

1                   A bill to be entitled  
2           An act relating to insurer accountability; amending s.  
3           624.307, F.S.; authorizing electronic responses to  
4           certain requests from the Division of Consumer  
5           Services of the Department of Financial Services  
6           concerning consumer complaints; revising the timeframe  
7           in which responses must be made; revising  
8           administrative penalties; amending s. 624.315, F.S.;  
9           specifying reporting requirements for the Office of  
10          Insurance Regulation in the office's annual report  
11          relating to the enforcement of insurer compliance;  
12          creating s. 624.3152, F.S.; specifying requirements  
13          for the office to report quarterly to the Legislature  
14          relating to the enforcement of insurer compliance;  
15          amending s. 624.316, F.S.; revising the minimum  
16          frequency and the time coverage of insurer  
17          examinations by the office; requiring the office to  
18          create, and the Financial Services Commission to adopt  
19          by rule, a specified methodology for scheduling and  
20          conducting examinations of insurers and certain other  
21          entities; providing construction; specifying  
22          requirements for such methodology; providing rule  
23          requirements; amending s. 624.3161, F.S.; requiring,  
24          rather than authorizing, authorized property insurers  
25          to be subject to an additional market conduct

26 examination after a hurricane if specified conditions  
 27 are met; revising the applicability of such  
 28 conditions; requiring the office to create, and the  
 29 commission to adopt by rule, a specified methodology  
 30 for scheduling and conducting market conduct  
 31 examinations of insurers and certain other entities;  
 32 providing construction; specifying requirements for  
 33 such methodology; providing rule requirements;  
 34 amending s. 624.4211, F.S.; revising administrative  
 35 fines the office may impose in lieu of revocation or  
 36 suspension; amending s. 626.207, F.S.; revising a  
 37 condition for disqualification of an insurance  
 38 representative applicant or licensee; amending s.  
 39 626.9521, F.S.; revising and specifying applicable  
 40 fines for unfair methods of competition and unfair or  
 41 deceptive acts or practices; amending s. 626.9541,  
 42 F.S.; providing an additional an unfair claim  
 43 settlement practice by an insurer; prohibiting a  
 44 director or an officer of an impaired insurer from  
 45 authorizing or permitting the insurer to pay a bonus  
 46 to any officer or director of the insurer; providing a  
 47 criminal penalty; defining the term "bonus"; amending  
 48 s. 626.989, F.S.; revising a reporting requirement for  
 49 the department's Division of Investigative and  
 50 Forensic Services; requiring the division's Bureau of

51 Insurance Fraud to submit an annual performance report  
52 to the Legislature; providing report requirements;  
53 amending s. 627.0629, F.S.; requiring residential  
54 property insurers to provide certain hurricane  
55 mitigation discount information to policyholders in a  
56 specified manner; specifying requirements for the  
57 office in reevaluating and updating certain fixtures  
58 and construction techniques; deleting obsolete dates;  
59 amending s. 627.351, F.S.; prohibiting Citizens  
60 Property Insurance Corporation from determining that a  
61 risk is ineligible for coverage solely on a specified  
62 basis; providing applicability; amending s. 627.701,  
63 F.S.; prohibiting certain deductibles under personal  
64 lines residential property insurance policies from  
65 being applied under specified circumstances; amending  
66 s. 627.70132, F.S.; providing for the tolling of  
67 certain timeframes for filing notices of property  
68 insurance claims for servicemembers; providing  
69 construction; authorizing positions and providing  
70 appropriations; providing an effective date.

71  
72 Be It Enacted by the Legislature of the State of Florida:

73  
74 Section 1. Paragraph (b) of subsection (10) of section  
75 624.307, Florida Statutes, is amended to read:

76 | 624.307 General powers; duties.—

77 | (10)

78 | (b) Any person licensed or issued a certificate of  
 79 | authority by the department or the office shall respond, in  
 80 | writing or electronically, to the division within 14 ~~20~~ days  
 81 | after receipt of a written request for documents and information  
 82 | from the division concerning a consumer complaint. The response  
 83 | must address the issues and allegations raised in the complaint  
 84 | and include any requested documents concerning the consumer  
 85 | complaint not subject to attorney-client or work-product  
 86 | privilege. The division may impose an administrative penalty for  
 87 | failure to comply with this paragraph of up to \$5,000 ~~\$2,500~~ per  
 88 | violation upon any entity licensed by the department or the  
 89 | office ~~and \$250 for the first violation, \$500 for the second~~  
 90 | ~~violation,~~ and up to \$1,000 per ~~for the third or subsequent~~  
 91 | violation upon any individual licensed by the department or the  
 92 | office.

93 | Section 2. Present subsection (4) of section 624.315,  
 94 | Florida Statutes, is redesignated as subsection (5), and a new  
 95 | subsection (4) is added to that section, to read:

96 | 624.315 Annual report.—

97 | (4) The office shall detail all actions to enforce insurer  
 98 | compliance during the previous year. For each of the following,  
 99 | the report must detail the insurer or other licensee or  
 100 | registrant against whom such action was taken; any violation of

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101 law or rule by such party and, if so, all information on such  
102 violation; and the resolution of such action, including any  
103 penalties imposed by the office. The report must be published on  
104 the website of the office and submitted to the Governor, the  
105 President of the Senate, and the Speaker of the House of  
106 Representatives on or before February 15 of each year. The  
107 report must include, but need not be limited to:

108 (a) The revocation, denial, or suspension of any license  
109 or registration issued by the office.

110 (b) All actions taken pursuant to s. 624.310.

111 (c) Fines imposed by the office for violations of the  
112 Florida Insurance Code.

113 (d) Consent orders entered into by the office.

114 (e) Examinations and investigations conducted and  
115 completed by the office pursuant to ss. 624.316 and 624.3161.

116 (f) Investigations conducted and completed, by line of  
117 insurance, for which the office found violations of law or rule  
118 but did not take enforcement action.

119 Section 3. Section 624.3152, Florida Statutes, is created  
120 to read:

121 624.3152 Quarterly report of enforcement activity.—Each  
122 quarter, the office shall create a report detailing all actions  
123 of the office to enforce insurer compliance. The report must be  
124 submitted to the commission, the President of the Senate, the  
125 Speaker of the House of Representatives, and the legislative

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126 committees with jurisdiction over matters of insurance. For each  
127 of the following, the report must detail the insurer or other  
128 licensee or registrant against whom such action was taken; any  
129 violation of law or rule by such party and, if so, all  
130 information on such violation; and the resolution of such  
131 action, including any penalties imposed by the office. The  
132 report is due on or before April 30, July 31, October 31, and  
133 January 31, for the immediately preceding quarter. The report  
134 must include, but need not be limited to:

135 (1) The revocation, denial, or suspension of any license  
136 or registration issued by the office.

137 (2) All actions taken pursuant to s. 624.310.

138 (3) Fines imposed by the office for violations of the  
139 Florida Insurance Code.

140 (4) Consent orders entered into by the office.

141 (5) Examinations and investigations conducted and  
142 completed by the office pursuant to ss. 624.316 and 624.3161.

143 (6) Investigations conducted and completed, by line of  
144 insurance, for which the office found violations of law or rule  
145 but did not take enforcement action.

146 Section 4. Paragraph (a) of subsection (2) of section  
147 624.316, Florida Statutes, is amended, and subsection (3) is  
148 added to that section, to read:

149 624.316 Examination of insurers.—

150 (2) (a) Except as provided in paragraph (f), the office may

151 examine each insurer as often as may be warranted for the  
152 protection of the policyholders and in the public interest, but  
153 must, at a minimum, examine insurers as follows:

- 154 1. High-risk insurers at least once every 3 years.  
155 2. Average-risk insurers at least once every 5 years.  
156 3. Low-risk insurers at least once every 7 years ~~and shall~~  
157 ~~examine each domestic insurer not less frequently than once~~  
158 ~~every 5 years.~~

159  
160 The examination shall cover the preceding ~~5~~ fiscal years since  
161 the last examination of the insurer, except for low-risk  
162 insurers, in which case the examination shall cover the  
163 preceding 5 fiscal years, and shall be commenced within 12  
164 months after the end of the most recent fiscal year being  
165 covered by the examination. The examination may cover any period  
166 of the insurer's operations since the last previous examination.  
167 The examination may include examination of events subsequent to  
168 the end of the most recent fiscal year and the events of any  
169 prior period that affect the present financial condition of the  
170 insurer.

171 (3) The office shall create, and the commission shall  
172 adopt by rule, a risk-based selection methodology for scheduling  
173 and conducting examinations of insurers and other entities  
174 subject to this section. This requirement does not restrict the  
175 authority of the office to conduct market conduct examinations

176 as often as it deems advisable. Such methodology must include:

177 (a) Use of currently required risk-based capital reports  
 178 to prioritize financial examinations of insurers when such  
 179 reporting indicates a decline in the insurer's financial  
 180 condition.

181 (b) Consideration of any downgrade or threatened downgrade  
 182 in the insurer's financial strength rating.

183 (c) Prioritization of property insurers for which the  
 184 office identifies significant concerns about an insurer's  
 185 solvency pursuant to s. 627.7154.

186 (d) Any other conditions the office deems necessary for  
 187 the protection of the public.

188  
 189 The office shall present the proposed rule required to implement  
 190 this subsection to the commission no later than October 1, 2023.

191 In addition to the methodology required by this subsection, the  
 192 rule must include a plan to implement the examination schedule  
 193 in subsection (2).

194 Section 5. Subsection (7) of section 624.3161, Florida  
 195 Statutes, is amended, and subsection (8) is added to that  
 196 section, to read:

197 624.3161 Market conduct examinations.—

198 (7) Notwithstanding subsection (1), any authorized insurer  
 199 transacting property insurance business in this state must ~~may~~  
 200 be subject to an additional market conduct examination after a



201 hurricane if, at any time more than 90 days after the end of the  
 202 hurricane, the insurer:

203 (a) Is among the top 20 percent of insurers based upon a  
 204 calculation of the ratio of hurricane-related property insurance  
 205 claims filed to the number of property insurance policies in  
 206 force;

207 (b) Is among the top 20 percent of insurers based upon a  
 208 calculation of the ratio of consumer complaints made to the  
 209 department to hurricane-related claims;

210 (c) Has made significant payments to its managing general  
 211 agent since the hurricane; or

212 (d) Is identified by the office as necessitating a market  
 213 conduct examination ~~exam~~ for any other reason.

214  
 215 All relevant criteria under this section and s. 624.316 shall be  
 216 applied to the market conduct examination under this subsection.  
 217 Such an examination must be initiated within 18 months after the  
 218 landfall of a hurricane that results in an executive order or a  
 219 state of emergency issued by the Governor. This requirement does  
 220 not limit in any way the authority of the office to conduct at  
 221 any time a market conduct examination of a property insurer in  
 222 the aftermath of a hurricane. An examination of an insurer under  
 223 this subsection must also include an examination of its managing  
 224 general agent as if it were the insurer.

225 (8) The office shall create, and the commission shall

226 adopt by rule, a risk-based selection methodology for scheduling  
227 and conducting market conduct examinations of insurers and other  
228 entities regulated by the office. This requirement does not  
229 restrict the authority of the office to conduct market conduct  
230 examinations as often as it deems necessary. Under such  
231 selection methodology, the office must initiate a market conduct  
232 examination if any of the following conditions exist relating to  
233 an insurer or other entity regulated by the office:

234 (a) An insurance regulator in another state has initiated  
235 or taken regulatory action against the insurer or entity,  
236 including, but not limited to:

237 1. A licensure denial, suspension, or revocation;  
238 2. Imposition of an administrative fine; or  
239 3. Issuance of a cease and desist order, consent order, or  
240 other order regarding an action or omission of the insurer or  
241 entity.

242 (b) Given the insurer's market share in this state, the  
243 department or the office has received a disproportionate number  
244 of the following types of claims-handling complaints against the  
245 insurer:

246 1. Failure to timely communicate with respect to claims;  
247 2. Failure to timely pay claims;  
248 3. Untimely payments giving rise to the payment of  
249 statutory interest;  
250 4. Failure to adjust and pay claims in accordance with the

251 terms and conditions of the policy or contract and in compliance  
 252 with state law;

253 5. Violations of the Unfair Insurance Trade Practices Act  
 254 as provided in part IX of chapter 626;

255 6. Failure to use licensed and duly appointed claims  
 256 adjusters;

257 7. Failure to maintain reasonable claims records; or

258 8. Failure to adhere to the company's claims-handling  
 259 manual.

260 (c) The results of a National Association of Insurance  
 261 Commissioners Market Conduct Annual Statement indicate that the  
 262 insurer is a negative outlier with regard to particular metrics.

263 (d) There is evidence that the insurer is engaged in a  
 264 pattern or practice of violations of the Unfair Insurance Trade  
 265 Practices Act.

266 (e) Any other conditions the office deems necessary for  
 267 the protection of the public.

268  
 269 The office shall present the proposed rule required to implement  
 270 this subsection to the commission no later than October 1, 2023.

271 In addition to the methodology required by this subsection, the  
 272 rule must provide criteria for how the office will determine  
 273 that it has received a disproportionate number of the claims-  
 274 handling complaints described in paragraph (b).

275 Section 6. Section 624.4211, Florida Statutes, is amended

276 to read:

277 624.4211 Administrative fine in lieu of suspension or  
 278 revocation.—

279 (1) If the office finds that one or more grounds exist for  
 280 the discretionary revocation or suspension of a certificate of  
 281 authority issued under this chapter, the office may, in lieu of  
 282 such revocation or suspension, impose a fine upon the insurer.

283 (2) (a) With respect to a ~~any~~ nonwillful violation, such  
 284 fine may not exceed:

285 1. Twenty-five thousand dollars per violation, up to an  
 286 aggregate amount of \$100,000 for all nonwillful violations  
 287 arising out of the same action, related to a covered loss or  
 288 claim caused by an emergency for which the Governor declared a  
 289 state of emergency pursuant to s. 252.36.

290 2. Twelve thousand five hundred dollars ~~\$5,000~~ per  
 291 violation, up to. ~~In no event shall such fine exceed an~~  
 292 aggregate amount of \$50,000 ~~\$20,000~~ for all other nonwillful  
 293 violations arising out of the same action.

294 (b) If an insurer discovers a nonwillful violation, the  
 295 insurer shall correct the violation and, if restitution is due,  
 296 make restitution to all affected persons. Such restitution shall  
 297 include interest at 12 percent per year from either the date of  
 298 the violation or the date of inception of the affected person's  
 299 policy, at the insurer's option. The restitution may be a credit  
 300 against future premiums due provided that interest accumulates

301 until the premiums are due. If the amount of restitution due to  
 302 any person is \$50 or more and the insurer wishes to credit it  
 303 against future premiums, it shall notify such person that she or  
 304 he may receive a check instead of a credit. If the credit is on  
 305 a policy that is not renewed, the insurer shall pay the  
 306 restitution to the person to whom it is due.

307 (3) (a) With respect to a ~~any~~ knowing and willful violation  
 308 of a lawful order or rule of the office or commission or a  
 309 provision of this code, the office may impose a fine upon the  
 310 insurer in an amount not to exceed:

311 1. Two hundred thousand dollars for each such violation,  
 312 up to an aggregate amount of \$1 million for all knowing and  
 313 willful violations arising out of the same action, related to a  
 314 covered loss or claim caused by an emergency for which the  
 315 Governor declared a state of emergency pursuant to s. 252.36.

316 2. One hundred thousand dollars ~~\$40,000~~ for each such  
 317 violation, up to. ~~In no event shall such fine exceed an~~  
 318 aggregate amount of \$500,000 ~~\$200,000~~ for all other knowing and  
 319 willful violations arising out of the same action.

320 (b) In addition to such fines, the insurer shall make  
 321 restitution when due in accordance with subsection (2).

322 (4) The failure of an insurer to make restitution when due  
 323 as required under this section constitutes a willful violation  
 324 of this code. However, if an insurer in good faith is uncertain  
 325 as to whether any restitution is due or as to the amount of such

326 restitution, it shall promptly notify the office of the  
 327 circumstances; and the failure to make restitution pending a  
 328 determination thereof shall not constitute a violation of this  
 329 code.

330 Section 7. Paragraph (c) of subsection (3) of section  
 331 626.207, Florida Statutes, is amended to read:

332 626.207 Disqualification of applicants and licensees;  
 333 penalties against licensees; rulemaking authority.-

334 (3) An applicant who has been found guilty of or has  
 335 pleaded guilty or nolo contendere to a crime not included in  
 336 subsection (2), regardless of adjudication, is subject to:

337 (c) A 7-year disqualifying period for all misdemeanors  
 338 directly related to the financial services business or any  
 339 violation of the Florida Insurance Code.

340 Section 8. Subsections (2) and (3) of section 626.9521,  
 341 Florida Statutes, are amended to read:

342 626.9521 Unfair methods of competition and unfair or  
 343 deceptive acts or practices prohibited; penalties.-

344 (2) Except as provided in subsection (3), any person who  
 345 violates any provision of this part is subject to a fine in an  
 346 amount not greater than \$12,500 ~~\$5,000~~ for each nonwillful  
 347 violation and not greater than \$100,000 ~~\$40,000~~ for each willful  
 348 violation. Fines under this subsection imposed against an  
 349 insurer may not exceed an aggregate amount of \$50,000 ~~\$20,000~~  
 350 for all nonwillful violations arising out of the same action or

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351 an aggregate amount of \$500,000 ~~\$200,000~~ for all willful  
352 violations arising out of the same action. The fines may be  
353 imposed in addition to any other applicable penalty.

354 (3)(a) If a person violates s. 626.9541(1)(l), the offense  
355 known as "twisting," or violates s. 626.9541(1)(aa), the offense  
356 known as "churning," the person commits a misdemeanor of the  
357 first degree, punishable as provided in s. 775.082, and an  
358 administrative fine not greater than \$12,500 ~~\$5,000~~ shall be  
359 imposed for each nonwillful violation or an administrative fine  
360 not greater than \$187,500 ~~\$75,000~~ shall be imposed for each  
361 willful violation. To impose an administrative fine for a  
362 willful violation under this paragraph, the practice of  
363 "churning" or "twisting" must involve fraudulent conduct.

364 (b) If a person violates s. 626.9541(1)(ee) by willfully  
365 submitting fraudulent signatures on an application or policy-  
366 related document, the person commits a felony of the third  
367 degree, punishable as provided in s. 775.082, and an  
368 administrative fine not greater than \$12,500 ~~\$5,000~~ shall be  
369 imposed for each nonwillful violation or an administrative fine  
370 not greater than \$187,500 ~~\$75,000~~ shall be imposed for each  
371 willful violation.

372 (c) If a person violates any provision of this part and  
373 such violation is related to a covered loss or covered claim  
374 caused by an emergency for which the Governor declared a state  
375 of emergency pursuant to s. 252.36, such person is subject to a

376 fine in an amount not greater than \$25,000 for each nonwillful  
 377 violation and not greater than \$200,000 for each knowing and  
 378 willful violation. Fines under this paragraph imposed against an  
 379 insurer may not exceed an aggregate amount of \$100,000 for all  
 380 nonwillful violations arising out of the same action or an  
 381 aggregate amount of \$1 million for all knowing and willful  
 382 violations arising out of the same action.

383 (d) Administrative fines under paragraphs (a) and (b) this  
 384 subsection may not exceed an aggregate amount of \$125,000  
 385 ~~\$50,000~~ for all nonwillful violations arising out of the same  
 386 action or an aggregate amount of \$625,000 ~~\$250,000~~ for all  
 387 willful violations arising out of the same action.

388 Section 9. Paragraphs (i) and (w) of subsection (1) of  
 389 section 626.9541, Florida Statutes, are amended to read:

390 626.9541 Unfair methods of competition and unfair or  
 391 deceptive acts or practices defined.—

392 (1) UNFAIR METHODS OF COMPETITION AND UNFAIR OR DECEPTIVE  
 393 ACTS.—The following are defined as unfair methods of competition  
 394 and unfair or deceptive acts or practices:

395 (i) Unfair claim settlement practices.—

396 1. Attempting to settle claims on the basis of an  
 397 application, when serving as a binder or intended to become a  
 398 part of the policy, or any other material document which was  
 399 altered without notice to, or knowledge or consent of, the  
 400 insured;



401           2. A material misrepresentation made to an insured or any  
 402 other person having an interest in the proceeds payable under  
 403 such contract or policy, for the purpose and with the intent of  
 404 effecting settlement of such claims, loss, or damage under such  
 405 contract or policy on less favorable terms than those provided  
 406 in, and contemplated by, such contract or policy;

407           3. Committing or performing with such frequency as to  
 408 indicate a general business practice any of the following:

409           a. Failing to adopt and implement standards for the proper  
 410 investigation of claims;

411           b. Misrepresenting pertinent facts or insurance policy  
 412 provisions relating to coverages at issue;

413           c. Failing to acknowledge and act promptly upon  
 414 communications with respect to claims;

415           d. Denying claims without conducting reasonable  
 416 investigations based upon available information;

417           e. Failing to affirm or deny full or partial coverage of  
 418 claims, and, as to partial coverage, the dollar amount or extent  
 419 of coverage, or failing to provide a written statement that the  
 420 claim is being investigated, upon the written request of the  
 421 insured within 30 days after proof-of-loss statements have been  
 422 completed;

423           f. Failing to promptly provide a reasonable explanation in  
 424 writing to the insured of the basis in the insurance policy, in  
 425 relation to the facts or applicable law, for denial of a claim

426 or for the offer of a compromise settlement;

427 g. Failing to promptly notify the insured of any

428 additional information necessary for the processing of a claim;

429 h. Failing to clearly explain the nature of the requested

430 information and the reasons why such information is necessary;

431 ~~or~~

432 i. Failing to pay personal injury protection insurance

433 claims within the time periods required by s. 627.736(4)(b). The

434 office may order the insurer to pay restitution to a

435 policyholder, medical provider, or other claimant, including

436 interest at a rate consistent with the amount set forth in s.

437 55.03(1), for the time period within which an insurer fails to

438 pay claims as required by law. Restitution is in addition to any

439 other penalties allowed by law, including, but not limited to,

440 the suspension of the insurer's certificate of authority; or

441 j. Altering or amending an insurance adjuster's report

442 without including on the report or as an addendum to the report

443 a detailed list of all changes made to the report and the

444 identity of the person who ordered each change. Any change that

445 has the effect of reducing the estimate of the loss must include

446 a detailed explanation of the reasons why such change was made;

447 or

448 4. Failing to pay undisputed amounts of partial or full

449 benefits owed under first-party property insurance policies

450 within 60 days after an insurer receives notice of a residential

451 property insurance claim, determines the amounts of partial or  
 452 full benefits, and agrees to coverage, unless payment of the  
 453 undisputed benefits is prevented by factors beyond the control  
 454 of the insurer as defined in s. 627.70131(5).

455 (w) Soliciting or accepting new or renewal insurance risks  
 456 or payment of certain bonuses by insolvent or impaired insurer  
 457 prohibited; penalty.—

458 1. Whether or not delinquency proceedings as to the  
 459 insurer have been or are to be initiated, but while such  
 460 insolvency or impairment exists, a ~~no~~ director or officer of an  
 461 insurer, except with the written permission of the office, may  
 462 not shall authorize or permit the insurer to solicit or accept  
 463 new or renewal insurance risks in this state after such director  
 464 or officer knew, or reasonably should have known, that the  
 465 insurer was insolvent or impaired.

466 2. Whether or not delinquency proceedings as to the  
 467 insurer have been or are to be initiated, but while such  
 468 insolvency or impairment exists, a director or officer of an  
 469 impaired insurer may not authorize or permit the insurer to pay  
 470 a bonus to any officer or director of the insurer ~~"Impaired"~~  
 471 ~~includes impairment of capital or surplus, as defined in s.~~  
 472 ~~631.011(12) and (13).~~

473 3.2. Any ~~such~~ director or officer, upon conviction of a  
 474 violation of this paragraph, commits ~~is guilty of~~ a felony of  
 475 the third degree, punishable as provided in s. 775.082, s.

476 775.083, or s. 775.084.

477 4. As used in this paragraph, the term:

478 a. "Bonus" means a payment that is in addition to an  
479 officer's or a director's usual compensation and to any amounts  
480 contracted for or otherwise legally due.

481 b. "Impaired" includes impairment of capital or surplus,  
482 as defined in s. 631.011(12) and (13).

483 Section 10. Subsection (6) of section 626.989, Florida  
484 Statutes, is amended, and subsection (10) is added to that  
485 section, to read:

486 626.989 Investigation by department or Division of  
487 Investigative and Forensic Services; compliance; immunity;  
488 confidential information; reports to division; division  
489 investigator's power of arrest.—

490 (6) (a) Any person, other than an insurer, agent, or other  
491 person licensed under the code, or an employee thereof, having  
492 knowledge or who believes that a fraudulent insurance act or any  
493 other act or practice which, upon conviction, constitutes a  
494 felony or a misdemeanor under the code, or under s. 817.234, is  
495 being or has been committed may send to the Division of  
496 Investigative and Forensic Services a report or information  
497 pertinent to such knowledge or belief and such additional  
498 information relative thereto as the department may request. Any  
499 professional practitioner licensed or regulated by the  
500 Department of Business and Professional Regulation, except as

501 otherwise provided by law, any medical review committee as  
502 defined in s. 766.101, any private medical review committee, and  
503 any insurer, agent, or other person licensed under the code, or  
504 an employee thereof, having knowledge or who believes that a  
505 fraudulent insurance act or any other act or practice which,  
506 upon conviction, constitutes a felony or a misdemeanor under the  
507 code, or under s. 817.234, is being or has been committed shall  
508 send to the Division of Investigative and Forensic Services a  
509 report or information pertinent to such knowledge or belief and  
510 such additional information relative thereto as the department  
511 may require.

512 (b) The Division of Investigative and Forensic Services  
513 shall review such information or reports and select such  
514 information or reports as, in its judgment, may require further  
515 investigation. It shall then cause an independent examination of  
516 the facts surrounding such information or report to be made to  
517 determine the extent, if any, to which a fraudulent insurance  
518 act or any other act or practice which, upon conviction,  
519 constitutes a felony or a misdemeanor under the code, or under  
520 s. 817.234, is being committed.

521 (c) The Division of Investigative and Forensic Services  
522 shall report any alleged violations of law which its  
523 investigations disclose to the appropriate licensing agency and  
524 state attorney or other prosecuting agency having jurisdiction,  
525 including, but not limited to, the statewide prosecutor for

526 crimes that impact two or more judicial circuits in this state,  
527 with respect to any such violation, as provided in s. 624.310.  
528 If prosecution by the state attorney or other prosecuting agency  
529 having jurisdiction with respect to such violation is not begun  
530 within 60 days of the division's report, the state attorney or  
531 other prosecuting agency having jurisdiction with respect to  
532 such violation shall inform the division of the reasons for the  
533 lack of prosecution.

534 (10) The Division of Investigative and Forensic Services  
535 Bureau of Insurance Fraud shall prepare and submit a performance  
536 report to the President of the Senate and the Speaker of the  
537 House of Representatives by January 1 of each year. The annual  
538 report must include, but need not be limited to:

539 (a) The total number of initial referrals received, cases  
540 opened, cases presented for prosecution, cases closed, and  
541 convictions resulting from cases presented for prosecution by  
542 the Bureau of Insurance Fraud, by type of insurance fraud and  
543 circuit.

544 (b) The number of referrals received from insurers, the  
545 office, and the Division of Consumer Services of the department  
546 and the outcome of those referrals.

547 (c) The number of investigations undertaken by the Bureau  
548 of Insurance Fraud which were not the result of a referral from  
549 an insurer and the outcome of those referrals.

550 (d) The number of investigations that resulted in a

551 referral to a regulatory agency and the disposition of those  
552 referrals.

553 (e) The number of cases presented by the Bureau of  
554 Insurance Fraud which local prosecutors or the statewide  
555 prosecutor declined to prosecute and the reasons provided for  
556 declining prosecution.

557 (f) A summary of the annual report required under s.  
558 626.9896.

559 (g) The total number of employees assigned to the Bureau  
560 of Insurance Fraud, delineated by location of staff assigned,  
561 and the number and location of employees assigned to the Bureau  
562 of Insurance Fraud who were assigned to work other types of  
563 fraud cases.

564 (h) The average caseload and turnaround time by type of  
565 case for each insurance fraud investigator.

566 (i) The training provided during the year to insurance  
567 fraud investigators.

568 Section 11. Subsections (1), (3), and (4) of section  
569 627.0629, Florida Statutes, are amended to read:

570 627.0629 Residential property insurance; rate filings.—

571 (1) It is the intent of the Legislature that insurers  
572 provide savings to consumers who install or implement windstorm  
573 damage mitigation techniques, alterations, or solutions to their  
574 properties to prevent windstorm losses. A rate filing for  
575 residential property insurance must include actuarially

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576 reasonable discounts, credits, or other rate differentials, or  
577 appropriate reductions in deductibles, for properties on which  
578 fixtures or construction techniques demonstrated to reduce the  
579 amount of loss in a windstorm have been installed or  
580 implemented. The fixtures or construction techniques must  
581 include, but are not limited to, fixtures or construction  
582 techniques that enhance roof strength, roof covering  
583 performance, roof-to-wall strength, wall-to-floor-to-foundation  
584 strength, opening protection, and window, door, and skylight  
585 strength. Credits, discounts, or other rate differentials, or  
586 appropriate reductions in deductibles, for fixtures and  
587 construction techniques that meet the minimum requirements of  
588 the Florida Building Code must be included in the rate filing.  
589 The office shall determine the discounts, credits, other rate  
590 differentials, and appropriate reductions in deductibles that  
591 reflect the full actuarial value of such revaluation, which may  
592 be used by insurers in rate filings. Effective July 1, 2023,  
593 each insurer subject to the requirements of this section must  
594 provide information on the insurer's website describing the  
595 hurricane mitigation discounts available to policyholders. Such  
596 information must be accessible on, or through a hyperlink  
597 located on, the home page of the insurer's website or the  
598 primary page of the insurer's website for property insurance  
599 policyholders or applicants for such coverage in this state. On  
600 or before January 1, 2025, and every 5 years thereafter, the



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601 office shall reevaluate and update the fixtures or construction  
602 techniques demonstrated to reduce the amount of loss in a  
603 windstorm and the discounts, credits, other rate differentials,  
604 and appropriate reductions in deductibles that reflect the full  
605 actuarial value of such fixtures or construction techniques. The  
606 office shall adopt rules and forms necessitated by such  
607 reevaluation.

608 (3) A rate filing ~~made on or after July 1, 1995,~~ for  
609 mobile home owner insurance must include appropriate discounts,  
610 credits, or other rate differentials for mobile homes  
611 constructed to comply with American Society of Civil Engineers  
612 Standard ANSI/ASCE 7-88, adopted by the United States Department  
613 of Housing and Urban Development on July 13, 1994, and that also  
614 comply with all applicable tie-down requirements provided by  
615 state law.

616 (4) The Legislature finds that separate consideration and  
617 notice of hurricane insurance premiums will assist consumers by  
618 providing greater assurance that hurricane premiums are lawful  
619 and by providing more complete information regarding the  
620 components of property insurance premiums. ~~Effective January 1,~~  
621 ~~1997,~~ A rate filing for residential property insurance shall be  
622 separated into two components, rates for hurricane coverage and  
623 rates for all other coverages. A premium notice reflecting a  
624 rate implemented on the basis of such a filing shall separately  
625 indicate the premium for hurricane coverage and the premium for

626 all other coverages.

627 Section 12. Paragraph (11) is added to subsection (6) of  
628 section 627.351, Florida Statutes, to read:

629 627.351 Insurance risk apportionment plans.—

630 (6) CITIZENS PROPERTY INSURANCE CORPORATION.—

631 (11) The corporation may not determine that a risk is  
632 ineligible for coverage with the corporation solely because such  
633 risk has unrepaired damage caused by a covered loss that is the  
634 subject of a claim that is being serviced by the Florida  
635 Insurance Guaranty Association. This paragraph applies to a risk  
636 until the earlier of 36 months from the date the Florida  
637 Insurance Guaranty Association began servicing such claim or the  
638 date the Florida Insurance Guaranty Association closes the  
639 claim.

640 Section 13. Paragraph (a) of subsection (10) of section  
641 627.701, Florida Statutes, is amended to read:

642 627.701 Liability of insureds; coinsurance; deductibles.—

643 (10) (a) Notwithstanding any other provision of law, an  
644 insurer issuing a personal lines residential property insurance  
645 policy may include in such policy a separate roof deductible  
646 that meets all of the following requirements:

647 1. The insurer has complied with the offer requirements  
648 under subsection (7) regarding a deductible applicable to losses  
649 from perils other than a hurricane.

650 2. The roof deductible may not exceed the lesser of 2

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651 percent of the Coverage A limit of the policy or 50 percent of  
652 the cost to replace the roof.

653 3. The premium that a policyholder is charged for the  
654 policy includes an actuarially sound credit or premium discount  
655 for the roof deductible.

656 4. The roof deductible applies only to a claim adjusted on  
657 a replacement cost basis.

658 5. The roof deductible does not apply to any of the  
659 following events:

660 a. A total loss to a primary structure in accordance with  
661 the valued policy law under s. 627.702 which is caused by a  
662 covered peril.

663 b. A roof loss resulting from a hurricane as defined in s.  
664 627.4025(2)(c).

665 c. A roof loss resulting from a tree fall or other hazard  
666 that damages the roof and punctures the roof deck.

667 d. A roof loss requiring the repair of less than 50  
668 percent of the roof.

669  
670 If a roof deductible is applied, no other deductible under the  
671 policy may be applied to the loss or to any other loss to the  
672 property caused by the same covered peril.

673 Section 14. Subsection (2) of section 627.70132, Florida  
674 Statutes, is amended to read:

675 627.70132 Notice of property insurance claim.—

676 (2) A claim or reopened claim, but not a supplemental  
677 claim, under an insurance policy that provides property  
678 insurance, as defined in s. 624.604, including a property  
679 insurance policy issued by an eligible surplus lines insurer,  
680 for loss or damage caused by any peril is barred unless notice  
681 of the claim was given to the insurer in accordance with the  
682 terms of the policy within 1 year after the date of loss. A  
683 supplemental claim is barred unless notice of the supplemental  
684 claim was given to the insurer in accordance with the terms of  
685 the policy within 18 months after the date of loss. The time  
686 limitations of this subsection are tolled during any term of a  
687 deployment to a combat zone or combat support posting which  
688 materially affects the ability of a servicemember as defined in  
689 s. 250.01 to provide notice of a claim, supplemental claim, or  
690 reopened claim.

691 Section 15. Chapter 2022-271, Laws of Florida, shall not  
692 be construed to impair any right under an insurance contract in  
693 effect on or before the effective date of that chapter law. To  
694 the extent that chapter 2022-271, Laws of Florida, affects a  
695 right under an insurance contract, that chapter law applies to  
696 an insurance contract issued or renewed after the applicable  
697 effective date provided by the chapter law. This section is  
698 intended to clarify existing law and is remedial in nature.

699 Section 16. For the 2023-2024 fiscal year, five positions  
700 with associated salary rate of 325,000 are authorized and the

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701 sums of \$494,774 in recurring funds and \$23,410 in nonrecurring  
702 funds are appropriated from the Insurance Regulatory Trust Fund  
703 to the Department of Financial Services to implement this act.

704       Section 17. For the 2023-2024 fiscal year, 14 positions  
705 with associated salary rate of 840,000 are authorized and the  
706 sums of \$1,301,672 in recurring funds and \$65,548 in  
707 nonrecurring funds are appropriated from the Insurance  
708 Regulatory Trust Fund to the Office of Insurance Regulation to  
709 implement this act.

710       Section 18. This act shall take effect July 1, 2023.