

HB 805

2017

1                   A bill to be entitled  
2           An act relating to insurance policy transfers;  
3           amending s. 627.4133, F.S.; authorizing an insurer to  
4           transfer a residential property insurance policy to  
5           another authorized insurer upon expiration of the  
6           policy term if specified conditions are met; providing  
7           an effective date.  
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9   Be It Enacted by the Legislature of the State of Florida:  
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11           Section 1. Subsection (8) of section 627.4133, Florida  
12           Statutes, is amended to read:

13           627.4133 Notice of cancellation, nonrenewal, or renewal  
14           premium.—

15           (8) Upon expiration of the policy term, an insurer may  
16           transfer a personal lines residential, commercial residential,  
17           or commercial lines policy to another authorized insurer that is  
18           a member of the same group or owned by the same holding company  
19           as the transferring insurer. The transfer constitutes a renewal  
20           of the policy and may not be treated as a cancellation or a  
21           nonrenewal of the policy. The insurer must provide notice of its  
22           intent to transfer the policy at least 45 days before the  
23           effective date of the transfer along with the financial rating  
24           of the authorized insurer to which the policy is being  
25           transferred. Such notice may be provided in the notice of

26 | renewal premium. This subsection applies to ~~does not apply to a~~  
27 | ~~policy providing residential property insurance coverage, except~~  
28 | ~~for~~ farmowners insurance and commercial general liability  
29 | policies providing farm coverage or commercial property policies  
30 | providing farm coverage. This subsection does not apply to a  
31 | policy providing personal lines residential or commercial  
32 | residential property insurance coverage unless:

33 |       (a) The insured is transferred to an affiliated insurer  
34 | that is admitted to do business in this state, that is admitted  
35 | and writing residential property insurance in other states, and  
36 | that has been determined by the office to have the same or  
37 | better financial strength than the transferring insurer;

38 |       (b) The transfer results in substantially similar  
39 | coverage;

40 |       (c) The affiliated insurer provides a notice of change in  
41 | policy terms to the policyholder in compliance with s.  
42 | 627.43141;

43 |       (d) Notice of the transfer is delivered to the insured and  
44 | agents are provided a sample copy of the notice;

45 |       (e) The insureds being transferred are selected on a  
46 | nondiscriminatory basis; and

47 |       (f) The office has approved the transfer.

48 | Section 2. This act shall take effect July 1, 2017.