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LEGISLATIVE ACTION

Senate

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House

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Floor: WD

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04/28/2021 10:54 AM

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Senator Burgess moved the following:

1 **Senate Amendment to Amendment (958927) (with title**
2 **amendment)**

3
4 Delete lines 2395 - 2705

5 and insert:

6 627.7275 Required coverages in motor vehicle insurance
7 policies; availability to certain applicants liability.-

8 (1) A motor vehicle insurance policy ~~providing personal~~
9 ~~injury protection as set forth in s. 627.736~~ may not be
10 delivered or issued for delivery in this state for a with
11 ~~respect to any~~ specifically insured or identified motor vehicle



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12 registered or principally garaged in this state must provide
13 bodily injury liability coverage and ~~unless the policy also~~
14 ~~provides coverage for~~ property damage liability coverage as
15 required under ~~by~~ s. 324.022 and s. 324.151 and the death
16 benefit required under s. 627.72761.

17 (2) (a) Insurers writing motor vehicle insurance in this
18 state shall make available, subject to the insurers' usual
19 underwriting restrictions:

20 1. Coverage under policies as described in subsection (1)
21 to an applicant for private passenger motor vehicle insurance
22 coverage who is seeking the coverage in order to reinstate the
23 applicant's driving privileges in this state if the driving
24 privileges were revoked or suspended pursuant to s. 316.646 or
25 s. 324.0221 due to the failure of the applicant to maintain
26 required security.

27 2. Coverage under policies as described in subsection (1),
28 which includes bodily injury ~~also provides~~ liability coverage
29 and property damage liability coverage, ~~for bodily injury,~~
30 ~~death, and property damage arising out of the ownership,~~
31 ~~maintenance, or use of the motor vehicle~~ in an amount not less
32 than the minimum limits required under ~~described in~~ s.
33 324.021(7) or s. 324.023 and which conforms to the requirements
34 of s. 324.151, to an applicant for private passenger motor
35 vehicle insurance coverage who is seeking the coverage in order
36 to reinstate the applicant's driving privileges in this state
37 after such privileges were revoked or suspended under s. 316.193
38 or s. 322.26(2) for driving under the influence.

39 (b) The policies described in paragraph (a) must ~~shall~~ be
40 issued for at least 6 months and, as to the minimum coverages



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41 required under this section, may not be canceled by the insured
42 for any reason or by the insurer after 60 days, during which
43 period the insurer is completing the underwriting of the policy.
44 After the insurer has completed underwriting the policy, the
45 insurer shall notify the Department of Highway Safety and Motor
46 Vehicles that the policy is in full force and effect and is not
47 cancelable for the remainder of the policy period. A premium
48 must ~~shall~~ be collected and the coverage is in effect for the
49 60-day period during which the insurer is completing the
50 underwriting of the policy, whether or not the person's driver
51 license, motor vehicle tag, and motor vehicle registration are
52 in effect. Once the noncancelable provisions of the policy
53 become effective, the bodily injury liability and property
54 damage liability coverages ~~for bodily injury, property damage,~~
55 ~~and personal injury protection~~ may not be reduced below the
56 minimum limits required under s. 324.021 or s. 324.023 during
57 the policy period.

58 (c) This subsection controls to the extent of any conflict
59 with any other section.

60 (d) An insurer issuing a policy subject to this section may
61 cancel the policy if, during the policy term, the named insured,
62 or any other operator who resides in the same household or
63 customarily operates an automobile insured under the policy, has
64 his or her driver license suspended or revoked.

65 (e) This subsection does not require an insurer to offer a
66 policy of insurance to an applicant if such offer would be
67 inconsistent with the insurer's underwriting guidelines and
68 procedures.

69 Section 47. Section 627.72761, Florida Statutes, is created



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70 to read:

71 627.72761 Required motor vehicle death benefit coverage.—An
72 insurance policy complying with the financial responsibility
73 requirements of s. 324.022 must provide a death benefit upon the
74 death of the named insured, relatives residing in the same
75 household, persons operating the insured motor vehicle,
76 passengers in the motor vehicle, and other persons struck by the
77 motor vehicle and suffering bodily injury while not an occupant
78 of a self-propelled motor vehicle, to a limit of \$5,000, when
79 such death arises out of the ownership, maintenance, or use of a
80 motor vehicle. The insurer may pay death benefits to the
81 executor or administrator of the deceased; to any of the
82 deceased relatives by blood, legal adoption, or marriage; or to
83 any person appearing to the insurer to be equitably entitled to
84 such benefits. The benefit may not be paid to any person who
85 died as a result of causing injury or death to himself or
86 herself intentionally, or because of injuries or death incurred
87 while committing a felony.

88 Section 48. Effective upon this act becoming a law, section
89 627.7278, Florida Statutes, is created to read:

90 627.7278 Applicability and construction; notice to
91 policyholders.—

92 (1) As used in this section, the term “minimum security
93 requirements” means security that enables a person to respond in
94 damages for liability on account of crashes arising out of the
95 ownership, maintenance, or use of a motor vehicle, in the
96 amounts required by s. 324.022(1), as amended by this act.

97 (2) Effective January 1, 2022:

98 (a) Motor vehicle insurance policies issued or renewed on



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99 or after that date may not include personal injury protection.

100 (b) All persons subject to s. 324.022, s. 324.032, s.
101 627.7415, or s. 627.742 must maintain at least minimum security
102 requirements.

103 (c) Any new or renewal motor vehicle insurance policy
104 delivered or issued for delivery in this state must provide
105 coverage that complies with minimum security requirements and
106 provides the death benefit set forth in s. 627.72761.

107 (d) An existing motor vehicle insurance policy issued
108 before that date which provides personal injury protection and
109 property damage liability coverage that meets the requirements
110 of s. 324.022 on December 31, 2021, but which does not meet
111 minimum security requirements on or after January 1, 2022, is
112 deemed to meet minimum security requirements until such policy
113 is renewed, nonrenewed, or canceled on or after January 1, 2022.
114 Sections 400.9905, 400.991, 456.057, 456.072, 626.9541(1)(i),
115 627.7263, 627.727, 627.730-627.7405, 627.748, and 817.234,
116 Florida Statutes 2020, remain in full force and effect for motor
117 vehicle accidents covered under a policy issued under the
118 Florida Motor Vehicle No-Fault Law before January 1, 2022, until
119 the policy is renewed, nonrenewed, or canceled on or after
120 January 1, 2022.

121 (3) Each insurer shall allow each insured who has a new or
122 renewal policy providing personal injury protection which
123 becomes effective before January 1, 2022, and whose policy does
124 not meet minimum security requirements on or after January 1,
125 2022, to change coverages so as to eliminate personal injury
126 protection and obtain coverage providing minimum security
127 requirements and the death benefit set forth in s. 627.72761,



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128 which shall be effective on or after January 1, 2022. The
129 insurer is not required to provide coverage complying with
130 minimum security requirements and the death benefit set forth in
131 s. 627.72761 in such policies if the insured does not pay the
132 required premium, if any, by January 1, 2022, or such later date
133 as the insurer may allow. The insurer also shall offer each
134 insured medical payments coverage pursuant to s. 627.7265. Any
135 reduction in the premium must be refunded by the insurer. The
136 insurer may not impose on the insured an additional fee or
137 charge that applies solely to a change in coverage; however, the
138 insurer may charge an additional required premium that is
139 actuarially indicated.

140 (4) By September 1, 2021, each motor vehicle insurer shall
141 provide notice of this section to each motor vehicle
142 policyholder who is subject to this section. The notice is
143 subject to approval by the office and must clearly inform the
144 policyholder that:

145 (a) The Florida Motor Vehicle No-Fault Law is repealed
146 effective January 1, 2022, and that on or after that date, the
147 insured is no longer required to maintain personal injury
148 protection insurance coverage, that personal injury protection
149 coverage is no longer available for purchase in this state, and
150 that all new or renewal policies issued on or after that date
151 will not contain that coverage.

152 (b) Effective January 1, 2022, a person subject to the
153 financial responsibility requirements of s. 324.022 must:

154 1. Maintain minimum security requirements that enable the
155 person to respond to damages for liability on account of
156 accidents arising out of the use of a motor vehicle in the



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157 following amounts:

158 a. Twenty-five thousand dollars for bodily injury to, or
159 the death of, one person in any one crash and, subject to such
160 limits for one person, in the amount of \$50,000 for bodily
161 injury to, or the death of, two or more persons in any one
162 crash; and

163 b. Ten thousand dollars for damage to, or destruction of,
164 the property of others in any one crash.

165 2. Purchase a death benefit pursuant to s. 627.72761
166 providing \$5,000 in coverage upon the death of the operator of a
167 motor vehicle.

168 (c) Bodily injury liability coverage protects the insured,
169 up to the coverage limits, against loss if the insured is
170 legally responsible for the death of or bodily injury to others
171 in a motor vehicle accident.

172 (d) Effective January 1, 2022, each policyholder of motor
173 vehicle liability insurance purchased as proof of financial
174 responsibility must be offered medical payments coverage
175 benefits that comply with s. 627.7265. The insurer must offer
176 medical payments coverage at limits of \$5,000 and \$10,000
177 without a deductible. The insurer may also offer medical
178 payments coverage at other limits greater than \$5,000 and may
179 offer coverage with a deductible of up to \$500. Medical payments
180 coverage pays covered medical expenses incurred due to bodily
181 injury, sickness, or disease arising out of the ownership,
182 maintenance, or use of the motor vehicle, up to the limits of
183 such coverage, for injuries sustained in a motor vehicle crash
184 by the named insured, resident relatives, any persons operating
185 the insured motor vehicle, passengers in the insured motor



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186 vehicle, and persons who are struck by the insured motor vehicle
187 and suffer bodily injury while not an occupant of a self-
188 propelled motor vehicle as provided in s. 627.7265. Medical
189 payments coverage also provides a death benefit of at least
190 \$5,000.

191 (e) The policyholder may obtain uninsured and underinsured
192 motorist coverage that provides benefits, up to the limits of
193 such coverage, to a policyholder or other insured entitled to
194 recover damages for bodily injury, sickness, disease, or death
195 resulting from a motor vehicle accident with an uninsured or
196 underinsured owner or operator of a motor vehicle.

197 (f) If the policyholder's new or renewal motor vehicle
198 insurance policy is effective before January 1, 2022, and
199 contains personal injury protection and property damage
200 liability coverage as required by state law before January 1,
201 2022, but does not meet minimum security requirements on or
202 after January 1, 2022, the policy is deemed to meet minimum
203 security requirements and need not provide the death benefit set
204 forth in s. 627.72761 until it is renewed, nonrenewed, or
205 canceled on or after January 1, 2022.

206 (g) A policyholder whose new or renewal policy becomes
207 effective before January 1, 2022, but does not meet minimum
208 security requirements on or after January 1, 2022, may change
209 coverages under the policy so as to eliminate personal injury
210 protection and to obtain coverage providing minimum security
211 requirements, including bodily injury liability coverage and the
212 death benefit set forth in s. 627.72761, which are effective on
213 or after January 1, 2022.

214 (h) If the policyholder has any questions, he or she should



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215 contact the person named at the telephone number provided in the
216 notice.

217 Section 49. Paragraph (a) of subsection (1) of section
218 627.728, Florida Statutes, is amended to read:

219 627.728 Cancellations; nonrenewals.—

220 (1) As used in this section, the term:

221 (a) "Policy" means the bodily injury and property damage
222 liability, ~~personal injury protection~~, medical payments,
223 comprehensive, collision, and uninsured motorist coverage
224 portions of a policy of motor vehicle insurance delivered or
225 issued for delivery in this state:

226 1. Insuring a natural person as named insured or one or
227 more related individuals who are residents ~~resident~~ of the same
228 household; and

229 2. Insuring only a motor vehicle of the private passenger
230 type or station wagon type which is not used as a public or
231 livery conveyance for passengers or rented to others; or
232 insuring any other four-wheel motor vehicle having a load
233 capacity of 1,500 pounds or less which is not used in the
234 occupation, profession, or business of the insured other than
235 farming; other than any policy issued under an automobile
236 insurance assigned risk plan or covering garage, automobile
237 sales agency, repair shop, service station, or public parking
238 place operation hazards.

239

240 The term "policy" does not include a binder as defined in s.
241 627.420 unless the duration of the binder period exceeds 60
242 days.

243 Section 50. Subsection (1), paragraph (a) of subsection



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244 (5), and subsections (6) and (7) of section 627.7295, Florida
245 Statutes, are amended to read:

246 627.7295 Motor vehicle insurance contracts.—

247 (1) As used in this section, the term:

248 (a) "Policy" means a motor vehicle insurance policy that
249 provides bodily injury liability ~~personal injury protection~~
250 coverage and, ~~property damage liability coverage, or both.~~

251 (b) "Binder" means a binder that provides motor vehicle
252 bodily injury liability coverage ~~personal injury protection~~ and
253 property damage liability coverage.

254 (5) (a) A licensed general lines agent may charge a per-
255 policy fee of up to ~~not to exceed~~ \$10 to cover the
256 administrative costs of the agent associated with selling the
257 motor vehicle insurance policy if the policy covers only the
258 death benefit coverage set forth in s. 627.72761, bodily injury
259 liability coverage, ~~personal injury protection coverage as~~
260 ~~provided by s. 627.736~~ and property damage liability coverage as
261 provided by s. 627.7275 and if no other insurance is sold or
262 issued in conjunction with or collateral to the policy. The fee
263 is not ~~considered~~ part of the premium.

264 (6) If a motor vehicle owner's driver license, license
265 plate, and registration have previously been suspended pursuant
266 to s. 316.646 ~~or s. 627.733~~, an insurer may cancel a new policy
267 only as provided in s. 627.7275.

268 (7) A policy of private passenger motor vehicle insurance
269 or a binder for such a policy may be initially issued in this
270 state only if, before the effective date of such binder or
271 policy, the insurer or agent has collected from the insured an
272 amount equal to at least 1 month's premium. An insurer, agent,



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273 or premium finance company may not, directly or indirectly, take
274 any action that results ~~resulting~~ in the insured paying ~~having~~
275 ~~paid~~ from the insured's own funds an amount less than the 1
276 month's premium required by this subsection. This subsection
277 applies without regard to whether the premium is financed by a
278 premium finance company or is paid pursuant to a periodic
279 payment plan of an insurer or an insurance agent.

280 (a) This subsection does not apply:

281 1. If an insured or member of the insured's family is
282 renewing or replacing a policy or a binder for such policy
283 written by the same insurer or a member of the same insurer
284 group. ~~This subsection does not apply~~

285 2. To an insurer that issues private passenger motor
286 vehicle coverage primarily to active duty or former military
287 personnel or their dependents. ~~This subsection does not apply~~

288 3. If all policy payments are paid pursuant to a payroll
289 deduction plan, an automatic electronic funds transfer payment
290 plan from the policyholder, or a recurring credit card or debit
291 card agreement with the insurer.

292 (b) This subsection and subsection (4) do not apply if:

293 1. All policy payments to an insurer are paid pursuant to
294 an automatic electronic funds transfer payment plan from an
295 agent, a managing general agent, or a premium finance company
296 and if the policy includes, at a minimum, the death benefit
297 coverage set forth in s. 627.72761, bodily injury liability
298 coverage, and ~~personal injury protection pursuant to ss.~~
299 ~~627.730-627.7405; motor vehicle property damage liability~~
300 coverage pursuant to s. 627.7275; ~~or and bodily injury liability~~
301 ~~in at least the amount of \$10,000 because of bodily injury to,~~



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302 ~~or death of, one person in any one accident and in the amount of~~
303 ~~\$20,000 because of bodily injury to, or death of, two or more~~
304 ~~persons in any one accident. This subsection and subsection (4)~~
305 ~~do not apply if~~

306 2. An insured has had a policy in effect for at least 6
307 months, the insured's agent is terminated by the insurer that
308 issued the policy, and the insured obtains coverage on the
309 policy's renewal date with a new company through the terminated
310 agent.

311 Section 51. Section 627.7415, Florida Statutes, is amended
312 to read:

313 627.7415 Commercial motor vehicles; additional liability
314 insurance coverage.—Beginning January 1, 2022, commercial motor
315 vehicles, as defined in s. 207.002 or s. 320.01, operated upon
316 the roads and highways of this state must ~~shall~~ be insured with
317 the following minimum levels of combined bodily liability
318 insurance and property damage liability insurance in addition to
319 any other insurance requirements:

320 (1) ~~Sixty~~ Fifty thousand dollars per occurrence for a
321 commercial motor vehicle with a gross vehicle weight of 26,000
322 pounds or more, but less than 35,000 pounds.

323 (2) One hundred twenty thousand dollars per occurrence for
324 a commercial motor vehicle with a gross vehicle weight of 35,000
325 pounds or more, but less than 44,000 pounds.

326 (3) Three hundred thousand dollars per occurrence for a
327 commercial motor vehicle with a gross vehicle weight of 44,000
328 pounds or more.

329 (4) All commercial motor vehicles subject to regulations of
330 the United States Department of Transportation, 49 C.F.R. part



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331 387, subpart A, and as may be hereinafter amended, shall be
332 insured in an amount equivalent to the minimum levels of
333 financial responsibility as set forth in such regulations.

334
335 A violation of this section is a noncriminal traffic infraction,
336 punishable as a nonmoving violation as provided in chapter 318.

337 Section 52. Section 627.747, Florida Statutes, is created
338 to read:

339 627.747 Named driver exclusion.-

340 (1) A private passenger motor vehicle policy may exclude
341 the following coverages for all claims or suits resulting from
342 the operation of a motor vehicle by an identified individual who
343 is not a named insured, provided that the identified individual
344 is specifically excluded by name on the declarations page or by
345 endorsement and the policyholder consents in writing to the
346 exclusion:

347 (a) Property damage liability coverage.

348 (b) Bodily injury liability coverage.

349 (c) Death benefit coverage under s. 627.72761.

350
351 ===== T I T L E A M E N D M E N T =====

352 And the title is amended as follows:

353 Between lines 3565 and 3566

354 insert:

355 creating s. 627.72761, F.S.; requiring motor vehicle
356 insurance policies to provide death benefits;
357 specifying requirements for and persons to whom such
358 benefits may and may not be paid;