1 A bill to be entitled 2 An act relating to property insurance coverage for 3 explosions; amending s. 624.10, F.S.; defining the 4 term "explosion" for purposes of the Florida Insurance 5 Code; creating s. 627.70105, F.S.; requiring an 6 insurer issuing or renewing a property insurance 7 policy to provide explosion coverage; providing 8 options for exclusions of explosion coverage; 9 providing requirements for such options; providing 10 recordkeeping requirements; providing a presumption; providing applicability; requiring the Financial 11 12 Services Commission to adopt rules; providing 13 effective dates. 14 Be It Enacted by the Legislature of the State of Florida: 15 16 17 Section 1. Effective July 1, 2020, subsections (4) and (5) 18 of section 624.10, Florida Statutes, are renumbered as 19 subsections (5) and (6), respectively, and a new subsection (4) is added to that section, to read: 20 624.10 Other definitions.-As used in the Florida Insurance 21 22 Code, the term: (4) 23 "Explosion" means: An intense ground vibration caused by drilling or 24 (a) 25 blasting for mining or quarrying; or

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(b) A sudden and violent release of energy in a rapid 26 27 nuclear or chemical reaction that produces heat, light, noise, 28 and a shock wave. 29 Section 2. Effective July 1, 2020, section 627.70105, 30 Florida Statutes, is created to read: 31 627.70105 Explosion coverage required; availability of 32 exclusions.-33 (1) An insurer issuing or renewing a property insurance 34 policy must provide explosion coverage. 35 (2) An insurer issuing a property insurance policy must 36 make available, at the option of the policyholder, an exclusion of explosion coverage. 37 The coverage may be excluded only if: 38 (a) 39 1. When the policyholder is a natural person, the 40 policyholder personally provides to the insurer the following 41 statement, which must be written in the policyholder's own 42 handwriting, signed by the policyholder and every other named 43 insured on the property insurance policy, and dated: "I do not 44 want the insurance on my (home/mobile home/dwelling/condominium 45 unit/association/business) to pay for damage from explosion. I 46 will pay those costs. My insurance will not." 47 2. When the policyholder is other than a natural person, the policyholder provides to the insurer on the policyholder's 48 letterhead the following statement, which must be signed by the 49 50 policyholder's authorized representative and dated: ... (Name of

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51 entity)... does not want the insurance on its ... (type of 52 structure)... to pay for damage from an explosion. ... (Name of 53 entity) ... will be responsible for these costs. ... (Name of 54 entity's)... insurance will not. 55 (b) If the structure covered by the property insurance 56 policy is subject to a mortgage or lien, the policyholder must 57 provide the insurer with a written statement from the 58 mortgageholder or lienholder indicating that the mortgageholder 59 or lienholder approves the policyholder electing to exclude 60 explosion coverage from his or her or its property insurance 61 policy. 62 (3) An insurer issuing a property insurance policy must make available, at the option of the policyholder, an exclusion 63 64 of coverage for the contents. The coverage may be excluded only 65 if the policyholder personally provides to the insurer the 66 following statement, which must be written in the policyholder's 67 own handwriting, signed by the policyholder and every other 68 named insured on the property insurance policy, and dated: "I do 69 not want the insurance on my (home/mobile 70 home/dwelling/condominium unit/ association/business) to pay for 71 the costs to repair or replace any contents that are damaged 72 from explosion. I will pay those costs. My insurance will not." 73 (4) An insurer shall keep the original copy of a signed 74 statement required by this section for coverage exclusion, 75 electronically or otherwise, and provide a copy to the

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76	policyholder. A signed statement meeting the requirements of
77	this section creates a presumption that there was an informed,
78	knowing rejection of coverage.
79	(5) The exclusions authorized by this section apply for
80	the term of the property insurance policy and for each renewal
81	thereafter. Changes to the exclusions authorized by this section
82	may be implemented only as of the date of renewal.
83	(6) The commission shall adopt rules providing appropriate
84	alternative methods for providing the statements required by
85	this section for policyholders who have a handicapping or
86	disabling condition that prevents them from providing a
87	handwritten statement.
88	Section 3. Except as otherwise provided in this act, this
89	act shall take effect July 1, 2019.

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