

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	_____	(Y/N)
ADOPTED AS AMENDED	_____	(Y/N)
ADOPTED W/O OBJECTION	_____	(Y/N)
FAILED TO ADOPT	_____	(Y/N)
WITHDRAWN	_____	(Y/N)
OTHER		

1 Committee/Subcommittee hearing bill: Commerce Committee
 2 Representative Berfield offered the following:

Amendment (with title amendment)

Remove lines 205-210 and insert:

6 (2) This notice ~~legend~~ must appear on the policy
 7 declaration page ~~and on the filing back of the policy~~ and be
 8 printed in bold type ~~a contrasting color from that used on the~~
 9 ~~policy and in type larger than the largest type used in the text~~
 10 ~~thereof, as an overprint or by a rubber stamp impression.~~

11 Section 9. Subsection (7) of section 327.54, Florida
 12 Statutes, is amended to read:

327.54 Liveries; safety regulations; penalty.—

14 (7) A livery may not lease or rent or offer to lease or
 15 rent any livery vessel unless the livery: ~~first~~

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16 (a) Obtains and carries in full force and effect a policy
17 from a licensed insurance carrier in this state which insures
18 the livery ~~and the renter~~ against any accident, loss, injury,
19 property damage, or other casualty caused by or resulting from
20 the operation of the livery vessel. The insurance policy must
21 provide coverage of at least \$500,000 per person and \$1 million
22 per event. The livery shall have proof of such insurance
23 available for inspection at the location where livery vessels
24 are being leased or rented, or offered for lease or rent, and
25 shall provide to each renter the insurance carrier's name and
26 address and the insurance policy number; and

27 (b) Either:

28 1. Obtains and carries in full force and effect a policy
29 from a licensed insurance carrier in this state which insures
30 the renter in the same manner and amounts of the policy obtained
31 by the livery under paragraph (a) and provides to each renter
32 the insurance carrier's name and address and the insurance
33 policy number; or

34 2. Presents the renter with the opportunity to purchase
35 coverage which insures the renter against any accident, loss,
36 injury, property damage, or other casualty caused by or
37 resulting from the operation of the livery vessel of at least
38 \$500,000 per person and \$1 million per event. If a renter
39 chooses not to purchase the coverage, the livery must obtain a

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40 signed acknowledgement from the renter that the opportunity to
41 purchase coverage was declined.

42

43 This subsection does not apply to human-powered vessels.

44 Section 10. Section 1. Subsection (12) is added to
45 section 624.4621, Florida Statutes, to read:

46 624.4621 Group self-insurance funds.—

47 (12) For any local governmental entity that is a member of
48 a self-insurer established under this section, only an elected
49 official of the local governmental entity may be the local
50 governmental entity's representative on the self-insurer's
51 governing body.

52 Section 11. Paragraph (d) of subsection (3) of section
53 627.701, Florida statutes, is amended to read:

54 627.701 Liability of Insureds; coinsurance; deductibles.—

55 (3)

56 (d) For the following policies, the following alternative
57 deductible amounts are authorized:

58 1. With respect to a policy covering a risk with dwelling
59 limits of \$250,000 or more, the insurer need not offer the \$500
60 hurricane deductible as required by paragraph (a), but must,
61 except as otherwise provided in this subsection, offer the other
62 hurricane deductibles as required by paragraph (a).

63 2. With respect to a policy covering a risk with dwelling
64 limits of \$1 million or more, but less than \$3 million, the

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65 insurer may, in lieu of offering the 2 percent deductible as
66 required by paragraph (a), offer a deductible amount applicable
67 to hurricane losses equal to 3 percent of the policy dwelling
68 limits.

69 3. With respect to a policy covering a risk with dwelling
70 limits of \$3 million or more, the insurer need not offer the 2
71 percent deductible as required by paragraph (a), but must,
72 except as otherwise provided by this subsection, offer the other
73 hurricane deductibles as required by paragraph (a).

74 Section 12. Paragraph (b) of subsection (8) of section
75 634.041, Florida Statutes, is amended to read:

76 634.041 Qualifications for license.—To qualify for and
77 hold a license to issue service agreements in this state, a
78 service agreement company must be in compliance with this part,
79 with applicable rules of the commission, with related sections
80 of the Florida Insurance Code, and with its charter powers and
81 must comply with the following:

82 (8)

83 (b) A service agreement company does not have to establish
84 and maintain an unearned premium reserve if it secures and
85 maintains contractual liability insurance in accordance with the
86 following:

87 1. Coverage of 100 percent of the claim exposure is
88 obtained from an insurer approved by the office, which holds a
89 certificate of authority under s. 624.401 to do business within

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90 this state, or secured through a risk retention group, which is
91 authorized to do business within this state under s. 627.943 or
92 s. 627.944. Such insurer or risk retention group must maintain a
93 surplus as regards policyholders of at least \$15 million.

94 2. If the service agreement company does not meet its
95 contractual obligations, the contractual liability insurance
96 policy binds its issuer to pay or cause to be paid to the
97 service agreement holder all legitimate claims and cancellation
98 refunds for all service agreements issued by the service
99 agreement company while the policy was in effect. This
100 requirement also applies to those service agreements for which
101 no premium has been remitted to the insurer.

102 3. If the issuer of the contractual liability policy is
103 fulfilling the service agreements covered by the contractual
104 liability policy and the service agreement holder cancels the
105 service agreement, the issuer must make a full refund of
106 unearned premium to the consumer, subject to the cancellation
107 fee provisions of s. 634.121(3). The sales representative and
108 agent must refund to the contractual liability policy issuer
109 their unearned pro rata commission.

110 4. The policy may not be canceled, terminated, or
111 nonrenewed by the insurer or the service agreement company
112 unless a 90-day written notice thereof has been given to the
113 office by the insurer before the date of the cancellation,
114 termination, or nonrenewal.

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115 5. The service agreement company must provide the office
116 with the claims statistics.

117 6. A policy issued in compliance with this subparagraph
118 may either pay 100 percent of claims as they are incurred, or
119 100 percent of claims due in the event of the failure of the
120 service agreement company to pay such claims when due.

121
122 All funds or premiums remitted to an insurer by a motor vehicle
123 service agreement company under this part shall remain in the
124 care, custody, and control of the insurer and shall be counted
125 as an asset of the insurer; provided, however, this requirement
126 does not apply when the insurer and the motor vehicle service
127 agreement company are affiliated companies and members of an
128 insurance holding company system. If the motor vehicle service
129 agreement company chooses to comply with this paragraph but also
130 maintains a reserve to pay claims, such reserve shall only be
131 considered an asset of the covered motor vehicle service
132 agreement company and may not be simultaneously counted as an
133 asset of any other entity.

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

138

Remove line 27 and insert:

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 505 (2023)

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139 policies; amending s. 327.54, F.S.; providing circumstances when
140 liveries must obtain and provide insurance to renters; providing
141 renters the opportunity to purchase insurance covering livery
142 vessels; amending s. 624.4621, F.S.; specifying a qualification
143 for a local governmental entity's representative on a self-
144 insurer's governing body; amending s. 627.701, F.S.; revising
145 and specifying alternative hurricane deductible amounts for
146 personal lines residential property insurance policies covering
147 risks with specified dwelling limits; amending s. 634.401, F.S.;
148 revising the definition of the term "manufacturer"; providing an
149 effective date.