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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
04/03/2017	.	
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The Committee on Banking and Insurance (Bracy) recommended the following:

Senate Amendment (with directory and title amendments)

Delete lines 18 - 27

and insert:

~~(3) This subsection does not prohibit an insurer from requiring a preinsurance inspection of any motor vehicle as a condition of issuance of physical damage coverage.~~

(7) Notwithstanding any other provision of this section, an insurer may opt out of the inspection requirements of this section. An insurer opting out of the inspection must file a



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11 manual rule with the office indicating that the insurer will not
12 participate in the inspection program under this section. An
13 insurer that files such a manual rule with the office may
14 establish its own preinsurance inspection requirements as a
15 condition to issuing a private passenger motor vehicle insurance
16 policy. The insurer's preinsurance inspection requirements must
17 be included in the manual rule filed with the office. An
18 applicant may be required to pay the cost of the inspection, not
19 to exceed \$5.

20 ~~(8) The Division of Insurance Fraud of the Department of~~
21 ~~Financial Services shall provide a report of data from the~~
22 ~~required preinsurance inspection of motor vehicles to the~~
23 ~~Governor, the President of the Senate, and the Speaker of the~~
24 ~~House of Representatives by December 1, 2016.~~

25 ~~(a) The data must include, but need not be limited to:~~

26 ~~1. A written estimate of the total cost incurred by~~
27 ~~insurers and policyholders in order to comply with the~~
28 ~~inspections.~~

29 ~~2. A written estimate of the total cost incurred by~~
30 ~~insurers to have their motor vehicles inspected.~~

31 ~~3. Documentation regarding the total premium savings for~~
32 ~~policyholders as a result of the inspections.~~

33 ~~4. Documentation of the total number of inspected motor~~
34 ~~vehicles that had a preexisting condition.~~

35 ~~5. Documentation regarding the potential fraud in motor~~
36 ~~vehicle claims incurred within the first 125 days after issuance~~
37 ~~of a new policy.~~

38 ~~6. Documentation of the total number of referrals of~~
39 ~~fraudulent acts to the National Insurance Crime Bureau by~~



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40 ~~preinsurance inspectors during the past 5 years.~~

41 ~~(b) The Legislature may use the report data in determining~~
42 ~~the future public necessity for this section.~~

43
44 ===== D I R E C T O R Y C L A U S E A M E N D M E N T =====

45 And the directory clause is amended as follows:

46 Delete lines 14 - 15

47 and insert:

48 Section 1. Subsections (3) and (8) of section 627.744,
49 Florida Statutes, are amended, present subsections (4) through
50 (7) of that section are redesignated as subsections (3) through
51 (6), and a new subsection (7) is added to that section, to read:

52
53 ===== T I T L E A M E N D M E N T =====

54 And the title is amended as follows:

55 Delete lines 3 - 10

56 and insert:

57 s. 627.744, F.S.; revising construction; authorizing
58 insurers to opt out of preinsurance inspections of
59 private passenger motor vehicles; requiring insurers
60 opting out to file a certain manual rule with the
61 Office of Insurance Regulation; authorizing such
62 insurers to establish their own preinsurance
63 inspection requirements, which must be included in the
64 filed manual rule; providing that applicants may be
65 required to pay the cost of the inspection up to a
66 specified amount; deleting an obsolete provision;
67 providing an effective date.