

By Senator Bradley

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1                   A bill to be entitled  
2       An act relating to policy cancellations and  
3       nonrenewals by property insurers; amending s.  
4       627.4133, F.S.; prohibiting insurers from canceling  
5       and nonrenewing within certain timeframes policies  
6       covering commercial properties damaged by hurricanes  
7       and wind losses; providing exceptions; providing  
8       construction; authorizing the Financial Services  
9       Commission to adopt rules and the Commissioner of  
10      Insurance Regulation to issue orders; providing a  
11      definition; requiring commercial property policies to  
12      contain specified terms under certain circumstances;  
13      prohibiting eligible surplus lines insurers from  
14      canceling and nonrenewing within certain timeframes  
15      policies covering dwellings and residential properties  
16      damaged by hurricanes and wind losses; providing that  
17      such prohibition applies to flood damages caused by  
18      hurricanes; providing exceptions; revising the  
19      definition of the term "insurer" to include eligible  
20      surplus lines insurers; requiring personal lines and  
21      commercial residential property policies to contain  
22      specified terms under certain circumstances; providing  
23      an effective date.

24  
25 Be It Enacted by the Legislature of the State of Florida:

26  
27       Section 1. Paragraph (e) of subsection (2) of section  
28       627.4133, Florida Statutes, is amended, and paragraph (e) is  
29       added to subsection (1) of that section, to read:

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30 627.4133 Notice of cancellation, nonrenewal, or renewal  
31 premium.—

32 (1) Except as provided in subsection (2):

33 (e)1. An insurer may not cancel or nonrenew a property  
34 insurance policy covering a commercial property located in this  
35 state:

36 a. For a period of 90 days after the commercial property  
37 has been repaired, if such property has been damaged as a result  
38 of a hurricane or wind loss that is the subject of the  
39 declaration of emergency pursuant to s. 252.36 and the filing of  
40 an order by the Commissioner of Insurance Regulation. Damage  
41 under this sub-subparagraph includes flood damage caused by a  
42 hurricane if flood is a covered peril under the commercial  
43 property policy or under a separate flood insurance policy. If  
44 flood is not a covered peril under the commercial property  
45 policy or under a separate flood insurance policy and the  
46 property has been damaged as a result of flood caused by a  
47 hurricane, an insurer may not cancel or nonrenew the commercial  
48 property policy until the earlier of when the property has been  
49 repaired or 1 year after the date of loss.

50 b. Until the earlier of when the commercial property has  
51 been repaired or 1 year after the insurer issues the final claim  
52 payment, if such property was damaged by any covered peril and  
53 sub-subparagraph a. does not apply.

54 2. However, an insurer or agent may cancel or nonrenew such  
55 a policy prior to the repair of the commercial property:

56 a. Upon 10 days' notice for nonpayment of premium; or

57 b. Upon 45 days' notice:

58 (I) For a material misstatement or fraud related to the

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59 claim;

60 (II) If the insurer determines that the insured has  
61 unreasonably caused a delay in the repair of the dwelling; or

62 (III) If the insurer has paid the policy limits for a loss  
63 to each insured structure that was damaged.

64 3. If the insurer elects to nonrenew a policy covering a  
65 commercial property that has been damaged, the insurer shall  
66 provide at least 90 days' notice to the insured that the insurer  
67 intends to nonrenew the policy 90 days after the commercial  
68 property has been repaired. This paragraph does not prevent the  
69 insurer from canceling or nonrenewing the policy 90 days after  
70 the repairs are complete for the same reasons the insurer would  
71 otherwise have canceled or nonrenewed the policy but for the  
72 limitations of subparagraph 1. The Financial Services Commission  
73 may adopt rules, and the Commissioner of Insurance Regulation  
74 may issue orders, necessary to implement this paragraph.

75 4. For purposes of this paragraph:

76 a. A structure that is currently insured by an authorized  
77 insurer is deemed to be repaired when substantially completed  
78 and restored to the extent that it is insurable by another  
79 authorized insurer writing policies in this state. A structure  
80 that is currently insured by a surplus lines insurer is deemed  
81 to be repaired when substantially completed and restored to the  
82 extent that it is insurable by another authorized insurer or  
83 eligible surplus lines insurer writing policies in this state.

84 b. The term "insurer" means an authorized insurer or an  
85 eligible surplus lines insurer.

86 c. If a policy is extended or renewed to comply with this  
87 paragraph or with any other provision of the Commissioner of

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88 Insurance Regulation's order, it must contain the same policy  
89 terms as the policy being extended or renewed.

90 (2) With respect to any personal lines or commercial  
91 residential property insurance policy, including, but not  
92 limited to, any homeowner, mobile home owner, farmowner,  
93 condominium association, condominium unit owner, apartment  
94 building, or other policy covering a residential structure or  
95 its contents:

96 (e)1. An ~~authorized~~ insurer may not cancel or nonrenew a  
97 personal residential or commercial residential property  
98 insurance policy covering a dwelling or residential property  
99 located in this state:

100 a. For a period of 90 days after the dwelling or  
101 residential property has been repaired, if such property has  
102 been damaged as a result of a hurricane or wind loss that is the  
103 subject of the declaration of emergency pursuant to s. 252.36  
104 and the filing of an order by the Commissioner of Insurance  
105 Regulation. Damage under this sub-subparagraph includes flood  
106 damage caused by a hurricane if flood is a covered peril under  
107 the personal residential or commercial residential property  
108 insurance policy or under a separate flood insurance policy. If  
109 flood is not a covered peril under the personal residential or  
110 commercial residential property policy or under a separate flood  
111 insurance policy and the property has been damaged as a result  
112 of flood caused by a hurricane, an insurer may not cancel or  
113 nonrenew the personal residential or commercial residential  
114 property policy until the earlier of when the property has been  
115 repaired or 1 year after the date of loss.

116 b. Until the earlier of when the dwelling or residential

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117 property has been repaired or 1 year after the insurer issues  
118 the final claim payment, if such property was damaged by any  
119 covered peril and sub-subparagraph a. does not apply.

120 2. However, an insurer or agent may cancel or nonrenew such  
121 a policy prior to the repair of the dwelling or residential  
122 property:

123 a. Upon 10 days' notice for nonpayment of premium; or

124 b. Upon 45 days' notice:

125 (I) For a material misstatement or fraud related to the  
126 claim;

127 (II) If the insurer determines that the insured has  
128 unreasonably caused a delay in the repair of the dwelling; or

129 (III) If the insurer has paid policy limits for a loss to  
130 the insured dwelling under a personal residential policy, or  
131 policy limits for a loss to each insured structure that was  
132 damaged under a commercial residential policy.

133 3. If the insurer elects to nonrenew a policy covering a  
134 property that has been damaged, the insurer shall provide at  
135 least 90 days' notice to the insured that the insurer intends to  
136 nonrenew the policy 90 days after the dwelling or residential  
137 property has been repaired. ~~Nothing in~~ This paragraph does not  
138 ~~shall~~ prevent the insurer from canceling or nonrenewing the  
139 policy 90 days after the repairs are complete for the same  
140 reasons the insurer would otherwise have canceled or nonrenewed  
141 the policy but for the limitations of subparagraph 1. The  
142 Financial Services Commission may adopt rules, and the  
143 Commissioner of Insurance Regulation may issue orders, necessary  
144 to implement this paragraph.

145 4. This paragraph shall also apply to personal residential

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146 and commercial residential policies covering property that was  
147 damaged as the result of Hurricane Ian or Hurricane Nicole.

148 5. For purposes of this paragraph:

149 a. A structure that is currently insured by an authorized  
150 insurer is deemed to be repaired when substantially completed  
151 and restored to the extent that it is insurable by another  
152 authorized insurer writing policies in this state. A structure  
153 that is currently insured by a surplus lines insurer is deemed  
154 to be repaired when substantially completed and restored to the  
155 extent that it is insurable by another authorized insurer or  
156 eligible surplus lines insurer writing policies in this state.

157 b. The term "insurer" means an authorized insurer or an  
158 eligible surplus lines insurer.

159 c. If a policy is extended or renewed to comply with this  
160 paragraph or with any other provision of the Commissioner of  
161 Insurance Regulation's order, it must contain the same policy  
162 terms as the policy being extended or renewed.

163 Section 2. This act shall take effect July 1, 2024.