

By Senator Taddeo

40-01437-18

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1 A bill to be entitled
 2 An act relating to residential property insurance;
 3 amending s. 627.7011, F.S.; revising a mandatory
 4 homeowner's insurance policy disclosure regarding the
 5 absence of flood insurance coverage; requiring the
 6 homeowner to place his or her initials on a specified
 7 acknowledgment; providing applicability; providing an
 8 effective date.

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

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 12 Section 1. Subsection (4) of section 627.7011, Florida
 13 Statutes, is amended to read:

14 627.7011 Homeowners' policies; offer of replacement cost
 15 coverage and law and ordinance coverage.—

16 (4) A homeowner's insurance policy must include in bold
 17 type no smaller than 18 points the following statement, and the
 18 homeowner must place his or her initials in the space indicated:

19
 20 "Law and ordinance coverage is an important coverage
 21 that you may wish to purchase. You may also need to
 22 consider the purchase of flood insurance from the
 23 national flood insurance program. HURRICANE INSURANCE
 24 DOES NOT INCLUDE FLOOD INSURANCE. WITHOUT THIS
 25 COVERAGE, YOU MAY HAVE UNCOVERED LOSSES. PLEASE
 26 DISCUSS THESE COVERAGES WITH YOUR INSURANCE AGENT.

27
 28 ...(insert initials)...I UNDERSTAND THAT IF I PURCHASE
 29 HURRICANE INSURANCE, IT DOES NOT INCLUDE FLOOD

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30 INSURANCE."

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32 The intent of this subsection is to encourage policyholders to
33 purchase sufficient coverage to protect them in case events
34 excluded from the standard homeowners policy, such as law and
35 ordinance enforcement and flood, combine with covered events to
36 produce damage or loss to the insured property. The intent is
37 also to encourage policyholders to discuss these issues with
38 their insurance agent.

39 Section 2. The amendment made by this act to s. 627.7011,
40 Florida Statutes, applies to policies issued or renewed on or
41 after July 1, 2018.

42 Section 3. This act shall take effect July 1, 2018.