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LEGISLATIVE ACTION

Senate

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House

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Floor: 15/F/2R

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05/24/2022 12:25 PM

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Senator Taddeo moved the following:

Senate Amendment (with title amendment)

Between lines 676 and 677

insert:

Section 12. Paragraph (c) of subsection (6) of section
627.351, Florida Statutes, is amended to read:

627.351 Insurance risk apportionment plans.—

(6) CITIZENS PROPERTY INSURANCE CORPORATION.—

(c) The corporation's plan of operation:

1. Must provide for adoption of residential property and
casualty insurance policy forms and commercial residential and



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12 nonresidential property insurance forms, which must be approved
13 by the office before use. The corporation shall adopt the
14 following policy forms:

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

19 b. Basic personal lines policy forms that are policies
20 similar to an HO-8 policy or a dwelling fire policy that provide
21 coverage meeting the requirements of the secondary mortgage
22 market, but which is more limited than the coverage under a
23 standard policy.

24 c. Commercial lines residential and nonresidential policy
25 forms that are generally similar to the basic perils of full
26 coverage obtainable for commercial residential structures and
27 commercial nonresidential structures in the admitted voluntary
28 market.

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

34 e. Commercial lines nonresidential property insurance forms
35 that cover the peril of wind only. The forms are applicable only
36 to nonresidential properties located in areas eligible for
37 coverage under the coastal account referred to in sub-
38 subparagraph (b)2.a.

39 f. The corporation may adopt variations of the policy forms
40 listed in sub-subparagraphs a.-e. which contain more restrictive



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41 coverage.

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

46 h. Effective January 1, 2023, the corporation shall offer a
47 personal lines policy with dwelling-only coverage which excludes
48 coverage for personal property.

49 2. Must provide that the corporation adopt a program in
50 which the corporation and authorized insurers enter into quota
51 share primary insurance agreements for hurricane coverage, as
52 defined in s. 627.4025(2)(a), for eligible risks, and adopt
53 property insurance forms for eligible risks which cover the
54 peril of wind only.

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

56 (I) "Quota share primary insurance" means an arrangement in
57 which the primary hurricane coverage of an eligible risk is
58 provided in specified percentages by the corporation and an
59 authorized insurer. The corporation and authorized insurer are
60 each solely responsible for a specified percentage of hurricane
61 coverage of an eligible risk as set forth in a quota share
62 primary insurance agreement between the corporation and an
63 authorized insurer and the insurance contract. The
64 responsibility of the corporation or authorized insurer to pay
65 its specified percentage of hurricane losses of an eligible
66 risk, as set forth in the agreement, may not be altered by the
67 inability of the other party to pay its specified percentage of
68 losses. Eligible risks that are provided hurricane coverage
69 through a quota share primary insurance arrangement must be



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70 provided policy forms that set forth the obligations of the
71 corporation and authorized insurer under the arrangement,
72 clearly specify the percentages of quota share primary insurance
73 provided by the corporation and authorized insurer, and
74 conspicuously and clearly state that the authorized insurer and
75 the corporation may not be held responsible beyond their
76 specified percentage of coverage of hurricane losses.

77 (II) "Eligible risks" means personal lines residential and
78 commercial lines residential risks that meet the underwriting
79 criteria of the corporation and are located in areas that were
80 eligible for coverage by the Florida Windstorm Underwriting
81 Association on January 1, 2002.

82 b. The corporation may enter into quota share primary
83 insurance agreements with authorized insurers at corporation
84 coverage levels of 90 percent and 50 percent.

85 c. If the corporation determines that additional coverage
86 levels are necessary to maximize participation in quota share
87 primary insurance agreements by authorized insurers, the
88 corporation may establish additional coverage levels. However,
89 the corporation's quota share primary insurance coverage level
90 may not exceed 90 percent.

91 d. Any quota share primary insurance agreement entered into
92 between an authorized insurer and the corporation must provide
93 for a uniform specified percentage of coverage of hurricane
94 losses, by county or territory as set forth by the corporation
95 board, for all eligible risks of the authorized insurer covered
96 under the agreement.

97 e. Any quota share primary insurance agreement entered into
98 between an authorized insurer and the corporation is subject to



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99 review and approval by the office. However, such agreement shall
100 be authorized only as to insurance contracts entered into
101 between an authorized insurer and an insured who is already
102 insured by the corporation for wind coverage.

103 f. For all eligible risks covered under quota share primary
104 insurance agreements, the exposure and coverage levels for both
105 the corporation and authorized insurers shall be reported by the
106 corporation to the Florida Hurricane Catastrophe Fund. For all
107 policies of eligible risks covered under such agreements, the
108 corporation and the authorized insurer must maintain complete
109 and accurate records for the purpose of exposure and loss
110 reimbursement audits as required by fund rules. The corporation
111 and the authorized insurer shall each maintain duplicate copies
112 of policy declaration pages and supporting claims documents.

113 g. The corporation board shall establish in its plan of
114 operation standards for quota share agreements which ensure that
115 there is no discriminatory application among insurers as to the
116 terms of the agreements, pricing of the agreements, incentive
117 provisions if any, and consideration paid for servicing policies
118 or adjusting claims.

119 h. The quota share primary insurance agreement between the
120 corporation and an authorized insurer must set forth the
121 specific terms under which coverage is provided, including, but
122 not limited to, the sale and servicing of policies issued under
123 the agreement by the insurance agent of the authorized insurer
124 producing the business, the reporting of information concerning
125 eligible risks, the payment of premium to the corporation, and
126 arrangements for the adjustment and payment of hurricane claims
127 incurred on eligible risks by the claims adjuster and personnel



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128 of the authorized insurer. Entering into a quota sharing
129 insurance agreement between the corporation and an authorized
130 insurer is voluntary and at the discretion of the authorized
131 insurer.

132 3. May provide that the corporation may employ or otherwise
133 contract with individuals or other entities to provide
134 administrative or professional services that may be appropriate
135 to effectuate the plan. The corporation may borrow funds by
136 issuing bonds or by incurring other indebtedness, and shall have
137 other powers reasonably necessary to effectuate the requirements
138 of this subsection, including, without limitation, the power to
139 issue bonds and incur other indebtedness in order to refinance
140 outstanding bonds or other indebtedness. The corporation may
141 seek judicial validation of its bonds or other indebtedness
142 under chapter 75. The corporation may issue bonds or incur other
143 indebtedness, or have bonds issued on its behalf by a unit of
144 local government pursuant to subparagraph (q)2. in the absence
145 of a hurricane or other weather-related event, upon a
146 determination by the corporation, subject to approval by the
147 office, that such action would enable it to efficiently meet the
148 financial obligations of the corporation and that such
149 financings are reasonably necessary to effectuate the
150 requirements of this subsection. The corporation may take all
151 actions needed to facilitate tax-free status for such bonds or
152 indebtedness, including formation of trusts or other affiliated
153 entities. The corporation may pledge assessments, projected
154 recoveries from the Florida Hurricane Catastrophe Fund, other
155 reinsurance recoverables, policyholder surcharges and other
156 surcharges, and other funds available to the corporation as



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157 security for bonds or other indebtedness. In recognition of s.
158 10, Art. I of the State Constitution, prohibiting the impairment
159 of obligations of contracts, it is the intent of the Legislature
160 that no action be taken whose purpose is to impair any bond
161 indenture or financing agreement or any revenue source committed
162 by contract to such bond or other indebtedness.

163 4. Must require that the corporation operate subject to the
164 supervision and approval of a board of governors consisting of
165 nine individuals who are residents of this state and who are
166 from different geographical areas of the state, one of whom is
167 appointed by the Governor and serves solely to advocate on
168 behalf of the consumer. The appointment of a consumer
169 representative by the Governor is deemed to be within the scope
170 of the exemption provided in s. 112.313(7)(b) and is in addition
171 to the appointments authorized under sub-subparagraph a.

172 a. The Governor, the Chief Financial Officer, the President
173 of the Senate, and the Speaker of the House of Representatives
174 shall each appoint two members of the board. At least one of the
175 two members appointed by each appointing officer must have
176 demonstrated expertise in insurance and be deemed to be within
177 the scope of the exemption provided in s. 112.313(7)(b). The
178 Chief Financial Officer shall designate one of the appointees as
179 chair. All board members serve at the pleasure of the appointing
180 officer. All members of the board are subject to removal at will
181 by the officers who appointed them. All board members, including
182 the chair, must be appointed to serve for 3-year terms beginning
183 annually on a date designated by the plan. However, for the
184 first term beginning on or after July 1, 2009, each appointing
185 officer shall appoint one member of the board for a 2-year term



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186 and one member for a 3-year term. A board vacancy shall be
187 filled for the unexpired term by the appointing officer. The
188 Chief Financial Officer shall appoint a technical advisory group
189 to provide information and advice to the board in connection
190 with the board's duties under this subsection. The executive
191 director and senior managers of the corporation shall be engaged
192 by the board and serve at the pleasure of the board. Any
193 executive director appointed on or after July 1, 2006, is
194 subject to confirmation by the Senate. The executive director is
195 responsible for employing other staff as the corporation may
196 require, subject to review and concurrence by the board.

197 b. The board shall create a Market Accountability Advisory
198 Committee to assist the corporation in developing awareness of
199 its rates and its customer and agent service levels in
200 relationship to the voluntary market insurers writing similar
201 coverage.

202 (I) The members of the advisory committee consist of the
203 following 11 persons, one of whom must be elected chair by the
204 members of the committee: four representatives, one appointed by
205 the Florida Association of Insurance Agents, one by the Florida
206 Association of Insurance and Financial Advisors, one by the
207 Professional Insurance Agents of Florida, and one by the Latin
208 American Association of Insurance Agencies; three
209 representatives appointed by the insurers with the three highest
210 voluntary market share of residential property insurance
211 business in the state; one representative from the Office of
212 Insurance Regulation; one consumer appointed by the board who is
213 insured by the corporation at the time of appointment to the
214 committee; one representative appointed by the Florida



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215 Association of Realtors; and one representative appointed by the
216 Florida Bankers Association. All members shall be appointed to
217 3-year terms and may serve for consecutive terms.

218 (II) The committee shall report to the corporation at each
219 board meeting on insurance market issues which may include rates
220 and rate competition with the voluntary market; service,
221 including policy issuance, claims processing, and general
222 responsiveness to policyholders, applicants, and agents; and
223 matters relating to depopulation.

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

226 a. Subject to s. 627.3517, with respect to personal lines
227 residential risks, if the risk is offered coverage from an
228 authorized insurer at the insurer's approved rate under a
229 standard policy including wind coverage or, if consistent with
230 the insurer's underwriting rules as filed with the office, a
231 basic policy including wind coverage, for a new application to
232 the corporation for coverage, the risk is not eligible for any
233 policy issued by the corporation unless the premium for coverage
234 from the authorized insurer is more than 20 percent greater than
235 the premium for comparable coverage from the corporation.

236 Whenever an offer of coverage for a personal lines residential
237 risk is received for a policyholder of the corporation at
238 renewal from an authorized insurer, if the offer is equal to or
239 less than the corporation's renewal premium for comparable
240 coverage, the risk is not eligible for coverage with the
241 corporation. If the risk is not able to obtain such offer, the
242 risk is eligible for a standard policy including wind coverage
243 or a basic policy including wind coverage issued by the



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244 corporation; however, if the risk could not be insured under a
245 standard policy including wind coverage regardless of market
246 conditions, the risk is eligible for a basic policy including
247 wind coverage unless rejected under subparagraph 8. However, a
248 policyholder removed from the corporation through an assumption
249 agreement remains eligible for coverage from the corporation
250 until the end of the assumption period. The corporation shall
251 determine the type of policy to be provided on the basis of
252 objective standards specified in the underwriting manual and
253 based on generally accepted underwriting practices.

254 (I) If the risk accepts an offer of coverage through the
255 market assistance plan or through a mechanism established by the
256 corporation other than a plan established by s. 627.3518, before
257 a policy is issued to the risk by the corporation or during the
258 first 30 days of coverage by the corporation, and the producing
259 agent who submitted the application to the plan or to the
260 corporation is not currently appointed by the insurer, the
261 insurer shall:

262 (A) Pay to the producing agent of record of the policy for
263 the first year, an amount that is the greater of the insurer's
264 usual and customary commission for the type of policy written or
265 a fee equal to the usual and customary commission of the
266 corporation; or

267 (B) Offer to allow the producing agent of record of the
268 policy to continue servicing the policy for at least 1 year and
269 offer to pay the agent the greater of the insurer's or the
270 corporation's usual and customary commission for the type of
271 policy written.

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

276 (II) If the corporation enters into a contractual agreement
277 for a take-out plan, the producing agent of record of the
278 corporation policy is entitled to retain any unearned commission
279 on the policy, and the insurer shall:

280 (A) Pay to the producing agent of record, for the first
281 year, an amount that is the greater of the insurer's usual and
282 customary commission for the type of policy written or a fee
283 equal to the usual and customary commission of the corporation;
284 or

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

289

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

293 b. With respect to commercial lines residential risks, for
294 a new application to the corporation for coverage, if the risk
295 is offered coverage under a policy including wind coverage from
296 an authorized insurer at its approved rate, the risk is not
297 eligible for a policy issued by the corporation unless the
298 premium for coverage from the authorized insurer is more than 15
299 percent greater than the premium for comparable coverage from
300 the corporation. Whenever an offer of coverage for a commercial
301 lines residential risk is received for a policyholder of the



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302 corporation at renewal from an authorized insurer, if the offer
303 is equal to or less than the corporation's renewal premium for
304 comparable coverage, the risk is not eligible for coverage with
305 the corporation. If the risk is not able to obtain any such
306 offer, the risk is eligible for a policy including wind coverage
307 issued by the corporation. However, a policyholder removed from
308 the corporation through an assumption agreement remains eligible
309 for coverage from the corporation until the end of the
310 assumption period.

311 (I) If the risk accepts an offer of coverage through the
312 market assistance plan or through a mechanism established by the
313 corporation other than a plan established by s. 627.3518, before
314 a policy is issued to the risk by the corporation or during the
315 first 30 days of coverage by the corporation, and the producing
316 agent who submitted the application to the plan or the
317 corporation is not currently appointed by the insurer, the
318 insurer shall:

319 (A) Pay to the producing agent of record of the policy, for
320 the first year, an amount that is the greater of the insurer's
321 usual and customary commission for the type of policy written or
322 a fee equal to the usual and customary commission of the
323 corporation; or

324 (B) Offer to allow the producing agent of record of the
325 policy to continue servicing the policy for at least 1 year and
326 offer to pay the agent the greater of the insurer's or the
327 corporation's usual and customary commission for the type of
328 policy written.

329
330 If the producing agent is unwilling or unable to accept



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331 appointment, the new insurer shall pay the agent in accordance
332 with sub-sub-sub-subparagraph (A).

333 (II) If the corporation enters into a contractual agreement
334 for a take-out plan, the producing agent of record of the
335 corporation policy is entitled to retain any unearned commission
336 on the policy, and the insurer shall:

337 (A) Pay to the producing agent of record, for the first
338 year, an amount that is the greater of the insurer's usual and
339 customary commission for the type of policy written or a fee
340 equal to the usual and customary commission of the corporation;
341 or

342 (B) Offer to allow the producing agent of record to
343 continue servicing the policy for at least 1 year and offer to
344 pay the agent the greater of the insurer's or the corporation's
345 usual and customary commission for the type of policy written.
346

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

350 c. For purposes of determining comparable coverage under
351 sub-subparagraphs a. and b., the comparison must be based on
352 those forms and coverages that are reasonably comparable. The
353 corporation may rely on a determination of comparable coverage
354 and premium made by the producing agent who submits the
355 application to the corporation, made in the agent's capacity as
356 the corporation's agent. A comparison may be made solely of the
357 premium with respect to the main building or structure only on
358 the following basis: the same coverage A or other building
359 limits; the same percentage hurricane deductible that applies on



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360 an annual basis or that applies to each hurricane for commercial
361 residential property; the same percentage of ordinance and law
362 coverage, if the same limit is offered by both the corporation
363 and the authorized insurer; the same mitigation credits, to the
364 extent the same types of credits are offered both by the
365 corporation and the authorized insurer; the same method for loss
366 payment, such as replacement cost or actual cash value, if the
367 same method is offered both by the corporation and the
368 authorized insurer in accordance with underwriting rules; and
369 any other form or coverage that is reasonably comparable as
370 determined by the board. If an application is submitted to the
371 corporation for wind-only coverage in the coastal account, the
372 premium for the corporation's wind-only policy plus the premium
373 for the ex-wind policy that is offered by an authorized insurer
374 to the applicant must be compared to the premium for multiperil
375 coverage offered by an authorized insurer, subject to the
376 standards for comparison specified in this subparagraph. If the
377 corporation or the applicant requests from the authorized
378 insurer a breakdown of the premium of the offer by types of
379 coverage so that a comparison may be made by the corporation or
380 its agent and the authorized insurer refuses or is unable to
381 provide such information, the corporation may treat the offer as
382 not being an offer of coverage from an authorized insurer at the
383 insurer's approved rate.

384 6. Must include rules for classifications of risks and
385 rates.

386 7. Must provide that if premium and investment income for
387 an account attributable to a particular calendar year are in
388 excess of projected losses and expenses for the account



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389 attributable to that year, such excess shall be held in surplus
390 in the account. Such surplus must be available to defray
391 deficits in that account as to future years and used for that
392 purpose before assessing assessable insurers and assessable
393 insureds as to any calendar year.

394 8. Must provide objective criteria and procedures to be
395 uniformly applied to all applicants in determining whether an
396 individual risk is so hazardous as to be uninsurable. In making
397 this determination and in establishing the criteria and
398 procedures, the following must be considered:

399 a. Whether the likelihood of a loss for the individual risk
400 is substantially higher than for other risks of the same class;
401 and

402 b. Whether the uncertainty associated with the individual
403 risk is such that an appropriate premium cannot be determined.

404

405 The acceptance or rejection of a risk by the corporation shall
406 be construed as the private placement of insurance, and the
407 provisions of chapter 120 do not apply.

408 9. Must provide that the corporation make its best efforts
409 to procure catastrophe reinsurance at reasonable rates, to cover
410 its projected 100-year probable maximum loss as determined by
411 the board of governors. If catastrophe reinsurance is not
412 available at reasonable rates, the corporation need not purchase
413 it, but the corporation shall include the costs of reinsurance
414 to cover its projected 100-year probable maximum loss in its
415 rate calculations even if it does not purchase catastrophe
416 reinsurance.

417 10. The policies issued by the corporation must provide



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418 that if the corporation or the market assistance plan obtains an
419 offer from an authorized insurer to cover the risk at its
420 approved rates, the risk is no longer eligible for renewal
421 through the corporation, except as otherwise provided in this
422 subsection.

423 11. Corporation policies and applications must include a
424 notice that the corporation policy could, under this section, be
425 replaced with a policy issued by an authorized insurer which
426 does not provide coverage identical to the coverage provided by
427 the corporation. The notice must also specify that acceptance of
428 corporation coverage creates a conclusive presumption that the
429 applicant or policyholder is aware of this potential.

430 12. May establish, subject to approval by the office,
431 different eligibility requirements and operational procedures
432 for any line or type of coverage for any specified county or
433 area if the board determines that such changes are justified due
434 to the voluntary market being sufficiently stable and
435 competitive in such area or for such line or type of coverage
436 and that consumers who, in good faith, are unable to obtain
437 insurance through the voluntary market through ordinary methods
438 continue to have access to coverage from the corporation. If
439 coverage is sought in connection with a real property transfer,
440 the requirements and procedures may not provide an effective
441 date of coverage later than the date of the closing of the
442 transfer as established by the transferor, the transferee, and,
443 if applicable, the lender.

444 13. Must provide that, with respect to the coastal account,
445 any assessable insurer with a surplus as to policyholders of \$25
446 million or less writing 25 percent or more of its total



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447 countrywide property insurance premiums in this state may
448 petition the office, within the first 90 days of each calendar
449 year, to qualify as a limited apportionment company. A regular
450 assessment levied by the corporation on a limited apportionment
451 company for a deficit incurred by the corporation for the
452 coastal account may be paid to the corporation on a monthly
453 basis as the assessments are collected by the limited
454 apportionment company from its insureds, but a limited
455 apportionment company must begin collecting the regular
456 assessments not later than 90 days after the regular assessments
457 are levied by the corporation, and the regular assessments must
458 be paid in full within 15 months after being levied by the
459 corporation. A limited apportionment company shall collect from
460 its policyholders any emergency assessment imposed under sub-
461 subparagraph (b)3.d. The plan must provide that, if the office
462 determines that any regular assessment will result in an
463 impairment of the surplus of a limited apportionment company,
464 the office may direct that all or part of such assessment be
465 deferred as provided in subparagraph (q)4. However, an emergency
466 assessment to be collected from policyholders under sub-
467 subparagraph (b)3.d. may not be limited or deferred.

468 14. Must provide that the corporation appoint as its
469 licensed agents only those agents who throughout such
470 appointments also hold an appointment as defined in s. 626.015
471 by an insurer who is authorized to write and is actually writing
472 or renewing personal lines residential property coverage,
473 commercial residential property coverage, or commercial
474 nonresidential property coverage within the state.

475 15. Must provide a premium payment plan option to its



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476 policyholders which, at a minimum, allows for quarterly and
477 semiannual payment of premiums. A monthly payment plan may, but
478 is not required to, be offered.

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

482 17. Must provide coverage for manufactured or mobile home
483 dwellings. Such coverage must also include the following
484 attached structures:

485 a. Screened enclosures that are aluminum framed or screened
486 enclosures that are not covered by the same or substantially the
487 same materials as those of the primary dwelling;

488 b. Carports that are aluminum or carports that are not
489 covered by the same or substantially the same materials as those
490 of the primary dwelling; and

491 c. Patios that have a roof covering that is constructed of
492 materials that are not the same or substantially the same
493 materials as those of the primary dwelling.

494

495 The corporation shall make available a policy for mobile homes
496 or manufactured homes for a minimum insured value of at least
497 \$3,000.

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

500 19. May require commercial property to meet specified
501 hurricane mitigation construction features as a condition of
502 eligibility for coverage.

503 20. Must provide that new or renewal policies issued by the
504 corporation on or after January 1, 2012, which cover sinkhole



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505 loss do not include coverage for any loss to appurtenant
506 structures, driveways, sidewalks, decks, or patios that are
507 directly or indirectly caused by sinkhole activity. The
508 corporation shall exclude such coverage using a notice of
509 coverage change, which may be included with the policy renewal,
510 and not by issuance of a notice of nonrenewal of the excluded
511 coverage upon renewal of the current policy.

512 21. As of January 1, 2012, must require that the agent
513 obtain from an applicant for coverage from the corporation an
514 acknowledgment signed by the applicant, which includes, at a
515 minimum, the following statement:

516
517 ACKNOWLEDGMENT OF POTENTIAL SURCHARGE
518 AND ASSESSMENT LIABILITY:
519

520 1. AS A POLICYHOLDER OF CITIZENS PROPERTY INSURANCE
521 CORPORATION, I UNDERSTAND THAT IF THE CORPORATION SUSTAINS A
522 DEFICIT AS A RESULT OF HURRICANE LOSSES OR FOR ANY OTHER REASON,
523 MY POLICY COULD BE SUBJECT TO SURCHARGES, WHICH WILL BE DUE AND
524 PAYABLE UPON RENEWAL, CANCELLATION, OR TERMINATION OF THE
525 POLICY, AND THAT THE SURCHARGES COULD BE AS HIGH AS 45 PERCENT
526 OF MY PREMIUM, OR A DIFFERENT AMOUNT AS IMPOSED BY THE FLORIDA
527 LEGISLATURE.

528 2. I UNDERSTAND THAT I CAN AVOID THE CITIZENS POLICYHOLDER
529 SURCHARGE, WHICH COULD BE AS HIGH AS 45 PERCENT OF MY PREMIUM,
530 BY OBTAINING COVERAGE FROM A PRIVATE MARKET INSURER AND THAT TO
531 BE ELIGIBLE FOR COVERAGE BY CITIZENS, I MUST FIRST TRY TO OBTAIN
532 PRIVATE MARKET COVERAGE BEFORE APPLYING FOR OR RENEWING COVERAGE
533 WITH CITIZENS. I UNDERSTAND THAT PRIVATE MARKET INSURANCE RATES



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534 ARE REGULATED AND APPROVED BY THE STATE.

535 3. I UNDERSTAND THAT I MAY BE SUBJECT TO EMERGENCY
536 ASSESSMENTS TO THE SAME EXTENT AS POLICYHOLDERS OF OTHER
537 INSURANCE COMPANIES, OR A DIFFERENT AMOUNT AS IMPOSED BY THE
538 FLORIDA LEGISLATURE.

539 4. I ALSO UNDERSTAND THAT CITIZENS PROPERTY INSURANCE
540 CORPORATION IS NOT SUPPORTED BY THE FULL FAITH AND CREDIT OF THE
541 STATE OF FLORIDA.

542
543 a. The corporation shall maintain, in electronic format or
544 otherwise, a copy of the applicant's signed acknowledgment and
545 provide a copy of the statement to the policyholder as part of
546 the first renewal after the effective date of this subparagraph.

547 b. The signed acknowledgment form creates a conclusive
548 presumption that the policyholder understood and accepted his or
549 her potential surcharge and assessment liability as a
550 policyholder of the corporation.

551
552 ===== T I T L E A M E N D M E N T =====

553 And the title is amended as follows:

554 Between lines 82 and 83

555 insert:

556 amending s. 627.351, F.S.; requiring the Citizens
557 Property Insurance Corporation to offer dwelling-only
558 coverage;