

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 that such prohibition
8 applies to flood damages caused by hurricanes under
9 certain circumstances; providing exceptions; providing
10 construction; authorizing the Financial Services
11 Commission to adopt rules and the Commissioner of
12 Insurance Regulation to issue orders; providing
13 conditions under which a structure is deemed repaired;
14 providing a definition; requiring commercial property
15 policies to contain specified terms under certain
16 circumstances; prohibiting eligible surplus lines
17 insurers from canceling and nonrenewing within certain
18 timeframes policies covering dwellings and residential
19 properties damaged by hurricanes and wind losses;
20 providing that such prohibition applies to flood
21 damages caused by hurricanes under certain
22 circumstances; providing exceptions to prohibitions
23 against insurers' policy cancellations and nonrenewals
24 within certain timeframes; revising conditions under
25 which a structure is deemed to be repaired; revising

26 | the definition of the term "insurer" to include
 27 | eligible surplus lines insurers; requiring personal
 28 | lines and commercial residential insurance property
 29 | policies to contain specified terms under certain
 30 | circumstances; providing an effective date.

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 32 | Be It Enacted by the Legislature of the State of Florida:
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34 | Section 1. Paragraph (e) of subsection (2) of section
 35 | 627.4133, Florida Statutes, is amended, and paragraph (e) is
 36 | added to subsection (1) of that section, to read:

37 | 627.4133 Notice of cancellation, nonrenewal, or renewal
 38 | premium.—

39 | (1) Except as provided in subsection (2):

40 | (e)1. An insurer may not cancel or nonrenew a property
 41 | insurance policy covering a commercial property located in this
 42 | state:

43 | a. For a period of 90 days after the commercial property
 44 | has been repaired, if such property has been damaged as a result
 45 | of a hurricane or wind loss that is the subject of the
 46 | declaration of emergency pursuant to s. 252.36 and the filing of
 47 | an order by the Commissioner of Insurance Regulation. Damage
 48 | under this sub-subparagraph includes flood damage caused by a
 49 | hurricane if flood is a covered peril under the commercial
 50 | property insurance policy or under a separate flood insurance

51 policy. If flood is not a covered peril under the commercial
52 property insurance policy or under a separate flood insurance
53 policy and the property has been damaged as a result of flood
54 caused by a hurricane, an insurer may not cancel or nonrenew the
55 commercial property insurance policy until the earlier of when
56 the property has been repaired or 1 year after the date of loss.

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

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

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

64 b. Upon 45 days' notice:

65 (I) For a material misstatement or fraud related to the
66 claim;

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

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

71 3. If the insurer elects to nonrenew a policy covering a
72 commercial property that has been damaged, the insurer shall
73 provide at least 90 days' notice to the insured that the insurer
74 intends to nonrenew the policy 90 days after the commercial
75 property has been repaired. This paragraph does not prevent the

76 insurer from canceling or nonrenewing the policy 90 days after
 77 the repairs are complete for the same reasons the insurer would
 78 otherwise have canceled or nonrenewed the policy but for the
 79 limitations of subparagraph 1. The Financial Services Commission
 80 may adopt rules, and the Commissioner of Insurance Regulation
 81 may issue orders, necessary to implement this paragraph.

82 4. For purposes of this paragraph:

83 a. A structure is deemed to be repaired when substantially
 84 completed and restored to the extent that it is insurable by:

85 (I) Another authorized insurer writing policies in this
 86 state if the structure is currently insured by an authorized
 87 insurer; or

88 (II) Another authorized or eligible surplus lines insurer
 89 writing policies in this state if the structure is currently
 90 insured by an eligible surplus lines insurer.

91 b. The term "insurer" means an authorized insurer or an
 92 eligible surplus lines insurer.

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

97 (2) With respect to any personal lines or commercial
 98 residential property insurance policy, including, but not
 99 limited to, any homeowner, mobile home owner, farmowner,
 100 condominium association, condominium unit owner, apartment

101 building, or other policy covering a residential structure or
 102 its contents:

103 (e)1. An ~~authorized~~ insurer may not cancel or nonrenew a
 104 personal residential or commercial residential property
 105 insurance policy covering a dwelling or residential property
 106 located in this state:

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

124 b. Until the earlier of when the dwelling or residential
 125 property has been repaired or 1 year after the insurer issues

126 the final claim payment, if such property was damaged by any
127 covered peril and sub-subparagraph a. does not apply.

128 2. However, an insurer or agent may cancel or nonrenew
129 such a policy prior to the repair of the dwelling or residential
130 property:

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

132 b. Upon 45 days' notice:

133 (I) For a material misstatement or fraud related to the
134 claim;

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

137 (III) If the insurer has paid policy limits under a
138 personal residential property insurance policy for a loss to the
139 insured dwelling that was damaged, or policy limits under a
140 commercial residential property insurance policy for a loss to
141 each insured structure that was damaged.

142 3. If the insurer elects to nonrenew a policy covering a
143 property that has been damaged, the insurer shall provide at
144 least 90 days' notice to the insured that the insurer intends to
145 nonrenew the policy 90 days after the dwelling or residential
146 property has been repaired. ~~Nothing in~~ This paragraph does not
147 ~~shall~~ prevent the insurer from canceling or nonrenewing the
148 policy 90 days after the repairs are complete for the same
149 reasons the insurer would otherwise have canceled or nonrenewed
150 the policy but for the limitations of subparagraph 1. The

151 Financial Services Commission may adopt rules, and the
152 Commissioner of Insurance Regulation may issue orders, necessary
153 to implement this paragraph.

154 4. This paragraph shall also apply to personal residential
155 and commercial residential policies covering property that was
156 damaged as the result of Hurricane Ian or Hurricane Nicole.

157 5. For purposes of this paragraph:

158 a. A structure is deemed to be repaired when substantially
159 completed and restored to the extent that it is insurable by:

160 (I) Another authorized insurer writing policies in this
161 state if the structure is currently insured by an authorized
162 insurer; or

163 (II) Another authorized or eligible surplus lines insurer
164 writing policies in this state if the structure is currently
165 insured by an eligible surplus lines insurer.

166 b. The term "insurer" means an authorized insurer or an
167 eligible surplus lines insurer.

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

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