

Amendment No.

CHAMBER ACTION

Senate

House

.

Representative Gregory offered the following:

Amendment (with title amendment)

Remove everything after the enacting clause and insert:

Section 1. Effective June 1, 2023, paragraph (c) of subsection (2) of section 215.555, Florida Statutes, is amended to read:

215.555 Florida Hurricane Catastrophe Fund.—

(2) DEFINITIONS.—As used in this section:

(c) "Covered policy" means any insurance policy covering residential property in this state, including, but not limited to, any homeowner, mobile home owner, farm owner, condominium association, condominium unit owner, tenant, or apartment

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14 building policy, or any other policy covering a residential
15 structure or its contents issued by any authorized insurer,
16 including a commercial self-insurance fund holding a certificate
17 of authority issued by the Office of Insurance Regulation under
18 s. 624.462, the Citizens Property Insurance Corporation, and any
19 joint underwriting association or similar entity created under
20 law. The term "~~covered policy~~" includes any collateral
21 protection insurance policy covering personal residences which
22 protects both the borrower's and the lender's financial
23 interests, in an amount at least equal to the coverage amount
24 for the dwelling in place under the lapsed homeowner's policy,
25 the coverage amount that the homeowner has been notified of by
26 the collateral protection insurer, or the coverage amount the
27 homeowner requests from the collateral protection insurer, if
28 such collateral protection insurance policy can be accurately
29 reported as required in subsection (5). Additionally, covered
30 policies include policies covering the peril of wind removed
31 from the Florida Residential Property and Casualty Joint
32 Underwriting Association or from the Citizens Property Insurance
33 Corporation, created under s. 627.351(6), or from the Florida
34 Windstorm Underwriting Association, created under s. 627.351(2),
35 by an authorized insurer under the terms and conditions of an
36 executed assumption agreement between the authorized insurer and
37 such association or Citizens Property Insurance Corporation.
38 Each assumption agreement between the association and such

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39 authorized insurer or Citizens Property Insurance Corporation
40 must be approved by the Office of Insurance Regulation before
41 the effective date of the assumption, and the Office of
42 Insurance Regulation must provide written notification to the
43 board within 15 working days after such approval. "Covered
44 policy" does not include any policy that excludes wind coverage
45 or hurricane coverage or any reinsurance agreement and does not
46 include any policy otherwise meeting this definition which is
47 issued by a surplus lines insurer or a reinsurer. All commercial
48 residential excess policies and all deductible buy-back policies
49 that, based on sound actuarial principles, require individual
50 ratemaking must ~~shall~~ be excluded by rule if the actuarial
51 soundness of the fund is not jeopardized. For this purpose, the
52 term "excess policy" means a policy that provides insurance
53 protection for large commercial property risks and that provides
54 a layer of coverage above a primary layer insured by another
55 insurer.

56 Section 2. Subsection (3) of section 440.381, Florida
57 Statutes, is amended to read:

58 440.381 Application for coverage; reporting payroll;
59 payroll audit procedures; penalties.-

60 (3) The Financial Services Commission, in consultation
61 with the department, shall establish by rule minimum
62 requirements for audits of payroll and classifications ~~in order~~
63 to ensure that the appropriate premium is charged for workers'

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64 compensation coverage. The rules must ~~shall~~ ensure that audits
65 performed by both carriers and employers are adequate to provide
66 that all sources of payments to employees, subcontractors, and
67 independent contractors are ~~have been~~ reviewed and that the
68 accuracy of classification of employees is ~~has been~~ verified.
69 The rules must require ~~shall provide~~ that employers in all
70 classes other than the construction class be audited at least
71 ~~not less frequently than~~ biennially and may provide for more
72 frequent audits of employers in specified classifications based
73 on factors such as amount of premium, type of business, loss
74 ratios, or other relevant factors. ~~In no event shall~~ Employers
75 in the construction class, generating more than the amount of
76 premium required to be experience rated must, be audited at
77 least less than annually. The annual audits required for
78 construction classes must ~~shall~~ consist of physical onsite
79 audits of policies only if the estimated annual premium is
80 \$10,000 or more. Payroll verification audit rules must include,
81 but need not be limited to, the use of state and federal reports
82 of employee income, payroll and other accounting records,
83 certificates of insurance maintained by subcontractors, and
84 duties of employees. At the completion of an audit, the employer
85 or officer of the corporation and the auditor must print and
86 sign their names on the audit document and attach proof of
87 identification to the audit document.

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88 Section 3. Subsection (3) is added to section 624.413,
89 Florida Statutes, to read:

90 624.413 Application for certificate of authority.—

91 (3)(a) If the aggregate percentage of ownership by persons
92 maintaining citizenship from, residing in, or domiciled in, the
93 same jurisdiction outside the United States is more than 10
94 percent of an applicant for a certificate of authority from the
95 office, or if such persons acquire or intend to acquire in the
96 aggregate more than 10 percent ownership in an existing stock
97 insurer possessing a certificate of authority from the office,
98 then such persons may be:

99 1. Deemed to have control; and

100 2. Subject to the requirements of sworn biographical
101 statements, legible copies of fingerprints, and authority for
102 release of information in regard to the investigation of such
103 persons' backgrounds as specified in s. 628.051(2)(b).

104 (b) The office may apply the same criteria described in
105 paragraph (a) to each of the following applications to determine
106 if a person is deemed to have control and is subject to the
107 requirements of a sworn biographical statement, legible copies
108 of fingerprints, and authority for release of information in
109 regard to the investigation of the person's background as
110 specified in s. 628.051(2)(b):

111 1. A certificate of authority to form multiple-employer
112 welfare arrangements under s. 624.437.

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113 2. A certificate of authority to act as an insurance
114 administrator under s. 626.8805.

115 3. A permit to form domestic insurer under s. 628.051.

116 4. An acquisition of controlling stock or voting
117 securities under s. 628.461.

118 5. An acquisition of ownership interest or controlling
119 stock of a specialty insurer under s. 628.4615.

120 6. A certificate of authority to transact insurance as a
121 domestic reciprocal insurer under s. 629.081.

122 7. A license to issue motor vehicle service agreements
123 under s. 634.041.

124 8. A license to issue home warranties under s. 634.304.

125 9. A license to issue service warranties under s. 634.404.

126 10. A certificate of authority to operate as a prepaid
127 limited health service organization under s. 636.008.

128 11. A license to operate as a discount plan organization
129 under s. 636.204.

130 12. A certificate of authority to operate as a health
131 maintenance organization under s. 641.21.

132 13. A certificate of authority to operate as a prepaid
133 health clinic under s. 641.405.

134 14. A certificate of authority to offer continuing care
135 contracts under ss. 651.022-651.0245.

136 Section 4. Section 624.46227, Florida Statutes, is created
137 to read:

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138 624.46227 Meeting requirements.—Any association, trust, or
139 pool authorized by state law and created for the purpose of
140 forming a risk management mechanism or providing self-insurance
141 for public entities in this state may use communications media
142 technology to establish a quorum and conduct public business.

143 Section 5. Paragraph (j) of subsection (2) of section
144 626.221, Florida Statutes, is amended, and subsection (1) of
145 that section is republished, to read:

146 626.221 Examination requirement; exemptions.—

147 (1) The department may not issue any license as agent or
148 adjuster to any individual who has not qualified for, taken, and
149 passed to the satisfaction of the department a written
150 examination of the scope prescribed in s. 626.241.

151 (2) However, an examination is not necessary for any of
152 the following:

153 (j) An applicant for license as an all-lines adjuster who
154 has the designation of Accredited Claims Adjuster (ACA) from a
155 regionally accredited postsecondary institution in this state,
156 Certified All Lines Adjuster (CALA) from Kaplan, Associate in
157 Claims (AIC) from the Insurance Institute of America,
158 Professional Claims Adjuster (PCA) from the Professional Career
159 Institute, Professional Property Insurance Adjuster (PPIA) from
160 the HurriClaim Training Academy, Certified Adjuster (CA) from
161 ALL LINES Training, Certified Claims Adjuster (CCA) from AE21
162 Incorporated, Claims Adjuster Certified Professional (CACP) from

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163 WebCE, Inc., Accredited Insurance Claims Specialist (AICS) from
164 Encore Claim Services, or Universal Claims Certification (UCC)
165 from Claims and Litigation Management Alliance (CLM) whose
166 curriculum has been approved by the department and which
167 includes comprehensive analysis of basic property and casualty
168 lines of insurance and testing at least equal to that of
169 standard department testing for the all-lines adjuster license.
170 The department shall adopt rules establishing standards for the
171 approval of curriculum.

172 Section 6. Section 626.856, Florida Statutes, is amended
173 to read:

174 626.856 "Company employee adjuster" defined.—A "company
175 employee adjuster" means a person licensed as an all-lines
176 adjuster who is appointed and employed on an insurer's staff of
177 adjusters, by an affiliate, or by a wholly owned subsidiary of
178 the insurer, and who undertakes on behalf of such insurer or
179 other insurers under common control or ownership to ascertain
180 and determine the amount of any claim, loss, or damage payable
181 under a contract of insurance, or undertakes to effect
182 settlement of such claim, loss, or damage.

183 Section 7. Subsection (2) of section 627.021, Florida
184 Statutes, is amended to read:

185 627.021 Scope of this part.—

186 (2) This part does not apply to:

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187 (a) Reinsurance, except joint reinsurance as provided in
188 s. 627.311.

189 (b) Insurance against loss of or damage to aircraft, their
190 hulls, accessories, or equipment, or against liability, other
191 than workers' compensation and employer's liability, arising out
192 of the ownership, maintenance, or use of aircraft.

193 (c) Insurance of vessels or craft, their cargoes, marine
194 builders' risks, marine protection and indemnity, or other risks
195 commonly insured under marine insurance policies.

196 (d) Commercial inland marine insurance.

197 (e) Except as may be specifically stated to apply, surplus
198 lines insurance placed under ~~the provisions of~~ ss. 626.913-
199 626.937.

200 Section 8. Paragraph (j) of subsection (2) of section
201 627.062, Florida Statutes, is amended to read:

202 627.062 Rate standards.—

203 (2) As to all such classes of insurance:

204 (j) With respect to residential property insurance rate
205 filings, the rate filing:

206 1. Must account for mitigation measures undertaken by
207 policyholders to reduce hurricane losses.

208 2. May use a modeling indication that is the weighted or
209 straight average of two or more hurricane loss projection models
210 found by the commission to be accurate or reliable pursuant to
211 s. 627.0628.

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212
213 The provisions of this subsection do not apply to workers'
214 compensation, employer's liability insurance, and motor vehicle
215 insurance.

216 Section 9. Paragraph (b) of subsection (2) of section
217 627.0628, Florida Statutes, is amended to read:

218 627.0628 Florida Commission on Hurricane Loss Projection
219 Methodology; public records exemption; public meetings
220 exemption.—

221 (2) COMMISSION CREATED.—

222 (b) The commission shall consist of the following 12
223 members:

224 1. The insurance consumer advocate.

225 2. The senior employee of the State Board of
226 Administration responsible for operations of the Florida
227 Hurricane Catastrophe Fund.

228 3. The Executive Director of the Citizens Property
229 Insurance Corporation.

230 4. The Director of the Division of Emergency Management,
231 or the director's designee, provided that the designee is a
232 full-time employee of the division.

233 5. The actuary member of the Florida Hurricane Catastrophe
234 Fund Advisory Council.

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235 6. An employee of the office who is an actuary responsible
236 for property insurance rate filings and who is appointed by the
237 director of the office.

238 7. Five members appointed by the Chief Financial Officer,
239 as follows:

240 a. An actuary who is employed full time by a property and
241 casualty insurer that was responsible for at least 1 percent of
242 the aggregate statewide direct written premium for homeowner
243 insurance in the calendar year preceding the member's
244 appointment to the commission.

245 b. An expert in insurance finance who is a full-time
246 member of the faculty of the State University System and who has
247 a background in actuarial science.

248 c. An expert in statistics who is a full-time member of
249 the faculty of the State University System and who has a
250 background in insurance.

251 d. An expert in computer system design who is a full-time
252 member of the faculty of the State University System.

253 e. An expert in meteorology who is a full-time member of
254 the faculty of the State University System and who specializes
255 in hurricanes.

256 8. A licensed professional structural engineer who is a
257 full-time faculty member in the State University System and who
258 has expertise in wind mitigation techniques. This appointment
259 shall be made by the Governor.

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260 Section 10. Subsection (9) is added to section 627.0629,
261 Florida Statutes, to read:

262 627.0629 Residential property insurance; rate filings.—

263 (9) An insurer may file with the office a personal lines
264 residential property insurance rating plan that provides
265 justified premium discounts, credits, or other rate
266 differentials based on windstorm mitigation construction
267 standards developed by an independent, not-for-profit scientific
268 research organization, if such standards meet the requirements
269 of this section.

270 Section 11. Section 627.0665, Florida Statutes, is amended
271 to read:

272 627.0665 Automatic bank withdrawal agreements;
273 notification required.—Any insurer licensed to issue insurance
274 in this ~~the~~ state who has an automatic bank withdrawal agreement
275 with an insured party for the payment of insurance premiums for
276 any type of insurance shall give the named insured at least 10
277 ~~15~~ days advance written notice of any increase in policy
278 premiums that results in the next automatic bank withdrawal
279 being increased by more than \$10. Such notice must be provided
280 before ~~prior to~~ any automatic bank withdrawal containing the ~~of~~
281 ~~an~~ increased premium amount.

282 Section 12. Paragraphs (a), (c), (d), (n), (x), and (ii)
283 of subsection (6) of section 627.351, Florida Statutes, are
284 amended to read:

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285 627.351 Insurance risk apportionment plans.—

286 (6) CITIZENS PROPERTY INSURANCE CORPORATION.—

287 (a) The public purpose of this subsection is to ensure
288 that there is an orderly market for property insurance for
289 residents and businesses of this state.

290 1. The Legislature finds that private insurers are
291 unwilling or unable to provide affordable property insurance
292 coverage in this state to the extent sought and needed. The
293 absence of affordable property insurance threatens the public
294 health, safety, and welfare and likewise threatens the economic
295 health of the state. The state therefore has a compelling public
296 interest and a public purpose to assist in assuring that
297 property in this ~~the~~ state is insured and that it is insured at
298 affordable rates so as to facilitate the remediation,
299 reconstruction, and replacement of damaged or destroyed property
300 in order to reduce or avoid the negative effects otherwise
301 resulting to the public health, safety, and welfare, to the
302 economy of the state, and to the revenues of the state and local
303 governments which are needed to provide for the public welfare.
304 It is necessary, therefore, to provide affordable property
305 insurance to applicants who are in good faith entitled to
306 procure insurance through the voluntary market but are unable to
307 do so. The Legislature intends, therefore, that affordable
308 property insurance be provided and that it continue to be
309 provided, as long as necessary, through Citizens Property

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310 Insurance Corporation, a government entity that is an integral
311 part of the state, and that is not a private insurance company.
312 To that end, the corporation shall strive to increase the
313 availability of affordable property insurance in this state,
314 while achieving efficiencies and economies, and while providing
315 service to policyholders, applicants, and agents which is no
316 less than the quality generally provided in the voluntary
317 market, for the achievement of the foregoing public purposes.
318 Because it is essential for this government entity to have the
319 maximum financial resources to pay claims following a
320 catastrophic hurricane, it is the intent of the Legislature that
321 the corporation continue to be an integral part of the state and
322 that the income of the corporation be exempt from federal income
323 taxation and that interest on the debt obligations issued by the
324 corporation be exempt from federal income taxation.

325 2. The Residential Property and Casualty Joint
326 Underwriting Association originally created by this statute
327 shall be known as the Citizens Property Insurance Corporation.
328 The corporation shall provide insurance for residential and
329 commercial property, for applicants who are entitled, but, in
330 good faith, are unable to procure insurance through the
331 voluntary market. The corporation shall operate pursuant to a
332 plan of operation approved by order of the Financial Services
333 Commission. The plan is subject to continuous review by the
334 commission. The commission may, by order, withdraw approval of

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335 all or part of a plan if the commission determines that
336 conditions have changed since approval was granted and that the
337 purposes of the plan require changes in the plan. For the
338 purposes of this subsection, residential coverage includes both
339 personal lines residential coverage, which consists of the type
340 of coverage provided by homeowner, mobile home owner, dwelling,
341 tenant, condominium unit owner, and similar policies; and
342 commercial lines residential coverage, which consists of the
343 type of coverage provided by condominium association, apartment
344 building, and similar policies.

345 3. With respect to coverage for personal lines residential
346 structures, ~~÷~~

347 ~~a. Effective January 1, 2014, a structure that has a~~
348 ~~dwelling replacement cost of \$1 million or more, or a single~~
349 ~~condominium unit that has a combined dwelling and contents~~
350 ~~replacement cost of \$1 million or more, is not eligible for~~
351 ~~coverage by the corporation. Such dwellings insured by the~~
352 ~~corporation on December 31, 2013, may continue to be covered by~~
353 ~~the corporation until the end of the policy term. The office~~
354 ~~shall approve the method used by the corporation for valuing the~~
355 ~~dwelling replacement cost for the purposes of this subparagraph.~~
356 ~~If a policyholder is insured by the corporation before being~~
357 ~~determined to be ineligible pursuant to this subparagraph and~~
358 ~~such policyholder files a lawsuit challenging the determination,~~

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359 | ~~the policyholder may remain insured by the corporation until the~~
360 | ~~conclusion of the litigation.~~

361 | ~~b. Effective January 1, 2015, a structure that has a~~
362 | ~~dwelling replacement cost of \$900,000 or more, or a single~~
363 | ~~condominium unit that has a combined dwelling and contents~~
364 | ~~replacement cost of \$900,000 or more, is not eligible for~~
365 | ~~coverage by the corporation. Such dwellings insured by the~~
366 | ~~corporation on December 31, 2014, may continue to be covered by~~
367 | ~~the corporation only until the end of the policy term.~~

368 | ~~e. Effective January 1, 2016, a structure that has a~~
369 | ~~dwelling replacement cost of \$800,000 or more, or a single~~
370 | ~~condominium unit that has a combined dwelling and contents~~
371 | ~~replacement cost of \$800,000 or more, is not eligible for~~
372 | ~~coverage by the corporation. Such dwellings insured by the~~
373 | ~~corporation on December 31, 2015, may continue to be covered by~~
374 | ~~the corporation until the end of the policy term.~~

375 | ~~d. effective January 1, 2017, a structure that has a~~
376 | ~~dwelling replacement cost of \$700,000 or more, or a single~~
377 | ~~condominium unit that has a combined dwelling and contents~~
378 | ~~replacement cost of \$700,000 or more, is not eligible for~~
379 | ~~coverage by the corporation. The office shall approve the method~~
380 | ~~used by the corporation for valuing the dwelling replacement~~
381 | ~~cost Such dwellings insured by the corporation on December 31,~~
382 | ~~2016, may continue to be covered by the corporation until the~~
383 | ~~end of the policy term. The requirements of this subparagraph~~

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384 ~~sub-subparagraphs b. d.~~ do not apply in counties where the
385 office determines there is not a reasonable degree of
386 competition. In such counties a personal lines residential
387 structure that has a dwelling replacement cost of less than \$1
388 million, or a single condominium unit that has a combined
389 dwelling and contents replacement cost of less than \$1 million,
390 is eligible for coverage by the corporation.

391 4. It is the intent of the Legislature that policyholders,
392 applicants, and agents of the corporation receive service and
393 treatment of the highest possible level but never less than that
394 generally provided in the voluntary market. It is also intended
395 that the corporation be held to service standards no less than
396 those applied to insurers in the voluntary market by the office
397 with respect to responsiveness, timeliness, customer courtesy,
398 and overall dealings with policyholders, applicants, or agents
399 of the corporation.

400 5.a. Effective January 1, 2009, a personal lines
401 residential structure that is located in the "wind-borne debris
402 region," as defined in s. 1609.2, International Building Code
403 (2006), and that has an insured value on the structure of
404 \$750,000 or more is not eligible for coverage by the corporation
405 unless the structure has opening protections as required under
406 the Florida Building Code for a newly constructed residential
407 structure in that area. A residential structure is deemed to
408 comply with this sub-subparagraph if it has shutters or opening

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409 | protections on all openings and if such opening protections
410 | complied with the Florida Building Code at the time they were
411 | installed.

412 | b. Any major structure, as defined in s. 161.54(6) (a),
413 | that is newly constructed, or rebuilt, repaired, restored, or
414 | remodeled to increase the total square footage of finished area
415 | by more than 25 percent, pursuant to a permit applied for after
416 | July 1, 2015, is not eligible for coverage by the corporation if
417 | the structure is seaward of the coastal construction control
418 | line established pursuant to s. 161.053 or is within the Coastal
419 | Barrier Resources System as designated by 16 U.S.C. ss. 3501-
420 | 3510.

421 | 6. With respect to wind-only coverage for commercial lines
422 | residential condominiums, ~~effective July 1, 2014~~, a condominium
423 | may shall be deemed ineligible for coverage when if 50 percent
424 | or more of the units are rented more than eight times in a
425 | calendar year for a rental agreement period of less than 30
426 | days.

427 | (c) The corporation's plan of operation:

428 | 1. Must provide for adoption of residential property and
429 | casualty insurance policy forms and commercial residential and
430 | nonresidential property insurance forms, which must be approved
431 | by the office before use. The corporation shall adopt the
432 | following policy forms:

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433 a. Standard personal lines policy forms that are
434 comprehensive multiperil policies providing full coverage of a
435 residential property equivalent to the coverage provided in the
436 private insurance market under an HO-3, HO-4, or HO-6 policy.

437 b. Basic personal lines policy forms that are policies
438 similar to an HO-8 policy or a dwelling fire policy that provide
439 coverage meeting the requirements of the secondary mortgage
440 market, but which is more limited than the coverage under a
441 standard policy.

442 c. Commercial lines residential and nonresidential policy
443 forms that are generally similar to the basic perils of full
444 coverage obtainable for commercial residential structures and
445 commercial nonresidential structures in the admitted voluntary
446 market.

447 d. Personal lines and commercial lines residential
448 property insurance forms that cover the peril of wind only. The
449 forms are applicable only to residential properties located in
450 areas eligible for coverage under the coastal account referred
451 to in sub-subparagraph (b)2.a.

452 e. Commercial lines nonresidential property insurance
453 forms that cover the peril of wind only. The forms are
454 applicable only to nonresidential properties located in areas
455 eligible for coverage under the coastal account referred to in
456 sub-subparagraph (b)2.a.

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457 f. The corporation may adopt variations of the policy
458 forms listed in sub-subparagraphs a.-e. which contain more
459 restrictive coverage.

460 g. Effective January 1, 2013, the corporation shall offer
461 a basic personal lines policy similar to an HO-8 policy with
462 dwelling repair based on common construction materials and
463 methods.

464 2. Must provide that the corporation adopt a program in
465 which the corporation and authorized insurers enter into quota
466 share primary insurance agreements for hurricane coverage, as
467 defined in s. 627.4025(2)(a), for eligible risks, and adopt
468 property insurance forms for eligible risks which cover the
469 peril of wind only.

470 a. As used in this subsection, the term:

471 (I) "Quota share primary insurance" means an arrangement
472 in which the primary hurricane coverage of an eligible risk is
473 provided in specified percentages by the corporation and an
474 authorized insurer. The corporation and authorized insurer are
475 each solely responsible for a specified percentage of hurricane
476 coverage of an eligible risk as set forth in a quota share
477 primary insurance agreement between the corporation and an
478 authorized insurer and the insurance contract. The
479 responsibility of the corporation or authorized insurer to pay
480 its specified percentage of hurricane losses of an eligible
481 risk, as set forth in the agreement, may not be altered by the

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482 inability of the other party to pay its specified percentage of
483 losses. Eligible risks that are provided hurricane coverage
484 through a quota share primary insurance arrangement must be
485 provided policy forms that set forth the obligations of the
486 corporation and authorized insurer under the arrangement,
487 clearly specify the percentages of quota share primary insurance
488 provided by the corporation and authorized insurer, and
489 conspicuously and clearly state that the authorized insurer and
490 the corporation may not be held responsible beyond their
491 specified percentage of coverage of hurricane losses.

492 (II) "Eligible risks" means personal lines residential and
493 commercial lines residential risks that meet the underwriting
494 criteria of the corporation and are located in areas that were
495 eligible for coverage by the Florida Windstorm Underwriting
496 Association on January 1, 2002.

497 b. The corporation may enter into quota share primary
498 insurance agreements with authorized insurers at corporation
499 coverage levels of 90 percent and 50 percent.

500 c. If the corporation determines that additional coverage
501 levels are necessary to maximize participation in quota share
502 primary insurance agreements by authorized insurers, the
503 corporation may establish additional coverage levels. However,
504 the corporation's quota share primary insurance coverage level
505 may not exceed 90 percent.

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506 d. Any quota share primary insurance agreement entered
507 into between an authorized insurer and the corporation must
508 provide for a uniform specified percentage of coverage of
509 hurricane losses, by county or territory as set forth by the
510 corporation board, for all eligible risks of the authorized
511 insurer covered under the agreement.

512 e. Any quota share primary insurance agreement entered
513 into between an authorized insurer and the corporation is
514 subject to review and approval by the office. However, such
515 agreement shall be authorized only as to insurance contracts
516 entered into between an authorized insurer and an insured who is
517 already insured by the corporation for wind coverage.

518 f. For all eligible risks covered under quota share
519 primary insurance agreements, the exposure and coverage levels
520 for both the corporation and authorized insurers shall be
521 reported by the corporation to the Florida Hurricane Catastrophe
522 Fund. For all policies of eligible risks covered under such
523 agreements, the corporation and the authorized insurer must
524 maintain complete and accurate records for the purpose of
525 exposure and loss reimbursement audits as required by fund
526 rules. The corporation and the authorized insurer shall each
527 maintain duplicate copies of policy declaration pages and
528 supporting claims documents.

529 g. The corporation board shall establish in its plan of
530 operation standards for quota share agreements which ensure that

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531 there is no discriminatory application among insurers as to the
532 terms of the agreements, pricing of the agreements, incentive
533 provisions if any, and consideration paid for servicing policies
534 or adjusting claims.

535 h. The quota share primary insurance agreement between the
536 corporation and an authorized insurer must set forth the
537 specific terms under which coverage is provided, including, but
538 not limited to, the sale and servicing of policies issued under
539 the agreement by the insurance agent of the authorized insurer
540 producing the business, the reporting of information concerning
541 eligible risks, the payment of premium to the corporation, and
542 arrangements for the adjustment and payment of hurricane claims
543 incurred on eligible risks by the claims adjuster and personnel
544 of the authorized insurer. Entering into a quota sharing
545 insurance agreement between the corporation and an authorized
546 insurer is voluntary and at the discretion of the authorized
547 insurer.

548 3. May provide that the corporation may employ or
549 otherwise contract with individuals or other entities to provide
550 administrative or professional services that may be appropriate
551 to effectuate the plan. The corporation may borrow funds by
552 issuing bonds or by incurring other indebtedness, and shall have
553 other powers reasonably necessary to effectuate the requirements
554 of this subsection, including, without limitation, the power to
555 issue bonds and incur other indebtedness in order to refinance

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556 outstanding bonds or other indebtedness. The corporation may
557 seek judicial validation of its bonds or other indebtedness
558 under chapter 75. The corporation may issue bonds or incur other
559 indebtedness, or have bonds issued on its behalf by a unit of
560 local government pursuant to subparagraph (q)2. in the absence
561 of a hurricane or other weather-related event, upon a
562 determination by the corporation, subject to approval by the
563 office, that such action would enable it to efficiently meet the
564 financial obligations of the corporation and that such
565 financings are reasonably necessary to effectuate the
566 requirements of this subsection. The corporation may take all
567 actions needed to facilitate tax-free status for such bonds or
568 indebtedness, including formation of trusts or other affiliated
569 entities. The corporation may pledge assessments, projected
570 recoveries from the Florida Hurricane Catastrophe Fund, other
571 reinsurance recoverables, policyholder surcharges and other
572 surcharges, and other funds available to the corporation as
573 security for bonds or other indebtedness. In recognition of s.
574 10, Art. I of the State Constitution, prohibiting the impairment
575 of obligations of contracts, it is the intent of the Legislature
576 that no action be taken whose purpose is to impair any bond
577 indenture or financing agreement or any revenue source committed
578 by contract to such bond or other indebtedness.

579 4. Must require that the corporation operate subject to
580 the supervision and approval of a board of governors consisting

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581 of nine individuals who are residents of this state and who are
582 from different geographical areas of this ~~the~~ state, one of whom
583 is appointed by the Governor and serves solely to advocate on
584 behalf of the consumer. The appointment of a consumer
585 representative by the Governor is deemed to be within the scope
586 of the exemption provided in s. 112.313(7) (b) and is in addition
587 to the appointments authorized under sub-subparagraph a.

588 a. The Governor, the Chief Financial Officer, the
589 President of the Senate, and the Speaker of the House of
590 Representatives shall each appoint two members of the board. At
591 least one of the two members appointed by each appointing
592 officer must have demonstrated expertise in insurance and be
593 deemed to be within the scope of the exemption provided in s.
594 112.313(7) (b) at the time of appointment or reappointment. The
595 Chief Financial Officer shall designate one of the appointees as
596 chair. All board members serve at the pleasure of the appointing
597 officer. All members of the board are subject to removal at will
598 by the officers who appointed them. All board members, including
599 the chair, must be appointed to serve for 3-year terms beginning
600 annually on a date designated by the plan. However, for the
601 first term beginning on or after July 1, 2009, each appointing
602 officer shall appoint one member of the board for a 2-year term
603 and one member for a 3-year term. A board vacancy shall be
604 filled for the unexpired term by the appointing officer. The
605 Chief Financial Officer shall appoint a technical advisory group

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606 to provide information and advice to the board in connection
607 with the board's duties under this subsection. The executive
608 director and senior managers of the corporation shall be engaged
609 by the board and serve at the pleasure of the board. Any
610 executive director appointed on or after July 1, 2006, is
611 subject to confirmation by the Senate. The executive director is
612 responsible for employing other staff as the corporation may
613 require, subject to review and concurrence by the board. As used
614 in this sub-subparagraph, the term "demonstrated expertise in
615 insurance" means at least 10 years of responsible experience:

616 (I) In property and casualty insurance as a full-time
617 employee, an officer or owner of a licensed insurance agency, or
618 an insurer writing residential property coverage; or

619 (II) As an insurance regulator or an executive or officer
620 of an insurance trade association.

621 b. The board shall create a Market Accountability Advisory
622 Committee to assist the corporation in developing awareness of
623 its rates and its customer and agent service levels in
624 relationship to the voluntary market insurers writing similar
625 coverage.

626 (I) The members of the advisory committee consist of the
627 following 11 persons, one of whom must be elected chair by the
628 members of the committee: four representatives, one appointed by
629 the Florida Association of Insurance Agents, one by the Florida
630 Association of Insurance and Financial Advisors, one by the

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631 Professional Insurance Agents of Florida, and one by the Latin
632 American Association of Insurance Agencies; three
633 representatives appointed by the insurers with the three highest
634 voluntary market share of residential property insurance
635 business in this ~~the~~ state; one representative from the Office
636 of Insurance Regulation; one consumer appointed by the board who
637 is insured by the corporation at the time of appointment to the
638 committee; one representative appointed by the Florida
639 Association of Realtors; and one representative appointed by the
640 Florida Bankers Association. All members shall be appointed to
641 3-year terms and may serve for consecutive terms.

642 (II) The committee shall report to the corporation at each
643 board meeting on insurance market issues that ~~which~~ may include
644 rates and rate competition with the voluntary market; service,
645 including policy issuance, claims processing, and general
646 responsiveness to policyholders, applicants, and agents; and
647 matters relating to depopulation.

648 5. Must provide a procedure for determining the
649 eligibility of a risk for coverage, as follows:

650 a. Subject to s. 627.3517, with respect to personal lines
651 residential risks, if the risk is offered coverage from an
652 authorized insurer at the insurer's approved rate under a
653 standard policy including wind coverage or, if consistent with
654 the insurer's underwriting rules as filed with the office, a
655 basic policy including wind coverage, for a new application to

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656 the corporation for coverage, the risk is not eligible for any
657 policy issued by the corporation unless the premium for coverage
658 from the authorized insurer is more than 20 percent greater than
659 the premium for comparable coverage from the corporation.

660 (I) Whenever an offer of coverage for a personal lines
661 residential risk is received for a policyholder of the
662 corporation at renewal from an authorized insurer, ~~if the offer~~
663 ~~is equal to or less than the corporation's renewal premium for~~
664 ~~comparable coverage,~~ the risk is not eligible for coverage with
665 the corporation unless the premium for coverage from the
666 authorized insurer is more than the following percent greater
667 than the renewal premium for comparable coverage from the
668 corporation:

669 (A) Four percent for policies that renew during 2023.

670 (B) Eight percent for policies that renew during 2024.

671 (C) Twelve percent for policies that renew during 2025.

672 (D) Sixteen percent for policies that renew during 2026.

673 (E) Twenty percent for policies that renew during 2027 and
674 during all subsequent years.

675
676 If the risk is not able to obtain such offers ~~offer~~, the risk is
677 eligible for a standard policy including wind coverage or a
678 basic policy including wind coverage issued by the corporation;
679 however, if the risk could not be insured under a standard
680 policy including wind coverage regardless of market conditions,

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681 the risk is eligible for a basic policy including wind coverage
682 unless rejected under subparagraph 8. ~~However, a policyholder~~
683 ~~removed from the corporation through an assumption agreement~~
684 ~~remains eligible for coverage from the corporation until the end~~
685 ~~of the assumption period.~~ The corporation shall determine the
686 type of policy to be provided on the basis of objective
687 standards specified in the underwriting manual and based on
688 generally accepted underwriting practices. A policyholder
689 removed from the corporation through an assumption agreement
690 does not remain eligible for coverage from the corporation
691 beyond the end of the policy term. However, any policy removed
692 from the corporation through an assumption agreement remains on
693 the corporation's policy forms through the end of the policy
694 term.

695 (II)-(I) If the risk accepts an offer of coverage through
696 the market assistance plan or through a mechanism established by
697 the corporation other than a plan established by s. 627.3518,
698 before a policy is issued to the risk by the corporation or
699 during the first 30 days of coverage by the corporation, and the
700 producing agent who submitted the application to the plan or to
701 the corporation is not currently appointed by the insurer, the
702 insurer shall:

703 (A) Pay to the producing agent of record of the policy for
704 the first year, an amount that is the greater of the insurer's
705 usual and customary commission for the type of policy written or

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706 a fee equal to the usual and customary commission of the
707 corporation; or

708 (B) Offer to allow the producing agent of record of the
709 policy to continue servicing the policy for at least 1 year and
710 offer to pay the agent the greater of the insurer's or the
711 corporation's usual and customary commission for the type of
712 policy written.

713

714 If the producing agent is unwilling or unable to accept
715 appointment, the new insurer shall pay the agent in accordance
716 with sub-sub-sub-subparagraph (A).

717 (III)~~(II)~~ If the corporation enters into a contractual
718 agreement for a take-out plan, the producing agent of record of
719 the corporation policy is entitled to retain any unearned
720 commission on the policy, and the insurer shall:

721 (A) Pay to the producing agent of record, for the first
722 year, an amount that is the greater of the insurer's usual and
723 customary commission for the type of policy written or a fee
724 equal to the usual and customary commission of the corporation;
725 or

726 (B) Offer to allow the producing agent of record to
727 continue servicing the policy for at least 1 year and offer to
728 pay the agent the greater of the insurer's or the corporation's
729 usual and customary commission for the type of policy written.

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731 If the producing agent is unwilling or unable to accept
732 appointment, the new insurer shall pay the agent in accordance
733 with sub-sub-sub-subparagraph (A).

734 b. With respect to commercial lines residential risks, for
735 a new application to the corporation for coverage, if the risk
736 is offered coverage under a policy including wind coverage from
737 an authorized insurer at its approved rate, the risk is not
738 eligible for a policy issued by the corporation unless the
739 premium for coverage from the authorized insurer is more than 20
740 ~~15~~ percent greater than the premium for comparable coverage from
741 the corporation.

742 (I) Whenever an offer of coverage for a commercial lines
743 residential risk is received for a policyholder of the
744 corporation at renewal from an authorized insurer, ~~if the offer~~
745 ~~is equal to or less than the corporation's renewal premium for~~
746 ~~comparable coverage,~~ the risk is not eligible for coverage with
747 the corporation unless the premium for coverage from the
748 authorized insurer is more than the following percent greater
749 than the renewal premium for comparable coverage from the
750 corporation:

751 (A) Four percent for policies that renew during 2023.

752 (B) Eight percent for policies that renew during 2024.

753 (C) Twelve percent for policies that renew during 2025.

754 (D) Sixteen percent for policies that renew during 2026.

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755 (E) Twenty percent for policies that renew during 2027 and
756 during all subsequent years.

757
758 If the risk is not able to obtain any such offers ~~offer~~, the
759 risk is eligible for a policy including wind coverage issued by
760 the corporation. ~~However,~~ A policyholder removed from the
761 corporation through an assumption agreement does not remain
762 ~~remains~~ eligible for coverage from the corporation beyond the
763 end of the policy term ~~until the end of the assumption period.~~
764 However, any policy removed from the corporation through an
765 assumption agreement remains on the corporation's policy forms
766 through the end of the policy term.

767 (II)-(I) If the risk accepts an offer of coverage through
768 the market assistance plan or through a mechanism established by
769 the corporation other than a plan established by s. 627.3518,
770 before a policy is issued to the risk by the corporation or
771 during the first 30 days of coverage by the corporation, and the
772 producing agent who submitted the application to the plan or the
773 corporation is not currently appointed by the insurer, the
774 insurer shall:

775 (A) Pay to the producing agent of record of the policy,
776 for the first year, an amount that is the greater of the
777 insurer's usual and customary commission for the type of policy
778 written or a fee equal to the usual and customary commission of
779 the corporation; or

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780 (B) Offer to allow the producing agent of record of the
781 policy to continue servicing the policy for at least 1 year and
782 offer to pay the agent the greater of the insurer's or the
783 corporation's usual and customary commission for the type of
784 policy written.

785
786 If the producing agent is unwilling or unable to accept
787 appointment, the new insurer shall pay the agent in accordance
788 with sub-sub-sub-subparagraph (A).

789 (III)~~(II)~~ If the corporation enters into a contractual
790 agreement for a take-out plan, the producing agent of record of
791 the corporation policy is entitled to retain any unearned
792 commission on the policy, and the insurer shall:

793 (A) Pay to the producing agent of record, for the first
794 year, an amount that is the greater of the insurer's usual and
795 customary commission for the type of policy written or a fee
796 equal to the usual and customary commission of the corporation;
797 or

798 (B) Offer to allow the producing agent of record to
799 continue servicing the policy for at least 1 year and offer to
800 pay the agent the greater of the insurer's or the corporation's
801 usual and customary commission for the type of policy written.

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803 If the producing agent is unwilling or unable to accept
804 appointment, the new insurer shall pay the agent in accordance
805 with sub-sub-sub-subparagraph (A).

806 c. For purposes of determining comparable coverage under
807 sub-subparagraphs a. and b., the comparison must be based on
808 those forms and coverages that are reasonably comparable. The
809 corporation may rely on a determination of comparable coverage
810 and premium made by the producing agent who submits the
811 application to the corporation, made in the agent's capacity as
812 the corporation's agent. A comparison may be made solely of the
813 premium with respect to the main building or structure only on
814 the following basis: the same coverage A or other building
815 limits; the same percentage hurricane deductible that applies on
816 an annual basis or that applies to each hurricane for commercial
817 residential property; the same percentage of ordinance and law
818 coverage, if the same limit is offered by both the corporation
819 and the authorized insurer; the same mitigation credits, to the
820 extent the same types of credits are offered both by the
821 corporation and the authorized insurer; the same method for loss
822 payment, such as replacement cost or actual cash value, if the
823 same method is offered both by the corporation and the
824 authorized insurer in accordance with underwriting rules; and
825 any other form or coverage that is reasonably comparable as
826 determined by the board. If an application is submitted to the
827 corporation for wind-only coverage in the coastal account, the

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828 premium for the corporation's wind-only policy plus the premium
829 for the ex-wind policy that is offered by an authorized insurer
830 to the applicant must be compared to the premium for multiperil
831 coverage offered by an authorized insurer, subject to the
832 standards for comparison specified in this subparagraph. If the
833 corporation or the applicant requests from the authorized
834 insurer a breakdown of the premium of the offer by types of
835 coverage so that a comparison may be made by the corporation or
836 its agent and the authorized insurer refuses or is unable to
837 provide such information, the corporation may treat the offer as
838 not being an offer of coverage from an authorized insurer at the
839 insurer's approved rate.

840 6. Must include rules for classifications of risks and
841 rates.

842 7. Must provide that if premium and investment income for
843 an account attributable to a particular calendar year are in
844 excess of projected losses and expenses for the account
845 attributable to that year, such excess shall be held in surplus
846 in the account. Such surplus must be available to defray
847 deficits in that account as to future years and used for that
848 purpose before assessing assessable insurers and assessable
849 insureds as to any calendar year.

850 8. Must provide objective criteria and procedures to be
851 uniformly applied to all applicants in determining whether an
852 individual risk is so hazardous as to be uninsurable. In making

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853 | this determination and in establishing the criteria and
854 | procedures, the following must be considered:

855 | a. Whether the likelihood of a loss for the individual
856 | risk is substantially higher than for other risks of the same
857 | class; and

858 | b. Whether the uncertainty associated with the individual
859 | risk is such that an appropriate premium cannot be determined.

860 |

861 | The acceptance or rejection of a risk by the corporation must
862 | ~~shall~~ be construed as the private placement of insurance, and
863 | ~~the provisions of~~ chapter 120 does ~~do~~ not apply.

864 | 9. Must provide that the corporation make its best efforts
865 | to procure catastrophe reinsurance at reasonable rates, to cover
866 | its projected 100-year probable maximum loss as determined by
867 | the board of governors. ~~If catastrophe reinsurance is not~~
868 | ~~available at reasonable rates, the corporation need not purchase~~
869 | ~~it, but the corporation shall include the costs of reinsurance~~
870 | ~~to cover its projected 100-year probable maximum loss in its~~
871 | ~~rate calculations even if it does not purchase catastrophe~~
872 | ~~reinsurance.~~

873 | 10. ~~The policies issued by the corporation~~ Must provide
874 | that if the corporation or the market assistance plan obtains an
875 | offer from an authorized insurer to cover the risk at its
876 | approved rates, the risk is no longer eligible for renewal

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877 through the corporation, except as otherwise provided in this
878 subsection.

879 11. ~~Corporation policies and applications~~ Must include a
880 notice that the corporation policy could, under this section, be
881 replaced with a policy issued by an authorized insurer which
882 does not provide coverage identical to the coverage provided by
883 the corporation. The notice must also specify that acceptance of
884 corporation coverage creates a conclusive presumption that the
885 applicant or policyholder is aware of this potential.

886 12. May establish, subject to approval by the office,
887 different eligibility requirements and operational procedures
888 for any line or type of coverage for any specified county or
889 area if the board determines that such changes are justified due
890 to the voluntary market being sufficiently stable and
891 competitive in such area or for such line or type of coverage
892 and that consumers who, in good faith, are unable to obtain
893 insurance through the voluntary market through ordinary methods
894 continue to have access to coverage from the corporation. If
895 coverage is sought in connection with a real property transfer,
896 the requirements and procedures may not provide an effective
897 date of coverage later than the date of the closing of the
898 transfer as established by the transferor, the transferee, and,
899 if applicable, the lender.

900 13. Must provide that, with respect to the coastal
901 account, any assessable insurer with a surplus as to

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902 policyholders of \$25 million or less writing 25 percent or more
903 of its total countrywide property insurance premiums in this
904 state may petition the office, within the first 90 days of each
905 calendar year, to qualify as a limited apportionment company. A
906 regular assessment levied by the corporation on a limited
907 apportionment company for a deficit incurred by the corporation
908 for the coastal account may be paid to the corporation on a
909 monthly basis as the assessments are collected by the limited
910 apportionment company from its insureds, but a limited
911 apportionment company must begin collecting the regular
912 assessments not later than 90 days after the regular assessments
913 are levied by the corporation, and the regular assessments must
914 be paid in full within 15 months after being levied by the
915 corporation. A limited apportionment company shall collect from
916 its policyholders any emergency assessment imposed under sub-
917 subparagraph (b)3.d. The plan must provide that, if the office
918 determines that any regular assessment will result in an
919 impairment of the surplus of a limited apportionment company,
920 the office may direct that all or part of such assessment be
921 deferred as provided in subparagraph (q)4. However, an emergency
922 assessment to be collected from policyholders under sub-
923 subparagraph (b)3.d. may not be limited or deferred.

924 14. Must provide that the corporation appoint as its
925 licensed agents only those agents who throughout such
926 appointments also hold an appointment as defined in s. 626.015

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927 by an insurer who is authorized to write and is actually writing
928 or renewing personal lines residential property coverage,
929 commercial residential property coverage, or commercial
930 nonresidential property coverage within this ~~the~~ state.

931 15. Must provide a premium payment plan option to its
932 policyholders which, at a minimum, allows for quarterly and
933 semiannual payment of premiums. A monthly payment plan may, but
934 is not required to, be offered.

935 16. Must limit coverage on mobile homes or manufactured
936 homes built before 1994 to actual cash value of the dwelling
937 rather than replacement costs of the dwelling.

938 17. Must provide coverage for manufactured or mobile home
939 dwellings. Such coverage must also include the following
940 attached structures:

941 a. Screened enclosures that are aluminum framed or
942 screened enclosures that are not covered by the same or
943 substantially the same materials as those of the primary
944 dwelling;

945 b. Carports that are aluminum or carports that are not
946 covered by the same or substantially the same materials as those
947 of the primary dwelling; and

948 c. Patios that have a roof covering that is constructed of
949 materials that are not the same or substantially the same
950 materials as those of the primary dwelling.

951

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952 The corporation shall make available a policy for mobile homes
953 or manufactured homes for a minimum insured value of at least
954 \$3,000.

955 18. May provide such limits of coverage as the board
956 determines, consistent with the requirements of this subsection.

957 19. May require commercial property to meet specified
958 hurricane mitigation construction features as a condition of
959 eligibility for coverage.

960 20. Must provide that new or renewal policies issued by
961 the corporation on or after January 1, 2012, which cover
962 sinkhole loss do not include coverage for any loss to
963 appurtenant structures, driveways, sidewalks, decks, or patios
964 that are directly or indirectly caused by sinkhole activity. The
965 corporation shall exclude such coverage using a notice of
966 coverage change, which may be included with the policy renewal,
967 and not by issuance of a notice of nonrenewal of the excluded
968 coverage upon renewal of the current policy.

969 21. As of January 1, 2012, must require that the agent
970 obtain from an applicant for coverage from the corporation an
971 acknowledgment signed by the applicant, which includes, at a
972 minimum, the following statement:

973 ACKNOWLEDGMENT OF POTENTIAL SURCHARGE

974 AND ASSESSMENT LIABILITY:

975 1. AS A POLICYHOLDER OF CITIZENS PROPERTY INSURANCE
976 CORPORATION, I UNDERSTAND THAT IF THE CORPORATION SUSTAINS A

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977 DEFICIT AS A RESULT OF HURRICANE LOSSES OR FOR ANY OTHER REASON,
978 MY POLICY COULD BE SUBJECT TO SURCHARGES, WHICH WILL BE DUE AND
979 PAYABLE UPON RENEWAL, CANCELLATION, OR TERMINATION OF THE
980 POLICY, AND THAT THE SURCHARGES COULD BE AS HIGH AS 45 PERCENT
981 OF MY PREMIUM, OR A DIFFERENT AMOUNT AS IMPOSED BY THE FLORIDA
982 LEGISLATURE.

983 2. I UNDERSTAND THAT I CAN AVOID THE CITIZENS POLICYHOLDER
984 SURCHARGE, WHICH COULD BE AS HIGH AS 45 PERCENT OF MY PREMIUM,
985 BY OBTAINING COVERAGE FROM A PRIVATE MARKET INSURER AND THAT TO
986 BE ELIGIBLE FOR COVERAGE BY CITIZENS, I MUST FIRST TRY TO OBTAIN
987 PRIVATE MARKET COVERAGE BEFORE APPLYING FOR OR RENEWING COVERAGE
988 WITH CITIZENS. I UNDERSTAND THAT PRIVATE MARKET INSURANCE RATES
989 ARE REGULATED AND APPROVED BY THE STATE.

990 3. I UNDERSTAND THAT I MAY BE SUBJECT TO EMERGENCY
991 ASSESSMENTS TO THE SAME EXTENT AS POLICYHOLDERS OF OTHER
992 INSURANCE COMPANIES, OR A DIFFERENT AMOUNT AS IMPOSED BY THE
993 FLORIDA LEGISLATURE.

994 4. I ALSO UNDERSTAND THAT CITIZENS PROPERTY INSURANCE
995 CORPORATION IS NOT SUPPORTED BY THE FULL FAITH AND CREDIT OF THE
996 STATE OF FLORIDA.

997 a. The corporation shall maintain, in electronic format or
998 otherwise, a copy of the applicant's signed acknowledgment and
999 provide a copy of the statement to the policyholder as part of
1000 the first renewal after the effective date of this subparagraph.

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1001 b. The signed acknowledgment form creates a conclusive
1002 presumption that the policyholder understood and accepted his or
1003 her potential surcharge and assessment liability as a
1004 policyholder of the corporation.

1005 (d)1. All prospective employees for senior management
1006 positions, as defined by the plan of operation, are subject to
1007 background checks as a prerequisite for employment. The office
1008 shall conduct the background checks pursuant to ss. 624.34,
1009 624.404(3), and 628.261.

1010 2. On or before July 1 of each year, employees of the
1011 corporation must sign and submit a statement attesting that they
1012 do not have a conflict of interest, as defined in part III of
1013 chapter 112. As a condition of employment, all prospective
1014 employees must sign and submit to the corporation a conflict-of-
1015 interest statement.

1016 3. The executive director, senior managers, and members of
1017 the board of governors are subject to part III of chapter 112,
1018 including, but not limited to, the code of ethics and public
1019 disclosure and reporting of financial interests, pursuant to s.
1020 112.3145. For purposes of applying part III of chapter 112 to
1021 activities of the executive director, senior managers, and
1022 members of the board of governors, those persons shall be
1023 considered public officers or employees and the corporation
1024 shall be considered their agency. Notwithstanding s.
1025 112.3143(2), a board member may not vote on any measure that

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1026 would inure to his or her special private gain or loss; that he
1027 or she knows would inure to the special private gain or loss of
1028 any principal by whom he or she is retained or to the parent
1029 organization or subsidiary of a corporate principal by which he
1030 or she is retained, other than an agency as defined in s.
1031 112.312; or that he or she knows would inure to the special
1032 private gain or loss of a relative or business associate of the
1033 public officer. Before the vote is taken, such member shall
1034 publicly state to the assembly the nature of his or her interest
1035 in the matter from which he or she is abstaining from voting
1036 and, within 15 days after the vote occurs, disclose the nature
1037 of his or her interest as a public record in a memorandum filed
1038 with the person responsible for recording the minutes of the
1039 meeting, who shall incorporate the memorandum in the minutes.
1040 Senior managers and board members are also required to file such
1041 disclosures with the Commission on Ethics and the Office of
1042 Insurance Regulation. The executive director of the corporation
1043 or his or her designee shall notify each existing and newly
1044 appointed member of the board of governors and senior managers
1045 of their duty to comply with the reporting requirements of part
1046 III of chapter 112. At least quarterly, the executive director
1047 or his or her designee shall submit to the Commission on Ethics
1048 a list of names of the senior managers and members of the board
1049 of governors who are subject to the public disclosure
1050 requirements under s. 112.3145.

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1051 4. Notwithstanding s. 112.3148, s. 112.3149, or any other
1052 provision of law, an employee or board member may not knowingly
1053 accept, directly or indirectly, any gift or expenditure from a
1054 person or entity, or an employee or representative of such
1055 person or entity, which has a contractual relationship with the
1056 corporation or who is under consideration for a contract. An
1057 employee or board member who fails to comply with subparagraph
1058 3. or this subparagraph is subject to penalties provided under
1059 ss. 112.317 and 112.3173.

1060 5. Any senior manager of the corporation who is employed
1061 on or after January 1, 2007, regardless of the date of hire, who
1062 subsequently retires or terminates employment is prohibited from
1063 representing another person or entity before the corporation for
1064 2 years after retirement or termination of employment from the
1065 corporation.

1066 6. The executive director, members of the board of
1067 governors, and senior managers of the corporation are prohibited
1068 from having any employment or contractual relationship for 2
1069 years after retirement from or termination of service to the
1070 corporation with an insurer that has entered into a take-out
1071 bonus agreement with the corporation.

1072 7. At the time of appointment, the executive director must
1073 have the experience, character, and qualifications sufficient to
1074 qualify as a chief executive officer of an insurer in accordance
1075 with s. 624.404(3).

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1076 (n)1. Rates for coverage provided by the corporation must
1077 be actuarially sound and subject to s. 627.062, except as
1078 otherwise provided in this paragraph. The corporation shall file
1079 its recommended rates with the office at least annually. The
1080 corporation shall provide any additional information regarding
1081 the rates which the office requires. The office shall consider
1082 the recommendations of the board and issue a final order
1083 establishing the rates for the corporation within 45 days after
1084 the recommended rates are filed. The corporation may not pursue
1085 an administrative challenge or judicial review of the final
1086 order of the office.

1087 2. In addition to the rates otherwise determined pursuant
1088 to this paragraph, the corporation shall impose and collect an
1089 amount equal to the premium tax provided in s. 624.509 to
1090 augment the financial resources of the corporation.

1091 3. If ~~After~~ the public hurricane loss-projection model
1092 under s. 627.06281 is ~~has been~~ found to be accurate and reliable
1093 by the Florida Commission on Hurricane Loss Projection
1094 Methodology, it must ~~the model shall~~ be considered when
1095 establishing the windstorm portion of the corporation's rates.
1096 The corporation may use the public model results in combination
1097 with the results of private models to calculate rates for the
1098 windstorm portion of the corporation's rates. This subparagraph
1099 does not require or allow the corporation to adopt rates lower
1100 than the rates otherwise required or allowed by this paragraph.

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1101 4. The corporation must make a recommended actuarially
1102 sound rate filing for each personal and commercial line of
1103 business it writes.

1104 5. Notwithstanding the board's recommended rates and the
1105 office's final order regarding the corporation's filed rates
1106 under subparagraph 1., the corporation shall annually implement
1107 a rate increase that ~~which~~, except for sinkhole coverage, does
1108 not exceed the following for any single policy issued by the
1109 corporation, excluding coverage changes and surcharges:

- 1110 a. Eleven percent for 2022.
- 1111 b. Twelve percent for 2023.
- 1112 c. Thirteen percent for 2024.
- 1113 d. Fourteen percent for 2025.
- 1114 e. Fifteen percent for 2026 and all subsequent years.

1115 6. The corporation may also implement an increase to
1116 reflect the effect on the corporation of the cash buildup factor
1117 pursuant to s. 215.555(5)(b).

1118 7. The corporation's implementation of rates as prescribed
1119 in subparagraph 5. must ~~shall~~ cease for any line of business
1120 written by the corporation upon the corporation's implementation
1121 of actuarially sound rates. Thereafter, the corporation shall
1122 annually make a recommended actuarially sound rate filing for
1123 each commercial and personal line of business the corporation
1124 writes.

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1125 (x)1. The following records of the corporation are
1126 confidential and exempt from ~~the provisions of~~ s. 119.07(1) and
1127 s. 24(a), Art. I of the State Constitution:

1128 a. Underwriting files, except that a policyholder or an
1129 applicant shall have access to his or her own underwriting
1130 files. Confidential and exempt underwriting file records may
1131 also be released to other governmental agencies upon written
1132 request and demonstration of need; such records held by the
1133 receiving agency remain confidential and exempt as provided
1134 herein.

1135 b. Claims files, until termination of all litigation and
1136 settlement of all claims arising out of the same incident,
1137 although portions of the claims files may remain exempt, as
1138 otherwise provided by law. Confidential and exempt claims file
1139 records may be released to other governmental agencies upon
1140 written request and demonstration of need; such records held by
1141 the receiving agency remain confidential and exempt as provided
1142 herein.

1143 c. Records obtained or generated by an internal auditor
1144 pursuant to a routine audit, until the audit is completed, or if
1145 the audit is conducted as part of an investigation, until the
1146 investigation is closed or ceases to be active. An investigation
1147 is considered "active" while the investigation is being
1148 conducted with a reasonable, good faith belief that it could

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1149 | lead to the filing of administrative, civil, or criminal
1150 | proceedings.

1151 | d. Matters reasonably encompassed in privileged attorney-
1152 | client communications.

1153 | e. Proprietary information licensed to the corporation
1154 | under contract and the contract provides for the confidentiality
1155 | of such proprietary information.

1156 | f. All information relating to the medical condition or
1157 | medical status of a corporation employee which is not relevant
1158 | to the employee's capacity to perform his or her duties, except
1159 | as otherwise provided in this paragraph. Information that is
1160 | exempt includes ~~shall include~~, but is not limited to,
1161 | information relating to workers' compensation, insurance
1162 | benefits, and retirement or disability benefits.

1163 | g. Upon an employee's entrance into the employee
1164 | assistance program, a program to assist any employee who has a
1165 | behavioral or medical disorder, substance abuse problem, or
1166 | emotional difficulty that affects the employee's job
1167 | performance, all records relative to that participation are
1168 | ~~shall be~~ confidential and exempt from ~~the provisions of~~ s.
1169 | 119.07(1) and s. 24(a), Art. I of the State Constitution, except
1170 | as otherwise provided in s. 112.0455(11).

1171 | h. Information relating to negotiations for financing,
1172 | reinsurance, depopulation, or contractual services, until the
1173 | conclusion of the negotiations.

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1174 i. Minutes of closed meetings regarding underwriting
1175 files, and minutes of closed meetings regarding an open claims
1176 file until termination of all litigation and settlement of all
1177 claims with regard to that claim, except that information
1178 otherwise confidential or exempt by law must ~~shall~~ be redacted.

1179 2. If an authorized insurer is considering underwriting a
1180 risk insured by the corporation, relevant underwriting files and
1181 confidential claims files may be released to the insurer
1182 provided that the insurer agrees in writing, notarized and under
1183 oath, to maintain the confidentiality of such files. If a policy
1184 file is transferred to an insurer, that policy file is no longer
1185 a public record because it is not held by an agency subject to
1186 ~~the provisions of~~ the public records law. Underwriting files and
1187 confidential claims files may also be released to staff and the
1188 board of governors of the market assistance plan established
1189 pursuant to s. 627.3515, who must retain the confidentiality of
1190 such files, except such files may be released to authorized
1191 insurers that are considering assuming the risks to which the
1192 files apply, provided the insurer agrees in writing, notarized
1193 and under oath, to maintain the confidentiality of such files.
1194 Finally, the corporation or the board or staff of the market
1195 assistance plan may make the following information obtained from
1196 underwriting files and confidential claims files available to an
1197 entity that has obtained a permit to become an authorized
1198 insurer, a reinsurer that may provide reinsurance under s.

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1199 624.610, a licensed reinsurance broker, a licensed rating
1200 organization, a modeling company, or a licensed general lines
1201 insurance agent: name, address, and telephone number of the
1202 residential property owner or insured; location of the risk;
1203 rating information; loss history; and policy type. The receiving
1204 person must retain the confidentiality of the information
1205 received and may use the information only for the purposes of
1206 developing a take-out plan or a rating plan to be submitted to
1207 the office for approval or otherwise analyzing the underwriting
1208 of a risk or risks insured by the corporation on behalf of the
1209 private insurance market. A licensed general lines insurance
1210 agent may not use such information for the direct solicitation
1211 of policyholders.

1212 3. A policyholder who has filed suit against the
1213 corporation has the right to discover the contents of his or her
1214 own claims file to the same extent that discovery of such
1215 contents would be available from a private insurer in litigation
1216 as provided by the Florida Rules of Civil Procedure, the Florida
1217 Evidence Code, and other applicable law. Pursuant to subpoena, a
1218 third party has the right to discover the contents of an
1219 insured's or applicant's underwriting or claims file to the same
1220 extent that discovery of such contents would be available from a
1221 private insurer by subpoena as provided by the Florida Rules of
1222 Civil Procedure, the Florida Evidence Code, and other applicable
1223 law, and subject to any confidentiality protections requested by

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1224 the corporation and agreed to by the seeking party or ordered by
1225 the court. The corporation may release confidential underwriting
1226 and claims file contents and information as it deems necessary
1227 and appropriate to underwrite or service insurance policies and
1228 claims, subject to any confidentiality protections deemed
1229 necessary and appropriate by the corporation.

1230 4. Portions of meetings of the corporation are exempt from
1231 ~~the provisions of~~ s. 286.011 and s. 24(b), Art. I of the State
1232 Constitution wherein confidential underwriting files or
1233 confidential open claims files are discussed. All portions of
1234 corporation meetings which are closed to the public shall be
1235 recorded by a court reporter. The court reporter shall record
1236 the times of commencement and termination of the meeting, all
1237 discussion and proceedings, the names of all persons present at
1238 any time, and the names of all persons speaking. No portion of
1239 any closed meeting shall be off the record. Subject to the
1240 provisions hereof and s. 119.07(1)(d)-(f), the court reporter's
1241 notes of any closed meeting shall be retained by the corporation
1242 for a minimum of 5 years. A copy of the transcript, less any
1243 exempt matters, of any closed meeting wherein claims are
1244 discussed shall become public as to individual claims after
1245 settlement of the claim.

1246 (ii) The corporation shall revise the programs adopted
1247 pursuant to sub-subparagraph (q)3.a. for personal lines
1248 residential policies to maximize policyholder options and

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1249 encourage increased participation by insurers and agents. After
1250 January 1, 2017, a policy may not be taken out of the
1251 corporation unless the provisions of this paragraph are met.

1252 1. The corporation must publish a periodic schedule of
1253 cycles during which an insurer may identify, and notify the
1254 corporation of, policies that the insurer is requesting to take
1255 out. A request must include a description of the coverage
1256 offered and an estimated premium and must be submitted to the
1257 corporation in a form and manner prescribed by the corporation.

1258 2. The corporation must maintain and make available to the
1259 agent of record a consolidated list of all insurers requesting
1260 to take out a policy. The list must include a description of the
1261 coverage offered and the estimated premium for each take-out
1262 request.

1263 3. If a policyholder receives a take-out offer from an
1264 authorized insurer, the risk is no longer eligible for coverage
1265 with the corporation unless the premium for coverage from the
1266 authorized insurer is more than the following percent greater
1267 than the renewal premium for comparable coverage from the
1268 corporation:

1269 a. Four percent for policies effective on or after January
1270 1, 2023.

1271 b. Eight percent for policies effective on or after
1272 January 1, 2024.

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1273 c. Twelve percent for policies effective on or after
1274 January 1, 2025.

1275 d. Sixteen percent for policies effective on or after
1276 January 1, 2026.

1277 e. Twenty percent for policies effective on or after
1278 January 1, 2027, and in all subsequent years.

1279 ~~4.3-~~ The corporation must provide written notice to the
1280 policyholder and the agent of record regarding all insurers
1281 requesting to take out the policy, which ~~and regarding the~~
1282 ~~policyholder's option to accept a take-out offer or to reject~~
1283 ~~all take-out offers and to remain with the corporation. The~~
1284 ~~notice~~ must be in a format prescribed by the corporation and
1285 include, for each take-out offer:

1286 a. The amount of the estimated premium;

1287 b. A description of the coverage; and

1288 c. A comparison of the estimated premium and coverage
1289 offered by the insurer to the estimated premium and coverage
1290 provided by the corporation.

1291 Section 13. Section 627.3517, Florida Statutes, is amended
1292 to read:

1293 627.3517 Consumer choice.—No provision of s. 627.351, s.
1294 627.3511, or s. 627.3515 shall be construed to impair the right
1295 of any insurance risk apportionment plan policyholder, upon
1296 receipt of any keep-out ~~keepout~~ or take-out offer, to retain his
1297 or her current agent, so long as that agent is duly licensed and

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1298 appointed by the insurance risk apportionment plan or otherwise
1299 authorized to place business with the insurance risk
1300 apportionment plan. This right may ~~shall~~ not be canceled,
1301 suspended, impeded, abridged, or otherwise compromised by any
1302 rule, plan of operation, or depopulation plan, whether through
1303 keep-out ~~keepout~~, take-out, midterm assumption, or any other
1304 means, of any insurance risk apportionment plan or depopulation
1305 plan, including, but not limited to, those described in s.
1306 627.351, s. 627.3511, or s. 627.3515. The commission shall adopt
1307 any rules necessary to cause any insurance risk apportionment
1308 plan or market assistance plan under such sections to
1309 demonstrate that the operations of the plan do not interfere
1310 with, promote, or allow interference with the rights created
1311 under this section. If the policyholder's current agent is
1312 unable or unwilling to be appointed with the insurer making the
1313 take-out or keep-out ~~keepout~~ offer, the policyholder is ~~shall~~
1314 not ~~be~~ disqualified from participation in the appropriate
1315 insurance risk apportionment plan because of an offer of
1316 coverage in the voluntary market. An offer of full property
1317 insurance coverage by the insurer currently insuring either the
1318 ex-wind or wind-only coverage on the policy to which the offer
1319 applies is ~~shall~~ not ~~be~~ considered a take-out or keep-out
1320 ~~keepout~~ offer. Any rule, plan of operation, or plan of
1321 depopulation, through keep-out ~~keepout~~, take-out, midterm
1322 assumption, or any other means, of any property insurance risk

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1323 appportionment plan under s. 627.351(2) or (6) is subject to ss.
1324 627.351(2)(b) and (6)(c) and 627.3511(4).

1325 Section 14. Section 627.3518, Florida Statutes, is amended
1326 to read:

1327 627.3518 Citizens Property Insurance Corporation
1328 policyholder eligibility clearinghouse program. ~~The purpose of~~
1329 ~~this section is to provide a framework for the corporation to~~
1330 ~~implement a clearinghouse program by January 1, 2014.~~

1331 (1) As used in this section, the term:

1332 (a) "Corporation" means Citizens Property Insurance
1333 Corporation.

1334 (b) "Exclusive agent" means any licensed insurance agent
1335 that has, by contract, agreed to act exclusively for one company
1336 or group of affiliated insurance companies and is disallowed by
1337 the provisions of that contract to directly write for any other
1338 unaffiliated insurer absent express consent from the company or
1339 group of affiliated insurance companies.

1340 (c) "Independent agent" means any licensed insurance agent
1341 not described in paragraph (b).

1342 (d) "Program" means the clearinghouse created under this
1343 section.

1344 (2) In order to confirm eligibility with the corporation
1345 and to enhance access of new applicants for coverage and
1346 existing policyholders of the corporation to offers of coverage
1347 from authorized insurers, the corporation shall establish a

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1348 program for personal residential risks in order to facilitate
1349 the diversion of ineligible applicants and existing
1350 policyholders from the corporation into the voluntary insurance
1351 market. The corporation shall also develop appropriate
1352 procedures for facilitating the diversion of ineligible
1353 applicants and existing policyholders for commercial residential
1354 coverage into the private insurance market ~~and shall report such~~
1355 ~~procedures to the President of the Senate and the Speaker of the~~
1356 ~~House of Representatives by January 1, 2014.~~

1357 (3) The corporation board shall establish the
1358 clearinghouse program as an organizational unit within the
1359 corporation. The program shall have all the rights and
1360 responsibilities in carrying out its duties as a licensed
1361 general lines agent, but may not be required to employ or engage
1362 a licensed general lines agent or to maintain an insurance
1363 agency license to carry out its activities in the solicitation
1364 and placement of insurance coverage. In establishing the
1365 program, the corporation may:

1366 (a) Require all new applications, and all policies due for
1367 renewal, to be submitted for coverage to the program in order to
1368 facilitate obtaining an offer of coverage from an authorized
1369 insurer before binding or renewing coverage by the corporation.

1370 (b) Employ or otherwise contract with individuals or other
1371 entities for appropriate administrative or professional services

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1372 to effectuate the plan within the corporation in accordance with
1373 the applicable purchasing requirements under s. 627.351.

1374 (c) Enter into contracts with any authorized insurer to
1375 participate in the program and accept an appointment by such
1376 insurer.

1377 (d) Provide funds to operate the program. Insurers and
1378 agents participating in the program are not required to pay a
1379 fee to offset or partially offset the cost of the program or use
1380 the program for renewal of policies initially written through
1381 the clearinghouse.

1382 (e) Develop an enhanced application that includes
1383 information to assist private insurers in determining whether to
1384 make an offer of coverage through the program.

1385 (f) For personal lines residential risks, require, before
1386 approving all new applications for coverage by the corporation,
1387 that every application be subject to a period of 2 business days
1388 when any insurer participating in the program may select the
1389 application for coverage. The insurer may issue a binder on any
1390 policy selected for coverage for a period of at least 30 days
1391 but not more than 60 days.

1392 (4) Any authorized insurer may participate in the program;
1393 however, participation is not mandatory for any insurer.
1394 Insurers making offers of coverage to new applicants or renewal
1395 policyholders through the program:

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1396 (a) May not be required to individually appoint any agent
1397 whose customer is underwritten and bound through the program.
1398 Notwithstanding s. 626.112, insurers are not required to appoint
1399 any agent on a policy underwritten through the program for as
1400 long as that policy remains with the insurer. Insurers may, at
1401 their election, appoint any agent whose customer is initially
1402 underwritten and bound through the program. In the event an
1403 insurer accepts a policy from an agent who is not appointed
1404 pursuant to this paragraph, and thereafter elects to accept a
1405 policy from such agent, the provisions of s. 626.112 requiring
1406 appointment apply to the agent.

1407 (b) Must enter into a limited agency agreement with each
1408 agent that is not appointed in accordance with paragraph (a) and
1409 whose customer is underwritten and bound through the program.

1410 (c) Must enter into its standard agency agreement with
1411 each agent whose customer is underwritten and bound through the
1412 program when that agent has been appointed by the insurer
1413 pursuant to s. 626.112.

1414 (d) Must comply with s. 627.4133(2).

1415 (e) May participate through their single-designated
1416 managing general agent or broker; however, the provisions of
1417 paragraph (6)(a) regarding ownership, control, and use of the
1418 expirations continue to apply.

1419 (f) Must pay to the producing agent a commission equal to
1420 that paid by the corporation or the usual and customary

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1421 commission paid by the insurer for that line of business,
1422 whichever is greater.

1423 (5) Notwithstanding s. 627.3517, any applicant for new
1424 coverage from the corporation is not eligible for coverage from
1425 the corporation if provided an offer of coverage from an
1426 authorized insurer through the program at a premium that is at
1427 or below the eligibility threshold established in s.
1428 627.351(6)(c)5.a. Whenever an offer of coverage for a personal
1429 lines risk is received for a policyholder of the corporation at
1430 renewal from an authorized insurer through the program, ~~if the~~
1431 ~~offer is equal to or less than the corporation's renewal premium~~
1432 ~~for comparable coverage,~~ the risk is not eligible for coverage
1433 with the corporation if the offer is at or below the eligibility
1434 threshold specified in s. 627.351(6)(c)5.a. In the event that an
1435 offer of coverage for a new applicant is received from an
1436 authorized insurer through the program, and the premium offered
1437 exceeds the eligibility threshold specified ~~contained~~ in s.
1438 627.351(6)(c)5.a., the applicant or insured may elect to accept
1439 such coverage, or may elect to accept or continue coverage with
1440 the corporation. In the event that an offer of coverage for a
1441 personal lines risk is received from an authorized insurer at
1442 renewal through the program, and the premium offered is at or
1443 below the eligibility threshold specified in s.
1444 627.351(6)(c)5.a. ~~more than the corporation's renewal premium~~
1445 ~~for comparable coverage,~~ the insured is not eligible to ~~may~~

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1446 ~~elect to accept such coverage, or may elect to accept or~~
1447 ~~continue coverage with the corporation. Section~~
1448 ~~627.351(6)(c)5.a.(I) does not apply to an offer of coverage from~~
1449 ~~an authorized insurer obtained through the program. An applicant~~
1450 ~~for coverage from the corporation who was declared ineligible~~
1451 ~~for coverage at renewal by the corporation in the previous 36~~
1452 ~~months due to an offer of coverage pursuant to this subsection~~
1453 ~~shall be considered a renewal under this section if the~~
1454 ~~corporation determines that the authorized insurer making the~~
1455 ~~offer of coverage pursuant to this subsection continues to~~
1456 ~~insure the applicant and increased the rate on the policy in~~
1457 ~~excess of the increase allowed for the corporation under s.~~
1458 ~~627.351(6)(n)5.~~

1459 (6) Independent insurance agents submitting new
1460 applications for coverage or that are the agent of record on a
1461 renewal policy submitted to the program:

1462 (a) Are granted and must maintain ownership and the
1463 exclusive use of expirations, records, or other written or
1464 electronic information directly related to such applications or
1465 renewals written through the corporation or through an insurer
1466 participating in the program, notwithstanding s.

1467 627.351(6)(c)5.a.(I)(B) and (II)(B). Such ownership is granted
1468 for as long as the insured remains with the agency or until sold
1469 or surrendered in writing by the agent. Contracts with the
1470 corporation or required by the corporation must not amend,

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1471 modify, interfere with, or limit such rights of ownership. Such
1472 expirations, records, or other written or electronic information
1473 may be used to review an application, issue a policy, or for any
1474 other purpose necessary for placing such business through the
1475 program.

1476 (b) May not be required to be appointed by any insurer
1477 participating in the program for policies written solely through
1478 the program, notwithstanding the provisions of s. 626.112.

1479 (c) May accept an appointment from any insurer
1480 participating in the program.

1481 (d) May enter into either a standard or limited agency
1482 agreement with the insurer, at the insurer's option.

1483
1484 Applicants ineligible for coverage in accordance with subsection
1485 (5) remain ineligible if their independent agent is unwilling or
1486 unable to enter into a standard or limited agency agreement with
1487 an insurer participating in the program.

1488 (7) Exclusive agents submitting new applications for
1489 coverage or that are the agent of record on a renewal policy
1490 submitted to the program:

1491 (a) Must maintain ownership and the exclusive use of
1492 expirations, records, or other written or electronic information
1493 directly related to such applications or renewals written
1494 through the corporation or through an insurer participating in
1495 the program, notwithstanding s. 627.351(6)(c)5.a.(I)(B) and

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1496 (II) (B). Contracts with the corporation or required by the
1497 corporation must not amend, modify, interfere with, or limit
1498 such rights of ownership. Such expirations, records, or other
1499 written or electronic information may be used to review an
1500 application, issue a policy, or for any other purpose necessary
1501 for placing such business through the program.

1502 (b) May not be required to be appointed by any insurer
1503 participating in the program for policies written solely through
1504 the program, notwithstanding the provisions of s. 626.112.

1505 (c) Must only facilitate the placement of an offer of
1506 coverage from an insurer whose limited servicing agreement is
1507 approved by that exclusive agent's exclusive insurer.

1508 (d) May enter into a limited servicing agreement with the
1509 insurer making an offer of coverage, and only after the
1510 exclusive agent's insurer has approved the limited servicing
1511 agreement terms. The exclusive agent's insurer must approve a
1512 limited service agreement for the program for any insurer for
1513 which it has approved a service agreement for other purposes.

1514
1515 Applicants ineligible for coverage in accordance with subsection
1516 (5) remain ineligible if their exclusive agent is unwilling or
1517 unable to enter into a standard or limited agency agreement with
1518 an insurer making an offer of coverage to that applicant.

1519 (8) Submission of an application for coverage by the
1520 corporation to the program does not constitute the binding of

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1521 coverage by the corporation, and failure of the program to
1522 obtain an offer of coverage by an insurer may not be considered
1523 acceptance of coverage of the risk by the corporation.

1524 (9) The 45-day notice of nonrenewal requirement set forth
1525 in s. 627.4133(2)(b)5. applies when a policy is nonrenewed by
1526 the corporation because the risk has received an offer of
1527 coverage pursuant to this section which renders the risk
1528 ineligible for coverage by the corporation.

1529 (10) The program may not include commercial nonresidential
1530 policies.

1531 (11) Proprietary business information provided to the
1532 corporation's clearinghouse by insurers with respect to
1533 identifying and selecting risks for an offer of coverage is
1534 confidential and exempt from s. 119.07(1) and s. 24(a), Art. I
1535 of the State Constitution.

1536 (a) As used in this subsection, the term "proprietary
1537 business information" means information, regardless of form or
1538 characteristics, which is owned or controlled by an insurer and:

1539 1. Is identified by the insurer as proprietary business
1540 information and is intended to be and is treated by the insurer
1541 as private in that the disclosure of the information would cause
1542 harm to the insurer, an individual, or the company's business
1543 operations and has not been disclosed unless disclosed pursuant
1544 to a statutory requirement, an order of a court or

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1545 administrative body, or a private agreement that provides that
1546 the information will not be released to the public;

1547 2. Is not otherwise readily ascertainable or publicly
1548 available by proper means by other persons from another source
1549 in the same configuration as provided to the clearinghouse; and

1550 3. Includes:

1551 a. Trade secrets, as defined in s. 688.002.

1552 b. Information relating to competitive interests, the
1553 disclosure of which would impair the competitive business of the
1554 provider of the information.

1555

1556 Proprietary business information may be found in underwriting
1557 criteria or instructions which are used to identify and select
1558 risks through the program for an offer of coverage and are
1559 shared with the clearinghouse to facilitate the shopping of
1560 risks with the insurer.

1561 (b) The clearinghouse may disclose confidential and exempt
1562 proprietary business information:

1563 1. If the insurer to which it pertains gives prior written
1564 consent;

1565 2. Pursuant to a court order; or

1566 3. To another state agency in this or another state or to
1567 a federal agency if the recipient agrees in writing to maintain
1568 the confidential and exempt status of the document, material, or

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1569 other information and has verified in writing its legal
1570 authority to maintain such confidentiality.

1571 Section 15. Subsection (1) of section 627.421, Florida
1572 Statutes, is amended to read:

1573 627.421 Delivery of policy.—

1574 (1) Subject to the insurer's requirement as to payment of
1575 premium, every policy shall be mailed, delivered, or
1576 electronically transmitted to the insured or to the person
1577 entitled thereto not later than 60 days after the effectuation
1578 of coverage. Notwithstanding any other provision of law, an
1579 insurer may allow a policyholder of personal lines insurance to
1580 affirmatively elect delivery of the policy documents, including,
1581 but not limited to, policies, endorsements, notices, or
1582 documents, by electronic means in lieu of delivery by mail.
1583 Electronic transmission of a policy for commercial risks,
1584 including, but not limited to, workers' compensation and
1585 employers' liability, commercial automobile liability,
1586 commercial automobile physical damage, commercial lines
1587 residential property, commercial nonresidential property,
1588 farmowners insurance, and the types of commercial lines risks
1589 set forth in s. 627.062(3)(d), constitutes delivery to the
1590 insured or to the person entitled to delivery, unless the
1591 insured or the person entitled to delivery communicates to the
1592 insurer in writing or electronically that he or she does not

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1593 agree to delivery by electronic means. ~~Electronic transmission~~
1594 ~~shall include a notice to the insured or to the person entitled~~
1595 ~~to delivery of a policy of his or her right to receive the~~
1596 ~~policy via United States mail rather than via electronic~~
1597 ~~transmission. A paper copy of the policy shall be provided to~~
1598 ~~the insured or to the person entitled to delivery at his or her~~
1599 ~~request.~~

1600 Section 16. Paragraph (d) of subsection (4) of section
1601 627.701, Florida Statutes, is amended to read:

1602 627.701 Liability of insureds; coinsurance; deductibles.-
1603 (4)

1604 (d)1. A personal lines residential property insurance
1605 policy covering a risk valued at less than \$500,000 may not have
1606 a hurricane deductible in excess of 10 percent of the policy
1607 dwelling limits, unless the following conditions are met:

1608 a. The policyholder must personally write or type and
1609 provide to the insurer the following statement ~~in his or her own~~
1610 ~~handwriting~~ and sign his or her name, which must also be signed
1611 by every other named insured on the policy, and dated: "I do not
1612 want the insurance on my home to pay for the first (specify
1613 dollar value) of damage from hurricanes. I will pay those costs.
1614 My insurance will not."

1615 b. If the structure insured by the policy is subject to a
1616 mortgage or lien, the policyholder must provide the insurer with

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1617 a written statement from the mortgageholder or lienholder
1618 indicating that the mortgageholder or lienholder approves the
1619 policyholder electing to have the specified deductible.

1620 2. A deductible subject to the requirements of this
1621 paragraph applies for the term of the policy and for each
1622 renewal thereafter. Changes to the deductible percentage may be
1623 implemented only as of the date of renewal.

1624 3. An insurer shall keep the original copy of the signed
1625 statement required by this paragraph, electronically or
1626 otherwise, and provide a copy to the policyholder providing the
1627 signed statement. A signed statement meeting the requirements of
1628 this paragraph creates a presumption that there was an informed,
1629 knowing election of coverage.

1630 4. The commission shall adopt rules providing appropriate
1631 alternative methods for providing the statements required by
1632 this section for policyholders who have a handicapping or
1633 disabling condition that prevents them from providing a
1634 handwritten statement.

1635 Section 17. Paragraph (a) of subsection (2) and subsection
1636 (3) of section 627.712, Florida Statutes, are amended to read:

1637 627.712 Residential windstorm coverage required;
1638 availability of exclusions for windstorm or contents.—

1639 (2) A property insurer must make available, at the option
1640 of the policyholder, an exclusion of windstorm coverage.

1641 (a) The coverage may be excluded only if:

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1642 1. When the policyholder is a natural person, the
1643 policyholder personally writes or types and provides to the
1644 insurer the following statement ~~in his or her own handwriting~~
1645 and signs his or her name, which must also be signed by every
1646 other named insured on the policy, and dated: "I do not want the
1647 insurance on my (home/mobile home/condominium unit) to pay for
1648 damage from windstorms. I will pay those costs. My insurance
1649 will not."

1650 2. When the policyholder is other than a natural person,
1651 the policyholder provides to the insurer on the policyholder's
1652 letterhead the following statement that must be signed by the
1653 policyholder's authorized representative and dated: "... (Name of
1654 entity)... does not want the insurance on its ...(type of
1655 structure)... to pay for damage from windstorms. ...(Name of
1656 entity)... will be responsible for these costs. ...(Name of
1657 entity's)... insurance will not."

1658 (3) An insurer issuing a residential property insurance
1659 policy, except for a condominium unit owner policy or a tenant
1660 policy, must make available, at the option of the policyholder,
1661 an exclusion of coverage for the contents. The coverage may be
1662 excluded only if the policyholder personally writes or types and
1663 provides to the insurer the following statement ~~in his or her
1664 own handwriting~~ and signs his or her signature, which must also
1665 be signed by every other named insured on the policy, and dated:
1666 "I do not want the insurance on my (home/mobile home) to pay for

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1667 the costs to repair or replace any contents that are damaged. I
1668 will pay those costs. My insurance will not."

1669 Section 18. Effective upon this act becoming a law,
1670 paragraph (b) of subsection (1) and paragraph (a) of subsection
1671 (9) of section 627.7152, Florida Statutes, are amended to read:

1672 627.7152 Assignment agreements.-

1673 (1) As used in this section, the term:

1674 (b) "Assignment agreement" means any instrument by which
1675 post-loss benefits under a residential property insurance policy
1676 or commercial property insurance policy, as that term is defined
1677 in s. 627.0625(1), are assigned or transferred, or acquired in
1678 any manner, in whole or in part, to or from a person providing
1679 services, including, but not limited to, inspecting, protecting,
1680 repairing, restoring, or replacing the ~~protect, repair, restore,~~
1681 ~~or replace~~ property or mitigating to mitigate against further
1682 damage to the property. The term does not include fees collected
1683 by a public adjuster, as defined in s. 626.854(1).

1684 (9) (a) An assignee must provide the named insured,
1685 insurer, and the assignor, if not the named insured, with a
1686 written notice of intent to initiate litigation before filing
1687 suit under the policy. Such notice must be served at least 10
1688 business days before filing suit, but not before the insurer has
1689 made a determination of coverage under s. 627.70131, by
1690 certified mail, return receipt requested, to the name and

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1691 mailing address designated by the insurer in the policy forms or
1692 by electronic delivery to the e-mail address designated by the
1693 insurer in the policy forms ~~at least 10 business days before~~
1694 ~~filing suit, but may not be served before the insurer has made a~~
1695 ~~determination of coverage under s. 627.70131.~~ The notice must
1696 specify the damages in dispute, the amount claimed, and a
1697 presuit settlement demand. Concurrent with the notice, and as a
1698 precondition to filing suit, the assignee must provide the named
1699 insured, insurer, and the assignor, if not the named insured, a
1700 detailed written invoice or estimate of services, including
1701 itemized information on equipment, materials, and supplies; the
1702 number of labor hours; and, in the case of work performed, proof
1703 that the work has been performed in accordance with accepted
1704 industry standards.

1705 Section 19. Section 627.7276, Florida Statutes, is amended
1706 to read:

1707 627.7276 Notice of limited coverage.—

1708 (1) An automobile policy that does not contain coverage
1709 for bodily injury and property damage must include a notice ~~be~~
1710 ~~clearly stamped or printed to the effect~~ that such coverage is
1711 not included in the policy in the following manner:

1712
1713 "THIS POLICY DOES NOT PROVIDE BODILY INJURY AND
1714 PROPERTY DAMAGE LIABILITY INSURANCE OR ANY OTHER
1715 COVERAGE FOR WHICH A SPECIFIC PREMIUM CHARGE IS NOT

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1716 MADE, AND DOES NOT COMPLY WITH ANY FINANCIAL
1717 RESPONSIBILITY LAW."

1718
1719 (2) This ~~notice legend~~ must accompany ~~appear on~~ the policy
1720 declarations ~~declaration~~ page and ~~on the filing back of the~~
1721 ~~policy and be printed in a contrasting color from that used on~~
1722 ~~the policy and in type~~ size at least as large as the type size
1723 used on the declarations page ~~larger than the largest type used~~
1724 ~~in the text thereof, as an overprint or by a rubber stamp~~
1725 ~~impression.~~

1726 Section 20. Section 634.171, Florida Statutes, is amended
1727 to read:

1728 634.171 Salesperson to be licensed and appointed;
1729 exemptions.—Salespersons for motor vehicle service agreement
1730 companies and insurers must ~~shall~~ be licensed, appointed,
1731 renewed, continued, reinstated, or terminated as prescribed in
1732 chapter 626 for insurance representatives in general. However,
1733 they are ~~shall be~~ exempt from all other provisions of chapter
1734 626, including those relating to fingerprinting, photo
1735 identification, education, and examination ~~provisions.~~
1736 Applicable license, appointment, and other fees are as ~~shall be~~
1737 ~~those~~ prescribed in s. 624.501. A licensed and appointed
1738 salesperson is ~~shall be~~ directly responsible and accountable for
1739 all acts of her or his employees and other representatives. Each
1740 service agreement company or insurer shall, on forms prescribed

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1741 by the department, within 30 days after termination of the
1742 appointment, notify the department of such termination. An ~~No~~
1743 employee or a salesperson of a motor vehicle service agreement
1744 company or an insurer may not directly or indirectly solicit or
1745 negotiate insurance contracts, or hold herself or himself out in
1746 any manner to be an insurance agent, unless so qualified,
1747 licensed, and appointed therefor under the Florida Insurance
1748 Code. A licensed personal lines or general lines agent is not
1749 required to be licensed as a salesperson under this section to
1750 solicit, negotiate, advertise, or sell motor vehicle service
1751 agreements. A motor vehicle service agreement company is not
1752 required to be licensed as a salesperson to solicit, sell,
1753 issue, or otherwise transact the motor vehicle service
1754 agreements issued by the motor vehicle service agreement
1755 company.

1756 Section 21. Section 634.317, Florida Statutes, is amended
1757 to read:

1758 634.317 License and appointment required; exemptions. ~~A~~ ~~No~~
1759 person may not solicit, negotiate, or effectuate home warranty
1760 contracts for remuneration in this state unless such person is
1761 licensed and appointed as a sales representative. A licensed and
1762 appointed sales representative is ~~shall be~~ directly responsible
1763 and accountable for all acts of the licensee's employees. A
1764 licensed personal lines or general lines agent is not required

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1765 to be licensed as a sales representative under this section to
1766 solicit, negotiate, advertise, or sell home warranty contracts.

1767 Section 22. Section 634.419, Florida Statutes, is amended
1768 to read:

1769 634.419 License and appointment required; exemptions.—~~A No~~
1770 person or an entity may not ~~shall~~ solicit, negotiate, advertise,
1771 or effectuate service warranty contracts in this state unless
1772 such person or entity is licensed and appointed as a sales
1773 representative. Sales representatives are ~~shall be~~ responsible
1774 for the actions of persons under their supervision. However, a
1775 service warranty association licensed as such under this part is
1776 ~~shall not be~~ required to be licensed and appointed as a sales
1777 representative to solicit, negotiate, advertise, or effectuate
1778 its products. A licensed personal lines or general lines agent
1779 is not required to be licensed as a sales representative under
1780 this section to solicit, negotiate, advertise, or sell service
1781 warranty contracts.

1782 Section 23. Effective June 1, 2023, for the purpose of
1783 incorporating the amendment made by this act to section 215.555,
1784 Florida Statutes, in a reference thereto, subsection (10) of
1785 section 624.424, Florida Statutes, is reenacted to read:

1786 624.424 Annual statement and other information.—

1787 (10) Each insurer or insurer group doing business in this
1788 state shall file on a quarterly basis in conjunction with
1789 financial reports required by paragraph (1) (a) a supplemental

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1790 report on an individual and group basis on a form prescribed by
1791 the commission with information on personal lines and commercial
1792 lines residential property insurance policies in this state. The
1793 supplemental report shall include separate information for
1794 personal lines property policies and for commercial lines
1795 property policies and totals for each item specified, including
1796 premiums written for each of the property lines of business as
1797 described in ss. 215.555(2) (c) and 627.351(6) (a). The report
1798 shall include the following information for each county on a
1799 monthly basis:

- 1800 (a) Total number of policies in force at the end of each
1801 month.
- 1802 (b) Total number of policies canceled.
- 1803 (c) Total number of policies nonrenewed.
- 1804 (d) Number of policies canceled due to hurricane risk.
- 1805 (e) Number of policies nonrenewed due to hurricane risk.
- 1806 (f) Number of new policies written.
- 1807 (g) Total dollar value of structure exposure under
1808 policies that include wind coverage.
- 1809 (h) Number of policies that exclude wind coverage.

1810 Section 24. Effective June 1, 2023, for the purpose of
1811 incorporating the amendment made by this act to section 215.555,
1812 Florida Statutes, in a reference thereto, paragraph (v) of
1813 subsection (6) of section 627.351, Florida Statutes, is
1814 reenacted to read:

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1815 | 627.351 Insurance risk apportionment plans.—
1816 | (6) CITIZENS PROPERTY INSURANCE CORPORATION.—
1817 | (v)1. Effective July 1, 2002, policies of the Residential
1818 | Property and Casualty Joint Underwriting Association become
1819 | policies of the corporation. All obligations, rights, assets and
1820 | liabilities of the association, including bonds, note and debt
1821 | obligations, and the financing documents pertaining to them
1822 | become those of the corporation as of July 1, 2002. The
1823 | corporation is not required to issue endorsements or
1824 | certificates of assumption to insureds during the remaining term
1825 | of in-force transferred policies.
1826 | 2. Effective July 1, 2002, policies of the Florida
1827 | Windstorm Underwriting Association are transferred to the
1828 | corporation and become policies of the corporation. All
1829 | obligations, rights, assets, and liabilities of the association,
1830 | including bonds, note and debt obligations, and the financing
1831 | documents pertaining to them are transferred to and assumed by
1832 | the corporation on July 1, 2002. The corporation is not required
1833 | to issue endorsements or certificates of assumption to insureds
1834 | during the remaining term of in-force transferred policies.
1835 | 3. The Florida Windstorm Underwriting Association and the
1836 | Residential Property and Casualty Joint Underwriting Association
1837 | shall take all actions necessary to further evidence the
1838 | transfers and provide the documents and instruments of further
1839 | assurance as may reasonably be requested by the corporation for

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1840 that purpose. The corporation shall execute assumptions and
1841 instruments as the trustees or other parties to the financing
1842 documents of the Florida Windstorm Underwriting Association or
1843 the Residential Property and Casualty Joint Underwriting
1844 Association may reasonably request to further evidence the
1845 transfers and assumptions, which transfers and assumptions,
1846 however, are effective on the date provided under this paragraph
1847 whether or not, and regardless of the date on which, the
1848 assumptions or instruments are executed by the corporation.
1849 Subject to the relevant financing documents pertaining to their
1850 outstanding bonds, notes, indebtedness, or other financing
1851 obligations, the moneys, investments, receivables, choses in
1852 action, and other intangibles of the Florida Windstorm
1853 Underwriting Association shall be credited to the coastal
1854 account of the corporation, and those of the personal lines
1855 residential coverage account and the commercial lines
1856 residential coverage account of the Residential Property and
1857 Casualty Joint Underwriting Association shall be credited to the
1858 personal lines account and the commercial lines account,
1859 respectively, of the corporation.

1860 4. Effective July 1, 2002, a new applicant for property
1861 insurance coverage who would otherwise have been eligible for
1862 coverage in the Florida Windstorm Underwriting Association is
1863 eligible for coverage from the corporation as provided in this
1864 subsection.

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1865 5. The transfer of all policies, obligations, rights,
1866 assets, and liabilities from the Florida Windstorm Underwriting
1867 Association to the corporation and the renaming of the
1868 Residential Property and Casualty Joint Underwriting Association
1869 as the corporation does not affect the coverage with respect to
1870 covered policies as defined in s. 215.555(2)(c) provided to
1871 these entities by the Florida Hurricane Catastrophe Fund. The
1872 coverage provided by the fund to the Florida Windstorm
1873 Underwriting Association based on its exposures as of June 30,
1874 2002, and each June 30 thereafter shall be redesignated as
1875 coverage for the coastal account of the corporation.
1876 Notwithstanding any other provision of law, the coverage
1877 provided by the fund to the Residential Property and Casualty
1878 Joint Underwriting Association based on its exposures as of June
1879 30, 2002, and each June 30 thereafter shall be transferred to
1880 the personal lines account and the commercial lines account of
1881 the corporation. Notwithstanding any other provision of law, the
1882 coastal account shall be treated, for all Florida Hurricane
1883 Catastrophe Fund purposes, as if it were a separate
1884 participating insurer with its own exposures, reimbursement
1885 premium, and loss reimbursement. Likewise, the personal lines
1886 and commercial lines accounts shall be viewed together, for all
1887 fund purposes, as if the two accounts were one and represent a
1888 single, separate participating insurer with its own exposures,
1889 reimbursement premium, and loss reimbursement. The coverage

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1890 provided by the fund to the corporation shall constitute and
1891 operate as a full transfer of coverage from the Florida
1892 Windstorm Underwriting Association and Residential Property and
1893 Casualty Joint Underwriting Association to the corporation.

1894 Section 25. For the purpose of incorporating the amendment
1895 made by this act to section 626.856, Florida Statutes, in a
1896 reference thereto, paragraph (e) of subsection (1) of section
1897 626.865, Florida Statutes, is reenacted to read:

1898 626.865 Public adjuster's qualifications, bond.—

1899 (1) The department shall issue a license to an applicant
1900 for a public adjuster's license upon determining that the
1901 applicant has paid the applicable fees specified in s. 624.501
1902 and possesses the following qualifications:

1903 (e) Has been licensed in this state as an all-lines
1904 adjuster, and has been appointed on a continual basis for the
1905 previous 6 months as a public adjuster apprentice under s.
1906 626.8561, as an independent adjuster under s. 626.855, or as a
1907 company employee adjuster under s. 626.856.

1908 Section 26. For the purpose of incorporating the amendment
1909 made by this act to section 626.221, Florida Statutes, in a
1910 reference thereto, paragraph (b) of subsection (1) of section
1911 626.8734, Florida Statutes, is reenacted to read:

1912 626.8734 Nonresident all-lines adjuster license
1913 qualifications.—

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1914 (1) The department shall issue a license to an applicant
1915 for a nonresident all-lines adjuster license upon determining
1916 that the applicant has paid the applicable license fees required
1917 under s. 624.501 and:

1918 (b) Has passed to the satisfaction of the department a
1919 written Florida all-lines adjuster examination of the scope
1920 prescribed in s. 626.241(6); however, the requirement for the
1921 examination does not apply to:

1922 1. An applicant who is licensed as an all-lines adjuster
1923 in his or her home state if that state has entered into a
1924 reciprocal agreement with the department;

1925 2. An applicant who is licensed as a nonresident all-lines
1926 adjuster in a state other than his or her home state and a
1927 reciprocal agreement with the appropriate official of the state
1928 of licensure has been entered into with the department; or

1929 3. An applicant who holds a certification set forth in s.
1930 626.221(2)(j).

1931 Section 27. Effective upon this act becoming a law, for
1932 the purpose of incorporating the amendment made by this act to
1933 section 627.7152, Florida Statutes, in references thereto,
1934 subsection (1) and paragraph (d) of subsection (2) of section
1935 627.7153, Florida Statutes, are reenacted to read:

1936 627.7153 Policies restricting assignment of post-loss
1937 benefits under a property insurance policy.—

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1938 (1) As used in this section, the term "assignment
1939 agreement" has the same meaning as provided in s. 627.7152.

1940 (2) An insurer may make available a policy that restricts
1941 in whole or in part an insured's right to execute an assignment
1942 agreement only if all of the following conditions are met:

1943 (d) Each restricted policy include on its face the
1944 following notice in 18-point uppercase and boldfaced type:

1945
1946 THIS POLICY DOES NOT ALLOW THE UNRESTRICTED ASSIGNMENT OF
1947 POST-LOSS INSURANCE BENEFITS. BY SELECTING THIS POLICY, YOU
1948 WAIVE YOUR RIGHT TO FREELY ASSIGN OR TRANSFER THE POST-LOSS
1949 PROPERTY INSURANCE BENEFITS AVAILABLE UNDER THIS POLICY TO A
1950 THIRD PARTY OR TO OTHERWISE FREELY ENTER INTO AN ASSIGNMENT
1951 AGREEMENT AS THE TERM IS DEFINED IN SECTION 627.7152 OF THE
1952 FLORIDA STATUTES.

1953 Section 28. Except as otherwise expressly provided in this
1954 act and except for this section, which shall take effect upon
1955 this act becoming a law, this act shall take effect July 1,
1956 2022.

1957
1958 -----

1959 **T I T L E A M E N D M E N T**

1960 Remove everything before the enacting clause and insert:

1961 A bill to be entitled

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1962 An act relating to insurance; amending s. 215.555, F.S.;

1963 revising the definition of the term "covered policy" under the

1964 Florida Hurricane Catastrophe Fund in relation to certain

1965 collateral protection insurance policies; amending s. 440.381,

1966 F.S.; revising the annual audit requirement for construction

1967 classes to apply to policies having estimated annual premiums of

1968 at least a specified amount; amending s. 624.413, F.S.;

1969 providing circumstances under which certain persons are deemed

1970 to have control and are subject to specified requirements;

1971 authorizing the Office of Insurance Regulation to apply

1972 specified criteria to specified applications to make certain

1973 determinations; creating s. 624.46227, F.S.; authorizing any

1974 association, trust, or pool created for the purpose of forming a

1975 risk management mechanism or providing self-insurance for a

1976 public entity to use communications media technology to

1977 establish a quorum and conduct public business; amending s.

1978 626.221, F.S.; exempting certain applicants for licensure as

1979 all-lines adjusters from a required examination; amending s.

1980 626.856, F.S.; revising the definition of the term "company

1981 employee adjuster"; amending s. 627.021, F.S.; revising

1982 applicability; amending s. 627.062, F.S.; authorizing the use of

1983 a certain modeling indication for residential property insurance

1984 rate filings; amending s. 627.0628, F.S.; revising the

1985 membership of the Florida Commission on Hurricane Loss

1986 Projection Methodology; amending s. 627.0629, F.S.; authorizing

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1987 insurers to file certain insurance rating plans based on
1988 specified windstorm mitigation construction standards under
1989 certain circumstances; amending s. 627.0665, F.S.; amending s.
1990 627.351, F.S.; deleting obsolete language; requiring the Office
1991 of Insurance Regulation to approve the method used by Citizens
1992 Property Insurance Corporation for valuing the dwelling
1993 replacement costs; revising conditions for determining the
1994 ineligibility of condominiums for wind-only coverage; specifying
1995 qualification requirements for certain members of the
1996 corporation's board of governors at the time of appointment and
1997 reappointment; defining the term "demonstrated expertise in
1998 insurance"; revising thresholds for determining eligibility of a
1999 risk for coverage by the corporation; providing that
2000 policyholders removed from the corporation through an assumption
2001 agreement do not remain eligible for coverage from the
2002 corporation; providing that policies of such policyholders
2003 remain on the corporation's policy forms for a specified time;
2004 eliminating costs of reinsurance in rates under certain
2005 circumstances; making technical changes; specifying the
2006 qualifications for an appointee as the executive director of the
2007 corporation; specifying that only the corporation's transfer of
2008 a policy file to an insurer, rather than the transfer of any
2009 file, changes the file's public record status; providing
2010 thresholds for determining eligibility for coverage by the
2011 corporation for policyholders who receive take-out offers from

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2012 authorized insurers; revising the notice that must be provided
2013 by the corporation when insurers request to take out a policy;
2014 amending s. 627.3517, F.S.; making technical changes; amending
2015 s. 627.3518, F.S.; deleting obsolete provisions relating to the
2016 purpose of the corporation's clearinghouse program and reporting
2017 requirements; revising procedures for determining eligibility of
2018 a risk for coverage with the corporation; deleting provisions
2019 relating to renewal status for coverage by the corporation;
2020 amending s. 627.421, F.S.; deleting a requirement for electronic
2021 transmission of certain documents to include specified notices;
2022 deleting a requirement that paper copies of policies be provided
2023 upon request; amending ss. 627.701 and 627.712, F.S.; revising
2024 policyholder acknowledgment statement requirements for property
2025 insurance policies having certain hurricane deductibles or
2026 windstorm or contents coverage exclusions, respectively;
2027 amending s. 627.7152, F.S.; revising the definition of the term
2028 "assignment agreement"; specifying the addresses to which a
2029 notice of intent must be served; amending s. 627.7276, F.S.;
2030 revising notice requirements for motor vehicle policies that do
2031 not provide coverage for bodily injury and property damage
2032 liability; amending ss. 634.171, 634.317, and 634.419, F.S.;
2033 authorizing licensed personal lines or general lines agents to
2034 solicit, negotiate, advertise, or sell motor vehicle service
2035 agreements, home warranty contracts, and service warranty
2036 contracts, respectively, without a sales representative license;

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2037 making technical changes; reenacting ss. 624.424(10) and
2038 627.351(6)(v), F.S., relating to annual statements and other
2039 information and Citizens Property Insurance Corporation,
2040 respectively, to incorporate the amendment made to s. 215.555,
2041 F.S., in references thereto; reenacting s. 626.865(1)(e), F.S.,
2042 relating to public adjuster's qualifications, to incorporate the
2043 amendment made to s. 626.856, F.S., in a reference thereto;
2044 reenacting s. 626.8734(1)(b), F.S., relating to nonresident all-
2045 lines adjuster license qualifications, to incorporate the
2046 amendment made to s. 626.221, F.S., in a reference thereto;
2047 reenacting s. 627.7153(1) and (2)(d), F.S., relating to policies
2048 restricting assignment of post-loss benefits under a property
2049 insurance policy, to incorporate the amendment made to s.
2050 627.7152, F.S., in references thereto; providing effective
2051 dates.

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