

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WITHDRAWN	_____	(Y/N)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: Insurance & Banking
 2 Subcommittee

3 Representative Berfield offered the following:

4

5 **Amendment (with title amendment)**

6 Remove lines 23-107 and insert:

7 Section 1. Paragraph (d) of subsection (2) of section
 8 626.8411, Florida Statutes, is amended to read:

9 626.8411 Application of Florida Insurance Code provisions
 10 to title agents or agencies.—

11 (2) The following provisions of part I do not apply to
 12 title insurance agents or title insurance agencies:

13 (d) Section 626.172, except for paragraph (2) (e) ~~(f)~~ of
 14 that section, relating to agent in full-time charge.

15 Section 2. Paragraph (j) of subsection (2) of section
 16 627.062, Florida Statutes, is amended to read:

Amendment No. 1

17 627.062 Rate standards.—

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

19 (j) With respect to residential property insurance rate
20 filings, the rate filing:

21 1. Must account for mitigation measures undertaken by
22 policyholders to reduce hurricane losses.

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

27
28 The provisions of this subsection do not apply to workers'
29 compensation, employer's liability insurance, and motor vehicle
30 insurance.

31 Section 3. Paragraph (b) of subsection (2) of section
32 627.0628, Florida Statutes, is amended to read:

33 627.0628 Florida Commission on Hurricane Loss Projection
34 Methodology; public records exemption; public meetings
35 exemption.—

36 (2) COMMISSION CREATED.—

37 (b) The commission shall consist of the following 12
38 members:

39 1. The insurance consumer advocate.

Amendment No. 1

40 2. The senior employee of the State Board of
41 Administration responsible for operations of the Florida
42 Hurricane Catastrophe Fund.

43 3. The Executive Director of the Citizens Property
44 Insurance Corporation or the director's designee. The director's
45 designee must be a full-time employee of the corporation with
46 either actuarial science experience or senior operations
47 management experience.

48 4. The Director of the Division of Emergency Management or
49 the director's designee. The director's designee must be a full-
50 time employee of the division.

51 5. The actuary member of the Florida Hurricane Catastrophe
52 Fund Advisory Council.

53 6. An employee of the office who is an actuary responsible
54 for property insurance rate filings and who is appointed by the
55 director of the office.

56 7. Five members appointed by the Chief Financial Officer,
57 as follows:

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

Amendment No. 1

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

66 c. An expert in statistics who is a full-time member of
67 the faculty of the State University System and who has a
68 background in insurance.

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

71 e. An expert in meteorology who is a full-time member of
72 the faculty of the State University System and who specializes
73 in hurricanes.

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

78 Section 4. Subsection (9) is added to section 627.0629,
79 Florida Statutes, to read:

80 627.0629 Residential property insurance; rate filings.—

81 (9) An insurer may file with the office a personal lines
82 residential property insurance rating plan that provides
83 justified premium discounts, credits, or other rate
84 differentials based on windstorm mitigation construction
85 standards developed by an independent, nonprofit scientific
86 research organization, if such standards meet the requirements
87 of this section. Such plan must describe the manner in which the

Amendment No. 1

88 insurer will document the existence of the mitigation features
89 and premium discounts, credits, or other rate differentials
90 created under such plan.

91 Section 5. Section 627.0665, Florida Statutes, is amended
92 to read:

93 627.0665 Automatic bank withdrawal agreements;
94 notification required.—Any insurer licensed to issue insurance
95 in the state who has an automatic bank withdrawal agreement with
96 an insured party for the payment of insurance premiums for any
97 type of insurance shall give the named insured at least 10 ~~15~~
98 days advance written notice of any increase in policy premiums
99 which results in the next automatic bank withdrawal being
100 increased by more than \$10. Such notice must be provided before
101 ~~prior to~~ any automatic bank withdrawal containing the ~~of an~~
102 increased premium.

103 Section 6. Section 1. Subsection (1) of section 627.421,
104 Florida Statutes, is amended to read:

105 627.421 Delivery of policy.—

106 (1) Subject to the insurer's requirement as to payment of
107 premium, every policy shall be mailed, delivered, or
108 electronically transmitted to the insured or to the person
109 entitled thereto not later than 60 days after the effectuation
110 of coverage. Notwithstanding any other provision of law, an
111 insurer may allow a policyholder of personal lines insurance to
112 affirmatively elect delivery of the policy documents, including,

939447 - h0505-line 23.docx

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Amendment No. 1

113 but not limited to, policies, endorsements, notices, or
114 documents, by electronic means in lieu of delivery by mail.
115 Electronic transmission of a policy, related notices, and other
116 documents for individual and group health insurance policies or
117 certificates of coverage pursuant to parts VI and VII of this
118 chapter, respectively; health maintenance contracts or
119 certificates of coverage pursuant to part I of chapter 641;
120 prepaid limited health service contracts pursuant to part I of
121 chapter 636; and ~~for~~ commercial risks, including, but not
122 limited to, workers' compensation and employers' liability,
123 commercial automobile liability, commercial automobile physical
124 damage, commercial lines residential property, commercial
125 nonresidential property, farmowners insurance, and the types of
126 commercial lines risks set forth in s. 627.062(3)(d),
127 constitutes delivery to the insured or to the person entitled to
128 delivery, unless the insured or the person entitled to delivery
129 communicates to the insurer in writing or electronically that he
130 or she does not agree to delivery by electronic means.
131 ~~Electronic transmission shall include a notice to the insured or~~
132 ~~to the person entitled to delivery of a policy of his or her~~
133 ~~right to receive the policy via United States mail rather than~~
134 ~~via electronic transmission. A paper copy of the policy shall be~~
135 ~~provided to the insured or to the person entitled to delivery at~~
136 ~~his or her request.~~

Amendment No. 1

137 Section 7. Paragraph (a) of subsection (2) and subsection
138 (3) of section 627.712, Florida Statutes, are amended to read:
139 627.712 Residential windstorm coverage required;
140 availability of exclusions for windstorm or contents.—

141 (2) A property insurer must make available, at the option
142 of the policyholder, an exclusion of windstorm coverage.

143 (a) The coverage may be excluded only if:

144 1. When the policyholder is a natural person, the
145 policyholder personally writes or types and provides to the
146 insurer the following statement ~~in his or her own handwriting~~
147 and signs his or her name, which must also be signed by every
148 other named insured on the policy, and dated: "I do not want the
149 insurance on my (home/mobile home/condominium unit) to pay for
150 damage from windstorms. I will pay those costs. My insurance
151 will not."

152 2. When the policyholder is other than a natural person,
153 the policyholder provides to the insurer on the policyholder's
154 letterhead the following statement that must be signed by the
155 policyholder's authorized representative and dated: "... (Name of
156 entity)... does not want the insurance on its ...(type of
157 structure)... to pay for damage from windstorms. ...(Name of
158 entity)... will be responsible for these costs. ...(Name of
159 entity's)... insurance will not."

160 (3) An insurer issuing a residential property insurance
161 policy, except for a condominium unit owner policy or a tenant

Amendment No. 1

162 policy, must make available, at the option of the policyholder,
163 an exclusion of coverage for the contents. The coverage may be
164 excluded only if the policyholder personally writes or types and
165 provides to the insurer the following statement ~~in his or her~~
166 ~~own handwriting~~ and signs his or her signature, which must also
167 be signed by every other named insured on the policy, and dated:
168 "I do not want the insurance on my (home/mobile home) to pay for
169 the costs to repair or replace any contents that are damaged. I
170 will pay those costs. My insurance will not."

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

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Remove lines 2-16 and insert:

175

An act relating to insurance; amending s. 626.8411, F.S.;

176

correcting a cross reference; amending s. 627.062, F.S.;

177

revising requirements for residential property insurance rate

178

filings; amending s. 627.0628, F.S.; authorizing the appointment

179

of two members of the Florida Commission on Hurricane Loss

180

Projection Methodology; providing requirements for such

181

designees; amending s. 627.0629, F.S.; authorizing insurers to

182

file with the Office of Insurance Regulation personal lines

183

residential property insurance rating plans relating to

184

windstorm mitigation construction standards; providing

185

requirements for such filings; amending s. 627.0665, F.S.;

186

revising the timeframe for notices from insurers to insureds of

939447 - h0505-line 23.docx

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Amendment No. 1

187 | automatic bank withdrawal increases; specifying the increase
188 | threshold for such notices; amending s. 627.421, F.S.; allowing
189 | electronic delivery of insurance policy documents for certain
190 | health insurance policies, certificates of coverage, or
191 | contracts; eliminating requirements for paper delivery of
192 | certain insurance policies; amending s. 627.712, F.S.; allowing
193 | insurance policyholders to type the intent to decline certain
194 | coverage instead of handwriting it;