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A bill to be entitled  
 An act relating to insurance; amending s. 327.54,  
 F.S.; prohibiting liveries from leasing or renting or  
 offering to lease or to rent livery vessels unless  
 certain duties relating to insurance are fulfilled;  
 amending s. 624.4621, F.S.; specifying a qualification  
 for a local governmental entity's representative on a  
 self-insurer's governing body; amending s. 626.8411,  
 F.S.; correcting a cross-reference; amending s.  
 627.062, F.S.; revising requirements for residential  
 property insurance rate filings; amending s. 627.0628,  
 F.S.; authorizing the appointment of certain designees  
 to the Florida Commission on Hurricane Loss Projection  
 Methodology; providing requirements for such  
 designees; amending s. 627.0629, F.S.; authorizing  
 insurers to file with the Office of Insurance  
 Regulation personal lines residential property  
 insurance rating plans relating to windstorm  
 mitigation construction standards; providing  
 requirements for such filings; amending s. 627.0665,  
 F.S.; revising the timeframe for notices from insurers  
 to insureds of automatic bank withdrawal increases;  
 specifying the increase threshold for such notices;  
 amending s. 627.421, F.S.; authorizing electronic  
 delivery of insurance policy documents for certain

26 health insurance policies, certificates of coverage,  
 27 and contracts; eliminating requirements for paper  
 28 delivery of certain insurance policies; amending s.  
 29 627.701, F.S.; revising and providing alternative  
 30 hurricane deductible amounts for personal lines  
 31 residential property insurance policies covering risks  
 32 with specified dwelling limits; amending s. 627.712,  
 33 F.S.; authorizing insurance policyholders to type the  
 34 intent to decline certain coverage; amending s.  
 35 627.7276, F.S.; revising the requirements for the  
 36 notice of certain automobile policies; amending s.  
 37 628.905, F.S.; providing a foreign pure captive  
 38 insurance company may do business in the state under  
 39 certain circumstances; amending s. 634.041, F.S.;  
 40 revising circumstances under which service agreement  
 41 companies do not have to establish and maintain  
 42 unearned premium reserves; providing an effective  
 43 date.

44  
 45 Be It Enacted by the Legislature of the State of Florida:

46  
 47 Section 1. Subsection (7) of section 327.54, Florida  
 48 Statutes, is amended to read:

49 327.54 Liveries; safety regulations; penalty.—

50 (7) A livery may not lease or rent or offer to lease or

51 rent any livery vessel unless the livery: ~~first~~

52 (a) Obtains and carries in full force and effect a policy  
53 from a licensed insurance carrier in this state which insures  
54 the livery ~~and the renter~~ against any accident, loss, injury,  
55 property damage, or other casualty caused by or resulting from  
56 the operation of the livery vessel. The insurance policy must  
57 provide coverage of at least \$500,000 per person and \$1 million  
58 per event. The livery shall have proof of such insurance  
59 available for inspection at the location where livery vessels  
60 are being leased or rented, or offered for lease or rent, and  
61 shall provide to each renter the insurance carrier's name and  
62 address and the insurance policy number; and

63 (b) Either:

64 1. Obtains and carries in full force and effect a policy  
65 from a licensed insurance carrier in this state which insures  
66 the renter in the same manner and amounts of the policy obtained  
67 by the livery under paragraph (a) and provides to each renter  
68 the insurance carrier's name and address and the insurance  
69 policy number; or

70 2. Presents the renter with the opportunity to purchase  
71 coverage that insures the renter against any accident, loss,  
72 injury, property damage, or other casualty caused by or  
73 resulting from the operation of the livery vessel of at least  
74 \$500,000 per person and \$1 million per event. If the renter  
75 chooses not to purchase the coverage, the livery must obtain a

76 signed acknowledgement from the renter which includes the  
 77 following statement:

78  
 79 I UNDERSTAND THAT I AM REFUSING TO PURCHASE A  
 80 VESSEL RENTAL INSURANCE POLICY FOR COVERAGE OF AT  
 81 LEAST \$500,000 PER PERSON AND \$1 MILLION PER EVENT  
 82 FOR ANY DAMAGE OR INJURY CAUSED DIRECTLY OR  
 83 INDIRECTLY BY MY OPERATION OF THE VESSEL.

84  
 85 THE VESSEL RENTAL INSURANCE POLICY COVERAGE IS  
 86 BEING OFFERED TO ME AT THE FOLLOWING PRICE:  
 87 (INSERT BINDABLE PRICE OF INSURANCE BEING  
 88 DECLINED) .

89  
 90 I UNDERSTAND THAT I MAY NOT HAVE OTHER INSURANCE  
 91 TO COVER ANY DAMAGE OR INJURY CAUSED DIRECTLY OR  
 92 INDIRECTLY BY MY OPERATION OF THE VESSEL AND THAT  
 93 I MAY BE PERSONALLY LIABLE FOR ANY DAMAGE OR  
 94 INJURY DURING THE RENTAL PERIOD.

95  
 96 This subsection does not apply to human-powered vessels.

97 Section 2. Subsection (12) is added to section 624.4621,  
 98 Florida Statutes, to read:

99 624.4621 Group self-insurance funds.—

100 (12) For a local governmental entity that is a member of a

101 self-insurer established under this section, only an elected  
 102 official of the local governmental entity may be the local  
 103 governmental entity's representative on the self-insurer's  
 104 governing body.

105 Section 3. Paragraph (d) of subsection (2) of section  
 106 626.8411, Florida Statutes, is amended to read:

107 626.8411 Application of Florida Insurance Code provisions  
 108 to title insurance agents or agencies.—

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

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

113 Section 4. Paragraph (j) of subsection (2) of section  
 114 627.062, Florida Statutes, is amended to read:

115 627.062 Rate standards.—

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

117 (j) With respect to residential property insurance rate  
 118 filings, the rate filing:

119 1. Must account for mitigation measures undertaken by  
 120 policyholders to reduce hurricane losses.

121 2. May use a modeling indication that is the weighted or  
 122 straight average of two or more hurricane loss projection models  
 123 found by the Florida Commission on Hurricane Loss Projection  
 124 Methodology to be accurate or reliable pursuant to s. 627.0628.  
 125

126 The provisions of this subsection do not apply to workers'  
127 compensation, employer's liability insurance, and motor vehicle  
128 insurance.

129 Section 5. Paragraph (b) of subsection (2) of section  
130 627.0628, Florida Statutes, is amended to read:

131 627.0628 Florida Commission on Hurricane Loss Projection  
132 Methodology; public records exemption; public meetings  
133 exemption.—

134 (2) COMMISSION CREATED.—

135 (b) The commission shall consist of the following 12  
136 members:

137 1. The insurance consumer advocate.

138 2. The senior employee of the State Board of  
139 Administration responsible for operations of the Florida  
140 Hurricane Catastrophe Fund.

141 3. The Executive Director of the Citizens Property  
142 Insurance Corporation or the director's designee. Such designee  
143 must be a full-time employee of the corporation with actuarial  
144 science experience or senior operations management experience.

145 4. The Director of the Division of Emergency Management or  
146 the director's designee. Such designee must be a full-time  
147 employee of the division.

148 5. The actuary member of the Florida Hurricane Catastrophe  
149 Fund Advisory Council.

150 6. An employee of the office who is an actuary responsible

151 for property insurance rate filings and who is appointed by the  
152 director of the office.

153 7. Five members appointed by the Chief Financial Officer,  
154 as follows:

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

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

163 c. An expert in statistics who is a full-time member of  
164 the faculty of the State University System and who has a  
165 background in insurance.

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

168 e. An expert in meteorology who is a full-time member of  
169 the faculty of the State University System and who specializes  
170 in hurricanes.

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

175 Section 6. Subsection (9) is added to section 627.0629,

176 Florida Statutes, to read:

177 627.0629 Residential property insurance; rate filings.—

178 (9) An insurer may file with the office a personal lines

179 residential property insurance rating plan that provides

180 justified premium discounts, credits, or other rate

181 differentials based on windstorm mitigation construction

182 standards developed by an independent, nonprofit scientific

183 research organization, if such standards meet the requirements

184 of this section. Such plan must describe the manner in which the

185 insurer will document the existence of the mitigation features

186 and premium discounts, credits, or other rate differentials

187 created under such plan.

188 Section 7. Section 627.0665, Florida Statutes, is amended  
189 to read:

190 627.0665 Automatic bank withdrawal agreements;

191 notification required.—Any insurer licensed to issue insurance

192 in the state who has an automatic bank withdrawal agreement with

193 an insured party for the payment of insurance premiums for any

194 type of insurance shall give the named insured at least 10 ~~15~~

195 days advance written notice of any increase in policy premiums

196 which results in the next automatic bank withdrawal being

197 increased by more than \$10. Such notice must be provided before

198 ~~prior to~~ any automatic bank withdrawal containing the ~~of an~~

199 increased premium.

200 Section 8. Subsection (1) of section 627.421, Florida



201 Statutes, is amended to read:  
 202       627.421 Delivery of policy.—  
 203       (1) Subject to the insurer's requirement as to payment of  
 204 premium, every policy shall be mailed, delivered, or  
 205 electronically transmitted to the insured or to the person  
 206 entitled thereto not later than 60 days after the effectuation  
 207 of coverage. Notwithstanding any other provision of law, an  
 208 insurer may allow a policyholder of personal lines insurance to  
 209 affirmatively elect delivery of the policy documents, including,  
 210 but not limited to, policies, endorsements, notices, or  
 211 documents, by electronic means in lieu of delivery by mail.  
 212 Electronic transmission of a policy, related notices, and other  
 213 documents for individual and group health insurance policies or  
 214 certificates of coverage pursuant to parts VI and VII,  
 215 respectively; health maintenance contracts or certificates of  
 216 coverage pursuant to part I of chapter 641; prepaid limited  
 217 health service contracts pursuant to part I of chapter 636; and  
 218 ~~for~~ commercial risks, including, but not limited to, workers'  
 219 compensation and employers' liability, commercial automobile  
 220 liability, commercial automobile physical damage, commercial  
 221 lines residential property, commercial nonresidential property,  
 222 farmowners insurance, and the types of commercial lines risks  
 223 set forth in s. 627.062(3)(d), constitutes delivery to the  
 224 insured or to the person entitled to delivery, unless the  
 225 insured or the person entitled to delivery communicates to the

226 insurer in writing or electronically that he or she does not  
227 agree to delivery by electronic means. ~~Electronic transmission~~  
228 ~~shall include a notice to the insured or to the person entitled~~  
229 ~~to delivery of a policy of his or her right to receive the~~  
230 ~~policy via United States mail rather than via electronic~~  
231 ~~transmission. A paper copy of the policy shall be provided to~~  
232 ~~the insured or to the person entitled to delivery at his or her~~  
233 ~~request.~~

234 Section 9. Paragraph (d) of subsection (3) of section  
235 627.701, Florida statutes, is amended to read:

236 627.701 Liability of insureds; coinsurance; deductibles.-

237 (3)

238 (d) The following alternative deductible amounts are  
239 authorized for the following policies:

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

245 2. With respect to a policy covering a risk with dwelling  
246 limits of \$1 million or more, but less than \$3 million, the  
247 insurer may, in lieu of offering the 2 percent deductible as  
248 required by paragraph (a), offer a deductible amount applicable  
249 to hurricane losses equal to 3 percent of the policy dwelling  
250 limits.

251        3. With respect to a policy covering a risk with dwelling  
 252 limits of \$3 million or more, the insurer need not offer the 2  
 253 percent deductible as required by paragraph (a) but must, except  
 254 as otherwise provided in this subsection, offer the other  
 255 hurricane deductibles as required by paragraph (a).

256        Section 10. Paragraph (a) of subsection (2) and subsection  
 257 (3) of section 627.712, Florida Statutes, are amended to read:

258        627.712 Residential windstorm coverage required;  
 259 availability of exclusions for windstorm or contents.—

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

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

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

271        2. When the policyholder is other than a natural person,  
 272 the policyholder provides to the insurer on the policyholder's  
 273 letterhead the following statement that must be signed by the  
 274 policyholder's authorized representative and dated: "... (Name of  
 275 entity) ... does not want the insurance on its ... (type of

276 structure)... to pay for damage from windstorms. ... (Name of  
 277 entity)... will be responsible for these costs. ... (Name of  
 278 entity's)... insurance will not."

279 (3) An insurer issuing a residential property insurance  
 280 policy, except for a condominium unit owner policy or a tenant  
 281 policy, must make available, at the option of the policyholder,  
 282 an exclusion of coverage for the contents. The coverage may be  
 283 excluded only if the policyholder personally writes or types and  
 284 provides to the insurer the following statement ~~in his or her~~  
 285 ~~own handwriting~~ and signs his or her signature, which must also  
 286 be signed by every other named insured on the policy, and dated:  
 287 "I do not want the insurance on my (home/mobile home) to pay for  
 288 the costs to repair or replace any contents that are damaged. I  
 289 will pay those costs. My insurance will not."

290 Section 11. Section 627.7276, Florida Statutes, is amended  
 291 to read:

292 627.7276 Notice of limited coverage.—

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

297 "THIS POLICY DOES NOT PROVIDE BODILY INJURY AND PROPERTY DAMAGE  
 298 LIABILITY INSURANCE OR ANY OTHER COVERAGE FOR WHICH A SPECIFIC  
 299 PREMIUM CHARGE IS NOT MADE, AND DOES NOT COMPLY WITH ANY  
 300 FINANCIAL RESPONSIBILITY LAW."

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

306           Section 12. Subsection (8) is added to section 628.905,  
 307 Florida Statutes, to read:

308           628.905 Licensing; authority.—

309           (8) Notwithstanding any provision to the contrary in the  
 310 Florida Insurance Code, a foreign pure captive insurance company  
 311 organized under the laws of any United States jurisdiction as of  
 312 January 1, 2023, and operating in compliance with the laws of  
 313 such jurisdiction may issue policies of insurance to its parent  
 314 or affiliated companies covering environmental liability and  
 315 financial responsibility requirements associated with  
 316 underground storage tanks in this state. Before commencing such  
 317 business in this state, such foreign pure captive insurance  
 318 company shall provide to the office the following:

319           (a) A certified copy of its license or certificate of  
 320 authority issued by its state of domicile indicating that it is  
 321 licensed to write property and casualty lines of business.

322           (b) A certificate from its domiciliary regulator  
 323 indicating that it is in good standing with such regulator and  
 324 complies with all applicable laws.

325           (c) An executed Form OIR-C1-144, Service of Process

326 Consent and Agreement.

327 (d) Evidence that it complies with the capital and surplus  
 328 requirements of its state of domicile. The office may request  
 329 any documents submitted to the domiciliary state regulator that  
 330 the office deems necessary to determine the company's compliance  
 331 under this paragraph.

332  
 333 A foreign pure captive insurance company writing business in  
 334 this state under this subsection is not subject to any other  
 335 provisions of the insurance code.

336 Section 13. Paragraph (b) of subsection (8) of section  
 337 634.041, Florida Statutes, is amended to read:

338 634.041 Qualifications for license.—To qualify for and  
 339 hold a license to issue service agreements in this state, a  
 340 service agreement company must be in compliance with this part,  
 341 with applicable rules of the commission, with related sections  
 342 of the Florida Insurance Code, and with its charter powers and  
 343 must comply with the following:

344 (8)

345 (b) A service agreement company does not have to establish  
 346 and maintain an unearned premium reserve if it secures and  
 347 maintains contractual liability insurance in accordance with the  
 348 following:

349 1. Coverage of 100 percent of the claim exposure is  
 350 obtained from an insurer approved by the office, which holds a

351 certificate of authority under s. 624.401 to do business within  
352 this state, or secured through a risk retention group, which is  
353 authorized to do business within this state under s. 627.943 or  
354 s. 627.944. Such insurer or risk retention group must maintain a  
355 surplus as regards policyholders of at least \$15 million.

356 2. If the service agreement company does not meet its  
357 contractual obligations, the contractual liability insurance  
358 policy binds its issuer to pay or cause to be paid to the  
359 service agreement holder all legitimate claims and cancellation  
360 refunds for all service agreements issued by the service  
361 agreement company while the policy was in effect. This  
362 requirement also applies to those service agreements for which  
363 no premium has been remitted to the insurer.

364 3. If the issuer of the contractual liability policy is  
365 fulfilling the service agreements covered by the contractual  
366 liability policy and the service agreement holder cancels the  
367 service agreement, the issuer must make a full refund of  
368 unearned premium to the consumer, subject to the cancellation  
369 fee provisions of s. 634.121(3). The sales representative and  
370 agent must refund to the contractual liability policy issuer  
371 their unearned pro rata commission.

372 4. The policy may not be canceled, terminated, or  
373 nonrenewed by the insurer or the service agreement company  
374 unless a 90-day written notice thereof has been given to the  
375 office by the insurer before the date of the cancellation,

376 termination, or nonrenewal.

377 5. The service agreement company must provide the office  
378 with the claims statistics.

379 6. A policy issued in compliance with this paragraph which  
380 pays either 100 percent of claims as they are incurred or 100  
381 percent of claims due in the event of the failure of the service  
382 agreement company to pay such claims when due.

383

384 All funds or premiums remitted to an insurer by a motor vehicle  
385 service agreement company under this part shall remain in the  
386 care, custody, and control of the insurer and shall be counted  
387 as an asset of the insurer; provided, however, this requirement  
388 does not apply when the insurer and the motor vehicle service  
389 agreement company are affiliated companies and members of an  
390 insurance holding company system. If the motor vehicle service  
391 agreement company chooses to comply with this paragraph but also  
392 maintains a reserve to pay claims, such reserve shall only be  
393 considered an asset of the covered motor vehicle service  
394 agreement company and may not be simultaneously counted as an  
395 asset of any other entity.

396 Section 14. This act shall take effect July 1, 2023.