broker, or a
465 modeling company may receive the information available to a
466 licensed general lines agent for the sole purpose of analyzing
467 risks for underwriting in the private insurance market and must
468 retain the confidentiality of the information received. Such
469 entities may not use the information for the direct solicitation
470 of policyholders.

471 3. A policyholder who has filed suit against the
472 corporation has the right to discover the contents of his or her
473 own claims file to the same extent that discovery of such
474 contents would be available from a private insurer in litigation



527578

475 as provided by the Florida Rules of Civil Procedure, the Florida
476 Evidence Code, and other applicable law. Pursuant to subpoena, a
477 third party has the right to discover the contents of an
478 insured's or applicant's underwriting or claims file to the same
479 extent that discovery of such contents would be available from a
480 private insurer by subpoena as provided by the Florida Rules of
481 Civil Procedure, the Florida Evidence Code, and other applicable
482 law, and subject to any confidentiality protections requested by
483 the corporation and agreed to by the seeking party or ordered by
484 the court. The corporation may release confidential underwriting
485 and claims file contents and information as it deems necessary
486 and appropriate to underwrite or service insurance policies and
487 claims, subject to any confidentiality protections deemed
488 necessary and appropriate by the corporation.

489 4. Portions of meetings of the corporation are exempt from
490 the provisions of s. 286.011 and s. 24(b), Art. I of the State
491 Constitution wherein confidential underwriting files or
492 confidential open claims files are discussed. All portions of
493 corporation meetings which are closed to the public shall be
494 recorded by a court reporter. The court reporter shall record
495 the times of commencement and termination of the meeting, all
496 discussion and proceedings, the names of all persons present at
497 any time, and the names of all persons speaking. No portion of
498 any closed meeting shall be off the record. Subject to the
499 provisions hereof and s. 119.07(1)(d)-(f), the court reporter's
500 notes of any closed meeting shall be retained by the corporation
501 for a minimum of 5 years. A copy of the transcript, less any
502 exempt matters, of any closed meeting wherein claims are
503 discussed shall become public as to individual claims after



527578

504 settlement of the claim.

505 (ii) The corporation shall revise the programs adopted
506 pursuant to sub-subparagraph (6)(q)3.a. to maximize policyholder
507 options and encourage increased participation by insurers and
508 agents.

509 1. After January 1, 2016, such revisions must include a
510 process by which policyholders are informed if one or more
511 insurers demonstrate an interest in taking out that policy from
512 the corporation. This demonstration of interest must include the
513 amount of the estimated premium, a description of the coverage,
514 including an explanation of differences, and a comparison of the
515 estimated premium and coverage offered by the insurer to the
516 estimated premium and coverage provided by the corporation. The
517 corporation shall develop a uniform format for the estimated
518 premium and coverage information required by this subparagraph.
519 After January 1, 2016, a policy may not be taken out from the
520 corporation unless the provisions of this subparagraph are met.

521 2. A policyholder may elect not to be solicited for take-
522 out offers more than once in a 6-month period.

523 3. A policyholder whose policy was taken out by an insurer
524 in the previous 36 months is considered a renewal policyholder
525 under s. 627.3518 if the corporation determines that the insurer
526 continues to insure the policyholder and that the initial
527 premium of the insurer exceeded its estimated premium by more
528 than 10 percent or the insurer increased the rate on the policy
529 in excess of the increase allowed for the corporation under
530 subparagraph (6)(n)6.

531
532 ===== D I R E C T O R Y C L A U S E A M E N D M E N T =====



527578

533 And the directory clause is amended as follows:

534 Delete lines 16 - 17

535 and insert:

536 Section 1. Paragraphs (c) and (x) of subsection (6) of
537 section 627.351, Florida Statutes, are amended, and paragraph
538 (ii) is added to that subsection, to read:

539

540 ===== T I T L E A M E N D M E N T =====

541 And the title is amended as follows:

542 Delete lines 2 - 11

543 and insert:

544 An act relating to operations of the Citizens Property
545 Insurance Corporation; amending s. 627.351, F.S.;
546 specifying that a consumer representative appointed by
547 the Governor to the Citizens Property Insurance
548 Corporation's board of governors is not prohibited
549 from practicing in a certain profession if required or
550 permitted by law or ordinance; authorizing the use of
551 specified information by certain entities in analyzing
552 risks and prohibiting the use of such information for
553 the direct solicitation of policyholders; requiring
554 the take-out program to be revised for specified
555 purposes; requiring policyholders after a specified
556 date to receive certain information relating to a
557 demonstration of interest to insure by private
558 insurers; requiring the corporation to develop uniform
559 formats for certain information; allowing a
560 policyholder to elect to limit the frequency of
561 solicitations for take-out offers; providing



527578

562 circumstances under which a policyholder whose policy
563 was taken out to be considered a renewal policyholder
564 for certain rate increase purposes; providing an