



26 Hurricane Catastrophe Fund if an insurer or the  
27 Citizens Property Insurance Corporation accept  
28 assignments of unsound insurers; providing that  
29 certain violations are violations of the insurance  
30 code; authorizing the board to enforce certain  
31 requirements; authorizing the board to adopt rules;  
32 providing legislative intent; requiring the board to  
33 submit a written notice within a certain timeframe to  
34 the Executive Office of the Governor relating to the  
35 program funds, under certain circumstances; providing  
36 a requirement for the notice and subsequent requests;  
37 requiring the Executive Office of the Governor to  
38 instruct the Chief Financial Officer to draw a warrant  
39 for a transfer to the board for the program under  
40 certain circumstances and to provide notification to  
41 specified persons within a certain timeframe;  
42 prohibiting cumulative transfers from exceeding a  
43 specified amount; providing reporting requirements;  
44 providing for expiration and transfer of unencumbered  
45 funds; requiring certain property insurers to reduce  
46 rates to reflect certain cost savings through rate  
47 filings by a specified date; prohibiting such insurers  
48 from making other rate changes; requiring the Office  
49 of Insurance Regulation to expedite the review of  
50 certain filings; amending s. 215.5586, F.S.; adding a

51 requirement for hurricane mitigation inspection  
52 applications; revising homeowner eligibility criteria  
53 for mitigation grants; specifying matching  
54 requirements for grants; revising reporting  
55 requirements; providing an appropriation; requiring  
56 the Department of Financial Services to submit budget  
57 amendments; specifying requirements for budget  
58 amendments; providing for reversion and appropriation  
59 of any unexpended balance; providing for expiration;  
60 amending s. 489.147, F.S.; revising the definition of  
61 the term "prohibited advertisement"; creating s.  
62 624.1551, F.S.; requiring claimants to establish that  
63 property insurers have breached the insurance contract  
64 to prevail in certain claims for damages; amending s.  
65 624.307, F.S.; requiring the office to publish certain  
66 information on its website; amending s. 624.313, F.S.;  
67 requiring the office to print and make a specified  
68 report available by a specified date annually;  
69 revising the information the office must include in  
70 such report; amending s. 624.315, F.S.; revising the  
71 information the office must include in certain  
72 reports; amending s. 624.424, F.S.; requiring the  
73 Office of Insurance Regulation to aggregate on a  
74 statewide basis and make publicly available certain  
75 data submitted by insurers and insurer groups;

76 specifying requirements for publishing such data;  
 77 providing that such information is not a trade secret  
 78 and is not subject to a certain public records  
 79 exemption; amending s. 626.9373, F.S.; revising  
 80 conditions for the award of reasonable attorney fees  
 81 to apply to all suits brought under residential or  
 82 commercial property insurance policies, rather than  
 83 those not brought by assignees; limiting the transfer,  
 84 assignment, or acquisition of rights to attorney fees  
 85 in certain property insurance suits; amending s.  
 86 627.428, F.S.; revising conditions for the award of  
 87 reasonable attorney fees to apply to all suits brought  
 88 under residential or commercial property insurance  
 89 policies, rather than those not brought by assignees;  
 90 limiting the transfer, assignment, or acquisition of  
 91 rights to attorney fees in certain property insurance  
 92 suits; amending s. 627.701, F.S.; revising a  
 93 prohibition against the issuance of insurance policies  
 94 containing certain deductible provisions; revising the  
 95 conditions a personal lines residential property  
 96 insurance policy covering certain risks must meet  
 97 under certain circumstances; requiring personal lines  
 98 residential property insurance policies containing  
 99 separate roof deductibles to include specified  
 100 information; authorizing property insurers to include

101 separate roof deductibles if certain requirements are  
102 met; providing requirements for policyholders in  
103 rejecting such deductibles under certain  
104 circumstances; requiring the office to expedite the  
105 review of filing of certain forms; authorizing the  
106 commission to adopt certain model forms or guidelines;  
107 requiring the office to review certain filings within  
108 a specified timeframe; providing that roof deductible  
109 portions of the filing are not subject to a specified  
110 extension for review; amending s. 627.7011, F.S.;  
111 authorizing property insurers to limit certain roof  
112 claim payments under certain circumstances; defining  
113 the term "authorized inspector"; prohibiting insurers  
114 from refusing to issue or renew homeowners' policies  
115 insuring certain structures; requiring insurers to  
116 allow homeowners to have roof inspections performed  
117 before requiring roof replacement; providing  
118 applicability; amending s. 627.70131, F.S.; requiring  
119 insurers to conduct physical inspections for certain  
120 claims within a specified timeframe; requiring  
121 property insurers to notify and provide certain  
122 detailed estimates to policyholders; providing  
123 construction; requiring property insurers to provide  
124 reasonable explanations related to claims under  
125 certain circumstances; amending s. 627.70152, F.S.;

126 making a technical change; authorizing property  
127 insurers to be awarded attorney fees in certain suit  
128 dismissals; providing that a strong presumption is  
129 created that a lodestar fee is sufficient and  
130 reasonable; providing that such presumption may be  
131 rebutted only under certain circumstances; amending s.  
132 627.7142, F.S.; conforming a cross-reference; amending  
133 s. 627.7152, F.S.; revising the definition of the term  
134 "assignment agreement"; deleting the definitions of  
135 the terms "disputed amount" and "judgment obtained";  
136 revising a requirement for assignment agreements;  
137 revising the requirement for assignees to indemnify  
138 and hold harmless assignors; specifying a timeframe  
139 during which and the addresses to which a notice of  
140 intent must be served; deleting certain limitations on  
141 the recovery and award of attorney fees in suits  
142 related to assignment agreements; creating s.  
143 627.7154, F.S.; creating an insurer stability unit  
144 within the office for a specified purpose; specifying  
145 the duties of the unit; requiring the unit to provide  
146 a specified report biannually; specifying requirements  
147 for such report; specifying events that trigger  
148 referrals to the unit; requiring the unit's  
149 supervisors to review such referrals for a certain  
150 determination; requiring unit expenses be paid from a

151 specified fund; requiring costs of examinations to be  
 152 paid by examined persons in a specified circumstance;  
 153 amending s. 631.031, F.S.; requiring notifications by  
 154 the office to the department of grounds for  
 155 delinquency proceedings to include an affidavit;  
 156 specifying contents of such affidavit; amending s.  
 157 631.398, F.S.; specifying duties of the department for  
 158 insurer insolvency proceedings; providing for  
 159 construction of the act in pari materia with laws  
 160 enacted during the 2022 Regular Session of the  
 161 Legislature; providing effective dates.

162

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

164

165 Section 1. Section 215.5551, Florida Statutes, is created  
 166 to read:

167 215.5551 Reinsurance to Assist Policyholders program.—

168 (1) CREATION OF THE REINSURANCE TO ASSIST POLICYHOLDERS

169 PROGRAM.—There is created the Reinsurance to Assist

170 Policyholders program to be administered by the State Board of

171 Administration.

172 (2) DEFINITIONS.—As used in this section, the term:

173 (a) "Board" means the State Board of Administration.

174 (b) "Contract year" means the period beginning on June 1

175 of a specified calendar year and ending on May 31 of the

176 following calendar year.

177 (c) "Covered event" means any one storm declared to be a  
178 hurricane by the National Hurricane Center, which storm causes  
179 insured losses in this state.

180 (d) "Covered policy" has the same meaning as in s.  
181 215.555(2)(c).

182 (e) "FHCF" means the Florida Hurricane Catastrophe Fund  
183 created under s. 215.555.

184 (f) "Losses" has the same meaning as in s. 215.555(2)(d).

185 (g) "RAP" means the Reinsurance to Assist Policyholders  
186 program created by this section.

187 (h) "RAP insurer" means an insurer that is a participating  
188 insurer in the FHCF on June 1, 2022, which must obtain coverage  
189 under the RAP program and qualifies under subsection (5).  
190 However, any joint underwriting association, risk apportionment  
191 plan, or other entity created under s. 627.351 is not considered  
192 a RAP insurer and is prohibited from obtaining coverage under  
193 the RAP program.

194 (i) "RAP limit" means, for the 2022-2023 contract year,  
195 the RAP insurer's maximum payout, which is its share of the \$2  
196 billion RAP layer aggregate limit. For the 2023-2024 contract  
197 year, for RAP insurers that are subject to participation  
198 deferral under subsection (6) and participate during the 2023-  
199 2024 contract year, the RAP limit means the RAP insurer's  
200 maximum payout, which is its share of the total amount of the



201 RAP program layer aggregate limit deferred from 2022-2023.

202 (j) "RAP qualification ratio" means:

203 1. For the 2022-2023 contract year, the ratio of FHCF  
204 mandatory premium adjusted to 90 percent for RAP insurers  
205 divided by the FHCF mandatory premium adjusted to 90 percent for  
206 all insurers. The preliminary RAP qualification ratio shall be  
207 based on the 2021-2022 contract year's company premiums, as of  
208 December 31, 2021, adjusted to 90 percent based on the 2022-2023  
209 contract year coverage selections. The RAP qualification ratio  
210 shall be based on the reported 2022-2023 contract year company  
211 premiums, as of December 31, 2022, adjusted to 90 percent.

212 2. For the 2023-2024 contract year, the ratio of FHCF  
213 mandatory premium adjusted to 90 percent for the qualified RAP  
214 insurers that have deferred RAP coverage to 2023-2024 divided by  
215 the FHCF mandatory premium adjusted to 90 percent for all  
216 insurers. The preliminary RAP qualification ratio shall be based  
217 on the 2022-2023 contract year's company premiums as of December  
218 31, 2022, adjusted to 90 percent based on the 2023-2024 contract  
219 year coverage selections. The RAP qualification ratio shall be  
220 based on the reported 2023-2024 contract year company premiums  
221 as of December 31, 2023, adjusted to 90 percent.

222 (k) "RAP reimbursement contract" means the reimbursement  
223 contract reflecting the obligations of the RAP program to  
224 insurers.

225 (l) "RAP retention" means the amount of losses below which

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226 a RAP insurer is not entitled to reimbursement under the RAP  
227 program.

228 (m) "Unsound insurer" means a RAP insurer determined by  
229 the Office of Insurance Regulation to be in unsound condition as  
230 defined in s. 624.80(2) or a RAP insurer placed in receivership  
231 under chapter 631.

232 (3) COVERAGE.—

233 (a) As a condition of doing business in this state, each  
234 RAP insurer shall obtain coverage under the RAP program.

235 (b) The board shall provide a reimbursement layer of \$2  
236 billion below the FHCF retention prior to the third event  
237 dropdown of the FHCF retention set forth in s. 215.555(2)(e).  
238 Subject to the mandatory notice provisions in subsection (5),  
239 the board shall enter into a RAP reimbursement contract with  
240 each eligible RAP insurer writing covered policies in this state  
241 to provide to the insurer the reimbursement described in this  
242 section.

243 (4) RAP REIMBURSEMENT CONTRACTS.—

244 (a)1. The board shall issue a RAP reimbursement contract  
245 to each eligible RAP insurer which is effective:

246 a. June 1, 2022, for RAP insurers that participate in the  
247 RAP program during the 2022-2023 contract year; or

248 b. June 1, 2023, for RAP insurers that are subject to  
249 participation deferral under subsection (6) and participate in  
250 the RAP program during the 2023-2024 contract year.

251       2. The reimbursement contract shall be executed no later  
252 than:

253       a. July 15, 2022, for RAP insurers that participate in the  
254 RAP program during the 2022-2023 contract year; or

255       b. March 1, 2023, for RAP insurers that are subject to  
256 participation deferral under subsection (6) and participate in  
257 the RAP program during the 2023-2024 contract year.

258       3. If a RAP insurer fails to execute the RAP reimbursement  
259 contract by the dates required in this paragraph, the RAP  
260 insurance contract is deemed to have been executed by the RAP  
261 insurer.

262       (b) For the two covered events with the largest losses,  
263 the RAP reimbursement contract must contain a promise by the  
264 board to reimburse the RAP insurer for 90 percent of its losses  
265 from each covered event in excess of the insurer's RAP  
266 retention, plus 10 percent of the reimbursed losses to cover  
267 loss adjustment expenses. The sum of the losses and 10 percent  
268 loss adjustment expense allocation from the RAP layer may not  
269 exceed the RAP limit. Recoveries on losses in the FHCF mandatory  
270 layer shall inure to the benefit of the RAP contract layer.

271       (c) The RAP reimbursement contract must provide that  
272 reimbursement amounts are not reduced by reinsurance paid or  
273 payable to the insurer from other sources excluding the FHCF.

274       (d) The board shall calculate and report to each RAP  
275 insurer the RAP payout multiples as the ratio of the RAP

276 industry limit of \$2 billion for the 2022-2023 contract year, or  
277 the deferred limit for the 2022-2023 contract year, to the  
278 mandatory FHCF retention multiplied by the mandatory FHCF  
279 retention multiples divided by the RAP qualification ratio. The  
280 RAP payout multiple for an insurer is multiplied by the RAP  
281 insurer's FHCF premium to calculate its RAP maximum payout. RAP  
282 payout multiples are calculated for 45 percent, 75 percent, and  
283 90 percent FHCF mandatory coverage selections.

284 (e) A RAP insurer's RAP retention is calculated as  
285 follows:

286 1. The board shall calculate and report to each RAP  
287 insurer the RAP retention multiples for each FHCF coverage  
288 selection as the FHCF retention multiple minus the RAP payout  
289 multiple. The RAP retention multiple for an insurer is  
290 multiplied by the RAP insurer's FHCF premium to calculate its  
291 RAP retention. RAP retention multiples are calculated for 45  
292 percent, 75 percent, and 90 percent FHCF mandatory coverage  
293 selections.

294 2. The RAP industry retention for the 2022-2023 contract  
295 year is the FHCF's industry retention minus \$2 billion, prior to  
296 allocation to qualifying RAP insurers. The RAP industry  
297 retention for the 2023-2024 contract year is the FHCF's industry  
298 retention for the 2023-2024 contract year minus the total  
299 deferred RAP limit, prior to allocation to qualifying RAP  
300 insurers.

301 3. A RAP insurer determines its actual RAP retention by  
 302 multiplying its actual mandatory reimbursement FHCF premium by  
 303 the RAP retention multiple.

304 (f) To ensure that insurers have properly reported the  
 305 losses for which RAP reimbursements have been made, the board  
 306 may inspect, examine, and verify the records of each RAP  
 307 insurer's covered policies at such times as the board deems  
 308 appropriate for the specific purpose of validating the accuracy  
 309 of losses required to be reported under the terms and conditions  
 310 of the RAP reimbursement contract.

311 (5) INSURER QUALIFICATION.—

312 (a) An insurer is not eligible to participate in the RAP  
 313 program if the board receives a notice from the Commissioner of  
 314 Insurance Regulation which certifies that the insurer is in an  
 315 unsound financial condition no later than:

316 1. June 15, 2022, for RAP insurers that participate during  
 317 the 2022-2023 contract year; or

318 2. February 1, 2023, for RAP insurers subject to  
 319 participation deferral under subsection (6) and participate  
 320 during the 2023-2024 contract year.

321 (b) The office must make this determination based on the  
 322 following factors:

323 1. The insurer's compliance with the requirements to  
 324 qualify for and hold a certificate of authority under s.  
 325 624.404;

326        2. The insurer's compliance with the applicable surplus  
327 requirements of s. 624.408;

328        3. The insurer's compliance with the applicable risk-based  
329 capital requirements under s. 624.4085;

330        4. The insurer's compliance with the applicable premium to  
331 surplus requirements under s. 624.4095; and

332        5. An analysis of quarterly and annual statements,  
333 including an actuarial opinion summary, and other information  
334 submitted to the office pursuant to s. 624.424.

335        (c) If the board receives timely notice pursuant to  
336 paragraph (a) regarding an insurer, such insurer is disqualified  
337 from participating in the RAP program.

338        (6) PARTICIPATION DEFERRAL.—

339        (a) A RAP insurer that has any private reinsurance within  
340 the RAP layer of coverage for the 2022-2023 contract year shall  
341 notify the board in writing of such coverage no later than June  
342 30, 2022. Participation in the RAP program for such RAP insurers  
343 shall be deferred until the 2023-2024 contract year.

344        (b) A new participating insurer that begins writing  
345 covered policies in this state after June 1, 2022, is deemed to  
346 defer its RAP coverage to the 2023-2024 contract year.

347        (7) RAP PREMIUMS.—Premiums may not be charged for  
348 participation in the RAP program.

349        (8) CLAIMS-PAYING CAPACITY.—The RAP program shall not  
350 affect the claims-paying capacity of the FHCF as provided in s.

351 215.555 (4) (c) 1.

352 (9) INSOLVENCY OF RAP INSURER.—

353 (a) The RAP reimbursement contract shall provide that in  
 354 the event of an insolvency of a RAP insurer, the RAP program  
 355 shall pay reimbursements directly to the applicable state  
 356 guaranty fund for the benefit of policyholders in this state of  
 357 the RAP insurer.

358 (b) If an authorized insurer or the Citizens Property  
 359 Insurance Corporation accepts an assignment of an unsound RAP  
 360 insurer's RAP contract, the FHCF shall apply the unsound RAP  
 361 insurer's RAP contract to such policies and treat the authorized  
 362 insurer or the Citizens Property Insurance Corporation as if it  
 363 were the unsound RAP insurer for the remaining term of the RAP  
 364 contract, with all rights and duties of the unsound RAP insurer  
 365 beginning on the date it provides coverage for such policies.

366 (10) VIOLATIONS.—Any violation of this section or of rules  
 367 adopted under this section constitutes a violation of the  
 368 insurance code.

369 (11) LEGAL PROCEEDINGS.—The board is authorized to take  
 370 any action necessary to enforce the rules, provisions, and  
 371 requirements of the RAP reimbursement contract, required by and  
 372 adopted pursuant to this section.

373 (12) RULEMAKING.—The board may adopt such rules as are  
 374 reasonable and necessary to implement this section, and it is  
 375 the intent of the Legislature that all rules adopted to

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376 implement this section will be done as emergency rules pursuant  
 377 to s. 120.54(4).

378 (13) APPROPRIATION.—

379 (a) Within 60 days after a covered event, the board shall  
 380 submit written notice to the Executive Office of the Governor if  
 381 the board determines that funds from the RAP program coverage  
 382 established by this section will be necessary to reimburse RAP  
 383 insurers for losses associated with the covered event. The  
 384 initial notice, and any subsequent requests, must specify the  
 385 amount necessary to provide RAP reimbursements. Upon receiving  
 386 such notice, the Executive Office of the Governor shall instruct  
 387 the Chief Financial Officer to draw a warrant from the General  
 388 Revenue Fund for a transfer to the board for the RAP program in  
 389 the amount requested. The Executive Office of the Governor shall  
 390 provide written notification to the chair and vice chair of the  
 391 Legislative Budget Commission at least 3 days before the  
 392 effective date of the warrant. Cumulative transfers authorized  
 393 under this paragraph may not exceed \$2 billion.

394 (b) If General Revenue Funds are transferred to the board  
 395 for the RAP program under paragraph (a), the board shall submit  
 396 written notice to the Executive Office of the Governor that  
 397 funds will be necessary for the administration of the RAP  
 398 program and post-event examinations for covered events that  
 399 require RAP coverage. The initial notice, and any subsequent  
 400 requests, must specify the amount necessary for administration



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401 of the RAP program and post-event examinations. Upon receiving  
402 such notice, the Executive Office of the Governor shall instruct  
403 the Chief Financial Officer to draw a warrant from the General  
404 Revenue Fund for a transfer to the board for the RAP program in  
405 the amount requested. The Executive Office of the Governor shall  
406 provide written notification to the chair and vice chair of the  
407 Legislative Budget Commission at least 3 days before the  
408 effective date of the warrant. Cumulative transfers authorized  
409 under this paragraph may not exceed \$5 million.

410 (c) No later than January 31, 2023, and quarterly  
411 thereafter, the board shall submit a report to the Executive  
412 Office of the Governor, the President of the Senate, and the  
413 Speaker of the House of Representatives detailing any  
414 reimbursements of the RAP program, all loss development  
415 projections, the amount of RAP reimbursement coverage deferred  
416 until the 2023-2024 contract year, and detailed information  
417 about administrative and post-event examination expenditures.

418 (14) EXPIRATION DATE.—If no General Revenue Funds have  
419 been transferred to the board for the RAP program under  
420 subsection (13) by June 30, 2025, this section expires on July  
421 1, 2025. If General Revenue Funds have been transferred to the  
422 board for the RAP program under subsection (13) by June 30,  
423 2025, this section expires on July 1, 2029, and all unencumbered  
424 RAP program funds shall be transferred by the board back to the  
425 General Revenue Fund unallocated.

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426           Section 2. (1) No later than June 30, 2022, each insurer  
427 that participates during the 2022-2023 contract year in the  
428 Reinsurance to Assist Policyholders program under s. 215.5551,  
429 Florida Statutes, shall reduce its rates to reflect the cost  
430 savings realized by participating in the program through a rate  
431 filing with the Office of Insurance Regulation or by amending a  
432 pending rate filing. The insurer shall make no other changes to  
433 its rates in the filing.

434           (2) No later than May 1, 2023, each insurer that defers  
435 participation in the Reinsurance to Assist Policyholders program  
436 until the 2023-2024 year under s. 215.5551, Florida Statutes,  
437 shall reduce its rates to reflect the cost savings realized by  
438 participating in the program through a rate filing with the  
439 Office of Insurance Regulation or by amending a pending rate  
440 filing. The insurer shall make no other changes to its rates in  
441 the filing.

442           (3) The Office of Insurance Regulation shall expedite the  
443 review of the filings made under this section.

444           Section 3. Effective July 1, 2022, paragraph (d) of  
445 subsection (1), paragraphs (a) and (b) of subsection (2), and  
446 subsection (10) of section 215.5586, Florida Statutes, are  
447 amended to read:

448           215.5586 My Safe Florida Home Program.—There is  
449 established within the Department of Financial Services the My  
450 Safe Florida Home Program. The department shall provide fiscal

451 accountability, contract management, and strategic leadership  
452 for the program, consistent with this section. This section does  
453 not create an entitlement for property owners or obligate the  
454 state in any way to fund the inspection or retrofitting of  
455 residential property in this state. Implementation of this  
456 program is subject to annual legislative appropriations. It is  
457 the intent of the Legislature that the My Safe Florida Home  
458 Program provide trained and certified inspectors to perform  
459 inspections for owners of site-built, single-family, residential  
460 properties and grants to eligible applicants as funding allows.  
461 The program shall develop and implement a comprehensive and  
462 coordinated approach for hurricane damage mitigation that may  
463 include the following:

464 (1) HURRICANE MITIGATION INSPECTIONS.—

465 (d) An application for an inspection must contain:

466 1. A provision requiring the applicant to make his or her  
467 home available for inspection once a mitigation project is  
468 completed; and

469 2. A signed or electronically verified statement made  
470 under penalty of perjury that the applicant has submitted only a  
471 single application for that home.

472 (2) MITIGATION GRANTS.—Financial grants shall be used to  
473 encourage single-family, site-built, owner-occupied, residential  
474 property owners to retrofit their properties to make them less  
475 vulnerable to hurricane damage.

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476 (a) For a homeowner to be eligible for a grant, the  
 477 following criteria must be met:

478 1. The homeowner must have been granted a homestead  
 479 exemption on the home under chapter 196.

480 2. The home must be a dwelling with an insured value of  
 481 \$500,000 ~~\$300,000~~ or less. Homeowners who are low-income  
 482 persons, as defined in s. 420.0004(11), are exempt from this  
 483 requirement.

484 3. The home must have undergone an acceptable hurricane  
 485 mitigation inspection after July 1, 2008 ~~May 1, 2007~~.

486 4. The home must be located in the "wind-borne debris  
 487 region" as that term is defined in the Florida Building Code s-  
 488 ~~1609.2, International Building Code (2006), or as subsequently~~  
 489 ~~amended~~.

490 5. The building permit application for initial  
 491 construction of the home must have been made before January 1,  
 492 2008 ~~March 1, 2002~~.

493  
 494 An application for a grant must contain a signed or  
 495 electronically verified statement made under penalty of perjury  
 496 that the applicant has submitted only a single application and  
 497 must have attached documents demonstrating the applicant meets  
 498 the requirements of this paragraph.

499 (b) All grants must be matched on the basis of \$1 provided  
 500 by the applicant for \$2 provided by the state ~~a dollar for~~

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501 ~~dollar basis~~ up to a maximum state contribution total of \$10,000  
502 toward ~~for~~ the actual cost of the mitigation project ~~with the~~  
503 ~~state's contribution not to exceed \$5,000.~~

504 (10) REPORTS.—The department shall make an annual report  
505 on the activities of the program that shall account for the use  
506 of state funds and indicate the number of inspections requested,  
507 the number of inspections performed, the number of grant  
508 applications received, ~~and~~ the number and value of grants  
509 approved, and the average annual amount of insurance premium  
510 discounts and total annual amount of insurance premium discounts  
511 homeowners received from insurers as a result of mitigation  
512 funded through the program. The report shall be delivered to the  
513 President of the Senate and the Speaker of the House of  
514 Representatives by February 1 of each year.

515 Section 4. (1) For the 2022-2023 fiscal year, the sum of  
516 \$150 million in nonrecurring funds is appropriated from the  
517 General Revenue Fund to the Department of Financial Services for  
518 the My Safe Florida Home Program. The funds shall be placed in  
519 reserve. The department shall submit budget amendments  
520 requesting release of the funds held in reserve pursuant to  
521 chapter 216, Florida Statutes. The budget amendments shall  
522 include a detailed spending plan.

523 (2) The funds shall be allocated as follows:

524 (a) Twenty-five million dollars for hurricane mitigation  
525 inspections.

526 (b) One hundred fifteen million dollars for mitigation  
 527 grants.

528 (c) Four million dollars for education and consumer  
 529 awareness.

530 (d) One million dollars for public outreach for  
 531 contractors and real estate brokers and sales associates.

532 (e) Five million dollars for administrative costs.

533 (3) Any unexpended balance of funds from this  
 534 appropriation remaining on June 30, 2023, shall revert and is  
 535 appropriated to the Department of Financial Services for the  
 536 2023-2024 fiscal year for the same purpose.

537 (4) This section shall expire October 1, 2024.

538 Section 5. Paragraph (a) of subsection (1) of section  
 539 489.147, Florida Statutes, is amended to read:

540 489.147 Prohibited property insurance practices.—

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

542 (a) "Prohibited advertisement" means any written or  
 543 electronic communication by a contractor which ~~that~~ encourages,  
 544 instructs, or induces a consumer to contact a contractor or  
 545 public adjuster for the purpose of making an insurance claim for  
 546 roof damage, if such communication does not state in a font size  
 547 of at least 12 points and at least half as large as the largest  
 548 font size used in the communication that:

549 1. The consumer is responsible for payment of any  
 550 insurance deductible;

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551        2. It is insurance fraud punishable as a felony of the  
 552 third degree for a contractor to knowingly or willfully, and  
 553 with intent to injure, defraud, or deceive, pay, waive, or  
 554 rebate all or part of an insurance deductible applicable to  
 555 payment to the contractor for repairs to a property covered by a  
 556 property insurance policy; and

557        3. It is insurance fraud punishable as a felony of the  
 558 third degree to intentionally file an insurance claim containing  
 559 any false, incomplete, or misleading information.

560  
 561 The term includes, but is not limited to, door hangers, business  
 562 cards, magnets, flyers, pamphlets, and e-mails.

563        Section 6. Section 624.1551, Florida Statutes, is created  
 564 to read:

565        624.1551 Civil remedy actions against property insurers.-  
 566 Notwithstanding any provision of s. 624.155, a claimant must  
 567 establish that the property insurer breached the insurance  
 568 contract to prevail in a claim for extracontractual damages  
 569 under s. 624.155(1)(b).

570        Section 7. Subsection (4) of section 624.307, Florida  
 571 Statutes, is amended to read:

572        624.307 General powers; duties.-  
 573        (4) The department and office may each collect, propose,  
 574 publish, and disseminate information relating to the subject  
 575 matter of any duties imposed upon it by law.

576        (a) Aggregate information may include information asserted  
 577 as trade secret information unless the trade secret information  
 578 can be individually extrapolated, in which case the trade secret  
 579 information remains protected as provided under s. 624.4213.

580        (b) The office shall publish all orders, data required by  
 581 ss. 624.313, 624.315, and 627.915, reports required by s.  
 582 627.7154(3), and all reports that are not confidential and  
 583 exempt on its website in a timely fashion.

584        Section 8. Subsection (1) of section 624.313, Florida  
 585 Statutes, is amended to read:

586        624.313 Publications.—

587        (1) As early as reasonably possible and no later than July  
 588 1 of each year, the office shall annually have printed and made  
 589 available a statistical report which must include all of the  
 590 following information on either a calendar year or fiscal year  
 591 basis:

592        (a) A summary of all information reported to the office  
 593 under s. 627.915(1).

594        (b) The total amount of premiums written and earned by  
 595 line of insurance.

596        (c) The total amount of losses paid and losses incurred by  
 597 line of insurance.

598        (d) The ratio of premiums written to losses paid by line  
 599 of insurance.

600        (e) The ratio of premiums earned to losses incurred by



601 line of insurance.

602 (f) The market share of the 10 largest insurers or insurer  
 603 groups by line of insurance and of each insurer or insurer group  
 604 that has a market share of at least 1 percent of a line of  
 605 insurance in this state.

606 (g) The profitability of each major line of insurance.

607 (h) An analysis of the impact of the insurance industry on  
 608 the economy of the state.

609 (i) A complaint ratio by line of insurance for the  
 610 insurers referred to in paragraph (f), based upon information  
 611 provided to the office by the department. The office shall  
 612 determine the most appropriate ratio or ratios for quantifying  
 613 complaints.

614 (j) An analysis of such lines or kinds of insurance for  
 615 which the office determines that an availability problem exists  
 616 in this state, and an analysis of the availability of  
 617 reinsurance to domestic insurers selling homeowners' and  
 618 condominium unit owners' insurance in this state.

619 (k) A summary of the findings of market examinations  
 620 performed by the office under s. 624.3161 during the preceding  
 621 year.

622 (l) Such other information as the office deems relevant.

623 Section 9. Paragraph (c) of subsection (1) and paragraph  
 624 (n) of subsection (2) of section 624.315, Florida Statutes, is  
 625 amended to read:

626 |           624.315 Department; annual report.—

627 |           (1) As early as reasonably possible, the office, with such  
 628 | assistance from the department as requested, shall annually  
 629 | prepare a report to the Speaker and Minority Leader of the House  
 630 | of Representatives, the President and Minority Leader of the  
 631 | Senate, the chairs of the legislative committees with  
 632 | jurisdiction over matters of insurance, and the Governor  
 633 | showing, with respect to the preceding calendar year:

634 |           (c) Names of insurers against which delinquency or similar  
 635 | proceedings were instituted, including the date that each  
 636 | insurer was deemed impaired of capital or surplus, as the terms  
 637 | impairment of capital and impairment of surplus are defined in  
 638 | s. 631.011, or insolvent, as the term insolvency is defined in  
 639 | s. 631.011; and a concise statement of the circumstances that  
 640 | led to each insurer's delinquency; a summary of the actions  
 641 | taken by the insurer and the office to avoid delinquency; and  
 642 | the results or status of each such proceeding.

643 |           (2) The office shall maintain the following information  
 644 | and make such information available upon request:

645 |           (n) Trends; emerging trends as exemplified by the  
 646 | percentage change in frequency and severity of both paid and  
 647 | incurred claims, and pure premium (Florida and countrywide).  
 648 | Reports relating to the health of the homeowners' and  
 649 | condominium unit owners' insurance market must include the  
 650 | percentage of policies written by voluntary carriers, the

651 percentage of policies written by the Citizens Property  
652 Insurance Corporation, and any trends related to the relative  
653 shares of the voluntary and residual markets.

654 Section 10. Subsection (10) of section 624.424, Florida  
655 Statutes, is amended to read:

656 624.424 Annual statement and other information.—

657 (10) (a) Each insurer or insurer group doing business in  
658 this state shall file on a quarterly basis in conjunction with  
659 financial reports required by paragraph (1)(a) a supplemental  
660 report on an individual and group basis on a form prescribed by  
661 the commission with information on personal lines and commercial  
662 lines residential property insurance policies in this state. The  
663 supplemental report shall include separate information for  
664 personal lines property policies and for commercial lines  
665 property policies and totals for each item specified, including  
666 premiums written for each of the property lines of business as  
667 described in ss. 215.555(2)(c) and 627.351(6)(a). The report  
668 shall include the following information for each county on a  
669 monthly basis:

670 1.(a) Total number of policies in force at the end of each  
671 month.

672 2.(b) Total number of policies canceled.

673 3.(c) Total number of policies nonrenewed.

674 4.(d) Number of policies canceled due to hurricane risk.

675 5.(e) Number of policies nonrenewed due to hurricane risk.

676 ~~6.(f)~~ Number of new policies written.

677 ~~7.(g)~~ Total dollar value of structure exposure under  
678 policies that include wind coverage.

679 ~~8.(h)~~ Number of policies that exclude wind coverage.

680 (b) The office shall aggregate on a statewide basis the  
681 data submitted by each insurer or insurer group under paragraph  
682 (a) and make such data publicly available by publishing such  
683 data on the office's website within 1 month after each quarterly  
684 and annual filing. Such information, when aggregated on a  
685 statewide basis as to an individual insurer or insurer group, is  
686 not a trade secret as defined in s. 688.002(4) or s. 812.081 and  
687 is not subject to the public records exemption for trade secrets  
688 provided in s. 119.0715.

689 Section 11. Section 626.9373, Florida Statutes, is amended  
690 to read:

691 626.9373 Attorney fees.—

692 (1) Upon the rendition of a judgment or decree by any  
693 court of this state against a surplus lines insurer in favor of  
694 any named or omnibus insured or the named beneficiary under a  
695 policy or contract executed by the insurer on or after the  
696 effective date of this act, the trial court or, if the insured  
697 or beneficiary prevails on appeal, the appellate court, shall  
698 adjudge or decree against the insurer in favor of the insured or  
699 beneficiary a reasonable sum as fees or compensation for the  
700 insured's or beneficiary's attorney prosecuting the lawsuit for

701 which recovery is awarded. In a suit arising under a residential  
 702 or commercial property insurance policy ~~not brought by an~~  
 703 ~~assignee~~, the amount of reasonable attorney fees shall be  
 704 awarded only as provided in s. 57.105 or s. 627.70152, as  
 705 applicable.

706 (2) If awarded, attorney fees or compensation shall be  
 707 included in the judgment or decree rendered in the case.

708 (3) In a suit arising under a residential or commercial  
 709 property insurance policy, the right to attorney fees under this  
 710 section may not be transferred to, assigned to, or acquired in  
 711 any other manner by anyone other than a named or omnibus insured  
 712 or a named beneficiary.

713 Section 12. Section 627.428, Florida Statutes, is amended  
 714 to read:

715 627.428 Attorney fees.—

716 (1) Upon the rendition of a judgment or decree by any of  
 717 the courts of this state against an insurer and in favor of any  
 718 named or omnibus insured or the named beneficiary under a policy  
 719 or contract executed by the insurer, the trial court or, in the  
 720 event of an appeal in which the insured or beneficiary prevails,  
 721 the appellate court shall adjudge or decree against the insurer  
 722 and in favor of the insured or beneficiary a reasonable sum as  
 723 fees or compensation for the insured's or beneficiary's attorney  
 724 prosecuting the suit in which the recovery is had. In a suit  
 725 arising under a residential or commercial property insurance

726 | ~~policy not brought by an assignee,~~ the amount of reasonable  
 727 | attorney fees shall be awarded only as provided in s. 57.105 or  
 728 | s. 627.70152, as applicable.

729 | (2) As to suits based on claims arising under life  
 730 | insurance policies or annuity contracts, no such attorney fees  
 731 | shall be allowed if such suit was commenced prior to expiration  
 732 | of 60 days after proof of the claim was duly filed with the  
 733 | insurer.

734 | (3) When so awarded, compensation or fees of the attorney  
 735 | shall be included in the judgment or decree rendered in the  
 736 | case.

737 | (4) In a suit arising under a residential or commercial  
 738 | property insurance policy, the right to attorney fees under this  
 739 | section may not be transferred to, assigned to, or acquired in  
 740 | any other manner by anyone other than a named or omnibus insured  
 741 | or a named beneficiary.

742 | Section 13. Paragraph (d) of subsection (4) of section  
 743 | 627.701, Florida Statutes, is amended, paragraph (c) of  
 744 | subsection (2), paragraph (e) of subsection (4), and subsection  
 745 | (10) are added to that section, and subsection (7) of that  
 746 | section is republished, to read:

747 | 627.701 Liability of insureds; coinsurance; deductibles.—

748 | (2) Unless the office determines that the deductible  
 749 | provision is clear and unambiguous, a property insurer may not  
 750 | issue an insurance policy or contract covering real property in

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751 | this state which contains a deductible provision that:

752 |       (c) Applies solely to a roof loss as provided in  
 753 | subsection (10).

754 |       (4)

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

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

766 |           b. If the structure insured by the policy is subject to a  
 767 | mortgage or lien, the policyholder must provide the insurer with  
 768 | a written statement from the mortgageholder or lienholder  
 769 | indicating that the mortgageholder or lienholder approves the  
 770 | policyholder electing to have the specified deductible.

771 |       2. A deductible subject to the requirements of this  
 772 | paragraph applies for the term of the policy and for each  
 773 | renewal thereafter. Changes to the deductible percentage may be  
 774 | implemented only as of the date of renewal.

775 |       3. An insurer shall keep the original copy of the signed

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776 statement required by this paragraph, electronically or  
777 otherwise, and provide a copy to the policyholder providing the  
778 signed statement. A signed statement meeting the requirements of  
779 this paragraph creates a presumption that there was an informed,  
780 knowing election of coverage.

781 4. The commission shall adopt rules providing appropriate  
782 alternative methods for providing the statements required by  
783 this section for policyholders who have a handicapping or  
784 disabling condition that prevents them from providing a  
785 handwritten statement.

786 (e)1. A personal lines residential property insurance  
787 policy that contains a separate roof deductible must include, on  
788 the page immediately behind the declarations page, with no other  
789 policy language on the page, in boldfaced type no smaller than  
790 18 point, the following statement: "YOU ARE ELECTING TO PURCHASE  
791 COVERAGE ON YOUR HOME WHICH CONTAINS A SEPARATE DEDUCTIBLE FOR  
792 ROOF LOSSES. BE ADVISED THAT THIS MAY RESULT IN HIGH OUT-OF-  
793 POCKET EXPENSES TO YOU. PLEASE DISCUSS WITH YOUR INSURANCE  
794 AGENT."

795 2. For any personal lines residential property insurance  
796 policy containing a separate roof deductible, the insurer shall  
797 compute and prominently display on the declarations page of the  
798 policy or on the premium renewal notice the actual dollar value  
799 of the roof deductible of the policy at issuance and renewal.

800 (7) Prior to issuing a personal lines residential property



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801 insurance policy on or after April 1, 1997, or prior to the  
802 first renewal of a residential property insurance policy on or  
803 after April 1, 1997, the insurer must offer a deductible equal  
804 to \$500 applicable to losses from perils other than hurricane.  
805 The insurer must provide the policyholder with notice of the  
806 availability of the deductible specified in this subsection in a  
807 form approved by the office at least once every 3 years. The  
808 failure to provide such notice constitutes a violation of this  
809 code but does not affect the coverage provided under the policy.  
810 An insurer may require a higher deductible only as part of a  
811 deductible program lawfully in effect on June 1, 1996, or as  
812 part of a similar deductible program.

813 (10) (a) Notwithstanding any other provision of law, an  
814 insurer issuing a personal lines residential property insurance  
815 policy may include in such policy a separate roof deductible  
816 that meets all of the following requirements:

817 1. The insurer has complied with the offer requirements  
818 under subsection (7) regarding a deductible applicable to losses  
819 from perils other than a hurricane.

820 2. The roof deductible may not exceed the lesser of 2  
821 percent of the coverage A limit of the policy or 50 percent of  
822 the cost to replace the roof.

823 3. The premium that a policyholder is charged for the  
824 policy includes an actuarially sound credit or premium discount  
825 for the roof deductible.

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826 4. The roof deductible applies only to a claim adjusted on  
827 a replacement cost basis.

828 5. The roof deductible does not apply to any of the  
829 following events:

830 a. A total loss to a primary structure in accordance with  
831 the valued policy law under s. 627.702 which is caused by a  
832 covered peril.

833 b. A roof loss resulting from a hurricane as defined in s.  
834 627.4025(2)(c).

835 c. A roof loss resulting from a tree fall or other hazard  
836 that damages the roof and punctures the roof deck.

837 d. A roof loss requiring the repair of less than 50  
838 percent of the roof.

839

840 If a roof deductible is applied, no other deductible under the  
841 policy may be applied to the loss.

842 (b) At the time of initial issuance of a personal lines  
843 residential property insurance policy, an insurer may offer the  
844 policyholder a separate roof deductible with the ability to opt-  
845 out and reject the separate roof deductible. To reject a  
846 separate roof deductible, the policyholder shall sign a form  
847 approved by the office.

848 (c) At the time of renewal, an insurer may add a separate  
849 roof deductible to a personal lines residential property  
850 insurance policy if the insurer provides a notice of change in

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851 policy terms pursuant to s. 627.43141. The insurer must also  
852 offer the policyholder the ability to opt-out and reject the  
853 separate roof deductible. To reject a separate roof deductible,  
854 the policyholder shall sign a form approved by the office.

855 (d) The office shall expedite the review of any filing of  
856 insurance forms that only contain a separate roof deductible  
857 pursuant to this subsection. The commission may adopt model  
858 forms or guidelines that provide options for roof deductible  
859 language which may be used for filing by insurers. If an insurer  
860 makes a filing pursuant to a model form or guideline issued by  
861 the office, the office must review the filing within the initial  
862 30-day review period authorized by s. 627.410(2), and the roof  
863 deductible portion of the filing is not subject to the 15-day  
864 extension for review under that subsection.

865 Section 14. Present subsection (5) of section 627.7011,  
866 Florida Statutes is redesignated as subsection (6), a new  
867 subsection (5) is added to that subsection, and paragraph (a) of  
868 subsection (3) of that section is amended, to read:

869 627.7011 Homeowners' policies; offer of replacement cost  
870 coverage and law and ordinance coverage.—

871 (3) In the event of a loss for which a dwelling or  
872 personal property is insured on the basis of replacement costs:

873 (a) For a dwelling, the insurer must initially pay at  
874 least the actual cash value of the insured loss, less any  
875 applicable deductible. The insurer shall pay any remaining

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876 amounts necessary to perform such repairs as work is performed  
 877 and expenses are incurred. However, if a roof deductible under  
 878 s. 627.701(10) is applied to the insured loss, the insurer may  
 879 limit the claim payment as to the roof to the actual cash value  
 880 of the loss to the roof until the insurer receives reasonable  
 881 proof of payment by the policyholder of the roof deductible.  
 882 Reasonable proof of payment includes a canceled check, money  
 883 order receipt, credit card statement, or copy of an executed  
 884 installment plan contract or other financing arrangement that  
 885 requires full payment of the deductible over time. If a total  
 886 loss of a dwelling occurs, the insurer must ~~shall~~ pay the  
 887 replacement cost coverage without reservation or holdback of any  
 888 depreciation in value, pursuant to s. 627.702.

889 (5)(a) As used in this subsection, the term "authorized  
 890 inspector" means an inspector who is approved by the insurer and  
 891 who is:

- 892 1. A home inspector licensed under s. 468.8314;
- 893 2. A building code inspector certified under s. 468.607;
- 894 3. A general, building, or residential contractor licensed  
 895 under s. 489.111;
- 896 4. A professional engineer licensed under s. 471.015;
- 897 5. A professional architect licensed under s. 481.213; or
- 898 6. Any other individual or entity recognized by the  
 899 insurer as possessing the necessary qualifications to properly  
 900 complete a general inspection of a residential structure insured

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901 with a homeowner's insurance policy.

902 (b) An insurer may not refuse to issue or refuse to renew  
903 a homeowner's policy insuring a residential structure with a  
904 roof that is less than 15 years old solely because of the age of  
905 the roof.

906 (c) For a roof that is at least 15 years old, an insurer  
907 must allow a homeowner to have a roof inspection performed by an  
908 authorized inspector at the homeowner's expense before requiring  
909 the replacement of the roof of a residential structure as a  
910 condition of issuing or renewing a homeowner's insurance policy.  
911 The insurer may not refuse to issue or refuse to renew a  
912 homeowner's insurance policy solely because of roof age if an  
913 inspection of the roof of the residential structure performed by  
914 an authorized inspector indicates that the roof has 5 years or  
915 more of useful life remaining.

916 (d) This subsection applies to homeowners' insurance  
917 policies issued or renewed on or after July 1, 2022.

918 Section 15. Effective January 1, 2023, subsection (3) and  
919 paragraph (a) of subsection (7) of section 627.70131, Florida  
920 Statutes, are amended to read:

921 627.70131 Insurer's duty to acknowledge communications  
922 regarding claims; investigation.—

923 (3)(a) Unless otherwise provided by the policy of  
924 insurance or by law, within 14 days after an insurer receives  
925 proof of loss statements, the insurer shall begin such

926 investigation as is reasonably necessary unless the failure to  
 927 begin such investigation is caused by factors beyond the control  
 928 of the insurer which reasonably prevent the commencement of such  
 929 investigation.

930 (b) If such investigation involves a physical inspection  
 931 of the property, the licensed adjuster assigned by the insurer  
 932 must provide the policyholder with a printed or electronic  
 933 document containing his or her name and state adjuster license  
 934 number. For claims other than those subject to a hurricane  
 935 deductible, an insurer must conduct any such physical inspection  
 936 within 45 days after its receipt of the proof of loss  
 937 statements.

938 (c) Any subsequent communication with the policyholder  
 939 regarding the claim must also include the name and license  
 940 number of the adjuster communicating about the claim.  
 941 Communication of the adjuster's name and license number may be  
 942 included with other information provided to the policyholder.

943 (d) Within 7 days after the insurer's assignment of an  
 944 adjuster to the claim, the insurer must notify the policyholder  
 945 that he or she may request a copy of any detailed estimate of  
 946 the amount of the loss generated by an insurer's adjuster. After  
 947 receiving such a request from the policyholder, the insurer must  
 948 send any such detailed estimate to the policyholder within the  
 949 later of 7 days after the insurer received the request or 7 days  
 950 after the detailed estimate of the amount of the loss is

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951 completed. This paragraph does not require that an insurer  
952 create a detailed estimate of the amount of the loss if such  
953 estimate is not reasonably necessary as part of the claim  
954 investigation.

955 (7)(a) Within 90 days after an insurer receives notice of  
956 an initial, reopened, or supplemental property insurance claim  
957 from a policyholder, the insurer shall pay or deny such claim or  
958 a portion of the claim unless the failure to pay is caused by  
959 factors beyond the control of the insurer which reasonably  
960 prevent such payment. The insurer shall provide a reasonable  
961 explanation in writing to the policyholder of the basis in the  
962 insurance policy, in relation to the facts or applicable law,  
963 for the payment, denial, or partial denial of a claim. If the  
964 insurer's claim payment is less than specified in any insurer's  
965 detailed estimate of the amount of the loss, the insurer must  
966 provide a reasonable explanation in writing of the difference to  
967 the policyholder. Any payment of an initial or supplemental  
968 claim or portion of such claim made 90 days after the insurer  
969 receives notice of the claim, or made more than 15 days after  
970 there are no longer factors beyond the control of the insurer  
971 which reasonably prevented such payment, whichever is later,  
972 bears interest at the rate set forth in s. 55.03. Interest  
973 begins to accrue from the date the insurer receives notice of  
974 the claim. The provisions of this subsection may not be waived,  
975 voided, or nullified by the terms of the insurance policy. If

976 | there is a right to prejudgment interest, the insured must ~~shall~~  
 977 | select whether to receive prejudgment interest or interest under  
 978 | this subsection. Interest is payable when the claim or portion  
 979 | of the claim is paid. Failure to comply with this subsection  
 980 | constitutes a violation of this code. However, failure to comply  
 981 | with this subsection does not form the sole basis for a private  
 982 | cause of action.

983 |       Section 16. Paragraph (d) of subsection (2) and subsection  
 984 | (8) of section 627.70152, Florida Statutes, are amended to read:

985 |           627.70152 Suits arising under a property insurance  
 986 | policy.—

987 |       (2) DEFINITIONS.—As used in this section, the term:

988 |       (d) "Presuit settlement demand" means the demand made by  
 989 | the claimant in the written notice of intent to initiate  
 990 | litigation as required by paragraph (3)(a) ~~(3)(e)~~. The demand  
 991 | must include the amount of reasonable and necessary attorney  
 992 | fees and costs incurred by the claimant, to be calculated by  
 993 | multiplying the number of hours actually worked on the claim by  
 994 | the claimant's attorney as of the date of the notice by a  
 995 | reasonable hourly rate.

996 |       (8) ATTORNEY FEES.—

997 |       (a) In a suit arising under a residential or commercial  
 998 | property insurance policy not brought by an assignee, the amount  
 999 | of reasonable attorney fees and costs under s. 626.9373(1) or s.  
 1000 | 627.428(1) shall be calculated and awarded as follows:



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1001           1. If the difference between the amount obtained by the  
1002 claimant and the presuit settlement offer, excluding reasonable  
1003 attorney fees and costs, is less than 20 percent of the disputed  
1004 amount, each party pays its own attorney fees and costs and a  
1005 claimant may not be awarded attorney fees under s. 626.9373(1)  
1006 or s. 627.428(1).

1007           2. If the difference between the amount obtained by the  
1008 claimant and the presuit settlement offer, excluding reasonable  
1009 attorney fees and costs, is at least 20 percent but less than 50  
1010 percent of the disputed amount, the insurer pays the claimant's  
1011 attorney fees and costs under s. 626.9373(1) or s. 627.428(1)  
1012 equal to the percentage of the disputed amount obtained times  
1013 the total attorney fees and costs.

1014           3. If the difference between the amount obtained by the  
1015 claimant and the presuit settlement offer, excluding reasonable  
1016 attorney fees and costs, is at least 50 percent of the disputed  
1017 amount, the insurer pays the claimant's full attorney fees and  
1018 costs under s. 626.9373(1) or s. 627.428(1).

1019           (b) In a suit arising under a residential or commercial  
1020 property insurance policy not brought by an assignee, if a court  
1021 dismisses a claimant's suit pursuant to subsection (5), the  
1022 court may not award to the claimant any incurred attorney fees  
1023 for services rendered before the dismissal of the suit. When a  
1024 claimant's suit is dismissed pursuant to subsection (5), the  
1025 court may award to the insurer reasonable attorney fees and

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1026 costs associated with securing the dismissal.

1027 (c) In awarding attorney fees under this subsection, a  
1028 strong presumption is created that a lodestar fee is sufficient  
1029 and reasonable. Such presumption may be rebutted only in a rare  
1030 and exceptional circumstance with evidence that competent  
1031 counsel could not be retained in a reasonable manner.

1032 Section 17. Section 627.7142, Florida Statutes, is amended  
1033 to read:

1034 627.7142 Homeowner Claims Bill of Rights.—An insurer  
1035 issuing a personal lines residential property insurance policy  
1036 in this state must provide a Homeowner Claims Bill of Rights to  
1037 a policyholder within 14 days after receiving an initial  
1038 communication with respect to a claim. The purpose of the bill  
1039 of rights is to summarize, in simple, nontechnical terms,  
1040 existing Florida law regarding the rights of a personal lines  
1041 residential property insurance policyholder who files a claim of  
1042 loss. The Homeowner Claims Bill of Rights is specific to the  
1043 claims process and does not represent all of a policyholder's  
1044 rights under Florida law regarding the insurance policy. The  
1045 Homeowner Claims Bill of Rights does not create a civil cause of  
1046 action by any individual policyholder or class of policyholders  
1047 against an insurer or insurers. The failure of an insurer to  
1048 properly deliver the Homeowner Claims Bill of Rights is subject  
1049 to administrative enforcement by the office but is not  
1050 admissible as evidence in a civil action against an insurer. The

1051 Homeowner Claims Bill of Rights does not enlarge, modify, or  
 1052 contravene statutory requirements, including, but not limited  
 1053 to, ss. 626.854, 626.9541, 627.70131, 627.7015, and 627.7074,  
 1054 and does not prohibit an insurer from exercising its right to  
 1055 repair damaged property in compliance with the terms of an  
 1056 applicable policy or ss. 627.7011(6)(e) ~~627.7011(5)(e)~~ and  
 1057 627.702(7). The Homeowner Claims Bill of Rights must state:  
 1058

1059 HOMEOWNER CLAIMS

1060 BILL OF RIGHTS

1061 This Bill of Rights is specific to the claims process  
 1062 and does not represent all of your rights under  
 1063 Florida law regarding your policy. There are also  
 1064 exceptions to the stated timelines when conditions are  
 1065 beyond your insurance company's control. This document  
 1066 does not create a civil cause of action by an  
 1067 individual policyholder, or a class of policyholders,  
 1068 against an insurer or insurers and does not prohibit  
 1069 an insurer from exercising its right to repair damaged  
 1070 property in compliance with the terms of an applicable  
 1071 policy.

1072  
 1073 YOU HAVE THE RIGHT TO:

- 1074 1. Receive from your insurance company an  
 1075 acknowledgment of your reported claim within 14 days

1076 | after the time you communicated the claim.

1077 | 2. Upon written request, receive from your insurance

1078 | company within 30 days after you have submitted a

1079 | complete proof-of-loss statement to your insurance

1080 | company, confirmation that your claim is covered in

1081 | full, partially covered, or denied, or receive a

1082 | written statement that your claim is being

1083 | investigated.

1084 | 3. Within 90 days, subject to any dual interest noted

1085 | in the policy, receive full settlement payment for

1086 | your claim or payment of the undisputed portion of

1087 | your claim, or your insurance company's denial of your

1088 | claim.

1089 | 4. Receive payment of interest, as provided in s.

1090 | 627.70131, Florida Statutes, from your insurance

1091 | company, which begins accruing from the date your

1092 | claim is filed if your insurance company does not pay

1093 | full settlement of your initial, reopened, or

1094 | supplemental claim or the undisputed portion of your

1095 | claim or does not deny your claim within 90 days after

1096 | your claim is filed. The interest, if applicable, must

1097 | be paid when your claim or the undisputed portion of

1098 | your claim is paid.

1099 | 5. Free mediation of your disputed claim by the

1100 | Florida Department of Financial Services, Division of

1101 Consumer Services, under most circumstances and  
 1102 subject to certain restrictions.

1103 6. Neutral evaluation of your disputed claim, if your  
 1104 claim is for damage caused by a sinkhole and is  
 1105 covered by your policy.

1106 7. Contact the Florida Department of Financial  
 1107 Services, Division of Consumer Services' toll-free  
 1108 helpline for assistance with any insurance claim or  
 1109 questions pertaining to the handling of your claim.  
 1110 You can reach the Helpline by phone at ...(toll-free  
 1111 phone number)..., or you can seek assistance online at  
 1112 the Florida Department of Financial Services, Division  
 1113 of Consumer Services' website at ...(website  
 1114 address)....

1115

1116 YOU ARE ADVISED TO:

1117 1. File all claims directly with your insurance  
 1118 company.

1119 2. Contact your insurance company before entering  
 1120 into any contract for repairs to confirm any managed  
 1121 repair policy provisions or optional preferred  
 1122 vendors.

1123 3. Make and document emergency repairs that are  
 1124 necessary to prevent further damage. Keep the damaged  
 1125 property, if feasible, keep all receipts, and take

1126 | photographs or video of damage before and after any  
1127 | repairs to provide to your insurer.

1128 | 4. Carefully read any contract that requires you to  
1129 | pay out-of-pocket expenses or a fee that is based on a  
1130 | percentage of the insurance proceeds that you will  
1131 | receive for repairing or replacing your property.

1132 | 5. Confirm that the contractor you choose is licensed  
1133 | to do business in Florida. You can verify a  
1134 | contractor's license and check to see if there are any  
1135 | complaints against him or her by calling the Florida  
1136 | Department of Business and Professional Regulation.  
1137 | You should also ask the contractor for references from  
1138 | previous work.

1139 | 6. Require all contractors to provide proof of  
1140 | insurance before beginning repairs.

1141 | 7. Take precautions if the damage requires you to  
1142 | leave your home, including securing your property and  
1143 | turning off your gas, water, and electricity, and  
1144 | contacting your insurance company and provide a phone  
1145 | number where you can be reached.

1146 | Section 18. Subsection (1), paragraph (a) of subsection  
1147 | (2), subsection (8), paragraph (a) of subsection (9), and  
1148 | subsection (10) of section 627.7152, Florida Statutes, are  
1149 | amended to read:

1150 | 627.7152 Assignment agreements.—

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1151 (1) As used in this section, the term:

1152 (a) "Assignee" means a person who is assigned post-loss  
1153 benefits through an assignment agreement.

1154 (b) "Assignment agreement" means any instrument by which  
1155 post-loss benefits under a residential property insurance policy  
1156 or commercial property insurance policy, as that term is defined  
1157 in s. 627.0625(1), are assigned or transferred, or acquired in  
1158 any manner, in whole or in part, to or from a person providing  
1159 services, including, but not limited to, inspecting, protecting,  
1160 repairing, restoring, or replacing the ~~to protect, repair,~~  
1161 ~~restore, or replace~~ property or mitigating ~~to mitigate~~ against  
1162 further damage to the property. The term does not include fees  
1163 collected by a public adjuster as defined in s. 626.854(1).

1164 (c) "Assignor" means a person who assigns post-loss  
1165 benefits under a residential property insurance policy or  
1166 commercial property insurance policy to another person through  
1167 an assignment agreement.

1168 ~~(d) "Disputed amount" means the difference between the~~  
1169 ~~assignee's presuit settlement demand and the insurer's presuit~~  
1170 ~~settlement offer.~~

1171 ~~(e) "Judgment obtained" means damages recovered, if any,~~  
1172 ~~but does not include any amount awarded for attorney fees,~~  
1173 ~~costs, or interest.~~

1174 ~~(f)~~ "Presuit settlement demand" means the demand made by  
1175 the assignee in the written notice of intent to initiate

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1176 litigation as required by paragraph (9) (a) .

1177 (e)~~(g)~~ "Presuit settlement offer" means the offer made by  
1178 the insurer in its written response to the notice of intent to  
1179 initiate litigation as required by paragraph (9) (b) .

1180 (2) (a) An assignment agreement must:

1181 1. Be in writing and executed by and between the assignor  
1182 and the assignee.

1183 2. Contain a provision that allows the assignor to rescind  
1184 the assignment agreement without a penalty or fee by submitting  
1185 a written notice of rescission signed by the assignor to the  
1186 assignee within 14 days after the execution of the agreement, at  
1187 least 30 days after the date work on the property is scheduled  
1188 to commence if the assignee has not substantially performed, or  
1189 at least 30 days after the execution of the agreement if the  
1190 agreement does not contain a commencement date and the assignee  
1191 has not begun substantial work on the property.

1192 3. Contain a provision requiring the assignee to provide a  
1193 copy of the executed assignment agreement to the insurer within  
1194 3 business days after the date on which the assignment agreement  
1195 is executed or the date on which work begins, whichever is  
1196 earlier. Delivery of the copy of the assignment agreement to the  
1197 insurer may be made:

1198 a. By personal service, overnight delivery, or electronic  
1199 transmission, with evidence of delivery in the form of a receipt  
1200 or other paper or electronic acknowledgment by the insurer; or



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1201           b. To the location designated for receipt of such  
1202 agreements as specified in the policy.

1203           4. Contain a written, itemized, per-unit cost estimate of  
1204 the services to be performed by the assignee.

1205           5. Relate only to work to be performed by the assignee for  
1206 services to protect, repair, restore, or replace a dwelling or  
1207 structure or to mitigate against further damage to such  
1208 property.

1209           6. Contain the following notice in 18-point uppercase and  
1210 boldfaced type:

1211  
1212           YOU ARE AGREEING TO GIVE UP CERTAIN RIGHTS YOU HAVE  
1213 UNDER YOUR INSURANCE POLICY TO A THIRD PARTY, WHICH  
1214 MAY RESULT IN LITIGATION AGAINST YOUR INSURER. PLEASE  
1215 READ AND UNDERSTAND THIS DOCUMENT BEFORE SIGNING IT.  
1216 YOU HAVE THE RIGHT TO CANCEL THIS AGREEMENT WITHOUT  
1217 PENALTY WITHIN 14 DAYS AFTER THE DATE THIS AGREEMENT  
1218 IS EXECUTED, AT LEAST 30 DAYS AFTER THE DATE WORK ON  
1219 THE PROPERTY IS SCHEDULED TO COMMENCE IF THE ASSIGNEE  
1220 HAS NOT SUBSTANTIALLY PERFORMED, OR AT LEAST 30 DAYS  
1221 AFTER THE EXECUTION OF THE AGREEMENT IF THE AGREEMENT  
1222 DOES NOT CONTAIN A COMMENCEMENT DATE AND THE ASSIGNEE  
1223 HAS NOT BEGUN SUBSTANTIAL WORK ON THE PROPERTY.  
1224 HOWEVER, YOU ARE OBLIGATED FOR PAYMENT OF ANY  
1225 CONTRACTED WORK PERFORMED BEFORE THE AGREEMENT IS

1226 RESCINDED. THIS AGREEMENT DOES NOT CHANGE YOUR  
 1227 OBLIGATION TO PERFORM THE DUTIES REQUIRED UNDER YOUR  
 1228 PROPERTY INSURANCE POLICY.

1229  
 1230 7. Contain a provision requiring the assignee to indemnify  
 1231 and hold harmless the assignor from all liabilities, damages,  
 1232 losses, and costs, including, but not limited to, attorney fees,  
 1233 ~~should the policy subject to the assignment agreement prohibit,~~  
 1234 ~~in whole or in part, the assignment of benefits.~~

1235 (8) The assignee shall indemnify and hold harmless the  
 1236 assignor from all liabilities, damages, losses, and costs,  
 1237 including, but not limited to, attorney fees, ~~should the policy~~  
 1238 ~~subject to the assignment agreement prohibit, in whole or in~~  
 1239 ~~part, the assignment of benefits.~~

1240 (9) (a) An assignee must provide the named insured,  
 1241 insurer, and the assignor, if not the named insured, with a  
 1242 written notice of intent to initiate litigation before filing  
 1243 suit under the policy. Such notice must be served at least 10  
 1244 business days before filing suit, but not before the insurer has  
 1245 made a determination of coverage under s. 627.70131. The notice  
 1246 must be served by certified mail, return receipt requested, to  
 1247 the name and mailing address designated by the insurer in the  
 1248 policy forms or by electronic delivery to the e-mail address  
 1249 designated by the insurer in the policy forms ~~at least 10~~  
 1250 ~~business days before filing suit, but may not be served before~~

1251 ~~the insurer has made a determination of coverage under s.~~  
 1252 ~~627.70131.~~ The notice must specify the damages in dispute, the  
 1253 amount claimed, and a presuit settlement demand. Concurrent with  
 1254 the notice, and as a precondition to filing suit, the assignee  
 1255 must provide the named insured, insurer, and the assignor, if  
 1256 not the named insured, a detailed written invoice or estimate of  
 1257 services, including itemized information on equipment,  
 1258 materials, and supplies; the number of labor hours; and, in the  
 1259 case of work performed, proof that the work has been performed  
 1260 in accordance with accepted industry standards.

1261 (10) Notwithstanding any other provision of law, in a suit  
 1262 related to an assignment agreement for post-loss claims arising  
 1263 under a residential or commercial property insurance policy,  
 1264 attorney fees and costs may be recovered by an assignee only  
 1265 under s. 57.105 ~~and this subsection.~~

1266 ~~(a) If the difference between the judgment obtained by the~~  
 1267 ~~assignee and the presuit settlement offer is:~~

1268 ~~1. Less than 25 percent of the disputed amount, the~~  
 1269 ~~insurer is entitled to an award of reasonable attorney fees.~~

1270 ~~2. At least 25 percent but less than 50 percent of the~~  
 1271 ~~disputed amount, no party is entitled to an award of attorney~~  
 1272 ~~fees.~~

1273 ~~3. At least 50 percent of the disputed amount, the~~  
 1274 ~~assignee is entitled to an award of reasonable attorney fees.~~

1275 ~~(b) If the insurer fails to inspect the property or~~

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1276 ~~provide written or oral authorization for repairs within 7~~  
 1277 ~~calendar days after the first notice of loss, the insurer waives~~  
 1278 ~~its right to an award of attorney fees under this subsection. If~~  
 1279 ~~the failure to inspect the property or provide written or oral~~  
 1280 ~~authorization for repairs is the result of an event for which~~  
 1281 ~~the Governor had declared a state of emergency under s. 252.36,~~  
 1282 ~~factors beyond the control of the insurer which reasonably~~  
 1283 ~~prevented an inspection or written or oral authorization for~~  
 1284 ~~repairs, or the named insured's failure or inability to allow an~~  
 1285 ~~inspection of the property after a request by the insurer, the~~  
 1286 ~~insurer does not waive its right to an award of attorney fees~~  
 1287 ~~under this subsection.~~

1288 ~~(e)~~ If an assignee commences an action in any court of  
 1289 this state based upon or including the same claim against the  
 1290 same adverse party that such assignee has previously voluntarily  
 1291 dismissed in a court of this state, the court may order the  
 1292 assignee to pay the attorney fees and costs of the adverse party  
 1293 resulting from the action previously voluntarily dismissed. The  
 1294 court shall stay the proceedings in the subsequent action until  
 1295 the assignee has complied with the order.

1296 Section 19. Section 627.7154, Florida Statutes, is created  
 1297 to read:

1298 627.7154 Property Insurance Stability Unit; duties and  
 1299 required reports.-

1300 (1) An insurer stability unit is created within the office

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1301 to aid in the detection and prevention of insurer insolvencies  
1302 in the homeowners' and condominium unit owners' insurance  
1303 market.

1304 (2) The insurer stability unit shall provide enhanced  
1305 monitoring whenever the office identifies significant concerns  
1306 about an insurer's solvency, rates, proposed contracts,  
1307 underwriting rules, market practices, claims handling, consumer  
1308 complaints, litigation practices and outcomes, and any other  
1309 issue related to compliance with the insurance code.

1310 (3) The insurer stability unit shall, at a minimum:

1311 (a) Conduct a target market exam when there is reason to  
1312 believe that an insurer's claims practices, rate requirements,  
1313 investment activities, or financial statements suggest that the  
1314 insurer may be in an unsound financial condition.

1315 (b) Closely monitor all risk-based capital reports, own-  
1316 risk solvency assessments, reinsurance agreements, and financial  
1317 statements filed by insurers selling homeowners' and condominium  
1318 unit owners' insurance policies in this state.

1319 (c) Have primary responsibility to conduct annual  
1320 catastrophe stress tests of all domestic insurers and insurers  
1321 that are commercially domiciled in this state.

1322 1. The insurer stability unit shall cooperate with the  
1323 Florida Commission on Hurricane Loss Projection Methodology to  
1324 select the hurricane scenarios that are used in the annual  
1325 catastrophe stress test.

1326        2. Catastrophe stress testing must determine:

1327        a. Whether an individual insurer can survive a one in 130-

1328 year probable maximum loss (PML), and a second event 50-year

1329 return PML following a first event that exceeds a 100-year

1330 return PML; and

1331        b. The impact of the selected hurricane scenarios on the

1332 Citizens Property Insurance Corporation, the Florida Hurricane

1333 Catastrophe Fund, the Florida Insurance Guaranty Association,

1334 and taxpayers.

1335        (d) Update wind mitigation credits required by s. 627.711

1336 and associated rules.

1337        (e) Review the causes of insolvency and business practices

1338 of insurers that have been referred to the department's Division

1339 of Rehabilitation and Liquidation and make recommendations to

1340 prevent similar failures in the future.

1341        (f) On January 1 and July 1 of each year, provide a report

1342 on the status of the homeowners' and condominium unit owners'

1343 insurance market to the Governor, the President of the Senate,

1344 the Speaker of the House of Representatives, the Minority Leader

1345 of the Senate, the Minority Leader of the House of

1346 Representatives, and the chairs of the legislative committees

1347 with jurisdiction over matters of insurance showing:

1348        1. Litigation practices and outcomes of insurance

1349 companies.

1350        2. Percentage of homeowners and condominium unit owners

1351 who obtain insurance in the voluntary market.

1352 3. Percentage of homeowners and condominium unit owners  
 1353 who obtain insurance from the Citizens Property Insurance  
 1354 Corporation.

1355 4. Profitability of the homeowners' and condominium unit  
 1356 owners' lines of insurance in this state, including a comparison  
 1357 with similar lines of insurance in other hurricane-prone states  
 1358 and with the national average.

1359 5. Average premiums charged for homeowners' and  
 1360 condominium unit owners' insurance in each of the 67 counties in  
 1361 this state.

1362 6. Results of the latest annual catastrophe stress tests  
 1363 of all domestic insurers and insurers that are commercially  
 1364 domiciled in this state.

1365 7. The availability of reinsurance in the personal lines  
 1366 insurance market.

1367 8. The number of property and casualty insurance carriers  
 1368 referred to the insurer stability unit for enhanced monitoring,  
 1369 including the reason for the referral.

1370 9. The number of referrals to the insurer stability unit  
 1371 which were deemed appropriate for enhanced monitoring, including  
 1372 the reason for the monitoring.

1373 10. The name of any insurer against which delinquency  
 1374 proceedings were instituted, including the grounds for  
 1375 rehabilitation pursuant to s. 631.051 and the date that each

1376 insurer was deemed impaired of capital or surplus, as the terms  
1377 impairment of capital and impairment of surplus are defined in  
1378 s. 631.011, or insolvent, as the term insolvency is defined in  
1379 s. 631.011; a concise statement of the circumstances that led to  
1380 the insurer's delinquency; and a summary of the actions taken by  
1381 the insurer and the office to avoid delinquency.

1382 11. Recommendations for improvements to the regulation of  
1383 homeowners' and condominium unit owners' insurance market and an  
1384 indication of whether such improvements require any change to  
1385 existing laws or rules.

1386 12. Identification of any trends that may warrant  
1387 attention in the future.

1388 (4) Any of the following events must trigger a referral to  
1389 the insurer stability unit:

1390 (a) Consumer complaints related to homeowners' insurance  
1391 or condominium unit owners' insurance under s. 624.307(10), if  
1392 the complaints, in the aggregate, suggest a trend within the  
1393 marketplace and are not an isolated incident.

1394 (b) There is reason to believe that an insurer who is  
1395 authorized to sell homeowners' or condominium unit owners'  
1396 insurance in this state has engaged in an unfair trade practice  
1397 under part IX of chapter 626.

1398 (c) A market conduct examination determines that an  
1399 insurer has exhibited a pattern or practice of willful  
1400 violations of an unfair insurance trade practice related to



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1401 claims-handling which caused harm to policyholders, as  
1402 prohibited by s. 626.9541(1)(i).

1403 (d) An insurer authorized to sell homeowners' or  
1404 condominium unit owners' insurance in this state requests a rate  
1405 increase that exceeds 15 percent, in accordance with s.  
1406 627.0629(6).

1407 (e) An insurer authorized to sell homeowners' or  
1408 condominium unit owners' insurance in this state violates the  
1409 ratio of actual or projected annual written premiums required by  
1410 s. 624.4095(4)(a).

1411 (f) An insurer authorized to sell homeowners' or  
1412 condominium unit owners' insurance in this state files a notice  
1413 pursuant to s. 624.4305 advising the office that it intends to  
1414 nonrenew more than 10,000 residential property insurance  
1415 policies in this state within a 12-month period.

1416 (g) A quarterly or annual financial statement required by  
1417 ss. 624.424 and 627.915 demonstrates that an insurer authorized  
1418 to sell homeowners' or condominium unit owners' insurance in  
1419 this state is in an unsound condition, as defined in s.  
1420 624.80(2); has exceeded its powers in a manner as described in  
1421 s. 624.80(3); is impaired, as defined in s. 631.011(12) or (13);  
1422 or is insolvent, as defined in s. 631.011.

1423 (h) An insurer authorized to sell homeowners' or  
1424 condominium unit owners' insurance in this state files a  
1425 quarterly or annual financial statement required by ss. 624.424

1426 and 627.915 which is misleading or contains material errors.

1427 (i) An insurer authorized to sell homeowners' or  
1428 condominium unit owners' insurance in this state fails to timely  
1429 file a quarterly or annual financial statement required by ss.  
1430 624.424 and 627.915.

1431 (j) An insurer authorized to sell homeowners' or  
1432 condominium unit owners' insurance in this state files a risk-  
1433 based capital report that triggers a company action level event,  
1434 regulatory action level event, authorized control level event,  
1435 or mandatory control level event, as those terms are defined in  
1436 s. 624.4085.

1437 (k) An insurer selling homeowners' or condominium unit  
1438 owners' insurance in this state that is subject to the own-risk  
1439 solvency assessment requirement of s. 628.8015, and fails to  
1440 timely file the own-risk solvency assessment.

1441 (l) A reinsurance agreement creates a substantial risk of  
1442 insolvency for an insurer authorized to sell homeowners' or  
1443 condominium unit owners' insurance in this state, pursuant to s.  
1444 624.610(13).

1445 (m) An insurer authorized to sell homeowners' or  
1446 condominium unit owners' insurance in this state is party to a  
1447 reinsurance agreement that does not create a meaningful transfer  
1448 of risk of loss to the reinsurer, pursuant to s. 624.610(14).

1449 (n) Citizens Property Insurance Corporation is required to  
1450 absorb policies from an insurer that participated in the

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1451 corporation's depopulation program authorized by s. 627.3511  
 1452 within 3 years after the insurer takes policies out of the  
 1453 corporation.

1454  
 1455 The insurer stability unit's supervisors shall review all  
 1456 referrals triggered by the statutory provisions to determine  
 1457 whether enhanced scrutiny of the insurer is appropriate.

1458 (5) Expenses of the insurer stability unit shall be paid  
 1459 from moneys allocated to the Insurance Regulatory Trust Fund.  
 1460 However, if the unit recommends that a market conduct exam or  
 1461 targeted market exam be conducted, the reasonable cost of the  
 1462 examination shall be paid by the person examined, in accordance  
 1463 with s. 624.3161.

1464 Section 20. Subsection (1) of section 631.031, Florida  
 1465 Statutes, is amended to read:

1466 631.031 Initiation and commencement of delinquency  
 1467 proceeding.—

1468 (1) Upon a determination by the office that one or more  
 1469 grounds for the initiation of delinquency proceedings exist  
 1470 pursuant to this chapter and that delinquency proceedings must  
 1471 be initiated, the Director of the Office of Insurance Regulation  
 1472 shall notify the department of such determination and shall  
 1473 provide the department with all necessary documentation and  
 1474 evidence. Notification by the office must include an affidavit  
 1475 that identifies the grounds for rehabilitation pursuant to s.

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1476 631.051; the date that each insurer was deemed impaired of  
1477 capital or surplus, as the terms impairment of capital and  
1478 impairment of surplus are defined in s. 631.011, or insolvent,  
1479 as the term insolvency is defined in s. 631.011; a concise  
1480 statement of the circumstances that led to the insurer's  
1481 delinquency; and a summary of the actions taken by the insurer  
1482 and the office to avoid delinquency. The department shall then  
1483 initiate such delinquency proceedings.

1484 Section 21. Subsection (3) of section 631.398, Florida  
1485 Statutes, is amended to read:

1486 631.398 Prevention of insolvencies.—To aid in the  
1487 detection and prevention of insurer insolvencies or impairments:

1488 (3)(a) The department shall, no later than the conclusion  
1489 of any domestic insurer insolvency proceeding, prepare a summary  
1490 report containing such information as is in its possession  
1491 relating to the history and causes of such insolvency, including  
1492 a statement of the business practices of such insurer which led  
1493 to such insolvency.

1494 (b) For an insolvency involving a domestic property  
1495 insurer, the department shall:

1496 1. Begin an analysis of the history and causes of the  
1497 insolvency no later than the initiation of delinquency  
1498 proceedings pursuant to s. 631.031.

1499 2. Submit an initial report analyzing the history and  
1500 causes of the insolvency to the Governor, the President of the

1501 Senate, the Speaker of the House of Representatives, and the  
1502 office. The initial report must be submitted no later than 2  
1503 months after the initiation of the delinquency proceeding. The  
1504 initial report shall be updated at least annually until the  
1505 submission of the final report.

1506 3. Provide a special report to the Governor, the President  
1507 of the Senate, the Speaker of the House of Representatives, and  
1508 the office, within 10 days upon identifying any condition or  
1509 practice that may lead to insolvency in the property insurance  
1510 marketplace.

1511 4. Submit a final report analyzing the history and causes  
1512 of the insolvency and the review of the Office of Insurance  
1513 Regulation's regulatory oversight of the insurer to the  
1514 Governor, the President of the Senate, the Speaker of the House  
1515 of Representatives, and the office within 30 days of the  
1516 conclusion of the insolvency proceeding.

1517 5. Review the Office of Insurance Regulation's regulatory  
1518 oversight of the insurer.

1519 Section 22. If any law amended by this act was also  
1520 amended by a law enacted during the 2022 Regular Session of the  
1521 Legislature, such laws shall be construed as if enacted during  
1522 the same session of the Legislature, and full effect shall be  
1523 given to each if possible.

1524 Section 23. Except as otherwise expressly provided in this  
1525 act, this act shall take effect upon becoming a law.