

By Senator Bullard

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

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

11  
12 Section 1. Section 627.712, Florida Statutes, is amended to  
13 read:

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

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

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

28 (a) The coverage may be excluded only if the policyholder:

29 1. ~~When the policyholder~~ Is a natural person who, ~~the~~

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

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

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

51 ~~(c)~~ An insurer nonrenewing a policy and issuing a  
52 replacement policy, or issuing a new policy, which that does not  
53 provide wind coverage must shall provide a notice to the  
54 mortgageholder or lienholder indicating the policyholder has  
55 elected coverage that does not cover wind.

56 (3) An insurer issuing a residential property insurance  
57 policy, except for a condominium unit owner policy or a tenant  
58 policy, must make available, at the option of the policyholder,

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59 an exclusion of coverage for the contents. The coverage may be  
60 excluded only if the policyholder ~~personally writes and~~ provides  
61 to the insurer the following statement, which must be in the  
62 policyholder's ~~his or her~~ own handwriting and ~~signs his or her~~  
63 ~~signature, which must also be~~ signed and dated by him or her and  
64 every other named insured on the policy, ~~and dated~~: "I do not  
65 want the insurance on my (home/mobile home) to pay for the costs  
66 to repair or replace any contents that are damaged. I will pay  
67 those costs. My insurance will not."

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

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

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

83 Section 2. This act shall take effect July 1, 2016.