



443848

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
02/28/2024	.	
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The Committee on Fiscal Policy (Boyd) recommended the following:

**Senate Amendment (with title amendment)**

Delete lines 708 - 2925  
and insert:

c. The office may evaluate whether there is a reasonable degree of competition within an individual zip code located in a county that has not been determined by the office to lack a reasonable degree of competition at the county level pursuant to sub-subparagraph b. If the office determines that such zip code lacks a reasonable degree of competition, structures located within that zip code that have a dwelling replacement cost of



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12 \$700,000 or more but less than \$1 million and single condominium  
13 units that have a combined dwelling and contents replacement  
14 cost of \$700,000 or more but less than \$1 million are eligible  
15 for coverage from the corporation.

16 4. It is the intent of the Legislature that policyholders,  
17 applicants, and agents of the corporation receive service and  
18 treatment of the highest possible level but never less than that  
19 generally provided in the voluntary market. It is also intended  
20 that the corporation be held to service standards no less than  
21 those applied to insurers in the voluntary market by the office  
22 with respect to responsiveness, timeliness, customer courtesy,  
23 and overall dealings with policyholders, applicants, or agents  
24 of the corporation.

25 5.a. Effective January 1, 2009, a personal lines  
26 residential structure that is located in the "wind-borne debris  
27 region," as defined in s. 1609.2, International Building Code  
28 (2006), and that has an insured value on the structure of  
29 \$750,000 or more is not eligible for coverage by the corporation  
30 unless the structure has opening protections as required under  
31 the Florida Building Code for a newly constructed residential  
32 structure in that area. A residential structure is deemed to  
33 comply with this sub-subparagraph if it has shutters or opening  
34 protections on all openings and if such opening protections  
35 complied with the Florida Building Code at the time they were  
36 installed.

37 b. Any major structure, as defined in s. 161.54(6)(a), that  
38 is newly constructed, or rebuilt, repaired, restored, or  
39 remodeled to increase the total square footage of finished area  
40 by more than 25 percent, pursuant to a permit applied for after



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41 July 1, 2015, is not eligible for coverage by the corporation if  
42 the structure is seaward of the coastal construction control  
43 line established pursuant to s. 161.053 or is within the Coastal  
44 Barrier Resources System as designated by 16 U.S.C. ss. 3501-  
45 3510.

46 6. With respect to wind-only coverage for commercial lines  
47 residential condominiums, effective July 1, 2014, a condominium  
48 shall be deemed ineligible for coverage if 50 percent or more of  
49 the units are rented more than eight times in a calendar year  
50 for a rental agreement period of less than 30 days.

51 (b)1. All insurers authorized to write one or more subject  
52 lines of business in this state are subject to assessment by the  
53 corporation and, for the purposes of this subsection, are  
54 referred to collectively as "assessable insurers." Insurers  
55 writing one or more subject lines of business in this state  
56 pursuant to part VIII of chapter 626 are not assessable  
57 insurers; however, insureds who procure one or more subject  
58 lines of business in this state pursuant to part VIII of chapter  
59 626 are subject to assessment by the corporation and are  
60 referred to collectively as "assessable insureds." An insurer's  
61 assessment liability begins on the first day of the calendar  
62 year following the year in which the insurer was issued a  
63 certificate of authority to transact insurance for subject lines  
64 of business in this state and terminates 1 year after the end of  
65 the first calendar year during which the insurer no longer holds  
66 a certificate of authority to transact insurance for subject  
67 lines of business in this state.

68 2.a. All revenues, assets, liabilities, losses, and  
69 expenses of the corporation shall be maintained in the Citizens



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70 account. The Citizens account may provide ~~divided into three~~  
71 ~~separate accounts as follows:~~

72 a.(I) A personal lines account for Personal residential  
73 policies that provide ~~issued by the corporation which provides~~  
74 comprehensive, multiperil coverage on risks that are not located  
75 in areas eligible for coverage by the Florida Windstorm  
76 Underwriting Association as those areas were defined on January  
77 1, 2002, and for policies that do not provide coverage for the  
78 peril of wind on risks that are located in such areas;

79 b.(II) A commercial lines account for Commercial  
80 residential and commercial nonresidential policies that provide  
81 ~~issued by the corporation which provides~~ coverage for basic  
82 property perils on risks that are not located in areas eligible  
83 for coverage by the Florida Windstorm Underwriting Association  
84 as those areas were defined on January 1, 2002, and for policies  
85 that do not provide coverage for the peril of wind on risks that  
86 are located in such areas; and

87 c.(III) A coastal account for Personal residential policies  
88 and commercial residential and commercial nonresidential  
89 property policies that provide ~~issued by the corporation which~~  
90 ~~provides~~ coverage for the peril of wind on risks that are  
91 located in areas eligible for coverage by the Florida Windstorm  
92 Underwriting Association as those areas were defined on January  
93 1, 2002. The corporation may offer policies that provide  
94 multiperil coverage and shall offer policies that provide  
95 coverage only for the peril of wind for risks located in areas  
96 eligible for coverage by the Florida Windstorm Underwriting  
97 Association, as those areas were defined on January 1, 2002 ~~in~~  
98 ~~the coastal account. Effective July 1, 2014,~~ The corporation may



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99 not offer ~~shall cease offering~~ new commercial residential  
100 policies providing multiperil coverage but ~~and~~ shall ~~instead~~  
101 continue to offer commercial residential wind-only policies, and  
102 may offer commercial residential policies excluding wind.  
103 However, the corporation may, ~~however,~~ continue to renew a  
104 commercial residential multiperil policy on a building that was  
105 ~~is~~ insured by the corporation on June 30, 2014, under a  
106 multiperil policy. In issuing multiperil coverage under this  
107 sub-subparagraph, the corporation may use its approved policy  
108 forms and rates for risks located in areas not eligible for  
109 coverage by the Florida Windstorm Underwriting Association, as  
110 those areas were defined on January 1, 2002, and for policies  
111 that do not provide coverage for the peril of wind on risks that  
112 are located in such areas ~~the personal lines account~~. An  
113 applicant or insured who is eligible to purchase a multiperil  
114 policy from the corporation may purchase a multiperil policy  
115 from an authorized insurer without prejudice to the applicant's  
116 or insured's eligibility to prospectively purchase a policy that  
117 provides coverage only for the peril of wind from the  
118 corporation. An applicant or insured who is eligible for a  
119 corporation policy that provides coverage only for the peril of  
120 wind may elect to purchase or retain such policy and also  
121 purchase or retain coverage excluding wind from an authorized  
122 insurer without prejudice to the applicant's or insured's  
123 eligibility to prospectively purchase a policy that provides  
124 multiperil coverage from the corporation. The following  
125 policies, which provide coverage only for the peril of wind,  
126 must also include quota share primary insurance under  
127 subparagraph (c)2.:



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128 (I) Personal residential policies and commercial  
129 residential and commercial nonresidential property policies that  
130 provide coverage for the peril of wind on risks that are located  
131 in areas eligible for coverage by the Florida Windstorm  
132 Underwriting Association, as those areas were defined on January  
133 1, 2002;

134 (II) Policies that provide multiperil coverage, if offered  
135 by the corporation, and policies that provide coverage only for  
136 the peril of wind for risks located in areas eligible for  
137 coverage by the Florida Windstorm Underwriting Association, as  
138 those areas were defined on January 1, 2002;

139 (III) Commercial residential wind-only policies;

140 (IV) Commercial residential policies excluding wind, if  
141 offered by the corporation; and

142 (V) Commercial residential multiperil policies on a  
143 building that was insured by the corporation on June 30, 2014 ~~It~~  
144 is the goal of the Legislature that there be an overall average  
145 savings of 10 percent or more for a policyholder who currently  
146 has a wind-only policy with the corporation, and an ex-wind  
147 policy with a voluntary insurer or the corporation, and who  
148 obtains a multiperil policy from the corporation. It is the  
149 intent of the Legislature that the offer of multiperil coverage  
150 in the coastal account be made and implemented in a manner that  
151 does not adversely affect the tax-exempt status of the  
152 corporation or creditworthiness of or security for currently  
153 outstanding financing obligations or credit facilities of the  
154 coastal account, the personal lines account, or the commercial  
155 lines account. The coastal account must also include quota share  
156 primary insurance under subparagraph (c)2.



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157  
158 The area eligible for coverage with the corporation under this  
159 sub-subparagraph under the coastal account also includes the  
160 area within Port Canaveral, which is bordered on the south by  
161 the City of Cape Canaveral, bordered on the west by the Banana  
162 River, and bordered on the north by Federal Government property.

163 3. With respect to a deficit in the Citizens account:

164 a. Upon a determination by the board of governors that the  
165 Citizens account has a projected deficit, the board shall levy a  
166 Citizens policyholder surcharge against all policyholders of the  
167 corporation.

168 (I) The surcharge shall be levied as a uniform percentage  
169 of the premium for the policy of up to 15 percent of such  
170 premium, which funds shall be used to offset the deficit.

171 (II) The surcharge is payable upon cancellation or  
172 termination of the policy, upon renewal of the policy, or upon  
173 issuance of a new policy by the corporation within the first 12  
174 months after the date of the levy or the period of time  
175 necessary to fully collect the surcharge amount.

176 (III) The surcharge is not considered premium and is not  
177 subject to commissions, fees, or premium taxes. However, failure  
178 to pay the surcharge shall be treated as failure to pay premium.

179 ~~b. The three separate accounts must be maintained as long~~  
180 ~~as financing obligations entered into by the Florida Windstorm~~  
181 ~~Underwriting Association or Residential Property and Casualty~~  
182 ~~Joint Underwriting Association are outstanding, in accordance~~  
183 ~~with the terms of the corresponding financing documents. If no~~  
184 ~~such financing obligations remain outstanding or if the~~  
185 ~~financing documents allow for combining of accounts, the~~



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186 ~~corporation may consolidate the three separate accounts into a~~  
187 ~~new account, to be known as the Citizens account, for all~~  
188 ~~revenues, assets, liabilities, losses, and expenses of the~~  
189 ~~corporation. The Citizens account, if established by the~~  
190 ~~corporation, is authorized to provide coverage to the same~~  
191 ~~extent as provided under each of the three separate accounts.~~  
192 ~~The authority to provide coverage under the Citizens account is~~  
193 ~~set forth in subparagraph 4. Consistent with this subparagraph~~  
194 ~~and prudent investment policies that minimize the cost of~~  
195 ~~carrying debt, the board shall exercise its best efforts to~~  
196 ~~retire existing debt or obtain the approval of necessary parties~~  
197 ~~to amend the terms of existing debt, so as to structure the most~~  
198 ~~efficient plan for consolidating the three separate accounts~~  
199 ~~into a single account. Once the accounts are combined into one~~  
200 ~~account, this subparagraph and subparagraph 3. shall be replaced~~  
201 ~~in their entirety by subparagraphs 4. and 5.~~

202 ~~e. Creditors of the Residential Property and Casualty Joint~~  
203 ~~Underwriting Association and the accounts specified in sub-sub-~~  
204 ~~subparagraphs a.(I) and (II) may have a claim against, and~~  
205 ~~recourse to, those accounts and no claim against, or recourse~~  
206 ~~to, the account referred to in sub-sub-subparagraph a.(III).~~  
207 ~~Creditors of the Florida Windstorm Underwriting Association have~~  
208 ~~a claim against, and recourse to, the account referred to in~~  
209 ~~sub-sub-subparagraph a.(III) and no claim against, or recourse~~  
210 ~~to, the accounts referred to in sub-sub-subparagraphs a.(I) and~~  
211 ~~(II).~~

212 ~~d. Revenues, assets, liabilities, losses, and expenses not~~  
213 ~~attributable to particular accounts shall be prorated among the~~  
214 ~~accounts.~~





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215 ~~e. The Legislature finds that the revenues of the~~  
216 ~~corporation are revenues that are necessary to meet the~~  
217 ~~requirements set forth in documents authorizing the issuance of~~  
218 ~~bonds under this subsection.~~

219 ~~f. The income of the corporation may not inure to the~~  
220 ~~benefit of any private person.~~

221 ~~3. With respect to a deficit in an account:~~

222 ~~a. After accounting for the Citizens policyholder surcharge~~  
223 ~~imposed under sub-subparagraph j., if the remaining projected~~  
224 ~~deficit incurred in the coastal account in a particular calendar~~  
225 ~~year:~~

226 ~~(I) Is not greater than 2 percent of the aggregate~~  
227 ~~statewide direct written premium for the subject lines of~~  
228 ~~business for the prior calendar year, the entire deficit shall~~  
229 ~~be recovered through regular assessments of assessable insurers~~  
230 ~~under paragraph (q) and assessable insureds.~~

231 ~~(II) Exceeds 2 percent of the aggregate statewide direct~~  
232 ~~written premium for the subject lines of business for the prior~~  
233 ~~calendar year, the corporation shall levy regular assessments on~~  
234 ~~assessable insurers under paragraph (q) and on assessable~~  
235 ~~insureds in an amount equal to the greater of 2 percent of the~~  
236 ~~projected deficit or 2 percent of the aggregate statewide direct~~  
237 ~~written premium for the subject lines of business for the prior~~  
238 ~~calendar year. Any remaining projected deficit shall be~~  
239 ~~recovered through emergency assessments under sub-subparagraph~~  
240 ~~e.~~

241 ~~b. Each assessable insurer's share of the amount being~~  
242 ~~assessed under sub-subparagraph a. must be in the proportion~~  
243 ~~that the assessable insurer's direct written premium for the~~



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244 ~~subject lines of business for the year preceding the assessment~~  
245 ~~bears to the aggregate statewide direct written premium for the~~  
246 ~~subject lines of business for that year. The assessment~~  
247 ~~percentage applicable to each assessable insured is the ratio of~~  
248 ~~the amount being assessed under sub-subparagraph a. to the~~  
249 ~~aggregate statewide direct written premium for the subject lines~~  
250 ~~of business for the prior year. Assessments levied by the~~  
251 ~~corporation on assessable insurers under sub-subparagraph a.~~  
252 ~~must be paid as required by the corporation's plan of operation~~  
253 ~~and paragraph (q). Assessments levied by the corporation on~~  
254 ~~assessable insureds under sub-subparagraph a. shall be collected~~  
255 ~~by the surplus lines agent at the time the surplus lines agent~~  
256 ~~collects the surplus lines tax required by s. 626.932, and paid~~  
257 ~~to the Florida Surplus Lines Service Office at the time the~~  
258 ~~surplus lines agent pays the surplus lines tax to that office.~~  
259 ~~Upon receipt of regular assessments from surplus lines agents,~~  
260 ~~the Florida Surplus Lines Service Office shall transfer the~~  
261 ~~assessments directly to the corporation as determined by the~~  
262 ~~corporation.~~

263 ~~e. The corporation may not levy regular assessments under~~  
264 ~~paragraph (q) pursuant to sub-subparagraph a. or sub-~~  
265 ~~subparagraph b. if the three separate accounts in sub-sub-~~  
266 ~~subparagraphs 2.a.(I)-(III) have been consolidated into the~~  
267 ~~Citizens account pursuant to sub-subparagraph 2.b. However, the~~  
268 ~~outstanding balance of any regular assessment levied by the~~  
269 ~~corporation before establishment of the Citizens account remains~~  
270 ~~payable to the corporation.~~

271 ~~b.d.~~ After accounting for the Citizens policyholder  
272 surcharge imposed under sub-subparagraph a. j., the remaining



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273 projected deficits in the Citizens ~~personal lines~~ account and in  
274 ~~the commercial lines account~~ in a particular calendar year shall  
275 be recovered through emergency assessments under sub-  
276 subparagraph c. ~~e.~~

277 ~~c.e.~~ Upon a determination by the board of governors that a  
278 projected deficit in the Citizens ~~an~~ account exceeds the amount  
279 that is expected to be recovered through surcharges ~~regular~~  
280 ~~assessments under sub-subparagraph a., plus the amount that is~~  
281 ~~expected to be recovered through surcharges under sub-~~  
282 ~~subparagraph j.,~~ the board, after verification by the office,  
283 shall levy emergency assessments for as many years as necessary  
284 to cover the deficits, to be collected by assessable insurers  
285 and the corporation and collected from assessable insureds upon  
286 issuance or renewal of policies for subject lines of business,  
287 excluding National Flood Insurance Program policies. The amount  
288 collected in a particular year must be a uniform percentage of  
289 that year's direct written premium for subject lines of business  
290 and the Citizens account ~~all accounts of the corporation,~~  
291 excluding National Flood Insurance Program policy premiums, as  
292 annually determined by the board and verified by the office. The  
293 office shall verify the arithmetic calculations involved in the  
294 board's determination within 30 days after receipt of the  
295 information on which the determination was based. The office  
296 shall notify assessable insurers and the Florida Surplus Lines  
297 Service Office of the date on which assessable insurers shall  
298 begin to collect and assessable insureds shall begin to pay such  
299 assessment. The date must be at least 90 days after the date the  
300 corporation levies emergency assessments pursuant to this sub-  
301 subparagraph. Notwithstanding any other ~~provision of law,~~ the



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302 corporation and each assessable insurer that writes subject  
303 lines of business shall collect emergency assessments from its  
304 policyholders without such obligation being affected by any  
305 credit, limitation, exemption, or deferment. Emergency  
306 assessments levied by the corporation on assessable insureds  
307 shall be collected by the surplus lines agent at the time the  
308 surplus lines agent collects the surplus lines tax required by  
309 s. 626.932 and paid to the Florida Surplus Lines Service Office  
310 at the time the surplus lines agent pays the surplus lines tax  
311 to that office. The emergency assessments collected shall be  
312 transferred directly to the corporation on a periodic basis as  
313 determined by the corporation and held by the corporation solely  
314 in the Citizens ~~applicable~~ account. The aggregate amount of  
315 emergency assessments levied for the Citizens ~~an~~ account in any  
316 calendar year may be less than but may not exceed the greater of  
317 10 percent of the amount needed to cover the deficit, plus  
318 interest, fees, commissions, required reserves, and other costs  
319 associated with financing the original deficit, or 10 percent of  
320 the aggregate statewide direct written premium for subject lines  
321 of business and the Citizens account ~~all accounts~~ of the  
322 corporation for the prior year, plus interest, fees,  
323 commissions, required reserves, and other costs associated with  
324 financing the deficit.

325 d.f. The corporation may pledge the proceeds of  
326 assessments, projected recoveries from the Florida Hurricane  
327 Catastrophe Fund, other insurance and reinsurance recoverables,  
328 policyholder surcharges and other surcharges, and other funds  
329 available to the corporation as the source of revenue for and to  
330 secure bonds issued under paragraph (q), bonds or other



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331 indebtedness issued under subparagraph (c)3., or lines of credit  
332 or other financing mechanisms issued or created under this  
333 subsection, or to retire any other debt incurred as a result of  
334 deficits or events giving rise to deficits, or in any other way  
335 that the board determines will efficiently recover such  
336 deficits. The purpose of the lines of credit or other financing  
337 mechanisms is to provide additional resources to assist the  
338 corporation in covering claims and expenses attributable to a  
339 catastrophe. As used in this subsection, the term "assessments"  
340 includes emergency ~~regular~~ assessments under sub-subparagraph c.  
341 ~~a. or subparagraph (q)1. and emergency assessments under sub-~~  
342 ~~subparagraph e.~~ Emergency assessments collected under sub-  
343 subparagraph c. ~~e.~~ are not part of an insurer's rates, are not  
344 premium, and are not subject to premium tax, fees, or  
345 commissions; however, failure to pay the emergency assessment  
346 shall be treated as failure to pay premium. The emergency  
347 assessments shall continue as long as any bonds issued or other  
348 indebtedness incurred with respect to a deficit for which the  
349 assessment was imposed remain outstanding, unless adequate  
350 provision has been made for the payment of such bonds or other  
351 indebtedness pursuant to the documents governing such bonds or  
352 indebtedness.

353 ~~e.g.~~ As used in this subsection and for purposes of any  
354 deficit incurred on or after January 25, 2007, the term "subject  
355 lines of business" means insurance written by assessable  
356 insurers or procured by assessable insureds for all property and  
357 casualty lines of business in this state, but not including  
358 workers' compensation or medical malpractice. As used in this  
359 sub-subparagraph, the term "property and casualty lines of



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360 business" includes all lines of business identified on Form 2,  
361 Exhibit of Premiums and Losses, in the annual statement required  
362 of authorized insurers under s. 624.424 and any rule adopted  
363 under this section, except for those lines identified as  
364 accident and health insurance and except for policies written  
365 under the National Flood Insurance Program or the Federal Crop  
366 Insurance Program. For purposes of this sub-subparagraph, the  
367 term "workers' compensation" includes both workers' compensation  
368 insurance and excess workers' compensation insurance.

369 ~~f.h.~~ The Florida Surplus Lines Service Office shall  
370 annually determine ~~annually~~ the aggregate statewide written  
371 premium in subject lines of business procured by assessable  
372 insureds and report that information to the corporation in a  
373 form and at a time the corporation specifies to ensure that the  
374 corporation can meet the requirements of this subsection and the  
375 corporation's financing obligations.

376 ~~g.i.~~ The Florida Surplus Lines Service Office shall verify  
377 the proper application by surplus lines agents of assessment  
378 percentages for ~~regular assessments~~ and emergency assessments  
379 levied under this subparagraph on assessable insureds and assist  
380 the corporation in ensuring the accurate, timely collection and  
381 payment of assessments by surplus lines agents as required by  
382 the corporation.

383 ~~j.~~ ~~Upon determination by the board of governors that an~~  
384 ~~account has a projected deficit, the board shall levy a Citizens~~  
385 ~~policyholder surcharge against all policyholders of the~~  
386 ~~corporation.~~

387 ~~(I) The surcharge shall be levied as a uniform percentage~~  
388 ~~of the premium for the policy of up to 15 percent of such~~



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389 ~~premium, which funds shall be used to offset the deficit.~~

390 ~~(II) The surcharge is payable upon cancellation or~~  
391 ~~termination of the policy, upon renewal of the policy, or upon~~  
392 ~~issuance of a new policy by the corporation within the first 12~~  
393 ~~months after the date of the levy or the period of time~~  
394 ~~necessary to fully collect the surcharge amount.~~

395 ~~(III) The corporation may not levy any regular assessments~~  
396 ~~under paragraph (q) pursuant to sub-subparagraph a. or sub-~~  
397 ~~subparagraph b. with respect to a particular year's deficit~~  
398 ~~until the corporation has first levied the full amount of the~~  
399 ~~surcharge authorized by this sub-subparagraph.~~

400 ~~(IV) The surcharge is not considered premium and is not~~  
401 ~~subject to commissions, fees, or premium taxes. However, failure~~  
402 ~~to pay the surcharge shall be treated as failure to pay premium.~~

403 ~~h.k.~~ If the amount of any assessments or surcharges  
404 collected from corporation policyholders, assessable insurers or  
405 their policyholders, or assessable insureds exceeds the amount  
406 of the deficits, such excess amounts shall be remitted to and  
407 retained by the corporation in a reserve to be used by the  
408 corporation, as determined by the board of governors and  
409 approved by the office, to pay claims or reduce any past,  
410 present, or future plan-year deficits or to reduce outstanding  
411 debt.

412 ~~4. The Citizens account, if established by the corporation~~  
413 ~~pursuant to sub-subparagraph 2.b., is authorized to provide:~~

414 ~~a. Personal residential policies that provide~~  
415 ~~comprehensive, multiperil coverage on risks that are not located~~  
416 ~~in areas eligible for coverage by the Florida Windstorm~~  
417 ~~Underwriting Association, as those areas were defined on January~~



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418 ~~1, 2002, and for policies that do not provide coverage for the~~  
419 ~~peril of wind on risks that are located in such areas;~~

420 ~~b. Commercial residential and commercial nonresidential~~  
421 ~~policies that provide coverage for basic property perils on~~  
422 ~~risks that are not located in areas eligible for coverage by the~~  
423 ~~Florida Windstorm Underwriting Association, as those areas were~~  
424 ~~defined on January 1, 2002, and for policies that do not provide~~  
425 ~~coverage for the peril of wind on risks that are located in such~~  
426 ~~areas; and~~

427 ~~e. Personal residential policies and commercial residential~~  
428 ~~and commercial nonresidential property policies that provide~~  
429 ~~coverage for the peril of wind on risks that are located in~~  
430 ~~areas eligible for coverage by the Florida Windstorm~~  
431 ~~Underwriting Association, as those areas were defined on January~~  
432 ~~1, 2002. The corporation may offer policies that provide~~  
433 ~~multiperil coverage and shall offer policies that provide~~  
434 ~~coverage only for the peril of wind for risks located in areas~~  
435 ~~eligible for coverage by the Florida Windstorm Underwriting~~  
436 ~~Association, as those areas were defined on January 1, 2002. The~~  
437 ~~corporation may not offer new commercial residential policies~~  
438 ~~providing multiperil coverage, but shall continue to offer~~  
439 ~~commercial residential wind-only policies, and may offer~~  
440 ~~commercial residential policies excluding wind. However, the~~  
441 ~~corporation may continue to renew a commercial residential~~  
442 ~~multiperil policy on a building that was insured by the~~  
443 ~~corporation on June 30, 2014, under a multiperil policy. In~~  
444 ~~issuing multiperil coverage under this sub-subparagraph, the~~  
445 ~~corporation may use its approved policy forms and rates for~~  
446 ~~risks located in areas not eligible for coverage by the Florida~~





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447 ~~Windstorm Underwriting Association as those areas were defined~~  
448 ~~on January 1, 2002, and for policies that do not provide~~  
449 ~~coverage for the peril of wind on risks that are located in such~~  
450 ~~areas. An applicant or insured who is eligible to purchase a~~  
451 ~~multi-peril policy from the corporation may purchase a multi-peril~~  
452 ~~policy from an authorized insurer without prejudice to the~~  
453 ~~applicant's or insured's eligibility to prospectively purchase a~~  
454 ~~policy that provides coverage only for the peril of wind from~~  
455 ~~the corporation. An applicant or insured who is eligible for a~~  
456 ~~corporation policy that provides coverage only for the peril of~~  
457 ~~wind may elect to purchase or retain such policy and also~~  
458 ~~purchase or retain coverage excluding wind from an authorized~~  
459 ~~insurer without prejudice to the applicant's or insured's~~  
460 ~~eligibility to prospectively purchase a policy that provides~~  
461 ~~multi-peril coverage from the corporation. The following~~  
462 ~~policies, which provide coverage only for the peril of wind,~~  
463 ~~must also include quota share primary insurance under~~  
464 ~~subparagraph (c)2.: Personal residential policies and commercial~~  
465 ~~residential and commercial nonresidential property policies that~~  
466 ~~provide coverage for the peril of wind on risks that are located~~  
467 ~~in areas eligible for coverage by the Florida Windstorm~~  
468 ~~Underwriting Association, as those areas were defined on January~~  
469 ~~1, 2002; policies that provide multi-peril coverage, if offered~~  
470 ~~by the corporation, and policies that provide coverage only for~~  
471 ~~the peril of wind for risks located in areas eligible for~~  
472 ~~coverage by the Florida Windstorm Underwriting Association, as~~  
473 ~~those areas were defined on January 1, 2002; commercial~~  
474 ~~residential wind-only policies; commercial residential policies~~  
475 ~~excluding wind, if offered by the corporation; and commercial~~



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476 ~~residential multiperil policies on a building that was insured~~  
477 ~~by the corporation on June 30, 2014. The area eligible for~~  
478 ~~coverage with the corporation under this sub-subparagraph~~  
479 ~~includes the area within Port Canaveral, which is bordered on~~  
480 ~~the south by the City of Cape Canaveral, bordered on the west by~~  
481 ~~the Banana River, and bordered on the north by Federal~~  
482 ~~Government property.~~

483 ~~5. With respect to a deficit in the Citizens account:~~

484 ~~a. Upon a determination by the board of governors that the~~  
485 ~~Citizens account has a projected deficit, the board shall levy a~~  
486 ~~Citizens policyholder surcharge against all policyholders of the~~  
487 ~~corporation.~~

488 ~~(I) The surcharge shall be levied as a uniform percentage~~  
489 ~~of the premium for the policy of up to 15 percent of such~~  
490 ~~premium, which funds shall be used to offset the deficit.~~

491 ~~(II) The surcharge is payable upon cancellation or~~  
492 ~~termination of the policy, upon renewal of the policy, or upon~~  
493 ~~issuance of a new policy by the corporation within the first 12~~  
494 ~~months after the date of the levy or the period of time~~  
495 ~~necessary to fully collect the surcharge amount.~~

496 ~~(III) The surcharge is not considered premium and is not~~  
497 ~~subject to commissions, fees, or premium taxes. However, failure~~  
498 ~~to pay the surcharge shall be treated as failure to pay premium.~~

499 ~~b. After accounting for the Citizens policyholder surcharge~~  
500 ~~imposed under sub-subparagraph a., the remaining projected~~  
501 ~~deficit incurred in the Citizens account in a particular~~  
502 ~~calendar year shall be recovered through emergency assessments~~  
503 ~~under sub-subparagraph c.~~

504 ~~e. Upon a determination by the board of governors that a~~



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505 ~~projected deficit in the Citizens account exceeds the amount~~  
506 ~~that is expected to be recovered through surcharges under sub-~~  
507 ~~subparagraph a., the board, after verification by the office,~~  
508 ~~shall levy emergency assessments for as many years as necessary~~  
509 ~~to cover the deficits, to be collected by assessable insurers~~  
510 ~~and the corporation and collected from assessable insureds upon~~  
511 ~~issuance or renewal of policies for subject lines of business,~~  
512 ~~excluding National Flood Insurance Program policies. The amount~~  
513 ~~collected in a particular year must be a uniform percentage of~~  
514 ~~that year's direct written premium for subject lines of business~~  
515 ~~and the Citizens account, National Flood Insurance Program~~  
516 ~~policy premiums, as annually determined by the board and~~  
517 ~~verified by the office. The office shall verify the arithmetic~~  
518 ~~calculations involved in the board's determination within 30~~  
519 ~~days after receipt of the information on which the determination~~  
520 ~~was based. The office shall notify assessable insurers and the~~  
521 ~~Florida Surplus Lines Service Office of the date on which~~  
522 ~~assessable insurers shall begin to collect and assessable~~  
523 ~~insureds shall begin to pay such assessment. The date must be at~~  
524 ~~least 90 days after the date the corporation levies emergency~~  
525 ~~assessments pursuant to this sub-subparagraph. Notwithstanding~~  
526 ~~any other law, the corporation and each assessable insurer that~~  
527 ~~writes subject lines of business shall collect emergency~~  
528 ~~assessments from its policyholders without such obligation being~~  
529 ~~affected by any credit, limitation, exemption, or deferment.~~  
530 ~~Emergency assessments levied by the corporation on assessable~~  
531 ~~insureds shall be collected by the surplus lines agent at the~~  
532 ~~time the surplus lines agent collects the surplus lines tax~~  
533 ~~required by s. 626.932 and paid to the Florida Surplus Lines~~



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534 ~~Service Office at the time the surplus lines agent pays the~~  
535 ~~surplus lines tax to that office. The emergency assessments~~  
536 ~~collected shall be transferred directly to the corporation on a~~  
537 ~~periodic basis as determined by the corporation and held by the~~  
538 ~~corporation solely in the Citizens account. The aggregate amount~~  
539 ~~of emergency assessments levied for the Citizens account in any~~  
540 ~~calendar year may be less than, but may not exceed the greater~~  
541 ~~of, 10 percent of the amount needed to cover the deficit, plus~~  
542 ~~interest, fees, commissions, required reserves, and other costs~~  
543 ~~associated with financing the original deficit or 10 percent of~~  
544 ~~the aggregate statewide direct written premium for subject lines~~  
545 ~~of business and the Citizens accounts for the prior year, plus~~  
546 ~~interest, fees, commissions, required reserves, and other costs~~  
547 ~~associated with financing the deficit.~~

548 ~~d. The corporation may pledge the proceeds of assessments,~~  
549 ~~projected recoveries from the Florida Hurricane Catastrophe~~  
550 ~~Fund, other insurance and reinsurance recoverables, policyholder~~  
551 ~~surcharges and other surcharges, and other funds available to~~  
552 ~~the corporation as the source of revenue for and to secure bonds~~  
553 ~~issued under paragraph (q), bonds or other indebtedness issued~~  
554 ~~under subparagraph (c)3., or lines of credit or other financing~~  
555 ~~mechanisms issued or created under this subsection; or to retire~~  
556 ~~any other debt incurred as a result of deficits or events giving~~  
557 ~~rise to deficits, or in any other way that the board determines~~  
558 ~~will efficiently recover such deficits. The purpose of the lines~~  
559 ~~of credit or other financing mechanisms is to provide additional~~  
560 ~~resources to assist the corporation in covering claims and~~  
561 ~~expenses attributable to a catastrophe. As used in this~~  
562 ~~subsection, the term "assessments" includes emergency~~



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563 ~~assessments under sub-subparagraph e. Emergency assessments~~  
564 ~~collected under sub-subparagraph e. are not part of an insurer's~~  
565 ~~rates, are not premium, and are not subject to premium tax,~~  
566 ~~fees, or commissions; however, failure to pay the emergency~~  
567 ~~assessment shall be treated as failure to pay premium. The~~  
568 ~~emergency assessments shall continue as long as any bonds issued~~  
569 ~~or other indebtedness incurred with respect to a deficit for~~  
570 ~~which the assessment was imposed remain outstanding, unless~~  
571 ~~adequate provision has been made for the payment of such bonds~~  
572 ~~or other indebtedness pursuant to the documents governing such~~  
573 ~~bonds or indebtedness.~~

574 ~~e. As used in this subsection and for purposes of any~~  
575 ~~deficit incurred on or after January 25, 2007, the term "subject~~  
576 ~~lines of business" means insurance written by assessable~~  
577 ~~insurers or procured by assessable insureds for all property and~~  
578 ~~casualty lines of business in this state, but not including~~  
579 ~~workers' compensation or medical malpractice. As used in this~~  
580 ~~sub-subparagraph, the term "property and casualty lines of~~  
581 ~~business" includes all lines of business identified on Form 2,~~  
582 ~~Exhibit of Premiums and Losses, in the annual statement required~~  
583 ~~of authorized insurers under s. 624.424 and any rule adopted~~  
584 ~~under this section, except for those lines identified as~~  
585 ~~accident and health insurance and except for policies written~~  
586 ~~under the National Flood Insurance Program or the Federal Crop~~  
587 ~~Insurance Program. For purposes of this sub-subparagraph, the~~  
588 ~~term "workers' compensation" includes both workers' compensation~~  
589 ~~insurance and excess workers' compensation insurance.~~

590 ~~f. The Florida Surplus Lines Service Office shall annually~~  
591 ~~determine the aggregate statewide written premium in subject~~



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592 ~~lines of business procured by assessable insureds and report~~  
593 ~~that information to the corporation in a form and at a time the~~  
594 ~~corporation specifies to ensure that the corporation can meet~~  
595 ~~the requirements of this subsection and the corporation's~~  
596 ~~financing obligations.~~

597 ~~g. The Florida Surplus Lines Service Office shall verify~~  
598 ~~the proper application by surplus lines agents of assessment~~  
599 ~~percentages for emergency assessments levied under this~~  
600 ~~subparagraph on assessable insureds and assist the corporation~~  
601 ~~in ensuring the accurate, timely collection and payment of~~  
602 ~~assessments by surplus lines agents as required by the~~  
603 ~~corporation.~~

604 ~~h. If the amount of any assessments or surcharges collected~~  
605 ~~from corporation policyholders, assessable insurers or their~~  
606 ~~policyholders, or assessable insureds exceeds the amount of the~~  
607 ~~deficits, such excess amounts shall be remitted to and retained~~  
608 ~~by the corporation in a reserve to be used by the corporation,~~  
609 ~~as determined by the board of governors and approved by the~~  
610 ~~office, to pay claims or reduce any past, present, or future~~  
611 ~~plan-year deficits or to reduce outstanding debt.~~

612 (c) The corporation's plan of operation:

613 1. Must provide for adoption of residential property and  
614 casualty insurance policy forms and commercial residential and  
615 nonresidential property insurance forms, which must be approved  
616 by the office before use. The corporation shall adopt the  
617 following policy forms:

618 a. Standard personal lines policy forms that are  
619 comprehensive multiperil policies providing full coverage of a  
620 residential property equivalent to the coverage provided in the



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621 private insurance market under an HO-3, HO-4, or HO-6 policy.

622       b. Basic personal lines policy forms that are policies  
623 similar to an HO-8 policy or a dwelling fire policy that provide  
624 coverage meeting the requirements of the secondary mortgage  
625 market, but which is more limited than the coverage under a  
626 standard policy.

627       c. Commercial lines residential and nonresidential policy  
628 forms that are generally similar to the basic perils of full  
629 coverage obtainable for commercial residential structures and  
630 commercial nonresidential structures in the admitted voluntary  
631 market.

632       d. Personal lines and commercial lines residential property  
633 insurance forms that cover the peril of wind only. The forms are  
634 applicable only to residential properties located in areas  
635 eligible for coverage by the Florida Windstorm Underwriting  
636 Association, as those areas were defined on January 1, 2002.

637       e. Commercial lines nonresidential property insurance forms  
638 that cover the peril of wind only. The forms are applicable only  
639 to nonresidential properties located in areas eligible for  
640 coverage by the Florida Windstorm Underwriting Association, as  
641 those areas were defined on January 1, 2002.

642       f. The corporation may adopt variations of the policy forms  
643 listed in sub-subparagraphs a.-e. which contain more restrictive  
644 coverage.

645       g. The corporation shall offer a basic personal lines  
646 policy similar to an HO-8 policy with dwelling repair based on  
647 common construction materials and methods.

648       2. Must provide that the corporation adopt a program in  
649 which the corporation and authorized insurers enter into quota



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650 share primary insurance agreements for hurricane coverage, as  
651 defined in s. 627.4025(2)(a), for eligible risks, and adopt  
652 property insurance forms for eligible risks which cover the  
653 peril of wind only.

654 a. As used in this subsection, the term:

655 (I) "Approved surplus lines insurer" means an eligible  
656 surplus lines insurer that:

657 (A) Has a financial strength rating of "A-" or higher from  
658 A.M. Best Company;

659 (B) Has a personal lines residential risk program that is  
660 managed by a Florida resident surplus lines broker;

661 (C) Applies to the office to participate in the take-out  
662 process to offer coverage to applicants for new coverage from  
663 the corporation or current policyholders of the corporation  
664 through a take-out plan approved by the office;

665 (D) Files rates for review as part of a take-out plan with  
666 the office. The office shall review whether the premium is more  
667 than 20 percent greater than the premium for comparable coverage  
668 from the corporation; and

669 (E) Provides data to the office related to coverage and  
670 rates in a format promulgated by the commission.

671 (III) "Primary residence" means the dwelling that is the  
672 policyholder's primary home or is a rental property that is the  
673 primary home of the tenant, and which the policyholder or tenant  
674 occupies for more than 9 months of each year.

675 (IV) ~~(I)~~ "Quota share primary insurance" means an  
676 arrangement in which the primary hurricane coverage of an  
677 eligible risk is provided in specified percentages by the  
678 corporation and an authorized insurer. The corporation and





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679 authorized insurer are each solely responsible for a specified  
680 percentage of hurricane coverage of an eligible risk as set  
681 forth in a quota share primary insurance agreement between the  
682 corporation and an authorized insurer and the insurance  
683 contract. The responsibility of the corporation or authorized  
684 insurer to pay its specified percentage of hurricane losses of  
685 an eligible risk, as set forth in the agreement, may not be  
686 altered by the inability of the other party to pay its specified  
687 percentage of losses. Eligible risks that are provided hurricane  
688 coverage through a quota share primary insurance arrangement  
689 must be provided policy forms that set forth the obligations of  
690 the corporation and authorized insurer under the arrangement,  
691 clearly specify the percentages of quota share primary insurance  
692 provided by the corporation and authorized insurer, and  
693 conspicuously and clearly state that the authorized insurer and  
694 the corporation may not be held responsible beyond their  
695 specified percentage of coverage of hurricane losses.

696 (II) "Eligible risks" means personal lines residential and  
697 commercial lines residential risks that meet the underwriting  
698 criteria of the corporation and are located in areas that were  
699 eligible for coverage by the Florida Windstorm Underwriting  
700 Association on January 1, 2002.

701 b. The corporation may enter into quota share primary  
702 insurance agreements with authorized insurers at corporation  
703 coverage levels of 90 percent and 50 percent.

704 c. If the corporation determines that additional coverage  
705 levels are necessary to maximize participation in quota share  
706 primary insurance agreements by authorized insurers, the  
707 corporation may establish additional coverage levels. However,



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708 the corporation's quota share primary insurance coverage level  
709 may not exceed 90 percent.

710 d. Any quota share primary insurance agreement entered into  
711 between an authorized insurer and the corporation must provide  
712 for a uniform specified percentage of coverage of hurricane  
713 losses, by county or territory as set forth by the corporation  
714 board, for all eligible risks of the authorized insurer covered  
715 under the agreement.

716 e. Any quota share primary insurance agreement entered into  
717 between an authorized insurer and the corporation is subject to  
718 review and approval by the office. However, such agreement shall  
719 be authorized only as to insurance contracts entered into  
720 between an authorized insurer and an insured who is already  
721 insured by the corporation for wind coverage.

722 f. For all eligible risks covered under quota share primary  
723 insurance agreements, the exposure and coverage levels for both  
724 the corporation and authorized insurers shall be reported by the  
725 corporation to the Florida Hurricane Catastrophe Fund. For all  
726 policies of eligible risks covered under such agreements, the  
727 corporation and the authorized insurer must maintain complete  
728 and accurate records for the purpose of exposure and loss  
729 reimbursement audits as required by fund rules. The corporation  
730 and the authorized insurer shall each maintain duplicate copies  
731 of policy declaration pages and supporting claims documents.

732 g. The corporation board shall establish in its plan of  
733 operation standards for quota share agreements which ensure that  
734 there is no discriminatory application among insurers as to the  
735 terms of the agreements, pricing of the agreements, incentive  
736 provisions if any, and consideration paid for servicing policies



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737 or adjusting claims.

738 h. The quota share primary insurance agreement between the  
739 corporation and an authorized insurer must set forth the  
740 specific terms under which coverage is provided, including, but  
741 not limited to, the sale and servicing of policies issued under  
742 the agreement by the insurance agent of the authorized insurer  
743 producing the business, the reporting of information concerning  
744 eligible risks, the payment of premium to the corporation, and  
745 arrangements for the adjustment and payment of hurricane claims  
746 incurred on eligible risks by the claims adjuster and personnel  
747 of the authorized insurer. Entering into a quota sharing  
748 insurance agreement between the corporation and an authorized  
749 insurer is voluntary and at the discretion of the authorized  
750 insurer.

751 3. May provide that the corporation may employ or otherwise  
752 contract with individuals or other entities to provide  
753 administrative or professional services that may be appropriate  
754 to effectuate the plan. The corporation may borrow funds by  
755 issuing bonds or by incurring other indebtedness, and shall have  
756 other powers reasonably necessary to effectuate the requirements  
757 of this subsection, including, without limitation, the power to  
758 issue bonds and incur other indebtedness in order to refinance  
759 outstanding bonds or other indebtedness. The corporation may  
760 seek judicial validation of its bonds or other indebtedness  
761 under chapter 75. The corporation may issue bonds or incur other  
762 indebtedness, or have bonds issued on its behalf by a unit of  
763 local government pursuant to subparagraph (q)2. in the absence  
764 of a hurricane or other weather-related event, upon a  
765 determination by the corporation, subject to approval by the



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766 office, that such action would enable it to efficiently meet the  
767 financial obligations of the corporation and that such  
768 financings are reasonably necessary to effectuate the  
769 requirements of this subsection. The corporation may take all  
770 actions needed to facilitate tax-free status for such bonds or  
771 indebtedness, including formation of trusts or other affiliated  
772 entities. The corporation may pledge assessments, projected  
773 recoveries from the Florida Hurricane Catastrophe Fund, other  
774 reinsurance recoverables, policyholder surcharges and other  
775 surcharges, and other funds available to the corporation as  
776 security for bonds or other indebtedness. In recognition of s.  
777 10, Art. I of the State Constitution, prohibiting the impairment  
778 of obligations of contracts, it is the intent of the Legislature  
779 that no action be taken whose purpose is to impair any bond  
780 indenture or financing agreement or any revenue source committed  
781 by contract to such bond or other indebtedness.

782 4. Must require that the corporation operate subject to the  
783 supervision and approval of a board of governors consisting of  
784 nine individuals who are residents of this state and who are  
785 from different geographical areas of the state, one of whom is  
786 appointed by the Governor and serves solely to advocate on  
787 behalf of the consumer. The appointment of a consumer  
788 representative by the Governor is deemed to be within the scope  
789 of the exemption provided in s. 112.313(7) (b) and is in addition  
790 to the appointments authorized under sub-subparagraph a.

791 a. The Governor, the Chief Financial Officer, the President  
792 of the Senate, and the Speaker of the House of Representatives  
793 shall each appoint two members of the board. At least one of the  
794 two members appointed by each appointing officer must have



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795 demonstrated expertise in insurance and be deemed to be within  
796 the scope of the exemption provided in s. 112.313(7)(b). The  
797 Chief Financial Officer shall designate one of the appointees as  
798 chair. All board members serve at the pleasure of the appointing  
799 officer. All members of the board are subject to removal at will  
800 by the officers who appointed them. All board members, including  
801 the chair, must be appointed to serve for 3-year terms beginning  
802 annually on a date designated by the plan. However, for the  
803 first term beginning on or after July 1, 2009, each appointing  
804 officer shall appoint one member of the board for a 2-year term  
805 and one member for a 3-year term. A board vacancy shall be  
806 filled for the unexpired term by the appointing officer. The  
807 Chief Financial Officer shall appoint a technical advisory group  
808 to provide information and advice to the board in connection  
809 with the board's duties under this subsection. The executive  
810 director and senior managers of the corporation shall be engaged  
811 by the board and serve at the pleasure of the board. Any  
812 executive director appointed on or after July 1, 2006, is  
813 subject to confirmation by the Senate. The executive director is  
814 responsible for employing other staff as the corporation may  
815 require, subject to review and concurrence by the board.

816       b. The board shall create a Market Accountability Advisory  
817 Committee to assist the corporation in developing awareness of  
818 its rates and its customer and agent service levels in  
819 relationship to the voluntary market insurers writing similar  
820 coverage.

821       (I) The members of the advisory committee consist of the  
822 following 11 persons, one of whom must be elected chair by the  
823 members of the committee: four representatives, one appointed by



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824 the Florida Association of Insurance Agents, one by the Florida  
825 Association of Insurance and Financial Advisors, one by the  
826 Professional Insurance Agents of Florida, and one by the Latin  
827 American Association of Insurance Agencies; three  
828 representatives appointed by the insurers with the three highest  
829 voluntary market share of residential property insurance  
830 business in the state; one representative from the Office of  
831 Insurance Regulation; one consumer appointed by the board who is  
832 insured by the corporation at the time of appointment to the  
833 committee; one representative appointed by the Florida  
834 Association of Realtors; and one representative appointed by the  
835 Florida Bankers Association. All members shall be appointed to  
836 3-year terms and may serve for consecutive terms.

837 (II) The committee shall report to the corporation at each  
838 board meeting on insurance market issues which may include rates  
839 and rate competition with the voluntary market; service,  
840 including policy issuance, claims processing, and general  
841 responsiveness to policyholders, applicants, and agents; and  
842 matters relating to depopulation.

843 5. Must provide a procedure for determining the eligibility  
844 of a risk for coverage, as follows:

845 a. Subject to s. 627.3517, with respect to personal lines  
846 residential risks that are primary residences, if the risk is  
847 offered coverage from an authorized insurer at the insurer's  
848 approved rate under a standard policy including wind coverage  
849 or, if consistent with the insurer's underwriting rules as filed  
850 with the office, a basic policy including wind coverage, for a  
851 new application to the corporation for coverage, the risk is not  
852 eligible for any policy issued by the corporation unless the



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853 premium for coverage from the authorized insurer is more than 20  
854 percent greater than the premium for comparable coverage from  
855 the corporation. Whenever an offer of coverage for a personal  
856 lines residential risk that is a primary residence is received  
857 for a policyholder of the corporation at renewal from an  
858 authorized insurer, if the offer is equal to or less than the  
859 corporation's renewal premium for comparable coverage, the risk  
860 is not eligible for coverage with the corporation for policies  
861 that renew before April 1, 2023; for policies that renew on or  
862 after that date, the risk is not eligible for coverage with the  
863 corporation unless the premium for coverage from the authorized  
864 insurer is more than 20 percent greater than the corporation's  
865 renewal premium for comparable coverage. If the risk is not able  
866 to obtain such offer, the risk is eligible for a standard policy  
867 including wind coverage or a basic policy including wind  
868 coverage issued by the corporation; however, if the risk could  
869 not be insured under a standard policy including wind coverage  
870 regardless of market conditions, the risk is eligible for a  
871 basic policy including wind coverage unless rejected under  
872 subparagraph 8. The corporation shall determine the type of  
873 policy to be provided on the basis of objective standards  
874 specified in the underwriting manual and based on generally  
875 accepted underwriting practices. A policyholder removed from the  
876 corporation through an assumption agreement does not remain  
877 eligible for coverage from the corporation after the end of the  
878 policy term. However, any policy removed from the corporation  
879 through an assumption agreement remains on the corporation's  
880 policy forms through the end of the policy term. This sub-  
881 subparagraph applies only to risks that are primary residences.



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882 (I) If the risk accepts an offer of coverage through the  
883 market assistance plan or through a mechanism established by the  
884 corporation other than a plan established by s. 627.3518, before  
885 a policy is issued to the risk by the corporation or during the  
886 first 30 days of coverage by the corporation, and the producing  
887 agent who submitted the application to the plan or to the  
888 corporation is not currently appointed by the insurer, the  
889 insurer shall:

890 (A) Pay to the producing agent of record of the policy for  
891 the first year, an amount that is the greater of the insurer's  
892 usual and customary commission for the type of policy written or  
893 a fee equal to the usual and customary commission of the  
894 corporation; or

895 (B) Offer to allow the producing agent of record of the  
896 policy to continue servicing the policy for at least 1 year and  
897 offer to pay the agent the greater of the insurer's or the  
898 corporation's usual and customary commission for the type of  
899 policy written.

900  
901 If the producing agent is unwilling or unable to accept  
902 appointment, the new insurer shall pay the agent in accordance  
903 with sub-sub-sub-subparagraph (A).

904 (II) If the corporation enters into a contractual agreement  
905 for a take-out plan, the producing agent of record of the  
906 corporation policy is entitled to retain any unearned commission  
907 on the policy, and the insurer shall:

908 (A) Pay to the producing agent of record, for the first  
909 year, an amount that is the greater of the insurer's usual and  
910 customary commission for the type of policy written or a fee





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911 equal to the usual and customary commission of the corporation;  
912 or

913 (B) Offer to allow the producing agent of record to  
914 continue servicing the policy for at least 1 year and offer to  
915 pay the agent the greater of the insurer's or the corporation's  
916 usual and customary commission for the type of policy written.

917  
918 If the producing agent is unwilling or unable to accept  
919 appointment, the new insurer shall pay the agent in accordance  
920 with sub-sub-sub-subparagraph (A).

921 b. Subject to s. 627.3517, with respect to personal lines  
922 residential risks that are not primary residences, if the risk  
923 is offered coverage from an authorized insurer at the insurer's  
924 approved rate or from an approved surplus lines insurer at the  
925 rate approved by the office as part of such surplus lines  
926 insurer's take-out plan for a new application to the corporation  
927 for coverage, the risk is not eligible for any policy issued by  
928 the corporation unless the premium for coverage from the  
929 authorized insurer or approved surplus lines insurer is more  
930 than 20 percent greater than the premium for comparable coverage  
931 from the corporation. Whenever an offer of coverage for a  
932 personal lines residential risk that is not a primary residence  
933 is received for a policyholder of the corporation at renewal  
934 from an authorized insurer at the insurer's approved rate or an  
935 approved surplus lines insurer at the rate approved by the  
936 office as part of such insurer's take-out plan, the risk is not  
937 eligible for coverage with the corporation unless the premium  
938 for coverage from the authorized insurer or approved surplus  
939 lines insurer is more than 20 percent greater than the



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940 corporation's renewal premium for comparable coverage for  
941 policies that renew on or after July 1, 2024. If the risk is not  
942 able to obtain such offer, the risk is eligible for a standard  
943 policy including wind coverage or a basic policy including wind  
944 coverage issued by the corporation. If the risk could not be  
945 insured under a standard policy including wind coverage  
946 regardless of market conditions, the risk is eligible for a  
947 basic policy including wind coverage unless rejected under  
948 subparagraph 8. The corporation shall determine the type of  
949 policy to be provided on the basis of objective standards  
950 specified in the underwriting manual and based on generally  
951 accepted underwriting practices. A policyholder removed from the  
952 corporation through an assumption agreement does not remain  
953 eligible for coverage from the corporation after the end of the  
954 policy term. However, any policy removed from the corporation  
955 through an assumption agreement remains on the corporation's  
956 policy forms through the end of the policy term.

957 (I) If the risk accepts an offer of coverage through the  
958 market assistance plan or through a mechanism established by the  
959 corporation other than a plan established by s. 627.3518, before  
960 a policy is issued to the risk by the corporation or during the  
961 first 30 days of coverage by the corporation, and the producing  
962 agent who submitted the application to the plan or to the  
963 corporation is not currently appointed by the insurer, the  
964 insurer must:

965 (A) Pay to the producing agent of record of the policy, for  
966 the first year, an amount that is the greater of the insurer's  
967 usual and customary commission for the type of policy written or  
968 a fee equal to the usual and customary commission of the



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969 corporation; or

970 (B) Offer to allow the producing agent of record of the  
971 policy to continue servicing the policy for at least 1 year and  
972 offer to pay the agent the greater of the insurer's or the  
973 corporation's usual and customary commission for the type of  
974 policy written.

975  
976 If the producing agent is unwilling or unable to accept  
977 appointment, the new insurer must pay the agent in accordance  
978 with sub-sub-sub-subparagraph (A).

979 (II) If the corporation enters into a contractual agreement  
980 for a take-out plan, the producing agent of record of the  
981 corporation policy is entitled to retain any unearned commission  
982 on the policy, and the insurer must:

983 (A) Pay to the producing agent of record, for the first  
984 year, an amount that is the greater of the insurer's usual and  
985 customary commission for the type of policy written or a fee  
986 equal to the usual and customary commission of the corporation;  
987 or

988 (B) Offer to allow the producing agent of record to  
989 continue servicing the policy for at least 1 year and offer to  
990 pay the agent the greater of the insurer's or the corporation's  
991 usual and customary commission for the type of policy written.

992  
993 If the producing agent is unwilling or unable to accept  
994 appointment, the new insurer shall pay the agent in accordance  
995 with sub-sub-sub-subparagraph (A).

996 ~~c.b.~~ With respect to commercial lines residential risks,  
997 for a new application to the corporation for coverage, if the



998 risk is offered coverage under a policy including wind coverage  
999 from an authorized insurer at its approved rate, the risk is not  
1000 eligible for a policy issued by the corporation unless the  
1001 premium for coverage from the authorized insurer is more than 20  
1002 percent greater than the premium for comparable coverage from  
1003 the corporation. Whenever an offer of coverage for a commercial  
1004 lines residential risk is received for a policyholder of the  
1005 corporation at renewal from an authorized insurer, the risk is  
1006 not eligible for coverage with the corporation unless the  
1007 premium for coverage from the authorized insurer is more than 20  
1008 percent greater than the corporation's renewal premium for  
1009 comparable coverage. If the risk is not able to obtain any such  
1010 offer, the risk is eligible for a policy including wind coverage  
1011 issued by the corporation. A policyholder removed from the  
1012 corporation through an assumption agreement remains eligible for  
1013 coverage from the corporation until the end of the policy term.  
1014 However, any policy removed from the corporation through an  
1015 assumption agreement remains on the corporation's policy forms  
1016 through the end of the policy term.

1017 (I) If the risk accepts an offer of coverage through the  
1018 market assistance plan or through a mechanism established by the  
1019 corporation other than a plan established by s. 627.3518, before  
1020 a policy is issued to the risk by the corporation or during the  
1021 first 30 days of coverage by the corporation, and the producing  
1022 agent who submitted the application to the plan or the  
1023 corporation is not currently appointed by the insurer, the  
1024 insurer shall:

1025 (A) Pay to the producing agent of record of the policy, for  
1026 the first year, an amount that is the greater of the insurer's



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1027 usual and customary commission for the type of policy written or  
1028 a fee equal to the usual and customary commission of the  
1029 corporation; or

1030 (B) Offer to allow the producing agent of record of the  
1031 policy to continue servicing the policy for at least 1 year and  
1032 offer to pay the agent the greater of the insurer's or the  
1033 corporation's usual and customary commission for the type of  
1034 policy written.

1035

1036 If the producing agent is unwilling or unable to accept  
1037 appointment, the new insurer shall pay the agent in accordance  
1038 with sub-sub-sub-subparagraph (A).

1039 (II) If the corporation enters into a contractual agreement  
1040 for a take-out plan, the producing agent of record of the  
1041 corporation policy is entitled to retain any unearned commission  
1042 on the policy, and the insurer shall:

1043 (A) Pay to the producing agent of record, for the first  
1044 year, an amount that is the greater of the insurer's usual and  
1045 customary commission for the type of policy written or a fee  
1046 equal to the usual and customary commission of the corporation;  
1047 or

1048 (B) Offer to allow the producing agent of record to  
1049 continue servicing the policy for at least 1 year and offer to  
1050 pay the agent the greater of the insurer's or the corporation's  
1051 usual and customary commission for the type of policy written.

1052

1053 If the producing agent is unwilling or unable to accept  
1054 appointment, the new insurer shall pay the agent in accordance  
1055 with sub-sub-sub-subparagraph (A).



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1056        ~~d.e.~~ For purposes of determining comparable coverage under  
1057 sub-subparagraphs a., ~~and~~ b., and c., the comparison must be  
1058 based on those forms and coverages that are reasonably  
1059 comparable. The corporation may rely on a determination of  
1060 comparable coverage and premium made by the producing agent who  
1061 submits the application to the corporation, made in the agent's  
1062 capacity as the corporation's agent. For purposes of comparing  
1063 the premium for comparable coverage under sub-subparagraphs a.,  
1064 ~~and~~ b., and c. premium includes any surcharge or assessment that  
1065 is actually applied to such policy. A comparison may be made  
1066 solely of the premium with respect to the main building or  
1067 structure only on the following basis: the same Coverage A or  
1068 other building limits; the same percentage hurricane deductible  
1069 that applies on an annual basis or that applies to each  
1070 hurricane for commercial residential property; the same  
1071 percentage of ordinance and law coverage, if the same limit is  
1072 offered by both the corporation and the authorized insurer or  
1073 the approved surplus line insurer; the same mitigation credits,  
1074 to the extent the same types of credits are offered both by the  
1075 corporation and the authorized insurer or the approved surplus  
1076 lines insurer; the same method for loss payment, such as  
1077 replacement cost or actual cash value, if the same method is  
1078 offered both by the corporation and the authorized insurer in  
1079 accordance with underwriting rules; and any other form or  
1080 coverage that is reasonably comparable as determined by the  
1081 board. If an application is submitted to the corporation for  
1082 wind-only coverage on a risk that is located in an area eligible  
1083 for coverage by the Florida Windstorm Underwriting Association,  
1084 as that area was defined on January 1, 2002, the premium for the



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1085 corporation's wind-only policy plus the premium for the ex-wind  
1086 policy that is offered by an authorized insurer to the applicant  
1087 must be compared to the premium for multiperil coverage offered  
1088 by an authorized insurer, subject to the standards for  
1089 comparison specified in this subparagraph. If the corporation or  
1090 the applicant requests from the authorized insurer or the  
1091 approved surplus lines insurer a breakdown of the premium of the  
1092 offer by types of coverage so that a comparison may be made by  
1093 the corporation or its agent and the authorized insurer or the  
1094 approved surplus lines insurer refuses or is unable to provide  
1095 such information, the corporation may treat the offer as not  
1096 being an offer of coverage from an authorized insurer at the  
1097 insurer's approved rate.

1098 6. Must include rules for classifications of risks and  
1099 rates.

1100 7. Must provide that if premium and investment income~~+~~

1101 ~~a.~~ for the Citizens ~~an~~ account, which are attributable to a  
1102 particular calendar year, are in excess of projected losses and  
1103 expenses for the Citizens account attributable to that year,  
1104 such excess shall be held in surplus in the Citizens account.  
1105 Such surplus must be available to defray deficits in the  
1106 Citizens ~~that~~ account as to future years and used for that  
1107 purpose before assessing assessable insurers and assessable  
1108 insureds as to any calendar year; ~~or~~

1109 ~~b. For the Citizens account, if established by the~~  
1110 ~~corporation, which are attributable to a particular calendar~~  
1111 ~~year are in excess of projected losses and expenses for the~~  
1112 ~~Citizens account attributable to that year, such excess shall be~~  
1113 ~~held in surplus in the Citizens account. Such surplus must be~~



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1114 ~~available to defray deficits in the Citizens account as to~~  
1115 ~~future years and used for that purpose before assessing~~  
1116 ~~assessable insurers and assessable insureds as to any calendar~~  
1117 ~~year.~~

1118       8. Must provide objective criteria and procedures to be  
1119 uniformly applied to all applicants in determining whether an  
1120 individual risk is so hazardous as to be uninsurable. In making  
1121 this determination and in establishing the criteria and  
1122 procedures, the following must be considered:

1123       a. Whether the likelihood of a loss for the individual risk  
1124 is substantially higher than for other risks of the same class;  
1125 and

1126       b. Whether the uncertainty associated with the individual  
1127 risk is such that an appropriate premium cannot be determined.

1128

1129 The acceptance or rejection of a risk by the corporation shall  
1130 be construed as the private placement of insurance, and the  
1131 provisions of chapter 120 do not apply.

1132       9. Must provide that the corporation make its best efforts  
1133 to procure catastrophe reinsurance at reasonable rates, to cover  
1134 its projected 100-year probable maximum loss as determined by  
1135 the board of governors. If catastrophe reinsurance is not  
1136 available at reasonable rates, the corporation need not purchase  
1137 it, but the corporation shall include the costs of reinsurance  
1138 to cover its projected 100-year probable maximum loss in its  
1139 rate calculations even if it does not purchase catastrophe  
1140 reinsurance.

1141       10. The policies issued by the corporation must provide  
1142 that if the corporation or the market assistance plan obtains an





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1143 offer from an authorized insurer to cover the risk at its  
1144 approved rates, the risk is no longer eligible for renewal  
1145 through the corporation, except as otherwise provided in this  
1146 subsection.

1147         11. Corporation policies and applications must include a  
1148 notice that the corporation policy could, under this section, be  
1149 replaced with a policy issued by an authorized insurer which  
1150 does not provide coverage identical to the coverage provided by  
1151 the corporation. The notice must also specify that acceptance of  
1152 corporation coverage creates a conclusive presumption that the  
1153 applicant or policyholder is aware of this potential.

1154         12. May establish, subject to approval by the office,  
1155 different eligibility requirements and operational procedures  
1156 for any line or type of coverage for any specified county or  
1157 area if the board determines that such changes are justified due  
1158 to the voluntary market being sufficiently stable and  
1159 competitive in such area or for such line or type of coverage  
1160 and that consumers who, in good faith, are unable to obtain  
1161 insurance through the voluntary market through ordinary methods  
1162 continue to have access to coverage from the corporation. If  
1163 coverage is sought in connection with a real property transfer,  
1164 the requirements and procedures may not provide an effective  
1165 date of coverage later than the date of the closing of the  
1166 transfer as established by the transferor, the transferee, and,  
1167 if applicable, the lender.

1168         13. ~~Must provide that:~~

1169         a. ~~With respect to the coastal account, any assessable~~  
1170 ~~insurer with a surplus as to policyholders of \$25 million or~~  
1171 ~~less writing 25 percent or more of its total countrywide~~



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1172 ~~property insurance premiums in this state may petition the~~  
1173 ~~office, within the first 90 days of each calendar year, to~~  
1174 ~~qualify as a limited apportionment company. A regular assessment~~  
1175 ~~levied by the corporation on a limited apportionment company for~~  
1176 ~~a deficit incurred by the corporation for the coastal account~~  
1177 ~~may be paid to the corporation on a monthly basis as the~~  
1178 ~~assessments are collected by the limited apportionment company~~  
1179 ~~from its insureds, but a limited apportionment company must~~  
1180 ~~begin collecting the regular assessments not later than 90 days~~  
1181 ~~after the regular assessments are levied by the corporation, and~~  
1182 ~~the regular assessments must be paid in full within 15 months~~  
1183 ~~after being levied by the corporation. A limited apportionment~~  
1184 ~~company shall collect from its policyholders any emergency~~  
1185 ~~assessment imposed under sub-subparagraph (b)3.e. The plan must~~  
1186 ~~provide that, if the office determines that any regular~~  
1187 ~~assessment will result in an impairment of the surplus of a~~  
1188 ~~limited apportionment company, the office may direct that all or~~  
1189 ~~part of such assessment be deferred as provided in subparagraph~~  
1190 ~~(g)4. However, an emergency assessment to be collected from~~  
1191 ~~policyholders under sub-subparagraph (b)3.e. may not be limited~~  
1192 ~~or deferred; or~~

1193 ~~b. With respect to the Citizens account, if established by~~  
1194 ~~the corporation pursuant to sub-subparagraph (b)2.b., any~~  
1195 ~~assessable insurer with a surplus as to policyholders of \$25~~  
1196 ~~million or less and writing 25 percent or more of its total~~  
1197 ~~countrywide property insurance premiums in this state may~~  
1198 ~~petition the office, within the first 90 days of each calendar~~  
1199 ~~year, to qualify as a limited apportionment company. A limited~~  
1200 ~~apportionment company shall collect from its policyholders any~~



1201 ~~emergency assessment imposed under sub-subparagraph (b)5.c. An~~  
1202 ~~emergency assessment to be collected from policyholders under~~  
1203 ~~sub-subparagraph (b)5.c. may not be limited or deferred.~~

1204 ~~14.~~ Must provide that the corporation appoint as its  
1205 licensed agents only those agents who throughout such  
1206 appointments also hold an appointment as defined in s. 626.015  
1207 by at least three insurers ~~an insurer~~ who are ~~is~~ authorized to  
1208 write and are ~~is~~ actually writing or renewing personal lines  
1209 residential property coverage, commercial residential property  
1210 coverage, or commercial nonresidential property coverage within  
1211 the state.

1212 ~~14.15.~~ Must provide a premium payment plan option to its  
1213 policyholders which, at a minimum, allows for quarterly and  
1214 semiannual payment of premiums. A monthly payment plan may, but  
1215 is not required to, be offered.

1216 ~~15.16.~~ Must limit coverage on mobile homes or manufactured  
1217 homes built before 1994 to actual cash value of the dwelling  
1218 rather than replacement costs of the dwelling.

1219 ~~16.17.~~ Must provide coverage for manufactured or mobile  
1220 home dwellings. Such coverage must also include the following  
1221 attached structures:

1222 a. Screened enclosures that are aluminum framed or screened  
1223 enclosures that are not covered by the same or substantially the  
1224 same materials as those of the primary dwelling;

1225 b. Carports that are aluminum or carports that are not  
1226 covered by the same or substantially the same materials as those  
1227 of the primary dwelling; and

1228 c. Patios that have a roof covering that is constructed of  
1229 materials that are not the same or substantially the same



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1230 materials as those of the primary dwelling.

1231

1232 The corporation shall make available a policy for mobile homes  
1233 or manufactured homes for a minimum insured value of at least  
1234 \$3,000.

1235 ~~17.18.~~ May provide such limits of coverage as the board  
1236 determines, consistent with the requirements of this subsection.

1237 ~~18.19.~~ May require commercial property to meet specified  
1238 hurricane mitigation construction features as a condition of  
1239 eligibility for coverage.

1240 ~~19.20.~~ Must provide that new or renewal policies issued by  
1241 the corporation on or after January 1, 2012, which cover  
1242 sinkhole loss do not include coverage for any loss to  
1243 appurtenant structures, driveways, sidewalks, decks, or patios  
1244 that are directly or indirectly caused by sinkhole activity. The  
1245 corporation shall exclude such coverage using a notice of  
1246 coverage change, which may be included with the policy renewal,  
1247 and not by issuance of a notice of nonrenewal of the excluded  
1248 coverage upon renewal of the current policy.

1249 ~~20.a.21.a. As of January 1, 2012, unless the Citizens~~  
1250 ~~account has been established pursuant to sub-subparagraph~~  
1251 ~~(b)2.b.,~~ Must require that the agent obtain from an applicant  
1252 for coverage from the corporation an acknowledgment signed by  
1253 the applicant, which includes, at a minimum, the following  
1254 statement:

1255

1256 ACKNOWLEDGMENT OF POTENTIAL SURCHARGE

1257 AND ASSESSMENT LIABILITY:

1258



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1259 1. AS A POLICYHOLDER OF CITIZENS PROPERTY INSURANCE  
1260 CORPORATION, I UNDERSTAND THAT IF THE CORPORATION SUSTAINS A  
1261 DEFICIT AS A RESULT OF HURRICANE LOSSES OR FOR ANY OTHER REASON,  
1262 MY POLICY COULD BE SUBJECT TO SURCHARGES AND ASSESSMENTS, WHICH  
1263 WILL BE DUE AND PAYABLE UPON RENEWAL, CANCELLATION, OR  
1264 TERMINATION OF THE POLICY, AND THAT THE SURCHARGES AND  
1265 ASSESSMENTS COULD BE AS HIGH AS 25 ~~45~~ PERCENT OF MY PREMIUM, OR  
1266 A DIFFERENT AMOUNT AS IMPOSED BY THE FLORIDA LEGISLATURE.

1267 2. I UNDERSTAND THAT I CAN AVOID THE CITIZENS POLICYHOLDER  
1268 SURCHARGE, WHICH COULD BE AS HIGH AS 15 ~~45~~ PERCENT OF MY  
1269 PREMIUM, BY OBTAINING COVERAGE FROM A PRIVATE MARKET INSURER AND  
1270 THAT TO BE ELIGIBLE FOR COVERAGE BY CITIZENS, I MUST FIRST TRY  
1271 TO OBTAIN PRIVATE MARKET COVERAGE BEFORE APPLYING FOR OR  
1272 RENEWING COVERAGE WITH CITIZENS. I UNDERSTAND THAT PRIVATE  
1273 MARKET INSURANCE RATES ARE REGULATED AND APPROVED BY THE STATE.

1274 3. I UNDERSTAND THAT I MAY BE SUBJECT TO EMERGENCY  
1275 ASSESSMENTS TO THE SAME EXTENT AS POLICYHOLDERS OF OTHER  
1276 INSURANCE COMPANIES, OR A DIFFERENT AMOUNT AS IMPOSED BY THE  
1277 FLORIDA LEGISLATURE.

1278 4. I ALSO UNDERSTAND THAT CITIZENS PROPERTY INSURANCE  
1279 CORPORATION IS NOT SUPPORTED BY THE FULL FAITH AND CREDIT OF THE  
1280 STATE OF FLORIDA.

1281  
1282 ~~b. The corporation must require, if it has established the~~  
1283 ~~Citizens account pursuant to sub-subparagraph (b)2.b., that the~~  
1284 ~~agent obtain from an applicant for coverage from the corporation~~  
1285 ~~the following acknowledgment signed by the applicant, which~~  
1286 ~~includes, at a minimum, the following statement:~~

1287



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~~ACKNOWLEDGMENT OF POTENTIAL SURCHARGE  
AND ASSESSMENT LIABILITY:~~

~~1. AS A POLICYHOLDER OF CITIZENS PROPERTY INSURANCE CORPORATION, I UNDERSTAND THAT IF THE CORPORATION SUSTAINS A DEFICIT AS A RESULT OF HURRICANE LOSSES OR FOR ANY OTHER REASON, MY POLICY COULD BE SUBJECT TO SURCHARGES AND ASSESSMENTS, WHICH WILL BE DUE AND PAYABLE UPON RENEWAL, CANCELLATION, OR TERMINATION OF THE POLICY, AND THAT THE SURCHARGES AND ASSESSMENTS COULD BE AS HIGH AS 25 PERCENT OF MY PREMIUM, OR A DIFFERENT AMOUNT AS IMPOSED BY THE FLORIDA LEGISLATURE.~~

~~2. I UNDERSTAND THAT I CAN AVOID THE CITIZENS POLICYHOLDER SURCHARGE, WHICH COULD BE AS HIGH AS 15 PERCENT OF MY PREMIUM, BY OBTAINING COVERAGE FROM A PRIVATE MARKET INSURER AND THAT TO BE ELIGIBLE FOR COVERAGE BY CITIZENS, I MUST FIRST TRY TO OBTAIN PRIVATE MARKET COVERAGE BEFORE APPLYING FOR OR RENEWING COVERAGE WITH CITIZENS. I UNDERSTAND THAT PRIVATE MARKET INSURANCE RATES ARE REGULATED AND APPROVED BY THE STATE.~~

~~3. I UNDERSTAND THAT I MAY BE SUBJECT TO EMERGENCY ASSESSMENTS TO THE SAME EXTENT AS POLICYHOLDERS OF OTHER INSURANCE COMPANIES, OR A DIFFERENT AMOUNT AS IMPOSED BY THE FLORIDA LEGISLATURE.~~

~~4. I ALSO UNDERSTAND THAT CITIZENS PROPERTY INSURANCE CORPORATION IS NOT SUPPORTED BY THE FULL FAITH AND CREDIT OF THE STATE OF FLORIDA.~~

~~b.e.~~ The corporation shall maintain, in electronic format or otherwise, a copy of the applicant's signed acknowledgment and provide a copy of the statement to the policyholder as part



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1317 of the first renewal after the effective date of sub-  
1318 subparagraph a. ~~or sub-subparagraph b., as applicable.~~

1319 c.d. The signed acknowledgment form creates a conclusive  
1320 presumption that the policyholder understood and accepted his or  
1321 her potential surcharge and assessment liability as a  
1322 policyholder of the corporation.

1323 (e) The corporation is subject to s. 287.057 for the  
1324 purchase of commodities and contractual services except as  
1325 otherwise provided in this paragraph. Services provided by  
1326 tradepersons or technical experts to assist a licensed adjuster  
1327 in the evaluation of individual claims are not subject to the  
1328 procurement requirements of this section. Additionally, the  
1329 procurement of financial services providers and underwriters  
1330 must be made pursuant to s. 627.3513. Contracts for goods or  
1331 services valued at or more than \$100,000 are subject to approval  
1332 by the board.

1333 1. The corporation is an agency for purposes of s. 287.057,  
1334 except that, for purposes of s. 287.057(24), the corporation is  
1335 an eligible user.

1336 a. The authority of the Department of Management Services  
1337 and the Chief Financial Officer under s. 287.057 extends to the  
1338 corporation as if the corporation were an agency.

1339 b. The executive director of the corporation is the agency  
1340 head under s. 287.057, ~~except for resolution of bid protests for~~  
1341 ~~which the board would serve as the agency head.~~ The executive  
1342 director of the corporation may assign or appoint a designee to  
1343 act on his or her behalf.

1344 2. The corporation must provide notice of a decision or  
1345 intended decision concerning a solicitation, contract award, or



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1346 exceptional purchase by electronic posting. Such notice must  
1347 contain the following statement: "Failure to file a protest  
1348 within the time prescribed in this section constitutes a waiver  
1349 of proceedings."

1350 a. A person adversely affected by the corporation's  
1351 decision or intended decision to award a contract pursuant to s.  
1352 287.057(1) or (3)(c) who elects to challenge the decision must  
1353 file a written notice of protest with the executive director of  
1354 the corporation within 72 hours after the corporation posts a  
1355 notice of its decision or intended decision. For a protest of  
1356 the terms, conditions, and specifications contained in a  
1357 solicitation, including provisions governing the methods for  
1358 ranking bids, proposals, replies, awarding contracts, reserving  
1359 rights of further negotiation, or modifying or amending any  
1360 contract, the notice of protest must be filed in writing within  
1361 72 hours after posting the solicitation. Saturdays, Sundays, and  
1362 state holidays are excluded in the computation of the 72-hour  
1363 time period.

1364 b. A formal written protest must be filed within 10 days  
1365 after the date the notice of protest is filed. The formal  
1366 written protest must state with particularity the facts and law  
1367 upon which the protest is based. Upon receipt of a formal  
1368 written protest that has been timely filed, the corporation must  
1369 stop the solicitation or contract award process until the  
1370 subject of the protest is resolved by final board action unless  
1371 the executive director sets forth in writing particular facts  
1372 and circumstances that require the continuance of the  
1373 solicitation or contract award process without delay in order to  
1374 avoid an immediate and serious danger to the public health,





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1375 safety, or welfare.

1376 (I) The corporation must provide an opportunity to resolve  
1377 the protest by mutual agreement between the parties within 7  
1378 business days after receipt of the formal written protest.

1379 (II) If the subject of a protest is not resolved by mutual  
1380 agreement within 7 business days, the corporation's board must  
1381 transmit the protest to the Division of Administrative Hearings  
1382 and contract with the division to conduct a hearing to determine  
1383 the merits of the protest and to issue a recommended order. The  
1384 contract must provide for the corporation to reimburse the  
1385 division for any costs incurred by the division for court  
1386 reporters, transcript preparation, travel, facility rental, and  
1387 other customary hearing costs in the manner set forth in s.  
1388 120.65(9). The division has jurisdiction to determine the facts  
1389 and law concerning the protest and to issue a recommended order.  
1390 The division's rules and procedures apply to these proceedings~~+~~  
1391 ~~the division's applicable bond requirements do not apply.~~ The  
1392 protest must be heard by the division at a publicly noticed  
1393 meeting in accordance with procedures established by the  
1394 division.

1395 c. In a protest of an invitation-to-bid or request-for-  
1396 proposals procurement, submissions made after the bid or  
1397 proposal opening which amend or supplement the bid or proposal  
1398 may not be considered. In protesting an invitation-to-negotiate  
1399 procurement, submissions made after the corporation announces  
1400 its intent to award a contract, reject all replies, or withdraw  
1401 the solicitation that amends or supplements the reply may not be  
1402 considered. Unless otherwise provided by law, the burden of  
1403 proof rests with the party protesting the corporation's action.



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1404 In a competitive-procurement protest, other than a rejection of  
1405 all bids, proposals, or replies, the administrative law judge  
1406 must conduct a de novo proceeding to determine whether the  
1407 corporation's proposed action is contrary to the corporation's  
1408 governing statutes, the corporation's rules or policies, or the  
1409 solicitation specifications. The standard of proof for the  
1410 proceeding is whether the corporation's action was clearly  
1411 erroneous, contrary to competition, arbitrary, or capricious. In  
1412 any bid-protest proceeding contesting an intended corporation  
1413 action to reject all bids, proposals, or replies, the standard  
1414 of review by the board is whether the corporation's intended  
1415 action is illegal, arbitrary, dishonest, or fraudulent.

1416 d. Failure to file a notice of protest or failure to file a  
1417 formal written protest constitutes a waiver of proceedings.

1418 3. The ~~board, acting as~~ agency head or his or her designee,  
1419 shall consider the recommended order of an administrative law  
1420 judge ~~in a public meeting~~ and take final action on the protest.  
1421 Any further legal remedy lies with the First District Court of  
1422 Appeal.

1423 (n)1. Rates for coverage provided by the corporation must  
1424 be actuarially sound pursuant to s. 627.062 and not competitive  
1425 with approved rates charged in the admitted voluntary market so  
1426 that the corporation functions as a residual market mechanism to  
1427 provide insurance only when insurance cannot be procured in the  
1428 voluntary market, except as otherwise provided in this  
1429 paragraph. The office shall provide the corporation such  
1430 information as would be necessary to determine whether rates are  
1431 competitive.

1432



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1433 The corporation shall file its recommended rates with the office  
1434 at least annually. The corporation shall provide any additional  
1435 information regarding the rates which the office requires. The  
1436 office shall consider the recommendations of the board and issue  
1437 a final order establishing the rates for the corporation within  
1438 45 days after the recommended rates are filed. The corporation  
1439 may not pursue an administrative challenge or judicial review of  
1440 the final order of the office.

1441         2. In addition to the rates otherwise determined pursuant  
1442 to this paragraph, the corporation shall impose and collect an  
1443 amount equal to the premium tax provided in s. 624.509 to  
1444 augment the financial resources of the corporation.

1445         3. After the public hurricane loss-projection model under  
1446 s. 627.06281 has been found to be accurate and reliable by the  
1447 Florida Commission on Hurricane Loss Projection Methodology, the  
1448 model shall be considered when establishing the windstorm  
1449 portion of the corporation's rates. The corporation may use the  
1450 public model results in combination with the results of private  
1451 models to calculate rates for the windstorm portion of the  
1452 corporation's rates. This subparagraph does not require or allow  
1453 the corporation to adopt rates lower than the rates otherwise  
1454 required or allowed by this paragraph.

1455         4. The corporation must make a recommended actuarially  
1456 sound rate filing for each personal and commercial line of  
1457 business it writes.

1458         5. Notwithstanding the board's recommended rates and the  
1459 office's final order regarding the corporation's filed rates  
1460 under subparagraph 1., the corporation shall annually implement  
1461 a rate increase which, except for sinkhole coverage, does not



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1462 exceed the following for any single policy issued by the  
1463 corporation, excluding coverage changes and surcharges:  
1464     a. ~~Twelve percent for 2023.~~  
1465     ~~b.~~ Thirteen percent for 2024.  
1466     ~~b.e.~~ Fourteen percent for 2025.  
1467     ~~c.d.~~ Fifteen percent for 2026 and all subsequent years.  
1468     6. The corporation may also implement an increase to  
1469 reflect the effect on the corporation of the cash buildup factor  
1470 pursuant to s. 215.555(5) (b).  
1471     7. The corporation's implementation of rates as prescribed  
1472 in subparagraphs 5. and 8. shall cease for any line of business  
1473 written by the corporation upon the corporation's implementation  
1474 of actuarially sound rates. Thereafter, the corporation shall  
1475 annually make a recommended actuarially sound rate filing that  
1476 is not competitive with approved rates in the admitted voluntary  
1477 market for each commercial and personal line of business the  
1478 corporation writes.  
1479     8. The following new or renewal personal lines policies  
1480 written on or after November 1, 2023, are not subject to the  
1481 rate increase limitations in subparagraph 5., but may not be  
1482 charged more than 50 percent above, and may not be charged ~~nor~~  
1483 less than, the prior year's established rate for the  
1484 corporation:  
1485     a. Policies that do not cover a primary residence;  
1486     b. New policies under which the coverage for the insured  
1487 risk, before the date of application with the corporation, was  
1488 last provided by an insurer determined by the office to be  
1489 unsound or an insurer placed in receivership under chapter 631;  
1490     c. Policies made eligible for coverage from the corporation



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1491 pursuant to sub-subparagraph (a)3.c.; or

1492 d.e. Subsequent renewals of those policies, including the  
1493 new policies in sub-subparagraph b., under which the coverage  
1494 for the insured risk, before the date of application with the  
1495 corporation, was last provided by an insurer determined by the  
1496 office to be unsound or an insurer placed in receivership under  
1497 chapter 631.

1498 9. As used in this paragraph, the term "primary residence"  
1499 means the dwelling that is the policyholder's primary home or is  
1500 a rental property that is the primary home of the tenant, and  
1501 which the policyholder or tenant occupies for more than 9 months  
1502 of each year.

1503 (o) If coverage in ~~an account, or~~ the Citizens account ~~if~~  
1504 ~~established by the corporation,~~ is deactivated pursuant to  
1505 paragraph (p), coverage through the corporation shall be  
1506 reactivated by order of the office only under one of the  
1507 following circumstances:

1508 1. If the market assistance plan receives a minimum of 100  
1509 applications for coverage within a 3-month period, or 200  
1510 applications for coverage within a 1-year period or less for  
1511 residential coverage, unless the market assistance plan provides  
1512 a quotation from authorized ~~admitted~~ carriers at their approved  
1513 ~~filed~~ rates for at least 90 percent of such applicants. Any  
1514 market assistance plan application that is rejected because an  
1515 individual risk is so hazardous as to be uninsurable using the  
1516 criteria specified in subparagraph (c)8. may ~~shall~~ not be  
1517 included in the minimum percentage calculation provided herein.  
1518 In the event that there is a legal or administrative challenge  
1519 to a determination by the office that the conditions of this



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1520 subparagraph have been met for eligibility for coverage in the  
1521 corporation, any eligible risk may obtain coverage during the  
1522 pendency of such challenge.

1523 2. In response to a state of emergency declared by the  
1524 Governor under s. 252.36, the office may activate coverage by  
1525 order for the period of the emergency upon a finding by the  
1526 office that the emergency significantly affects the availability  
1527 of residential property insurance.

1528 (p)1. The corporation shall file with the office quarterly  
1529 statements of financial condition, an annual statement of  
1530 financial condition, and audited financial statements in the  
1531 manner prescribed by law. In addition, the corporation shall  
1532 report to the office monthly on the types, premium, exposure,  
1533 and distribution by county of its policies in force, and shall  
1534 submit other reports as the office requires to carry out its  
1535 oversight of the corporation.

1536 2. The activities of the corporation shall be reviewed at  
1537 least annually by the office to determine whether coverage shall  
1538 be deactivated in ~~an account, or in~~ the Citizens account ~~if~~  
1539 ~~established by the corporation,~~ on the basis that the conditions  
1540 giving rise to its activation no longer exist.

1541 (q)1. The corporation shall certify to the office its needs  
1542 for annual assessments as to a particular calendar year, and for  
1543 any interim assessments that it deems to be necessary to sustain  
1544 operations as to a particular year pending the receipt of annual  
1545 assessments. Upon verification, the office shall approve such  
1546 certification, and the corporation shall levy such annual or  
1547 interim assessments. Such assessments shall be prorated, if  
1548 authority to levy exists, as provided in paragraph (b). The



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1549 corporation shall take all reasonable and prudent steps  
1550 necessary to collect the amount of assessments due from each  
1551 assessable insurer, including, if prudent, filing suit to  
1552 collect the assessments, and the office may provide such  
1553 assistance to the corporation it deems appropriate. If the  
1554 corporation is unable to collect an assessment from any  
1555 assessable insurer, the uncollected assessments shall be levied  
1556 as an additional assessment against the assessable insurers and  
1557 any assessable insurer required to pay an additional assessment  
1558 as a result of such failure to pay shall have a cause of action  
1559 against such nonpaying assessable insurer. Assessments shall be  
1560 included as an appropriate factor in the making of rates. The  
1561 failure of a surplus lines agent to collect and remit any  
1562 regular or emergency assessment levied by the corporation is  
1563 considered to be a violation of s. 626.936 and subjects the  
1564 surplus lines agent to the penalties provided in that section.

1565         2. The governing body of any unit of local government, any  
1566 residents of which are insured by the corporation, may issue  
1567 bonds as defined in s. 125.013 or s. 166.101 from time to time  
1568 to fund an assistance program, in conjunction with the  
1569 corporation, for the purpose of defraying deficits of the  
1570 corporation. In order to avoid needless and indiscriminate  
1571 proliferation, duplication, and fragmentation of such assistance  
1572 programs, any unit of local government, any residents of which  
1573 are insured by the corporation, may provide for the payment of  
1574 losses, regardless of whether or not the losses occurred within  
1575 or outside of the territorial jurisdiction of the local  
1576 government. Revenue bonds under this subparagraph may not be  
1577 issued until validated pursuant to chapter 75, unless a state of



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1578 emergency is declared by executive order or proclamation of the  
1579 Governor pursuant to s. 252.36 making such findings as are  
1580 necessary to determine that it is in the best interests of, and  
1581 necessary for, the protection of the public health, safety, and  
1582 general welfare of residents of this state and declaring it an  
1583 essential public purpose to permit certain municipalities or  
1584 counties to issue such bonds as will permit relief to claimants  
1585 and policyholders of the corporation. Any such unit of local  
1586 government may enter into such contracts with the corporation  
1587 and with any other entity created pursuant to this subsection as  
1588 are necessary to carry out this paragraph. Any bonds issued  
1589 under this subparagraph shall be payable from and secured by  
1590 moneys received by the corporation from emergency assessments  
1591 under sub-subparagraph (b)3.c. ~~(b)3.e.~~, and assigned and pledged  
1592 to or on behalf of the unit of local government for the benefit  
1593 of the holders of such bonds. The funds, credit, property, and  
1594 taxing power of the state or of the unit of local government may  
1595 ~~shall~~ not be pledged for the payment of such bonds.

1596 3.a. The corporation shall adopt one or more programs  
1597 subject to approval by the office for the reduction of both new  
1598 and renewal writings in the corporation. Beginning January 1,  
1599 2008, any program the corporation adopts for the payment of  
1600 bonuses to an insurer for each risk the insurer removes from the  
1601 corporation shall comply with s. 627.3511(2) and may not exceed  
1602 the amount referenced in s. 627.3511(2) for each risk removed.  
1603 The corporation may consider any prudent and not unfairly  
1604 discriminatory approach to reducing corporation writings, and  
1605 may adopt a credit against assessment liability or other  
1606 liability that provides an incentive for insurers to take risks





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1607 out of the corporation and to keep risks out of the corporation  
1608 by maintaining or increasing voluntary writings in counties or  
1609 areas in which corporation risks are highly concentrated and a  
1610 program to provide a formula under which an insurer voluntarily  
1611 taking risks out of the corporation by maintaining or increasing  
1612 voluntary writings will be relieved wholly or partially from  
1613 assessments ~~under sub-subparagraph (b)3.a.~~ However, any "take-  
1614 out bonus" or payment to an insurer must be conditioned on the  
1615 property being insured for at least 5 years by the insurer,  
1616 unless canceled or nonrenewed by the policyholder. If the policy  
1617 is canceled or nonrenewed by the policyholder before the end of  
1618 the 5-year period, the amount of the take-out bonus must be  
1619 prorated for the time period the policy was insured. When the  
1620 corporation enters into a contractual agreement for a take-out  
1621 plan, the producing agent of record of the corporation policy is  
1622 entitled to retain any unearned commission on such policy, and  
1623 the insurer shall either:

1624 (I) Pay to the producing agent of record of the policy, for  
1625 the first year, an amount which is the greater of the insurer's  
1626 usual and customary commission for the type of policy written or  
1627 a policy fee equal to the usual and customary commission of the  
1628 corporation; or

1629 (II) Offer to allow the producing agent of record of the  
1630 policy to continue servicing the policy for a period of not less  
1631 than 1 year and offer to pay the agent the insurer's usual and  
1632 customary commission for the type of policy written. If the  
1633 producing agent is unwilling or unable to accept appointment by  
1634 the new insurer, the new insurer shall pay the agent in  
1635 accordance with sub-sub-subparagraph (I).



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1636           b. Any credit or exemption from regular assessments adopted  
1637 under this subparagraph shall last no longer than the 3 years  
1638 following the cancellation or expiration of the policy by the  
1639 corporation. With the approval of the office, the board may  
1640 extend such credits for an additional year if the insurer  
1641 guarantees an additional year of renewability for all policies  
1642 removed from the corporation, or for 2 additional years if the  
1643 insurer guarantees 2 additional years of renewability for all  
1644 policies so removed.

1645           c. There shall be no credit, limitation, exemption, or  
1646 deferment from emergency assessments to be collected from  
1647 policyholders pursuant to sub-subparagraph (b)3.c. ~~sub-~~  
1648 ~~subparagraph (b)3.e. or sub-subparagraph (b)5.c.~~

1649           4. ~~The plan shall provide for the deferment, in whole or in~~  
1650 ~~part, of the assessment of an assessable insurer, other than an~~  
1651 ~~emergency assessment collected from policyholders pursuant to~~  
1652 ~~sub-subparagraph (b)3.e. or sub-subparagraph (b)5.c., if the~~  
1653 ~~office finds that payment of the assessment would endanger or~~  
1654 ~~impair the solvency of the insurer. In the event an assessment~~  
1655 ~~against an assessable insurer is deferred in whole or in part,~~  
1656 ~~the amount by which such assessment is deferred may be assessed~~  
1657 ~~against the other assessable insurers in a manner consistent~~  
1658 ~~with the basis for assessments set forth in paragraph (b).~~

1659           5. Effective July 1, 2007, in order to evaluate the costs  
1660 and benefits of approved take-out plans, if the corporation pays  
1661 a bonus or other payment to an insurer for an approved take-out  
1662 plan, it shall maintain a record of the address or such other  
1663 identifying information on the property or risk removed in order  
1664 to track if and when the property or risk is later insured by



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1665 the corporation.

1666 ~~5.6.~~ Any policy taken out, assumed, or removed from the  
1667 corporation is, as of the effective date of the take-out,  
1668 assumption, or removal, direct insurance issued by the insurer  
1669 and not by the corporation, even if the corporation continues to  
1670 service the policies. This subparagraph applies to policies of  
1671 the corporation and not policies taken out, assumed, or removed  
1672 from any other entity.

1673 ~~6.7.~~ For a policy taken out, assumed, or removed from the  
1674 corporation, the insurer may, for a period of no more than 3  
1675 years, continue to use any of the corporation's policy forms or  
1676 endorsements that apply to the policy taken out, removed, or  
1677 assumed without obtaining approval from the office for use of  
1678 such policy form or endorsement.

1679 (v)1. Effective July 1, 2002, policies of the Residential  
1680 Property and Casualty Joint Underwriting Association become  
1681 policies of the corporation. All obligations, rights, assets and  
1682 liabilities of the association, including bonds, note and debt  
1683 obligations, and the financing documents pertaining to them  
1684 become those of the corporation as of July 1, 2002. The  
1685 corporation is not required to issue endorsements or  
1686 certificates of assumption to insureds during the remaining term  
1687 of in-force transferred policies.

1688 2. Effective July 1, 2002, policies of the Florida  
1689 Windstorm Underwriting Association are transferred to the  
1690 corporation and become policies of the corporation. All  
1691 obligations, rights, assets, and liabilities of the association,  
1692 including bonds, note and debt obligations, and the financing  
1693 documents pertaining to them are transferred to and assumed by



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1694 the corporation on July 1, 2002. The corporation is not required  
1695 to issue endorsements or certificates of assumption to insureds  
1696 during the remaining term of in-force transferred policies.

1697         3. The Florida Windstorm Underwriting Association and the  
1698 Residential Property and Casualty Joint Underwriting Association  
1699 shall take all actions necessary to further evidence the  
1700 transfers and provide the documents and instruments of further  
1701 assurance as may reasonably be requested by the corporation for  
1702 that purpose. The corporation shall execute assumptions and  
1703 instruments as the trustees or other parties to the financing  
1704 documents of the Florida Windstorm Underwriting Association or  
1705 the Residential Property and Casualty Joint Underwriting  
1706 Association may reasonably request to further evidence the  
1707 transfers and assumptions, which transfers and assumptions,  
1708 however, are effective on the date provided under this paragraph  
1709 whether or not, and regardless of the date on which, the  
1710 assumptions or instruments are executed by the corporation.  
1711 ~~Subject to the relevant financing documents pertaining to their~~  
1712 ~~outstanding bonds, notes, indebtedness, or other financing~~  
1713 ~~obligations, the moneys, investments, receivables, choses in~~  
1714 ~~action, and other intangibles of the Florida Windstorm~~  
1715 ~~Underwriting Association shall be credited to the coastal~~  
1716 ~~account of the corporation, and those of the personal lines~~  
1717 ~~residential coverage account and the commercial lines~~  
1718 ~~residential coverage account of the Residential Property and~~  
1719 ~~Casualty Joint Underwriting Association shall be credited to the~~  
1720 ~~personal lines account and the commercial lines account,~~  
1721 ~~respectively, of the corporation.~~

1722         4. Effective July 1, 2002, a new applicant for property



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1723 insurance coverage who would otherwise have been eligible for  
1724 coverage in the Florida Windstorm Underwriting Association is  
1725 eligible for coverage from the corporation as provided in this  
1726 subsection.

1727         5. The transfer of all policies, obligations, rights,  
1728 assets, and liabilities from the Florida Windstorm Underwriting  
1729 Association to the corporation and the renaming of the  
1730 Residential Property and Casualty Joint Underwriting Association  
1731 as the corporation does not affect the coverage with respect to  
1732 covered policies as defined in s. 215.555(2)(c) provided to  
1733 these entities by the Florida Hurricane Catastrophe Fund. ~~The~~  
1734 ~~coverage provided by the fund to the Florida Windstorm~~  
1735 ~~Underwriting Association based on its exposures as of June 30,~~  
1736 ~~2002, and each June 30 thereafter, unless the corporation has~~  
1737 ~~established the Citizens account, shall be redesignated as~~  
1738 ~~coverage for the coastal account of the corporation.~~  
1739 ~~Notwithstanding any other provision of law, the coverage~~  
1740 ~~provided by the fund to the Residential Property and Casualty~~  
1741 ~~Joint Underwriting Association based on its exposures as of June~~  
1742 ~~30, 2002, and each June 30 thereafter, unless the corporation~~  
1743 ~~has established the Citizens account, shall be transferred to~~  
1744 ~~the personal lines account and the commercial lines account of~~  
1745 ~~the corporation. Notwithstanding any other provision of law, the~~  
1746 ~~coastal account, unless the corporation has established the~~  
1747 ~~Citizens account, shall be treated, for all Florida Hurricane~~  
1748 ~~Catastrophe Fund purposes, as if it were a separate~~  
1749 ~~participating insurer with its own exposures, reimbursement~~  
1750 ~~premium, and loss reimbursement. Likewise, the personal lines~~  
1751 ~~and commercial lines accounts, unless the corporation has~~



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1752 ~~established the Citizens account, shall be viewed together, for~~  
1753 ~~all fund purposes, as if the two accounts were one and represent~~  
1754 ~~a single, separate participating insurer with its own exposures,~~  
1755 ~~reimbursement premium, and loss reimbursement.~~ The coverage  
1756 provided by the fund to the corporation shall constitute and  
1757 operate as a full transfer of coverage from the Florida  
1758 Windstorm Underwriting Association and Residential Property and  
1759 Casualty Joint Underwriting Association to the corporation.

1760 (w) Notwithstanding any other provision of law:

1761 1. The pledge or sale of, the lien upon, and the security  
1762 interest in any rights, revenues, or other assets of the  
1763 corporation created or purported to be created pursuant to any  
1764 financing documents to secure any bonds or other indebtedness of  
1765 the corporation shall be and remain valid and enforceable,  
1766 notwithstanding the commencement of and during the continuation  
1767 of, and after, any rehabilitation, insolvency, liquidation,  
1768 bankruptcy, receivership, conservatorship, reorganization, or  
1769 similar proceeding against the corporation under the laws of  
1770 this state.

1771 2. The proceeding does not relieve the corporation of its  
1772 obligation, or otherwise affect its ability to perform its  
1773 obligation, to continue to collect, or levy and collect,  
1774 assessments, policyholder surcharges or other surcharges ~~under~~  
1775 ~~sub-subparagraph (b) 3. j.~~, or any other rights, revenues, or  
1776 other assets of the corporation pledged pursuant to any  
1777 financing documents.

1778 3. Each such pledge or sale of, lien upon, and security  
1779 interest in, including the priority of such pledge, lien, or  
1780 security interest, any such assessments, policyholder surcharges



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1781 or other surcharges, or other rights, revenues, or other assets  
1782 which are collected, or levied and collected, after the  
1783 commencement of and during the pendency of, or after, any such  
1784 proceeding shall continue unaffected by such proceeding. As used  
1785 in this subsection, the term "financing documents" means any  
1786 agreement or agreements, instrument or instruments, or other  
1787 document or documents now existing or hereafter created  
1788 evidencing any bonds or other indebtedness of the corporation or  
1789 pursuant to which any such bonds or other indebtedness has been  
1790 or may be issued and pursuant to which any rights, revenues, or  
1791 other assets of the corporation are pledged or sold to secure  
1792 the repayment of such bonds or indebtedness, together with the  
1793 payment of interest on such bonds or such indebtedness, or the  
1794 payment of any other obligation or financial product, as defined  
1795 in the plan of operation of the corporation related to such  
1796 bonds or indebtedness.

1797 4. Any such pledge or sale of assessments, revenues,  
1798 contract rights, or other rights or assets of the corporation  
1799 shall constitute a lien and security interest, or sale, as the  
1800 case may be, that is immediately effective and attaches to such  
1801 assessments, revenues, or contract rights or other rights or  
1802 assets, whether or not imposed or collected at the time the  
1803 pledge or sale is made. Any such pledge or sale is effective,  
1804 valid, binding, and enforceable against the corporation or other  
1805 entity making such pledge or sale, and valid and binding against  
1806 and superior to any competing claims or obligations owed to any  
1807 other person or entity, including policyholders in this state,  
1808 asserting rights in any such assessments, revenues, or contract  
1809 rights or other rights or assets to the extent set forth in and



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1810 in accordance with the terms of the pledge or sale contained in  
1811 the applicable financing documents, whether or not any such  
1812 person or entity has notice of such pledge or sale and without  
1813 the need for any physical delivery, recordation, filing, or  
1814 other action.

1815         5. As long as the corporation has any bonds outstanding,  
1816 the corporation may not file a voluntary petition under chapter  
1817 9 of the federal Bankruptcy Code or such corresponding chapter  
1818 or sections as may be in effect, from time to time, and a public  
1819 officer or any organization, entity, or other person may not  
1820 authorize the corporation to be or become a debtor under chapter  
1821 9 of the federal Bankruptcy Code or such corresponding chapter  
1822 or sections as may be in effect, from time to time, during any  
1823 such period.

1824         6. If ordered by a court of competent jurisdiction, the  
1825 corporation may assume policies or otherwise provide coverage  
1826 for policyholders of an insurer placed in liquidation under  
1827 chapter 631, under such forms, rates, terms, and conditions as  
1828 the corporation deems appropriate, subject to approval by the  
1829 office.

1830         (x)1. The following records of the corporation are  
1831 confidential and exempt from the provisions of s. 119.07(1) and  
1832 s. 24(a), Art. I of the State Constitution:

1833         a. Underwriting files, except that a policyholder or an  
1834 applicant shall have access to his or her own underwriting  
1835 files. Confidential and exempt underwriting file records may  
1836 also be released to other governmental agencies upon written  
1837 request and demonstration of need; such records held by the  
1838 receiving agency remain confidential and exempt as provided





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1839 herein.

1840           b. Claims files, until termination of all litigation and  
1841 settlement of all claims arising out of the same incident,  
1842 although portions of the claims files may remain exempt, as  
1843 otherwise provided by law. Confidential and exempt claims file  
1844 records may be released to other governmental agencies upon  
1845 written request and demonstration of need; such records held by  
1846 the receiving agency remain confidential and exempt as provided  
1847 herein.

1848           c. Records obtained or generated by an internal auditor  
1849 pursuant to a routine audit, until the audit is completed, or if  
1850 the audit is conducted as part of an investigation, until the  
1851 investigation is closed or ceases to be active. An investigation  
1852 is considered "active" while the investigation is being  
1853 conducted with a reasonable, good faith belief that it could  
1854 lead to the filing of administrative, civil, or criminal  
1855 proceedings.

1856           d. Matters reasonably encompassed in privileged attorney-  
1857 client communications.

1858           e. Proprietary information licensed to the corporation  
1859 under contract and the contract provides for the confidentiality  
1860 of such proprietary information.

1861           f. All information relating to the medical condition or  
1862 medical status of a corporation employee which is not relevant  
1863 to the employee's capacity to perform his or her duties, except  
1864 as otherwise provided in this paragraph. Information that is  
1865 exempt shall include, but is not limited to, information  
1866 relating to workers' compensation, insurance benefits, and  
1867 retirement or disability benefits.



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1868           g. Upon an employee's entrance into the employee assistance  
1869 program, a program to assist any employee who has a behavioral  
1870 or medical disorder, substance abuse problem, or emotional  
1871 difficulty that affects the employee's job performance, all  
1872 records relative to that participation shall be confidential and  
1873 exempt from the provisions of s. 119.07(1) and s. 24(a), Art. I  
1874 of the State Constitution, except as otherwise provided in s.  
1875 112.0455(11).

1876           h. Information relating to negotiations for financing,  
1877 reinsurance, depopulation, or contractual services, until the  
1878 conclusion of the negotiations.

1879           i. Minutes of closed meetings regarding underwriting files,  
1880 and minutes of closed meetings regarding an open claims file  
1881 until termination of all litigation and settlement of all claims  
1882 with regard to that claim, except that information otherwise  
1883 confidential or exempt by law shall be redacted.

1884           2. If an authorized insurer is considering underwriting a  
1885 risk insured by the corporation, relevant underwriting files and  
1886 confidential claims files may be released to the insurer  
1887 provided the insurer agrees in writing, notarized and under  
1888 oath, to maintain the confidentiality of such files. If a file  
1889 is transferred to an insurer, that file is no longer a public  
1890 record because it is not held by an agency subject to the  
1891 provisions of the public records law. Underwriting files and  
1892 confidential claims files may also be released to staff and the  
1893 board of governors of the market assistance plan established  
1894 pursuant to s. 627.3515, who must retain the confidentiality of  
1895 such files, except such files may be released to authorized  
1896 insurers that are considering assuming the risks to which the



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1897 files apply, provided the insurer agrees in writing, notarized  
1898 and under oath, to maintain the confidentiality of such files.  
1899 Finally, the corporation or the board or staff of the market  
1900 assistance plan may make the following information obtained from  
1901 underwriting files and confidential claims files available to an  
1902 entity that has obtained a permit to become an authorized  
1903 insurer, a reinsurer that may provide reinsurance under s.  
1904 624.610, a licensed reinsurance broker, a licensed rating  
1905 organization, a modeling company, a licensed surplus lines  
1906 agent, or a licensed general lines insurance agent: name,  
1907 address, and telephone number of the residential property owner  
1908 or insured; location of the risk; rating information; loss  
1909 history; and policy type. The receiving person must retain the  
1910 confidentiality of the information received and may use the  
1911 information only for the purposes of developing a take-out plan  
1912 or a rating plan to be submitted to the office for approval or  
1913 otherwise analyzing the underwriting of a risk or risks insured  
1914 by the corporation on behalf of the private insurance market. A  
1915 licensed surplus lines agent or licensed general lines insurance  
1916 agent may not use such information for the direct solicitation  
1917 of policyholders.

1918 3. A policyholder who has filed suit against the  
1919 corporation has the right to discover the contents of his or her  
1920 own claims file to the same extent that discovery of such  
1921 contents would be available from a private insurer in litigation  
1922 as provided by the Florida Rules of Civil Procedure, the Florida  
1923 Evidence Code, and other applicable law. Pursuant to subpoena, a  
1924 third party has the right to discover the contents of an  
1925 insured's or applicant's underwriting or claims file to the same



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1926 extent that discovery of such contents would be available from a  
1927 private insurer by subpoena as provided by the Florida Rules of  
1928 Civil Procedure, the Florida Evidence Code, and other applicable  
1929 law, and subject to any confidentiality protections requested by  
1930 the corporation and agreed to by the seeking party or ordered by  
1931 the court. The corporation may release confidential underwriting  
1932 and claims file contents and information as it deems necessary  
1933 and appropriate to underwrite or service insurance policies and  
1934 claims, subject to any confidentiality protections deemed  
1935 necessary and appropriate by the corporation.

1936 4. Portions of meetings of the corporation are exempt from  
1937 the provisions of s. 286.011 and s. 24(b), Art. I of the State  
1938 Constitution wherein confidential underwriting files or  
1939 confidential open claims files are discussed. All portions of  
1940 corporation meetings which are closed to the public shall be  
1941 recorded by a court reporter. The court reporter shall record  
1942 the times of commencement and termination of the meeting, all  
1943 discussion and proceedings, the names of all persons present at  
1944 any time, and the names of all persons speaking. No portion of  
1945 any closed meeting shall be off the record. Subject to the  
1946 provisions hereof and s. 119.07(1)(d)-(f), the court reporter's  
1947 notes of any closed meeting shall be retained by the corporation  
1948 for a minimum of 5 years. A copy of the transcript, less any  
1949 exempt matters, of any closed meeting wherein claims are  
1950 discussed shall become public as to individual claims after  
1951 settlement of the claim.

1952 (z) In enacting the provisions of this section, the  
1953 Legislature recognizes that both the Florida Windstorm  
1954 Underwriting Association and the Residential Property and



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1955 Casualty Joint Underwriting Association have entered into  
1956 financing arrangements that obligate each entity to service its  
1957 debts and maintain the capacity to repay funds secured under  
1958 these financing arrangements. It is the intent of the  
1959 Legislature that nothing in this section be construed to  
1960 compromise, diminish, or interfere with the rights of creditors  
1961 under such financing arrangements. It is further the intent of  
1962 the Legislature to preserve the obligations of the Florida  
1963 Windstorm Underwriting Association and Residential Property and  
1964 Casualty Joint Underwriting Association with regard to  
1965 outstanding financing arrangements, with such obligations  
1966 passing entirely and unchanged to the corporation and,  
1967 specifically, to the Citizens ~~applicable~~ account ~~of the~~  
1968 ~~corporation~~. So long as any bonds, notes, indebtedness, or other  
1969 financing obligations of the Florida Windstorm Underwriting  
1970 Association or the Residential Property and Casualty Joint  
1971 Underwriting Association are outstanding, under the terms of the  
1972 financing documents pertaining to them, the governing board of  
1973 the corporation shall have and shall exercise the authority to  
1974 levy, charge, collect, and receive all premiums, assessments,  
1975 surcharges, charges, revenues, and receipts that the  
1976 associations had authority to levy, charge, collect, or receive  
1977 under the provisions of subsection (2) and this subsection,  
1978 respectively, as they existed on January 1, 2002, to provide  
1979 moneys, without exercise of the authority provided by this  
1980 subsection, in at least the amounts, and by the times, as would  
1981 be provided under those former provisions of subsection (2) or  
1982 this subsection, respectively, so that the value, amount, and  
1983 collectability of any assets, revenues, or revenue source



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1984 pledged or committed to, or any lien thereon securing such  
1985 outstanding bonds, notes, indebtedness, or other financing  
1986 obligations will not be diminished, impaired, or adversely  
1987 affected by the amendments made by this act and to permit  
1988 compliance with all provisions of financing documents pertaining  
1989 to such bonds, notes, indebtedness, or other financing  
1990 obligations, or the security or credit enhancement for them, and  
1991 any reference in this subsection to bonds, notes, indebtedness,  
1992 financing obligations, or similar obligations, of the  
1993 corporation shall include like instruments or contracts of the  
1994 Florida Windstorm Underwriting Association and the Residential  
1995 Property and Casualty Joint Underwriting Association to the  
1996 extent not inconsistent with the provisions of the financing  
1997 documents pertaining to them.

1998 (ii) The corporation shall revise the programs adopted  
1999 pursuant to sub-subparagraph (q)3.a. for personal lines  
2000 residential policies to maximize policyholder options and  
2001 encourage increased participation by insurers and agents. After  
2002 January 1, 2017, a policy may not be taken out of the  
2003 corporation unless the provisions of this paragraph are met.

2004 1. The corporation must publish a periodic schedule of  
2005 cycles during which an insurer may identify, and notify the  
2006 corporation of, policies that the insurer is requesting to take  
2007 out. A request must include a description of the coverage  
2008 offered and an estimated premium and must be submitted to the  
2009 corporation in a form and manner prescribed by the corporation.

2010 2. The corporation must maintain and make available to the  
2011 agent of record a consolidated list of all insurers requesting  
2012 to take out a policy. The list must include a description of the



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2013 coverage offered and the estimated premium for each take-out  
2014 request.

2015 3. If a policyholder receives a take-out offer from an  
2016 authorized insurer, the risk is no longer eligible for coverage  
2017 with the corporation unless the premium for coverage from the  
2018 authorized insurer is more than 20 percent greater than the  
2019 renewal premium for comparable coverage from the corporation  
2020 pursuant to sub-subparagraph (c)5.d. ~~(e)5.e.~~ This subparagraph  
2021 applies to take-out offers that are part of an application to  
2022 participate in depopulation submitted to the office on or after  
2023 January 1, 2023. This subparagraph only applies to a policy that  
2024 covers a primary residence.

2025 4. The corporation must provide written notice to the  
2026 policyholder and the agent of record regarding all insurers  
2027 requesting to take out the policy. The notice must be in a  
2028 format prescribed by the corporation and include, for each take-  
2029 out offer:

- 2030 a. The amount of the estimated premium;  
2031 b. A description of the coverage; and  
2032 c. A comparison of the estimated premium and coverage  
2033 offered by the insurer to the estimated premium and coverage  
2034 provided by the corporation.

2035 (nn) The corporation may share its claims data with the  
2036 National Insurance Crime Bureau, provided that the National  
2037 Insurance Crime Bureau agrees to maintain the confidentiality of  
2038 such documents as otherwise provided for in paragraph (x).

2039 (7) TRADEMARKS, COPYRIGHTS, OR PATENTS.—Notwithstanding any  
2040 other law, the corporation is authorized, in its own name, to:

2041 (a) Perform all things necessary to secure letters of



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2042 patent, copyrights, or trademarks on any work products and  
2043 enforce its rights therein.

2044 (b) License, lease, assign, or otherwise give written  
2045 consent to any person, firm, or corporation for the manufacture  
2046 or use thereof, on a royalty basis or for such other  
2047 consideration as the corporation deems proper.

2048 (c) Take any action necessary, including legal action, to  
2049 protect trademarks, copyrights, or patents against improper or  
2050 unlawful use or infringement.

2051 (d) Enforce the collection of any sums due the corporation  
2052 for the manufacture or use thereof by any other party.

2053 (e) Sell any of its trademarks, copyrights, or patents and  
2054 execute all instruments necessary to consummate any such sale.

2055 (f) Do all other acts necessary and proper for the  
2056 execution of powers and duties herein conferred upon the  
2057 corporation in order to administer this subsection.

2058 Section 2. Paragraphs (a), (b), and (c) of subsection (3)  
2059 and paragraphs (d), (e), and (f) of subsection (6) of section  
2060 627.3511, Florida Statutes, are amended to read:

2061 627.3511 Depopulation of Citizens Property Insurance  
2062 Corporation.—

2063 (3) EXEMPTION FROM DEFICIT ASSESSMENTS.—

2064 (a) The calculation of an insurer's ~~assessment~~ liability  
2065 ~~under s. 627.351(6)(b)3.a.~~ shall, for an insurer that in any  
2066 calendar year removes 50,000 or more risks from the Citizens  
2067 Property Insurance Corporation, either by issuance of a policy  
2068 upon expiration or cancellation of the corporation policy or by  
2069 assumption of the corporation's obligations with respect to in-  
2070 force policies, exclude such removed policies for the succeeding





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2071 3 years, as follows:

2072 1. In the first year following removal of the risks, the  
2073 risks are excluded from the calculation to the extent of 100  
2074 percent.

2075 2. In the second year following removal of the risks, the  
2076 risks are excluded from the calculation to the extent of 75  
2077 percent.

2078 3. In the third year following removal of the risks, the  
2079 risks are excluded from the calculation to the extent of 50  
2080 percent.

2081  
2082 If the removal of risks is accomplished through assumption of  
2083 obligations with respect to in-force policies, the corporation  
2084 shall pay to the assuming insurer all unearned premium with  
2085 respect to such policies less any policy acquisition costs  
2086 agreed to by the corporation and assuming insurer. The term  
2087 "policy acquisition costs" is defined as costs of issuance of  
2088 the policy by the corporation which includes agent commissions,  
2089 servicing company fees, and premium tax. This paragraph does not  
2090 apply to an insurer that, at any time within 5 years before  
2091 removing the risks, had a market share in excess of 0.1 percent  
2092 of the statewide aggregate gross direct written premium for any  
2093 line of property insurance, or to an affiliate of such an  
2094 insurer. This paragraph does not apply unless either at least 40  
2095 percent of the risks removed from the corporation are located in  
2096 Miami-Dade, Broward, and Palm Beach Counties, or at least 30  
2097 percent of the risks removed from the corporation are located in  
2098 such counties and an additional 50 percent of the risks removed  
2099 from the corporation are located in other coastal counties.



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2100 (b) An insurer that first wrote personal lines residential  
2101 property coverage in this state on or after July 1, 1994, is  
2102 exempt from liability ~~regular deficit assessments imposed~~  
2103 ~~pursuant to s. 627.351(6)(b)3.a.~~, but not emergency assessments  
2104 collected from policyholders pursuant to s. 627.351(6)(b)3.c. ~~s.~~  
2105 ~~627.351(6)(b)3.e.~~, of the Citizens Property Insurance  
2106 Corporation until the earlier of the following:

2107 1. The end of the calendar year in which it first wrote 0.5  
2108 percent or more of the statewide aggregate direct written  
2109 premium for any line of residential property coverage; or

2110 2. December 31, 1997, or December 31 of the third year in  
2111 which it wrote such coverage in this state, whichever is later.

2112 (c) Other than an insurer that is exempt under paragraph  
2113 (b), an insurer that in any calendar year increases its total  
2114 structure exposure subject to wind coverage by 25 percent or  
2115 more over its exposure for the preceding calendar year is, with  
2116 respect to that year, exempt from liability ~~deficit assessments~~  
2117 ~~imposed pursuant to s. 627.351(6)(b)3.a.~~, but not from emergency  
2118 assessments collected from policyholders pursuant to s.  
2119 627.351(6)(b)3.c. ~~s. 627.351(6)(b)3.e.~~, of the Citizens Property  
2120 Insurance Corporation attributable to such increase in exposure.

2121 (6) COMMERCIAL RESIDENTIAL TAKE-OUT PLANS.—

2122 (d) The calculation of an insurer's ~~regular assessment~~  
2123 ~~liability under s. 627.351(6)(b)3.a.~~, but not emergency  
2124 assessments collected from policyholders pursuant to s.  
2125 627.351(6)(b)3.c. ~~s. 627.351(6)(b)3.e.~~, shall, with respect to  
2126 commercial residential policies removed from the corporation  
2127 under an approved take-out plan, exclude such removed policies  
2128 for the succeeding 3 years, as follows:



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2129           1. In the first year following removal of the policies, the  
2130 policies are excluded from the calculation to the extent of 100  
2131 percent.

2132           2. In the second year following removal of the policies,  
2133 the policies are excluded from the calculation to the extent of  
2134 75 percent.

2135           3. In the third year following removal of the policies, the  
2136 policies are excluded from the calculation to the extent of 50  
2137 percent.

2138           (e) An insurer that first wrote commercial residential  
2139 property coverage in this state on or after June 1, 1996, is  
2140 exempt from liability ~~regular assessments under s.~~  
2141 ~~627.351(6)(b)3.a.~~, but not from emergency assessments collected  
2142 from policyholders pursuant to s. 627.351(6)(b)3.c. ~~s.~~  
2143 ~~627.351(6)(b)3.e.~~, with respect to commercial residential  
2144 policies until the earlier of:

2145           1. The end of the calendar year in which such insurer first  
2146 wrote 0.5 percent or more of the statewide aggregate direct  
2147 written premium for commercial residential property coverage; or

2148           2. December 31 of the third year in which such insurer  
2149 wrote commercial residential property coverage in this state.

2150           (f) An insurer that is not otherwise exempt from liability  
2151 ~~regular assessments under s. 627.351(6)(b)3.a.~~ with respect to  
2152 commercial residential policies is, for any calendar year in  
2153 which such insurer increased its total commercial residential  
2154 hurricane exposure by 25 percent or more over its exposure for  
2155 the preceding calendar year, exempt from liability ~~regular~~  
2156 ~~assessments under s. 627.351(6)(b)3.a.~~, but not emergency  
2157 assessments collected from policyholders pursuant to s.



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2158 627.351(6)(b)3.c. ~~s. 627.351(6)(b)3.e.~~, attributable to such  
2159 increased exposure.

2160 Section 3. Subsections (5), (6), and (7) of section  
2161 627.3518, Florida Statutes, are amended to read:

2162 627.3518 Citizens Property Insurance Corporation  
2163 policyholder eligibility clearinghouse program.—The purpose of  
2164 this section is to provide a framework for the corporation to  
2165 implement a clearinghouse program by January 1, 2014.

2166 (5) Notwithstanding s. 627.3517, any applicant for new  
2167 coverage from the corporation is not eligible for coverage from  
2168 the corporation if provided an offer of coverage from an  
2169 authorized insurer through the program at a premium that is at  
2170 or below the eligibility threshold for applicants for new  
2171 coverage of a primary residence established in s.

2172 627.351(6)(c)5.a., or for applicants for new coverage of a risk  
2173 that is not a primary residence established in s.

2174 627.351(6)(c)5.b. Whenever an offer of coverage for a personal  
2175 lines risk is received for a policyholder of the corporation at  
2176 renewal from an authorized insurer through the program which is  
2177 at or below the eligibility threshold for primary residences of  
2178 policyholders of the corporation established in s.

2179 627.351(6)(c)5.a., or the eligibility threshold for risks that  
2180 are not primary residences of policyholders of the corporation  
2181 established in s. 627.351(6)(c)5.b., the risk is not eligible  
2182 for coverage with the corporation. In the event an offer of  
2183 coverage for a new applicant is received from an authorized  
2184 insurer through the program, and the premium offered exceeds the  
2185 eligibility threshold for applicants for new coverage of a  
2186 primary residence established in s. 627.351(6)(c)5.a., or the



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2187 eligibility threshold for applicants for new coverage on a risk  
2188 that is not a primary residence established in s.  
2189 627.351(6)(c)5.b., the applicant or insured may elect to accept  
2190 such coverage, or may elect to accept or continue coverage with  
2191 the corporation. In the event an offer of coverage for a  
2192 personal lines risk is received from an authorized insurer at  
2193 renewal through the program, and the premium offered exceeds the  
2194 eligibility threshold for primary residences of policyholders of  
2195 the corporation established in s. 627.351(6)(c)5.a., or exceeds  
2196 the eligibility threshold for risks that are not primary  
2197 residences of policyholders of the corporation established in s.  
2198 627.351(6)(c)5.b., the insured may elect to accept such  
2199 coverage, or may elect to accept or continue coverage with the  
2200 corporation. Section 627.351(6)(c)5.a.(I) and b.(I) does not  
2201 apply to an offer of coverage from an authorized insurer  
2202 obtained through the program. As used in this subsection, the  
2203 term "primary residence" has the same meaning as in s.  
2204 627.351(6)(c)2.a.  
2205 (6) Independent insurance agents submitting new  
2206 applications for coverage or that are the agent of record on a  
2207 renewal policy submitted to the program:  
2208 (a) Are granted and must maintain ownership and the  
2209 exclusive use of expirations, records, or other written or  
2210 electronic information directly related to such applications or  
2211 renewals written through the corporation or through an insurer  
2212 participating in the program, notwithstanding s.  
2213 627.351(6)(c)5.a.(I)(B) and (II)(B) or s.  
2214 627.351(6)(c)5.b.(I)(B) and (II)(B). Such ownership is granted  
2215 for as long as the insured remains with the agency or until sold



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2216 or surrendered in writing by the agent. Contracts with the  
2217 corporation or required by the corporation must not amend,  
2218 modify, interfere with, or limit such rights of ownership. Such  
2219 expirations, records, or other written or electronic information  
2220 may be used to review an application, issue a policy, or for any  
2221 other purpose necessary for placing such business through the  
2222 program.

2223 (b) May not be required to be appointed by any insurer  
2224 participating in the program for policies written solely through  
2225 the program, notwithstanding the provisions of s. 626.112.

2226 (c) May accept an appointment from any insurer  
2227 participating in the program.

2228 (d) May enter into either a standard or limited agency  
2229 agreement with the insurer, at the insurer's option.

2230  
2231 Applicants ineligible for coverage in accordance with subsection  
2232 (5) remain ineligible if their independent agent is unwilling or  
2233 unable to enter into a standard or limited agency agreement with  
2234 an insurer participating in the program.

2235 (7) Exclusive agents submitting new applications for  
2236 coverage or that are the agent of record on a renewal policy  
2237 submitted to the program:

2238 (a) Must maintain ownership and the exclusive use of  
2239 expirations, records, or other written or electronic information  
2240 directly related to such applications or renewals written  
2241 through the corporation or through an insurer participating in  
2242 the program, notwithstanding s. 627.351(6)(c)5.a.(I)(B) and  
2243 (II)(B) or s. 627.351(6)(c)5.b.(I)(B) and (II)(B). Contracts  
2244



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2245 ===== T I T L E A M E N D M E N T =====

2246 And the title is amended as follows:

2247       Delete lines 3 - 65

2248 and insert:

2249       Corporation; amending s. 627.351, F.S.; revising  
2250       circumstances under which certain insurers'  
2251       associations must levy market equalization surcharges  
2252       on policyholders; deleting obsolete language;  
2253       authorizing the Office of Insurance Regulation to  
2254       evaluate whether there is a reasonable degree of  
2255       competition within certain zip codes; providing that  
2256       certain structures located within certain zip codes  
2257       are eligible for coverage from the corporation;  
2258       providing that certain accounts for Citizens Property  
2259       Insurance Corporation revenues, assets, liabilities,  
2260       losses, and expenses are now maintained as the  
2261       Citizens account; revising the requirements for  
2262       certain coverages by the corporation; requiring the  
2263       inclusion of quota share primary insurance in certain  
2264       policies; deleting provisions relating to legislative  
2265       goals; conforming provisions to changes made by the  
2266       act; revising provisions relating to deficits in  
2267       certain accounts; revising the definition of the term  
2268       "assessments"; deleting provisions relating to  
2269       surcharges and regular assessments upon determination  
2270       of projected deficits; deleting provisions relating to  
2271       funds available to the corporation as sources of  
2272       revenue and bonds; deleting definitions; deleting  
2273       provisions relating to the duties of the Florida



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2274 Surplus Lines Service Office; deleting provisions  
2275 relating to disposition of excess amounts of  
2276 assessments and surcharges; defining the terms  
2277 "approved surplus lines insurer" and "primary  
2278 residence"; providing applicability of certain  
2279 provisions relating to personal lines residential  
2280 risks coverage by the corporation; providing that  
2281 certain personal lines residential risks are not  
2282 eligible for any policy issued by the corporation;  
2283 providing an exception; providing that certain  
2284 personal lines residential risks are not eligible for  
2285 coverage with the corporation under certain  
2286 circumstances; providing an exception; providing that  
2287 certain risks are eligible for certain standard  
2288 policies; providing that certain risks are eligible  
2289 for certain basic policies; requiring the department to  
2290 determine the type of policy to be provided on the  
2291 basis of certain standards and practices; providing  
2292 that certain policyholders do not remain eligible for  
2293 coverage from the corporation; requiring the insurer  
2294 to pay the producing agent of record a certain amount  
2295 or make certain offers under certain circumstances;  
2296 providing that the producing agent of record is  
2297 entitled to retain certain commission on the policy;  
2298 requiring the insurer to pay the producing agent of  
2299 record a certain amount or make certain offers under  
2300 certain circumstances; revising the corporation's plan  
2301 of operation; revising the required statements from  
2302 applicants for coverage; revising the duties of the





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2303 executive director of the corporation; authorizing the  
2304 executive director to assign and appoint designees;  
2305 deleting an applicability provision relating to bond  
2306 requirements; revising the personal lines policies that  
2307 are not subject to certain rate limitations; deleting  
2308 provisions relating to certain insurer assessment  
2309 deferments; deleting provisions relating to the  
2310 intangibles of and coverage by the Florida Windstorm  
2311 Underwriting Association and the corporation coastal  
2312 account; authorizing the corporation and certain  
2313 persons to make specified information obtained from  
2314 underwriting files and confidential claims files  
2315 available to licensed surplus lines agents;  
2316 prohibiting such agents from using such information  
2317 for specified purposes; providing applicability of  
2318 provisions relating to take-out offers that are part  
2319 of applications to participate in depopulation;  
2320 authorizing the corporation to share its claims data  
2321 with a specified entity; authorizing the corporation  
2322 to take certain actions relating to trademarks,  
2323 copyrights, or patents; amending s. 627.3511, F.S.;  
2324 conforming provisions to changes made by the act;  
2325 conforming cross-references; amending s. 627.3518,  
2326 F.S.; revising eligibility requirements for  
2327 policyholders at renewal and for applicants for new