

By Senator Perry

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1 A bill to be entitled
2 An act relating to insurance; amending s. 627.062,
3 F.S.; authorizing residential property insurance rate
4 filings to use a specified modeling indication;
5 amending s. 627.0628, F.S.; authorizing a designee of
6 the Director of the Division of Emergency Management
7 to be a member of the Florida Commission on Hurricane
8 Loss Projection Methodology; providing a requirement
9 for such designee; amending s. 627.0629, F.S.;
10 authorizing insurers to file with the Office of
11 Insurance Regulation personal lines residential
12 property insurance rating plans providing rate
13 differentials based on certain windstorm mitigation
14 construction standards; providing requirements for
15 such plans; amending s. 627.0665, F.S.; revising the
16 timeframe for notices from insurers to insureds of
17 automatic bank withdrawal increases; specifying the
18 increase threshold for such notices; amending s.
19 627.7276, F.S.; revising the requirements for the
20 notice of limited coverage under certain automobile
21 policies; providing an effective date.

22
23 Be It Enacted by the Legislature of the State of Florida:

24
25 Section 1. Paragraph (j) of subsection (2) of section
26 627.062, Florida Statutes, is amended to read:

27 627.062 Rate standards.—

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

29 (j) With respect to residential property insurance rate

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30 filings, the rate filing:

31 1. Must account for mitigation measures undertaken by
32 policyholders to reduce hurricane losses.

33 2. May use a modeling indication that is the weighted or
34 straight average of two or more hurricane loss projection models
35 found by the Florida Commission on Hurricane Loss Projection
36 Methodology to be accurate or reliable pursuant to s. 627.0628.

37
38 The provisions of this subsection do not apply to workers'
39 compensation, employer's liability insurance, and motor vehicle
40 insurance.

41 Section 2. Paragraph (b) of subsection (2) of section
42 627.0628, Florida Statutes, is amended to read:

43 627.0628 Florida Commission on Hurricane Loss Projection
44 Methodology; public records exemption; public meetings
45 exemption.—

46 (2) COMMISSION CREATED.—

47 (b) The commission shall consist of the following 12
48 members:

49 1. The insurance consumer advocate.

50 2. The senior employee of the State Board of Administration
51 responsible for operations of the Florida Hurricane Catastrophe
52 Fund.

53 3. The Executive Director of the Citizens Property
54 Insurance Corporation.

55 4. The Director of the Division of Emergency Management or
56 the director's designee. The director's designee must be a full-
57 time employee of the division.

58 5. The actuary member of the Florida Hurricane Catastrophe

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59 Fund Advisory Council.

60 6. An employee of the office who is an actuary responsible
61 for property insurance rate filings and who is appointed by the
62 director of the office.

63 7. Five members appointed by the Chief Financial Officer,
64 as follows:

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

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

73 c. An expert in statistics who is a full-time member of the
74 faculty of the State University System and who has a background
75 in insurance.

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

78 e. An expert in meteorology who is a full-time member of
79 the faculty of the State University System and who specializes
80 in hurricanes.

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

85 Section 3. Subsection (9) is added to section 627.0629,
86 Florida Statutes, to read:

87 627.0629 Residential property insurance; rate filings.—

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88 (9) An insurer may file with the office a personal lines
89 residential property insurance rating plan that provides
90 justified premium discounts, credits, or other rate
91 differentials based on windstorm mitigation construction
92 standards developed by an independent, nonprofit scientific
93 research organization, if such standards meet the requirements
94 of this section. Such plan must describe the manner in which the
95 insurer will document the existence of the mitigation features
96 and premium discounts, credits, or other rate differentials
97 created under such plan.

98 Section 4. Section 627.0665, Florida Statutes, is amended
99 to read:

100 627.0665 Automatic bank withdrawal agreements; notification
101 required.—Any insurer licensed to issue insurance in the state
102 who has an automatic bank withdrawal agreement with an insured
103 party for the payment of insurance premiums for any type of
104 insurance shall give the named insured at least 10 ~~15~~ days
105 advance written notice of any increase in policy premiums which
106 results in the next automatic bank withdrawal being increased by
107 more than \$10. Such notice must be provided before ~~prior to~~ any
108 automatic bank withdrawal containing the ~~of an~~ increased
109 premium.

110 Section 5. Section 627.7276, Florida Statutes, is amended
111 to read:

112 627.7276 Notice of limited coverage.—

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

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118 "THIS POLICY DOES NOT PROVIDE BODILY INJURY AND
119 PROPERTY DAMAGE LIABILITY INSURANCE OR ANY OTHER
120 COVERAGE FOR WHICH A SPECIFIC PREMIUM CHARGE IS NOT
121 MADE, AND DOES NOT COMPLY WITH ANY FINANCIAL
122 RESPONSIBILITY LAW."

123

124 (2) This notice legend must accompany ~~appear on~~ the policy
125 declarations ~~declaration~~ page and ~~on the filing back of the~~
126 ~~policy~~ and must be ~~printed~~ in a ~~contrasting color from that used~~
127 ~~on the policy and in~~ type size at least as large as ~~larger than~~
128 the ~~largest~~ type size used on the declarations page ~~in the text~~
129 thereof, ~~as an overprint or by a rubber stamp impression.~~

130

Section 6. This act shall take effect July 1, 2023.