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1 A bill to be entitled
2 An act relating to property insurance; creating s.
3 215.5551, F.S.; creating the Reinsurance to Assist
4 Policyholders program to be administered by the State
5 Board of Administration; defining terms; requiring
6 certain property insurers to obtain coverage under the
7 program; requiring the board to provide reimbursement
8 to property insurers under the program; requiring the
9 board and property insurers to enter into contracts to
10 provide certain insurance reimbursement; providing
11 requirements for the contracts; providing
12 construction; providing calculations for specified
13 amounts of losses to determine reimbursement under the
14 program; authorizing the board to inspect, examine,
15 and verify insurer records; providing insurer
16 eligibility qualifications for the program; providing
17 for disqualification; requiring certain insurers to
18 notify the board under a specified circumstance;
19 providing for deferral of coverage under the program;
20 prohibiting premiums from being charged for
21 participation in the program; providing that the
22 program does not affect the claims-paying capacity of
23 the Florida Hurricane Catastrophe Fund; requiring the
24 program to pay reimbursements directly to the
25 applicable state guaranty fund in the event of
26 insolvency; specifying requirements for the Florida
27 Hurricane Catastrophe Fund if an insurer or the
28 Citizens Property Insurance Corporation accept
29 assignments of unsound insurers; providing that

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30 certain violations are violations of the insurance
31 code; authorizing the board to enforce certain
32 requirements; authorizing the board to adopt
33 nonemergency rules and emergency rules; providing
34 legislative findings; specifying conditions and
35 limitations for any emergency rules adopted; providing
36 legislative intent; requiring the board to submit a
37 written notice within a certain timeframe to the
38 Executive Office of the Governor relating to the
39 program funds, under certain circumstances; providing
40 a requirement for the notice and subsequent requests;
41 requiring the Executive Office of the Governor to
42 instruct the Chief Financial Officer to draw a warrant
43 for a transfer to the board for the program under
44 certain circumstances and to provide notification to
45 specified persons within a certain timeframe;
46 prohibiting cumulative transfers from exceeding a
47 specified amount; providing reporting requirements;
48 providing for expiration and transfer of unencumbered
49 funds; requiring certain property insurers to reduce
50 rates to reflect certain cost savings through rate
51 filings by a specified date; prohibiting such insurers
52 from making other rate changes; requiring the Office
53 of Insurance Regulation to expedite the review of
54 certain filings; amending s. 215.5586, F.S.; revising
55 homeowner eligibility criteria for mitigation grants;
56 specifying matching requirements for grants; revising
57 reporting requirements; providing an appropriation;
58 requiring the Department of Financial Services to

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59 submit budget amendments; specifying requirements for
60 budget amendments; providing for reversion and
61 appropriation of any unexpended balance; authorizing
62 the Department of Financial Services to adopt
63 emergency rules; providing legislative findings;
64 providing that such rules remain in effect until
65 replaced by rules adopted using nonemergency
66 rulemaking procedures; providing for expiration;
67 amending s. 489.147, F.S.; revising the definition of
68 the term "prohibited advertisement"; creating s.
69 624.1551, F.S.; requiring claimants to establish that
70 property insurers have breached the insurance contract
71 to prevail in certain claims for damages; amending s.
72 624.307, F.S.; requiring the office to publish certain
73 information on its website; amending s. 624.313, F.S.;
74 revising the information the office must include in a
75 certain annual report; amending s. 624.315, F.S.;
76 revising the information the office must include in
77 certain reports; amending s. 624.424, F.S.; requiring
78 the Office of Insurance Regulation to aggregate on a
79 statewide basis and make publicly available certain
80 data submitted by insurers and insurer groups;
81 specifying requirements for publishing such data;
82 providing that such information is not a trade secret
83 and is not subject to a certain public records
84 exemption; amending s. 626.9373, F.S.; revising
85 conditions for the award of reasonable attorney fees
86 to apply to all suits brought under residential or
87 commercial property insurance policies, rather than

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88 those not brought by assignees; limiting the transfer,
89 assignment, or acquisition of rights to attorney fees
90 in certain property insurance suits; amending s.
91 627.428, F.S.; revising conditions for the award of
92 reasonable attorney fees to apply to all suits brought
93 under residential or commercial property insurance
94 policies, rather than those not brought by assignees;
95 limiting the transfer, assignment, or acquisition of
96 rights to attorney fees in certain property insurance
97 suits; amending s. 627.701, F.S.; revising a
98 prohibition against the issuance of insurance policies
99 containing certain deductible provisions; revising the
100 conditions a personal lines residential property
101 insurance policy covering certain risks must meet
102 under certain circumstances; requiring personal lines
103 residential property insurance policies containing
104 separate roof deductibles to include specified
105 information; authorizing property insurers to include
106 separate roof deductibles if certain requirements are
107 met; providing requirements for policyholders in
108 rejecting such deductibles under certain
109 circumstances; requiring the office to expedite the
110 review of filing of certain forms; authorizing the
111 commission to adopt certain model forms or guidelines;
112 requiring the office to review certain filings within
113 a specified timeframe; providing that roof deductible
114 portions of the filing are not subject to a specified
115 extension for review; amending s. 627.7011, F.S.;
116 authorizing property insurers to limit certain roof

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117 claim payments under certain circumstances; defining
118 the term "authorized inspector"; prohibiting insurers
119 from refusing to issue or renew homeowners' policies
120 insuring certain structures; requiring insurers to
121 allow homeowners to have roof inspections performed
122 before requiring roof replacement; specifying the
123 manner of calculating the age of certain roofs;
124 providing applicability; amending s. 627.70131, F.S.;
125 requiring insurers to conduct physical inspections for
126 certain claims within a specified timeframe; requiring
127 property insurers to notify and provide certain
128 detailed estimates to policyholders; providing
129 construction; requiring property insurers to provide
130 reasonable explanations related to claims under
131 certain circumstances; amending s. 627.70152, F.S.;
132 making a technical change; authorizing property
133 insurers to be awarded attorney fees in certain suit
134 dismissals; providing that a strong presumption is
135 created that a lodestar fee is sufficient and
136 reasonable; providing that such presumption may be
137 rebutted only under certain circumstances; amending s.
138 627.7142, F.S.; conforming a cross-reference; amending
139 s. 627.7152, F.S.; revising the definition of the term
140 "assignment agreement"; deleting the definitions of
141 the terms "disputed amount" and "judgment obtained";
142 revising a requirement for assignment agreements;
143 revising the requirement for assignees to indemnify
144 and hold harmless assignors; specifying a timeframe
145 during which and the addresses to which a notice of

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146 intent must be served; deleting certain limitations on
147 the recovery and award of attorney fees in suits
148 related to assignment agreements; creating s.
149 627.7154, F.S.; creating a property insurer stability
150 unit within the office for a specified purpose;
151 specifying the duties of the unit; requiring the unit
152 to provide a specified report biannually; specifying
153 requirements for such report; specifying events that
154 trigger referrals to the unit; requiring the unit's
155 supervisors to review such referrals for a certain
156 determination; requiring unit expenses be paid from a
157 specified fund; requiring costs of examinations to be
158 paid by examined persons in a specified circumstance;
159 amending s. 631.031, F.S.; requiring certain
160 notifications by the office to the department of
161 grounds for delinquency proceedings to include an
162 affidavit; specifying contents of such affidavit;
163 amending s. 631.398, F.S.; specifying duties of the
164 department for insurer insolvency proceedings;
165 providing for construction of the act in pari materia
166 with laws enacted during the 2022 Regular Session of
167 the Legislature; providing effective dates.

168
169 Be It Enacted by the Legislature of the State of Florida:

170
171 Section 1. Section 215.5551, Florida Statutes, is created
172 to read:

173 215.5551 Reinsurance to Assist Policyholders program.—
174 (1) CREATION OF THE REINSURANCE TO ASSIST POLICYHOLDERS

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175 PROGRAM.—There is created the Reinsurance to Assist
176 Policyholders program to be administered by the State Board of
177 Administration.

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

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

180 (b) "Contract year" means the period beginning on June 1 of
181 a specified calendar year and ending on May 31 of the following
182 calendar year.

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

186 (d) "Covered policy" has the same meaning as in s.
187 215.555(2)(c).

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

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

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

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

200 (i) "RAP limit" means, for the 2022-2023 contract year, the
201 RAP insurer's maximum payout, which is its share of the \$2
202 billion RAP layer aggregate limit. For the 2023-2024 contract
203 year, for RAP insurers that are subject to participation

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204 deferral under subsection (6) and participate during the 2023-
205 2024 contract year, the RAP limit means the RAP insurer's
206 maximum payout, which is its share of the total amount of the
207 RAP program layer aggregate limit deferred from 2022-2023.

208 (j) "RAP qualification ratio" means:

209 1. For the 2022-2023 contract year, the ratio of FHCF
210 mandatory premium adjusted to 90 percent for RAP insurers
211 divided by the FHCF mandatory premium adjusted to 90 percent for
212 all insurers. The preliminary RAP qualification ratio shall be
213 based on the 2021-2022 contract year's company premiums, as of
214 December 31, 2021, adjusted to 90 percent based on the 2022-2023
215 contract year coverage selections. The RAP qualification ratio
216 shall be based on the reported 2022-2023 contract year company
217 premiums, as of December 31, 2022, adjusted to 90 percent.

218 2. For the 2023-2024 contract year, the ratio of FHCF
219 mandatory premium adjusted to 90 percent for the qualified RAP
220 insurers that have deferred RAP coverage to 2023-2024 divided by
221 the FHCF mandatory premium adjusted to 90 percent for all
222 insurers. The preliminary RAP qualification ratio shall be based
223 on the 2022-2023 contract year's company premiums as of December
224 31, 2022, adjusted to 90 percent based on the 2023-2024 contract
225 year coverage selections. The RAP qualification ratio shall be
226 based on the reported 2023-2024 contract year company premiums
227 as of December 31, 2023, adjusted to 90 percent.

228 (k) "RAP reimbursement contract" means the reimbursement
229 contract reflecting the obligations of the RAP program to
230 insurers.

231 (l) "RAP retention" means the amount of losses below which
232 a RAP insurer is not entitled to reimbursement under the RAP

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233 program.

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

238 (3) COVERAGE.—

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

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

249 (4) RAP REIMBURSEMENT CONTRACTS.—

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

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

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

257 2. The reimbursement contract shall be executed no later
258 than:

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

261 b. March 1, 2023, for RAP insurers that are subject to

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262 participation deferral under subsection (6) and participate in
263 the RAP program during the 2023-2024 contract year.

264 3. If a RAP insurer fails to execute the RAP reimbursement
265 contract by the dates required in this paragraph, the RAP
266 insurance contract is deemed to have been executed by the RAP
267 insurer.

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

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

280 (d) The board shall calculate and report to each RAP
281 insurer the RAP payout multiples as the ratio of the RAP
282 industry limit of \$2 billion for the 2022-2023 contract year, or
283 the deferred limit for the 2022-2023 contract year, to the
284 mandatory FHCF retention multiplied by the mandatory FHCF
285 retention multiples divided by the RAP qualification ratio. The
286 RAP payout multiple for an insurer is multiplied by the RAP
287 insurer's FHCF premium to calculate its RAP maximum payout. RAP
288 payout multiples are calculated for 45 percent, 75 percent, and
289 90 percent FHCF mandatory coverage selections.

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

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

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

305 3. A RAP insurer determines its actual RAP retention by
306 multiplying its actual mandatory reimbursement FHCF premium by
307 the RAP retention multiple.

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

315 (5) INSURER QUALIFICATION.—

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

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

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

325 (b) The office must make this determination based on the
326 following factors:

327 1. The insurer's compliance with the requirements to
328 qualify for and hold a certificate of authority under s.
329 624.404;

330 2. The insurer's compliance with the applicable surplus
331 requirements of s. 624.408;

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

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

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

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

342 (6) PARTICIPATION DEFERRAL.—

343 (a) A RAP insurer that has any private reinsurance that
344 duplicates RAP coverage that such insurer would receive for the
345 2022-2023 contract year shall notify the board in writing of
346 such duplicative coverage no later than June 30, 2022.

347 Participation in the RAP program for such RAP insurers shall be
348 deferred until the 2023-2024 contract year.

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

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

354 (8) CLAIMS-PAYING CAPACITY.—The RAP program shall not
355 affect the claims-paying capacity of the FHCF as provided in s.
356 215.555(4)(c)1.

357 (9) INSOLVENCY OF RAP INSURER.—

358 (a) The RAP reimbursement contract shall provide that in
359 the event of an insolvency of a RAP insurer, the RAP program
360 shall pay reimbursements directly to the applicable state
361 guaranty fund for the benefit of policyholders in this state of
362 the RAP insurer.

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

371 (10) VIOLATIONS.—Any violation of this section or of rules
372 adopted under this section constitutes a violation of the
373 insurance code.

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

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378 (12) RULEMAKING.—The board may adopt rules to implement
379 this section. In addition, the board may adopt emergency rules,
380 pursuant to s. 120.54, at any time, as are necessary to
381 implement this section for the 2022-2023 fiscal year. The
382 Legislature finds that such emergency rulemaking power is
383 necessary in order to address a critical need in the state’s
384 problematic property insurance market. The Legislature further
385 finds that the uniquely short timeframe needed to effectively
386 implement this section for the 2022-2023 fiscal year requires
387 that the board adopt rules as quickly as practicable. Therefore,
388 in adopting such emergency rules, the board need not make the
389 findings required by s. 120.54(4) (a). Emergency rules adopted
390 under this section are exempt from s. 120.54(4) (c) and shall
391 remain in effect until replaced by rules adopted under the
392 nonemergency rulemaking procedures of chapter 120, which must
393 occur no later than July 1, 2023.

394 (13) APPROPRIATION.—

395 (a) Within 60 days after a covered event, the board shall
396 submit written notice to the Executive Office of the Governor if
397 the board determines that funds from the RAP program coverage
398 established by this section will be necessary to reimburse RAP
399 insurers for losses associated with the covered event. The
400 initial notice, and any subsequent requests, must specify the
401 amount necessary to provide RAP reimbursements. 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

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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 \$2 billion.

410 (b) If General Revenue Funds are transferred to the board
411 for the RAP program under paragraph (a), the board shall submit
412 written notice to the Executive Office of the Governor that
413 funds will be necessary for the administration of the RAP
414 program and post-event examinations for covered events that
415 require RAP coverage. The initial notice, and any subsequent
416 requests, must specify the amount necessary for administration
417 of the RAP program and post-event examinations. Upon receiving
418 such notice, the Executive Office of the Governor shall instruct
419 the Chief Financial Officer to draw a warrant from the General
420 Revenue Fund for a transfer to the board for the RAP program in
421 the amount requested. The Executive Office of the Governor shall
422 provide written notification to the chair and vice chair of the
423 Legislative Budget Commission at least 3 days before the
424 effective date of the warrant. Cumulative transfers authorized
425 under this paragraph may not exceed \$5 million.

426 (c) No later than January 31, 2023, and quarterly
427 thereafter, the board shall submit a report to the Executive
428 Office of the Governor, the President of the Senate, and the
429 Speaker of the House of Representatives detailing any
430 reimbursements of the RAP program, all loss development
431 projections, the amount of RAP reimbursement coverage deferred
432 until the 2023-2024 contract year, and detailed information
433 about administrative and post-event examination expenditures.

434 (14) EXPIRATION DATE.—If no General Revenue Funds have been
435 transferred to the board for the RAP program under subsection

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436 (13) by June 30, 2025, this section expires on July 1, 2025. If
437 General Revenue Funds have been transferred to the board for the
438 RAP program under subsection (13) by June 30, 2025, this section
439 expires on July 1, 2029, and all unencumbered RAP program funds
440 shall be transferred by the board back to the General Revenue
441 Fund unallocated.

442 Section 2. (1) No later than June 30, 2022, each insurer
443 that participates during the 2022-2023 contract year in the
444 Reinsurance to Assist Policyholders program under s. 215.5551,
445 Florida Statutes, shall reduce its rates to reflect the cost
446 savings realized by participating in the program through a rate
447 filing with the Office of Insurance Regulation or by amending a
448 pending rate filing. The insurer shall make no other changes to
449 its rates in the filing.

450 (2) No later than May 1, 2023, each insurer that defers
451 participation in the Reinsurance to Assist Policyholders program
452 until the 2023-2024 year under s. 215.5551, Florida Statutes,
453 shall reduce its rates to reflect the cost savings realized by
454 participating in the program through a rate filing with the
455 Office of Insurance Regulation or by amending a pending rate
456 filing. The insurer shall make no other changes to its rates in
457 the filing.

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

460 Section 3. Effective July 1, 2022, paragraphs (a) and (b)
461 of subsection (2) and subsection (10) of section 215.5586,
462 Florida Statutes, are amended to read:

463 215.5586 My Safe Florida Home Program.—There is established
464 within the Department of Financial Services the My Safe Florida

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465 Home Program. The department shall provide fiscal
466 accountability, contract management, and strategic leadership
467 for the program, consistent with this section. This section does
468 not create an entitlement for property owners or obligate the
469 state in any way to fund the inspection or retrofitting of
470 residential property in this state. Implementation of this
471 program is subject to annual legislative appropriations. It is
472 the intent of the Legislature that the My Safe Florida Home
473 Program provide trained and certified inspectors to perform
474 inspections for owners of site-built, single-family, residential
475 properties and grants to eligible applicants as funding allows.
476 The program shall develop and implement a comprehensive and
477 coordinated approach for hurricane damage mitigation that may
478 include the following:

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

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

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

487 2. The home must be a dwelling with an insured value of
488 \$500,000 ~~\$300,000~~ or less. Homeowners who are low-income
489 persons, as defined in s. 420.0004(11), are exempt from this
490 requirement.

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

493 4. The home must be located in the "wind-borne debris

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494 region" as that term is defined in the Florida Building Code ~~s.~~
495 ~~1609.2, International Building Code (2006), or as subsequently~~
496 ~~amended.~~

497 5. The building permit application for initial construction
498 of the home must have been made before January 1, 2008 ~~March 1,~~
499 ~~2002.~~

500 6. The homeowner must agree to make his or her home
501 available for inspection once a mitigation project is completed.

502
503 An application for a grant must contain a signed or
504 electronically verified statement made under penalty of perjury
505 that the applicant has submitted only a single application and
506 must have attached documents demonstrating the applicant meets
507 the requirements of this paragraph.

508 (b) All grants must be matched on the basis of \$1 provided
509 by the applicant for \$2 provided by the state ~~a dollar-for-~~
510 ~~dollar basis~~ up to a maximum state contribution total of \$10,000
511 toward ~~for~~ the actual cost of the mitigation project ~~with the~~
512 ~~state's contribution not to exceed \$5,000.~~

513 (10) REPORTS.—The department shall make an annual report on
514 the activities of the program that shall account for the use of
515 state funds and indicate the number of inspections requested,
516 the number of inspections performed, the number of grant
517 applications received, ~~and~~ the number and value of grants
518 approved, and the average annual amount of insurance premium
519 discounts and total annual amount of insurance premium discounts
520 homeowners received from insurers as a result of mitigation
521 funded through the program. The report shall be delivered to the
522 President of the Senate and the Speaker of the House of

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523 Representatives by February 1 of each year.

524 Section 4. (1) For the 2022-2023 fiscal year, the sum of
525 \$150 million in nonrecurring funds is appropriated from the
526 General Revenue Fund to the Department of Financial Services for
527 the My Safe Florida Home Program. The funds shall be placed in
528 reserve. The department shall submit budget amendments
529 requesting release of the funds held in reserve pursuant to
530 chapter 216, Florida Statutes. The budget amendments shall
531 include a detailed spending plan.

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

533 (a) Twenty-five million dollars for hurricane mitigation
534 inspections.

535 (b) One hundred fifteen million dollars for mitigation
536 grants.

537 (c) Four million dollars for education and consumer
538 awareness.

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

541 (e) Five million dollars for administrative costs.

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

546 (4) The department may adopt emergency rules pursuant to s.
547 120.54, Florida Statutes, at any time, as are necessary to
548 implement this section and s. 215.5586, Florida Statutes, as
549 amended by this act. The Legislature finds that such emergency
550 rulemaking authority is necessary to address a critical need in
551 the state's problematic property insurance market. The

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552 Legislature further finds that the uniquely short timeframe
553 needed to effectively implement this section for the 2022-2023
554 fiscal year requires that the department adopt rules as quickly
555 as practicable. Therefore, in adopting such emergency rules, the
556 department need not make the findings required by s.
557 120.54(4) (a), Florida Statutes. Emergency rules adopted under
558 this section are exempt from s. 120.54(4) (c), Florida Statutes,
559 and shall remain in effect until replaced by rules adopted under
560 the nonemergency rulemaking procedures of chapter 120, Florida
561 Statutes, which must occur no later than July 1, 2023.

562 (5) This section shall expire on October 1, 2024.

563 Section 5. Paragraph (a) of subsection (1) of section
564 489.147, Florida Statutes, is amended to read:

565 489.147 Prohibited property insurance practices.-

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

567 (a) "Prohibited advertisement" means any written or
568 electronic communication by a contractor which ~~that~~ encourages,
569 instructs, or induces a consumer to contact a contractor or
570 public adjuster for the purpose of making an insurance claim for
571 roof damage, if such communication does not state in a font size
572 of at least 12 points and at least half as large as the largest
573 font size used in the communication that:

574 1. The consumer is responsible for payment of any insurance
575 deductible;

576 2. It is insurance fraud punishable as a felony of the
577 third degree for a contractor to knowingly or willfully, and
578 with intent to injure, defraud, or deceive, pay, waive, or
579 rebate all or part of an insurance deductible applicable to
580 payment to the contractor for repairs to a property covered by a

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581 property insurance policy; and

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

585

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

588 Section 6. Section 624.1551, Florida Statutes, is created
589 to read:

590 624.1551 Civil remedy actions against property insurers.-
591 Notwithstanding any provision of s. 624.155, a claimant must
592 establish that the property insurer breached the insurance
593 contract to prevail in a claim for extracontractual damages
594 under s. 624.155(1)(b).

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

597 624.307 General powers; duties.-

598 (4) The department and office may each collect, propose,
599 publish, and disseminate information relating to the subject
600 matter of any duties imposed upon it by law.

601 (a) Aggregate information may include information asserted
602 as trade secret information unless the trade secret information
603 can be individually extrapolated, in which case the trade secret
604 information remains protected as provided under s. 624.4213.

605 (b) The office shall publish all orders, data required by
606 s. 627.915(2), reports required by s. 627.7154(3), and all
607 reports that are not confidential and exempt on its website in a
608 timely fashion.

609 Section 8. Paragraph (j) of subsection (1) of section

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610 624.313, Florida Statutes, is amended to read:

611 624.313 Publications.—

612 (1) As early as reasonably possible, the office shall
613 annually have printed and made available a statistical report
614 which must include all of the following information on either a
615 calendar year or fiscal year basis:

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

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

624 624.315 Department; annual report.—

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

632 (c) Names of insurers against which delinquency or similar
633 proceedings were instituted. For property insurers for which
634 the delinquency or similar proceedings were instituted, the
635 annual report must also include the date that each insurer was
636 deemed impaired of capital or surplus, as the terms impairment
637 of capital and impairment of surplus are defined in s. 631.011,
638 or insolvent, as the term insolvency is defined in s. 631.011;

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639 ~~and~~ a concise statement of the circumstances that led to each
640 insurer's delinquency; a summary of the actions taken by the
641 insurer and the office to avoid delinquency; and the results or
642 status of each such proceeding.

643 (2) The office shall maintain the following information and
644 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

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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 court
693 of this state against a surplus lines insurer in favor of any
694 named or omnibus insured or the named beneficiary under a policy
695 or contract executed by the insurer on or after the effective
696 date of this act, the trial court or, if the insured or

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697 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

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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
751 this state which contains a deductible provision that:

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

754 (4)

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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
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

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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
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.

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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.

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 percent
838 of the roof.

839

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

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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
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 section, 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.-

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

873 (a) For a dwelling, the insurer must initially pay at least
874 the actual cash value of the insured loss, less any applicable
875 deductible. The insurer shall pay any remaining amounts
876 necessary to perform such repairs as work is performed and
877 expenses are incurred. However, if a roof deductible under s.
878 627.701(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 insurer
899 as possessing the necessary qualifications to properly complete

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900 a general inspection of a residential structure insured with a
901 homeowner's insurance policy.

902 (b) An insurer may not refuse to issue or refuse to renew a
903 homeowner's policy insuring a residential structure with a roof
904 that is less than 15 years old solely because of the age of the
905 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) For purposes of this subsection, a roof's age shall be
917 calculated using the last date on which 100 percent of the
918 roof's surface area was built or replaced in accordance with the
919 building code in effect at that time or the initial date of a
920 partial roof replacement when subsequent partial roof builds or
921 replacements were completed that resulted in 100 percent of the
922 roof's surface area being built or replaced.

923 (e) This subsection applies to homeowners' insurance
924 policies issued or renewed on or after July 1, 2022.

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

928 627.70131 Insurer's duty to acknowledge communications

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929 regarding claims; investigation.-

930 (3) (a) Unless otherwise provided by the policy of insurance
931 or by law, within 14 days after an insurer receives proof of
932 loss statements, the insurer shall begin such investigation as
933 is reasonably necessary unless the failure to begin such
934 investigation is caused by factors beyond the control of the
935 insurer which reasonably prevent the commencement of such
936 investigation.

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

944 (c) Any subsequent communication with the policyholder
945 regarding the claim must also include the name and license
946 number of the adjuster communicating about the claim.
947 Communication of the adjuster's name and license number may be
948 included with other information provided to the policyholder.

949 (d) Within 7 days after the insurer's assignment of an
950 adjuster to the claim, the insurer must notify the policyholder
951 that he or she may request a copy of any detailed estimate of
952 the amount of the loss generated by an insurer's adjuster. After
953 receiving such a request from the policyholder, the insurer must
954 send any such detailed estimate to the policyholder within the
955 later of 7 days after the insurer received the request or 7 days
956 after the detailed estimate of the amount of the loss is
957 completed. This paragraph does not require that an insurer

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958 create a detailed estimate of the amount of the loss if such
959 estimate is not reasonably necessary as part of the claim
960 investigation.

961 (7) (a) Within 90 days after an insurer receives notice of
962 an initial, reopened, or supplemental property insurance claim
963 from a policyholder, the insurer shall pay or deny such claim or
964 a portion of the claim unless the failure to pay is caused by
965 factors beyond the control of the insurer which reasonably
966 prevent such payment. The insurer shall provide a reasonable
967 explanation in writing to the policyholder of the basis in the
968 insurance policy, in relation to the facts or applicable law,
969 for the payment, denial, or partial denial of a claim. If the
970 insurer's claim payment is less than specified in any insurer's
971 detailed estimate of the amount of the loss, the insurer must
972 provide a reasonable explanation in writing of the difference to
973 the policyholder. Any payment of an initial or supplemental
974 claim or portion of such claim made 90 days after the insurer
975 receives notice of the claim, or made more than 15 days after
976 there are no longer factors beyond the control of the insurer
977 which reasonably prevented such payment, whichever is later,
978 bears interest at the rate set forth in s. 55.03. Interest
979 begins to accrue from the date the insurer receives notice of
980 the claim. The provisions of this subsection may not be waived,
981 voided, or nullified by the terms of the insurance policy. If
982 there is a right to prejudgment interest, the insured must ~~shall~~
983 select whether to receive prejudgment interest or interest under
984 this subsection. Interest is payable when the claim or portion
985 of the claim is paid. Failure to comply with this subsection
986 constitutes a violation of this code. However, failure to comply

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987 with this subsection does not form the sole basis for a private
988 cause of action.

989 Section 16. Paragraph (d) of subsection (2) and subsection
990 (8) of section 627.70152, Florida Statutes, are amended to read:
991 627.70152 Suits arising under a property insurance policy.—

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

993 (d) "Presuit settlement demand" means the demand made by
994 the claimant in the written notice of intent to initiate
995 litigation as required by paragraph (3)(a) ~~(3)(e)~~. The demand
996 must include the amount of reasonable and necessary attorney
997 fees and costs incurred by the claimant, to be calculated by
998 multiplying the number of hours actually worked on the claim by
999 the claimant's attorney as of the date of the notice by a
1000 reasonable hourly rate.

1001 (8) ATTORNEY FEES.—

1002 (a) In a suit arising under a residential or commercial
1003 property insurance policy not brought by an assignee, the amount
1004 of reasonable attorney fees and costs under s. 626.9373(1) or s.
1005 627.428(1) shall be calculated and awarded as follows:

1006 1. If the difference between the amount obtained by the
1007 claimant and the presuit settlement offer, excluding reasonable
1008 attorney fees and costs, is less than 20 percent of the disputed
1009 amount, each party pays its own attorney fees and costs and a
1010 claimant may not be awarded attorney fees under s. 626.9373(1)
1011 or s. 627.428(1).

1012 2. If the difference between the amount obtained by the
1013 claimant and the presuit settlement offer, excluding reasonable
1014 attorney fees and costs, is at least 20 percent but less than 50
1015 percent of the disputed amount, the insurer pays the claimant's

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1016 attorney fees and costs under s. 626.9373(1) or s. 627.428(1)
1017 equal to the percentage of the disputed amount obtained times
1018 the total attorney fees and costs.

1019 3. If the difference between the amount obtained by the
1020 claimant and the presuit settlement offer, excluding reasonable
1021 attorney fees and costs, is at least 50 percent of the disputed
1022 amount, the insurer pays the claimant's full attorney fees and
1023 costs under s. 626.9373(1) or s. 627.428(1).

1024 (b) In a suit arising under a residential or commercial
1025 property insurance policy not brought by an assignee, if a court
1026 dismisses a claimant's suit pursuant to subsection (5), the
1027 court may not award to the claimant any incurred attorney fees
1028 for services rendered before the dismissal of the suit. When a
1029 claimant's suit is dismissed pursuant to subsection (5), the
1030 court may award to the insurer reasonable attorney fees and
1031 costs associated with securing the dismissal.

1032 (c) In awarding attorney fees under this subsection, a
1033 strong presumption is created that a lodestar fee is sufficient
1034 and reasonable. Such presumption may be rebutted only in a rare
1035 and exceptional circumstance with evidence that competent
1036 counsel could not be retained in a reasonable manner.

1037 Section 17. Section 627.7142, Florida Statutes, is amended
1038 to read:

1039 627.7142 Homeowner Claims Bill of Rights.—An insurer
1040 issuing a personal lines residential property insurance policy
1041 in this state must provide a Homeowner Claims Bill of Rights to
1042 a policyholder within 14 days after receiving an initial
1043 communication with respect to a claim. The purpose of the bill
1044 of rights is to summarize, in simple, nontechnical terms,

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1045 existing Florida law regarding the rights of a personal lines
1046 residential property insurance policyholder who files a claim of
1047 loss. The Homeowner Claims Bill of Rights is specific to the
1048 claims process and does not represent all of a policyholder's
1049 rights under Florida law regarding the insurance policy. The
1050 Homeowner Claims Bill of Rights does not create a civil cause of
1051 action by any individual policyholder or class of policyholders
1052 against an insurer or insurers. The failure of an insurer to
1053 properly deliver the Homeowner Claims Bill of Rights is subject
1054 to administrative enforcement by the office but is not
1055 admissible as evidence in a civil action against an insurer. The
1056 Homeowner Claims Bill of Rights does not enlarge, modify, or
1057 contravene statutory requirements, including, but not limited
1058 to, ss. 626.854, 626.9541, 627.70131, 627.7015, and 627.7074,
1059 and does not prohibit an insurer from exercising its right to
1060 repair damaged property in compliance with the terms of an
1061 applicable policy or ss. 627.7011(6)(e) ~~627.7011(5)(e)~~ and
1062 627.702(7). The Homeowner Claims Bill of Rights must state:

1063

1064 HOMEOWNER CLAIMS

1065 BILL OF RIGHTS

1066 This Bill of Rights is specific to the claims process
1067 and does not represent all of your rights under
1068 Florida law regarding your policy. There are also
1069 exceptions to the stated timelines when conditions are
1070 beyond your insurance company's control. This document
1071 does not create a civil cause of action by an
1072 individual policyholder, or a class of policyholders,
1073 against an insurer or insurers and does not prohibit

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1074 an insurer from exercising its right to repair damaged
1075 property in compliance with the terms of an applicable
1076 policy.

1077
1078 YOU HAVE THE RIGHT TO:

1079 1. Receive from your insurance company an
1080 acknowledgment of your reported claim within 14 days
1081 after the time you communicated the claim.

1082 2. Upon written request, receive from your
1083 insurance company within 30 days after you have
1084 submitted a complete proof-of-loss statement to your
1085 insurance company, confirmation that your claim is
1086 covered in full, partially covered, or denied, or
1087 receive a written statement that your claim is being
1088 investigated.

1089 3. Within 90 days, subject to any dual interest
1090 noted in the policy, receive full settlement payment
1091 for your claim or payment of the undisputed portion of
1092 your claim, or your insurance company's denial of your
1093 claim.

1094 4. Receive payment of interest, as provided in s.
1095 627.70131, Florida Statutes, from your insurance
1096 company, which begins accruing from the date your
1097 claim is filed if your insurance company does not pay
1098 full settlement of your initial, reopened, or
1099 supplemental claim or the undisputed portion of your
1100 claim or does not deny your claim within 90 days after
1101 your claim is filed. The interest, if applicable, must
1102 be paid when your claim or the undisputed portion of

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1103 your claim is paid.

1104 5. Free mediation of your disputed claim by the
1105 Florida Department of Financial Services, Division of
1106 Consumer Services, under most circumstances and
1107 subject to certain restrictions.

1108 6. Neutral evaluation of your disputed claim, if
1109 your claim is for damage caused by a sinkhole and is
1110 covered by your policy.

1111 7. Contact the Florida Department of Financial
1112 Services, Division of Consumer Services' toll-free
1113 helpline for assistance with any insurance claim or
1114 questions pertaining to the handling of your claim.
1115 You can reach the Helpline by phone at ...(toll-free
1116 phone number)..., or you can seek assistance online at
1117 the Florida Department of Financial Services, Division
1118 of Consumer Services' website at ...(website
1119 address)....

1120

1121 YOU ARE ADVISED TO:

1122 1. File all claims directly with your insurance
1123 company.

1124 2. Contact your insurance company before entering
1125 into any contract for repairs to confirm any managed
1126 repair policy provisions or optional preferred
1127 vendors.

1128 3. Make and document emergency repairs that are
1129 necessary to prevent further damage. Keep the damaged
1130 property, if feasible, keep all receipts, and take
1131 photographs or video of damage before and after any

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1132 repairs to provide to your insurer.

1133 4. Carefully read any contract that requires you
1134 to pay out-of-pocket expenses or a fee that is based
1135 on a percentage of the insurance proceeds that you
1136 will receive for repairing or replacing your property.

1137 5. Confirm that the contractor you choose is
1138 licensed to do business in Florida. You can verify a
1139 contractor's license and check to see if there are any
1140 complaints against him or her by calling the Florida
1141 Department of Business and Professional Regulation.
1142 You should also ask the contractor for references from
1143 previous work.

1144 6. Require all contractors to provide proof of
1145 insurance before beginning repairs.

1146 7. Take precautions if the damage requires you to
1147 leave your home, including securing your property and
1148 turning off your gas, water, and electricity, and
1149 contacting your insurance company and provide a phone
1150 number where you can be reached.

1151 Section 18. Subsection (1), paragraph (a) of subsection
1152 (2), subsection (8), paragraph (a) of subsection (9), and
1153 subsection (10) of section 627.7152, Florida Statutes, are
1154 amended to read:

1155 627.7152 Assignment agreements.—

1156 (1) As used in this section, the term:

1157 (a) "Assignee" means a person who is assigned post-loss
1158 benefits through an assignment agreement.

1159 (b) "Assignment agreement" means any instrument by which
1160 post-loss benefits under a residential property insurance policy

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1161 or commercial property insurance policy, as that term is defined
1162 in s. 627.0625(1), are assigned or transferred, or acquired in
1163 any manner, in whole or in part, to or from a person providing
1164 services, including, but not limited to, inspecting, protecting,
1165 repairing, restoring, or replacing the ~~to protect, repair,~~
1166 ~~restore, or replace~~ property or mitigating ~~to mitigate~~ against
1167 further damage to the property. The term does not include fees
1168 collected by a public adjuster as defined in s. 626.854(1).

1169 (c) "Assignor" means a person who assigns post-loss
1170 benefits under a residential property insurance policy or
1171 commercial property insurance policy to another person through
1172 an assignment agreement.

1173 ~~(d) "Disputed amount" means the difference between the~~
1174 ~~assignee's presuit settlement demand and the insurer's presuit~~
1175 ~~settlement offer.~~

1176 ~~(e) "Judgment obtained" means damages recovered, if any,~~
1177 ~~but does not include any amount awarded for attorney fees,~~
1178 ~~costs, or interest.~~

1179 ~~(f) "Presuit settlement demand" means the demand made by~~
1180 ~~the assignee in the written notice of intent to initiate~~
1181 ~~litigation as required by paragraph (9) (a).~~

1182 ~~(e)-(g)~~ (e) "Presuit settlement offer" means the offer made by
1183 the insurer in its written response to the notice of intent to
1184 initiate litigation as required by paragraph (9) (b).

1185 (2) (a) An assignment agreement must:

1186 1. Be in writing and executed by and between the assignor
1187 and the assignee.

1188 2. Contain a provision that allows the assignor to rescind
1189 the assignment agreement without a penalty or fee by submitting

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1190 a written notice of rescission signed by the assignor to the
1191 assignee within 14 days after the execution of the agreement, at
1192 least 30 days after the date work on the property is scheduled
1193 to commence if the assignee has not substantially performed, or
1194 at least 30 days after the execution of the agreement if the
1195 agreement does not contain a commencement date and the assignee
1196 has not begun substantial work on the property.

1197 3. Contain a provision requiring the assignee to provide a
1198 copy of the executed assignment agreement to the insurer within
1199 3 business days after the date on which the assignment agreement
1200 is executed or the date on which work begins, whichever is
1201 earlier. Delivery of the copy of the assignment agreement to the
1202 insurer may be made:

1203 a. By personal service, overnight delivery, or electronic
1204 transmission, with evidence of delivery in the form of a receipt
1205 or other paper or electronic acknowledgment by the insurer; or

1206 b. To the location designated for receipt of such
1207 agreements as specified in the policy.

1208 4. Contain a written, itemized, per-unit cost estimate of
1209 the services to be performed by the assignee.

1210 5. Relate only to work to be performed by the assignee for
1211 services to protect, repair, restore, or replace a dwelling or
1212 structure or to mitigate against further damage to such
1213 property.

1214 6. Contain the following notice in 18-point uppercase and
1215 boldfaced type:

1216

1217 YOU ARE AGREEING TO GIVE UP CERTAIN RIGHTS YOU HAVE
1218 UNDER YOUR INSURANCE POLICY TO A THIRD PARTY, WHICH

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1219 MAY RESULT IN LITIGATION AGAINST YOUR INSURER. PLEASE
1220 READ AND UNDERSTAND THIS DOCUMENT BEFORE SIGNING IT.
1221 YOU HAVE THE RIGHT TO CANCEL THIS AGREEMENT WITHOUT
1222 PENALTY WITHIN 14 DAYS AFTER THE DATE THIS AGREEMENT
1223 IS EXECUTED, AT LEAST 30 DAYS AFTER THE DATE WORK ON
1224 THE PROPERTY IS SCHEDULED TO COMMENCE IF THE ASSIGNEE
1225 HAS NOT SUBSTANTIALLY PERFORMED, OR AT LEAST 30 DAYS
1226 AFTER THE EXECUTION OF THE AGREEMENT IF THE AGREEMENT
1227 DOES NOT CONTAIN A COMMENCEMENT DATE AND THE ASSIGNEE
1228 HAS NOT BEGUN SUBSTANTIAL WORK ON THE PROPERTY.
1229 HOWEVER, YOU ARE OBLIGATED FOR PAYMENT OF ANY
1230 CONTRACTED WORK PERFORMED BEFORE THE AGREEMENT IS
1231 RESCINDED. THIS AGREEMENT DOES NOT CHANGE YOUR
1232 OBLIGATION TO PERFORM THE DUTIES REQUIRED UNDER YOUR
1233 PROPERTY INSURANCE POLICY.

1234
1235 7. Contain a provision requiring the assignee to indemnify
1236 and hold harmless the assignor from all liabilities, damages,
1237 losses, and costs, including, but not limited to, attorney fees,
1238 ~~should the policy subject to the assignment agreement prohibit,~~
1239 ~~in whole or in part, the assignment of benefits.~~

1240 (8) The assignee shall indemnify and hold harmless the
1241 assignor from all liabilities, damages, losses, and costs,
1242 including, but not limited to, attorney fees, ~~should the policy~~
1243 ~~subject to the assignment agreement prohibit, in whole or in~~
1244 ~~part, the assignment of benefits.~~

1245 (9) (a) An assignee must provide the named insured, insurer,
1246 and the assignor, if not the named insured, with a written
1247 notice of intent to initiate litigation before filing suit under

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1248 the policy. Such notice must be served at least 10 business days
1249 before filing suit, but not before the insurer has made a
1250 determination of coverage under s. 627.70131. The notice must be
1251 served by certified mail, return receipt requested, to the name
1252 and mailing address designated by the insurer in the policy
1253 forms or by electronic delivery to the e-mail address designated
1254 by the insurer in the policy forms ~~at least 10 business days~~
1255 ~~before filing suit, but may not be served before the insurer has~~
1256 ~~made a determination of coverage under s. 627.70131. The notice~~
1257 must specify the damages in dispute, the amount claimed, and a
1258 presuit settlement demand. Concurrent with the notice, and as a
1259 precondition to filing suit, the assignee must provide the named
1260 insured, insurer, and the assignor, if not the named insured, a
1261 detailed written invoice or estimate of services, including
1262 itemized information on equipment, materials, and supplies; the
1263 number of labor hours; and, in the case of work performed, proof
1264 that the work has been performed in accordance with accepted
1265 industry standards.

1266 (10) Notwithstanding any other provision of law, in a suit
1267 related to an assignment agreement for post-loss claims arising
1268 under a residential or commercial property insurance policy,
1269 attorney fees and costs may be recovered by an assignee only
1270 under s. 57.105 ~~and this subsection.~~

1271 ~~(a) If the difference between the judgment obtained by the~~
1272 ~~assignee and the presuit settlement offer is:~~

1273 ~~1. Less than 25 percent of the disputed amount, the insurer~~
1274 ~~is entitled to an award of reasonable attorney fees.~~

1275 ~~2. At least 25 percent but less than 50 percent of the~~
1276 ~~disputed amount, no party is entitled to an award of attorney~~

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1277 ~~fees.~~

1278 ~~3. At least 50 percent of the disputed amount, the assignee~~
1279 ~~is entitled to an award of reasonable attorney fees.~~

1280 ~~(b) If the insurer fails to inspect the property or provide~~
1281 ~~written or oral authorization for repairs within 7 calendar days~~
1282 ~~after the first notice of loss, the insurer waives its right to~~
1283 ~~an award of attorney fees under this subsection. If the failure~~
1284 ~~to inspect the property or provide written or oral authorization~~
1285 ~~for repairs is the result of an event for which the Governor had~~
1286 ~~declared a state of emergency under s. 252.36, factors beyond~~
1287 ~~the control of the insurer which reasonably prevented an~~
1288 ~~inspection or written or oral authorization for repairs, or the~~
1289 ~~named insured's failure or inability to allow an inspection of~~
1290 ~~the property after a request by the insurer, the insurer does~~
1291 ~~not waive its right to an award of attorney fees under this~~
1292 ~~subsection.~~

1293 ~~(c) If an assignee commences an action in any court of this~~
1294 ~~state based upon or including the same claim against the same~~
1295 ~~adverse party that such assignee has previously voluntarily~~
1296 ~~dismissed in a court of this state, the court may order the~~
1297 ~~assignee to pay the attorney fees and costs of the adverse party~~
1298 ~~resulting from the action previously voluntarily dismissed. The~~
1299 ~~court shall stay the proceedings in the subsequent action until~~
1300 ~~the assignee has complied with the order.~~

1301 Section 19. Section 627.7154, Florida Statutes, is created
1302 to read:

1303 627.7154 Property Insurer Stability Unit; duties and
1304 required reports.-

1305 (1) A property insurer stability unit is created within the

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1306 office to aid in the detection and prevention of insurer
1307 insolvencies in the homeowners' and condominium unit owners'
1308 insurance market. The following responsibilities are limited
1309 only to matters related to homeowners' and condominium unit
1310 owners' insurance.

1311 (2) The insurer stability unit shall provide enhanced
1312 monitoring whenever the office identifies significant concerns
1313 about an insurer's solvency, rates, proposed contracts,
1314 underwriting rules, market practices, claims handling, consumer
1315 complaints, litigation practices and outcomes, and any other
1316 issue related to compliance with the insurance code.

1317 (3) The insurer stability unit shall, at a minimum:

1318 (a) Conduct a target market exam when there is reason to
1319 believe that an insurer's claims practices, rate requirements,
1320 investment activities, or financial statements suggest that the
1321 insurer may be in an unsound financial condition.

1322 (b) Closely monitor all risk-based capital reports, own-
1323 risk solvency assessments, reinsurance agreements, and financial
1324 statements filed by insurers selling homeowners' and condominium
1325 unit owners' insurance policies in this state.

1326 (c) Have primary responsibility to conduct annual
1327 catastrophe stress tests of all domestic insurers and insurers
1328 that are commercially domiciled in this state.

1329 1. The insurer stability unit shall cooperate with the
1330 Florida Commission on Hurricane Loss Projection Methodology to
1331 select the hurricane scenarios that are used in the annual
1332 catastrophe stress test.

1333 2. Catastrophe stress testing must determine:

1334 a. Whether an individual insurer can survive a one in 130-

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1335 year probable maximum loss (PML), and a second event 50-year
1336 return PML following a first event that exceeds a 100-year
1337 return PML; and

1338 b. The impact of the selected hurricane scenarios on the
1339 Citizens Property Insurance Corporation, the Florida Hurricane
1340 Catastrophe Fund, the Florida Insurance Guaranty Association,
1341 and taxpayers.

1342 (d) Update wind mitigation credits required by s. 627.711
1343 and associated rules.

1344 (e) Review the causes of insolvency and business practices
1345 of insurers that have been referred to the department's Division
1346 of Rehabilitation and Liquidation and make recommendations to
1347 prevent similar failures in the future.

1348 (f) On January 1 and July 1 of each year, provide a report
1349 on the status of the homeowners' and condominium unit owners'
1350 insurance market to the Governor, the President of the Senate,
1351 the Speaker of the House of Representatives, the Minority Leader
1352 of the Senate, the Minority Leader of the House of
1353 Representatives, and the chairs of the legislative committees
1354 with jurisdiction over matters of insurance showing:

1355 1. Litigation practices and outcomes of insurance
1356 companies.

1357 2. Percentage of homeowners and condominium unit owners who
1358 obtain insurance in the voluntary market.

1359 3. Percentage of homeowners and condominium unit owners who
1360 obtain insurance from the Citizens Property Insurance
1361 Corporation.

1362 4. Profitability of the homeowners' and condominium unit
1363 owners' lines of insurance in this state, including a comparison

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1364 with similar lines of insurance in other hurricane-prone states
1365 and with the national average.

1366 5. Average premiums charged for homeowners' and condominium
1367 unit owners' insurance in each of the 67 counties in this state.

1368 6. Results of the latest annual catastrophe stress tests of
1369 all domestic insurers and insurers that are commercially
1370 domiciled in this state.

1371 7. The availability of reinsurance in the personal lines
1372 insurance market.

1373 8. The number of property and casualty insurance carriers
1374 referred to the insurer stability unit for enhanced monitoring,
1375 including the reason for the referral.

1376 9. The number of referrals to the insurer stability unit
1377 which were deemed appropriate for enhanced monitoring, including
1378 the reason for the monitoring.

1379 10. The name of any insurer against which delinquency
1380 proceedings were instituted, including the grounds for
1381 rehabilitation pursuant to s. 631.051 and the date that each
1382 insurer was deemed impaired of capital or surplus, as the terms
1383 impairment of capital and impairment of surplus are defined in
1384 s. 631.011, or insolvent, as the term insolvency is defined in
1385 s. 631.011; a concise statement of the circumstances that led to
1386 the insurer's delinquency; and a summary of the actions taken by
1387 the insurer and the office to avoid delinquency.

1388 11. Recommendations for improvements to the regulation of
1389 the homeowners' and condominium unit owners' insurance market
1390 and an indication of whether such improvements require any
1391 change to existing laws or rules.

1392 12. Identification of any trends that may warrant attention

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1393 in the future.

1394 (4) Any of the following events must trigger a referral to
1395 the insurer stability unit:

1396 (a) Consumer complaints related to homeowners' insurance or
1397 condominium unit owners' insurance under s. 624.307(10), if the
1398 complaints, in the aggregate, suggest a trend within the
1399 marketplace and are not an isolated incident.

1400 (b) There is reason to believe that an insurer who is
1401 authorized to sell homeowners' or condominium unit owners'
1402 insurance in this state has engaged in an unfair trade practice
1403 under part IX of chapter 626.

1404 (c) A market conduct examination determines that an insurer
1405 has exhibited a pattern or practice of willful violations of an
1406 unfair insurance trade practice related to claims-handling which
1407 caused harm to policyholders, as prohibited by s.
1408 626.9541(1)(i).

1409 (d) An insurer authorized to sell homeowners' or
1410 condominium unit owners' insurance in this state requests a rate
1411 increase that exceeds 15 percent, in accordance with s.
1412 627.0629(6).

1413 (e) An insurer authorized to sell homeowners' or
1414 condominium unit owners' insurance in this state violates the
1415 ratio of actual or projected annual written premiums required by
1416 s. 624.4095(4)(a).

1417 (f) An insurer authorized to sell homeowners' or
1418 condominium unit owners' insurance in this state files a notice
1419 pursuant to s. 624.4305 advising the office that it intends to
1420 nonrenew more than 10,000 residential property insurance
1421 policies in this state within a 12-month period.

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1422 (g) A quarterly or annual financial statement required by
1423 ss. 624.424 and 627.915 demonstrates that an insurer authorized
1424 to sell homeowners' or condominium unit owners' insurance in
1425 this state is in an unsound condition, as defined in s.
1426 624.80(2); has exceeded its powers in a manner as described in
1427 s. 624.80(3); is impaired, as defined in s. 631.011(12) or (13);
1428 or is insolvent, as defined in s. 631.011.

1429 (h) An insurer authorized to sell homeowners' or
1430 condominium unit owners' insurance in this state files a
1431 quarterly or annual financial statement required by ss. 624.424
1432 and 627.915 which is misleading or contains material errors.

1433 (i) An insurer authorized to sell homeowners' or
1434 condominium unit owners' insurance in this state fails to timely
1435 file a quarterly or annual financial statement required by ss.
1436 624.424 and 627.915.

1437 (j) An insurer authorized to sell homeowners' or
1438 condominium unit owners' insurance in this state files a risk-
1439 based capital report that triggers a company action level event,
1440 regulatory action level event, authorized control level event,
1441 or mandatory control level event, as those terms are defined in
1442 s. 624.4085.

1443 (k) An insurer selling homeowners' or condominium unit
1444 owners' insurance in this state that is subject to the own-risk
1445 solvency assessment requirement of s. 628.8015, and fails to
1446 timely file the own-risk solvency assessment.

1447 (l) A reinsurance agreement creates a substantial risk of
1448 insolvency for an insurer authorized to sell homeowners' or
1449 condominium unit owners' insurance in this state, pursuant to s.
1450 624.610(13).

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1451 (m) An insurer authorized to sell homeowners' or
1452 condominium unit owners' insurance in this state is party to a
1453 reinsurance agreement that does not create a meaningful transfer
1454 of risk of loss to the reinsurer, pursuant to s. 624.610(14).

1455 (n) Citizens Property Insurance Corporation is required to
1456 absorb policies from an insurer that participated in the
1457 corporation's depopulation program authorized by s. 627.3511
1458 within 3 years after the insurer takes policies out of the
1459 corporation.

1460
1461 The insurer stability unit's supervisors shall review all
1462 referrals triggered by the statutory provisions to determine
1463 whether enhanced scrutiny of the insurer is appropriate.

1464 (5) Expenses of the insurer stability unit shall be paid
1465 from moneys allocated to the Insurance Regulatory Trust Fund.
1466 However, if the unit recommends that a market conduct exam or
1467 targeted market exam be conducted, the reasonable cost of the
1468 examination shall be paid by the person examined, in accordance
1469 with s. 624.3161.

1470 Section 20. Subsection (1) of section 631.031, Florida
1471 Statutes, is amended to read:

1472 631.031 Initiation and commencement of delinquency
1473 proceeding.—

1474 (1) Upon a determination by the office that one or more
1475 grounds for the initiation of delinquency proceedings exist
1476 pursuant to this chapter and that delinquency proceedings must
1477 be initiated, the Director of the Office of Insurance Regulation
1478 shall notify the department of such determination and shall
1479 provide the department with all necessary documentation and

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1480 evidence. If the director must notify the department of a
1481 determination regarding a property insurer, the notification
1482 must include an affidavit that identifies the grounds for
1483 rehabilitation pursuant to s. 631.051; the date that each
1484 insurer was deemed impaired of capital or surplus, as the terms
1485 impairment of capital and impairment of surplus are defined in
1486 s. 631.011, or insolvent, as the term insolvency is defined in
1487 s. 631.011; a concise statement of the circumstances that led to
1488 the insurer's delinquency; and a summary of the actions taken by
1489 the insurer and the office to avoid delinquency. The department
1490 shall then initiate such delinquency proceedings.

1491 Section 21. Subsection (3) of section 631.398, Florida
1492 Statutes, is amended to read:

1493 631.398 Prevention of insolvencies.—To aid in the detection
1494 and prevention of insurer insolvencies or impairments:

1495 (3) (a) The department shall, no later than the conclusion
1496 of any domestic insurer insolvency proceeding, prepare a summary
1497 report containing such information as is in its possession
1498 relating to the history and causes of such insolvency, including
1499 a statement of the business practices of such insurer which led
1500 to such insolvency.

1501 (b) For an insolvency involving a domestic property
1502 insurer, the department shall:

1503 1. Begin an analysis of the history and causes of the
1504 insolvency once the department is appointed by the court as
1505 receiver.

1506 2. Submit an initial report analyzing the history and
1507 causes of the insolvency to the Governor, the President of the
1508 Senate, the Speaker of the House of Representatives, and the

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1509 office. The initial report must be submitted no later than 4
1510 months after the department is appointed as receiver. The
1511 initial report shall be updated at least annually until the
1512 submission of the final report. The report may not be used as
1513 evidence in any proceeding brought by the department or others
1514 to recover assets on behalf of the receivership estate as part
1515 of its duties under s. 631.141(8). The submission of a report
1516 under this subparagraph shall not be considered a waiver of any
1517 evidentiary privilege the department may assert under state or
1518 federal law.

1519 3. Provide a special report to the Governor, the President
1520 of the Senate, the Speaker of the House of Representatives, and
1521 the office, within 10 days upon identifying any condition or
1522 practice that may lead to insolvency in the property insurance
1523 marketplace.

1524 4. Submit a final report analyzing the history and causes
1525 of the insolvency and the review of the Office of Insurance
1526 Regulation's regulatory oversight of the insurer to the
1527 Governor, the President of the Senate, the Speaker of the House
1528 of Representatives, and the office within 30 days of the
1529 conclusion of the insolvency proceeding.

1530 5. Review the Office of Insurance Regulation's regulatory
1531 oversight of the insurer.

1532 Section 22. If any law amended by this act was also amended
1533 by a law enacted during the 2022 Regular Session of the
1534 Legislature, such laws shall be construed as if enacted during
1535 the same session of the Legislature, and full effect shall be
1536 given to each if possible.

1537 Section 23. Except as otherwise expressly provided in this

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1538 | act, this act shall take effect upon becoming a law.