

26 | unwilling or unable to provide affordable property insurance
27 | coverage in this state to the extent sought and needed. The
28 | absence of affordable property insurance threatens the public
29 | health, safety, and welfare and likewise threatens the economic
30 | health of the state. The state therefore has a compelling public
31 | interest and a public purpose to assist in assuring that
32 | property in the state is insured and that it is insured at
33 | affordable rates so as to facilitate the remediation,
34 | reconstruction, and replacement of damaged or destroyed property
35 | in order to reduce or avoid the negative effects otherwise
36 | resulting to the public health, safety, and welfare, to the
37 | economy of the state, and to the revenues of the state and local
38 | governments which are needed to provide for the public welfare.
39 | It is necessary, therefore, to provide affordable property
40 | insurance to applicants who are in good faith entitled to
41 | procure insurance through the voluntary market but are unable to
42 | do so. The Legislature intends, therefore, that affordable
43 | property insurance be provided and that it continue to be
44 | provided, as long as necessary, through Citizens Property
45 | Insurance Corporation, a government entity that is an integral
46 | part of the state, and that is not a private insurance company.
47 | To that end, the corporation shall strive to increase the
48 | availability of affordable property insurance in this state,
49 | while achieving efficiencies and economies, and while providing
50 | service to policyholders, applicants, and agents which is no

51 | less than the quality generally provided in the voluntary
52 | market, for the achievement of the foregoing public purposes.
53 | Because it is essential for this government entity to have the
54 | maximum financial resources to pay claims following a
55 | catastrophic hurricane, it is the intent of the Legislature that
56 | the corporation continue to be an integral part of the state and
57 | that the income of the corporation be exempt from federal income
58 | taxation and that interest on the debt obligations issued by the
59 | corporation be exempt from federal income taxation.

60 | 2. The Residential Property and Casualty Joint
61 | Underwriting Association originally created by this statute
62 | shall be known as the Citizens Property Insurance Corporation.
63 | The corporation shall provide insurance for residential and
64 | commercial property, for applicants who are entitled, but, in
65 | good faith, are unable to procure insurance through the
66 | voluntary market. The corporation shall operate pursuant to a
67 | plan of operation approved by order of the Financial Services
68 | Commission. The plan is subject to continuous review by the
69 | commission. The commission may, by order, withdraw approval of
70 | all or part of a plan if the commission determines that
71 | conditions have changed since approval was granted and that the
72 | purposes of the plan require changes in the plan. For the
73 | purposes of this subsection, residential coverage includes both
74 | personal lines residential coverage, which consists of the type
75 | of coverage provided by homeowner, mobile home owner, dwelling,

76 | tenant, condominium unit owner, and similar policies; and
77 | commercial lines residential coverage, which consists of the
78 | type of coverage provided by condominium association, apartment
79 | building, and similar policies.

80 | 3. With respect to coverage for personal lines residential
81 | structures:

82 | a. Effective January 1, 2014, a structure that has a
83 | dwelling replacement cost of \$1 million or more, or a single
84 | condominium unit that has a combined dwelling and contents
85 | replacement cost of \$1 million or more, is not eligible for
86 | coverage by the corporation. Such dwellings insured by the
87 | corporation on December 31, 2013, may continue to be covered by
88 | the corporation until the end of the policy term. The office
89 | shall approve the method used by the corporation for valuing the
90 | dwelling replacement cost for the purposes of this subparagraph.
91 | If a policyholder is insured by the corporation before being
92 | determined to be ineligible pursuant to this subparagraph and
93 | such policyholder files a lawsuit challenging the determination,
94 | the policyholder may remain insured by the corporation until the
95 | conclusion of the litigation.

96 | b. Effective January 1, 2015, a structure that has a
97 | dwelling replacement cost of \$900,000 or more, or a single
98 | condominium unit that has a combined dwelling and contents
99 | replacement cost of \$900,000 or more, is not eligible for
100 | coverage by the corporation. Such dwellings insured by the

101 corporation on December 31, 2014, may continue to be covered by
 102 the corporation only until the end of the policy term.

103 c. Effective January 1, 2016, a structure that has a
 104 dwelling replacement cost of \$800,000 or more, or a single
 105 condominium unit that has a combined dwelling and contents
 106 replacement cost of \$800,000 or more, is not eligible for
 107 coverage by the corporation. Such dwellings insured by the
 108 corporation on December 31, 2015, may continue to be covered by
 109 the corporation until the end of the policy term.

110 d. Effective January 1, 2017, a structure that has a
 111 dwelling replacement cost of \$700,000 or more, or a single
 112 condominium unit that has a combined dwelling and contents
 113 replacement cost of \$700,000 or more, is not eligible for
 114 coverage by the corporation. Such dwellings insured by the
 115 corporation on December 31, 2016, may continue to be covered by
 116 the corporation until the end of the policy term.

117
 118 The requirements of sub-subparagraphs b.-d. do not apply in
 119 counties where the office determines there is not a reasonable
 120 degree of competition. In such counties a personal lines
 121 residential structure that has a dwelling replacement cost of
 122 less than \$1 million, or a single condominium unit that has a
 123 combined dwelling and contents replacement cost of less than \$1
 124 million, is eligible for coverage by the corporation.

125 4. It is the intent of the Legislature that policyholders,

126 applicants, and agents of the corporation receive service and
127 treatment of the highest possible level but never less than that
128 generally provided in the voluntary market. It is also intended
129 that the corporation be held to service standards no less than
130 those applied to insurers in the voluntary market by the office
131 with respect to responsiveness, timeliness, customer courtesy,
132 and overall dealings with policyholders, applicants, or agents
133 of the corporation.

134 5.a. Effective January 1, 2009, a personal lines
135 residential structure that is located in the "wind-borne debris
136 region," as defined in s. 1609.2, International Building Code
137 (2006), and that has an insured value on the structure of
138 \$750,000 or more is not eligible for coverage by the corporation
139 unless the structure has opening protections as required under
140 the Florida Building Code for a newly constructed residential
141 structure in that area. A residential structure is deemed to
142 comply with this sub-subparagraph if it has shutters or opening
143 protections on all openings and if such opening protections
144 complied with the Florida Building Code at the time they were
145 installed.

146 b. Any major structure, as defined in s. 161.54(6)(a),
147 that is newly constructed, or rebuilt, repaired, restored, or
148 remodeled to increase the total square footage of finished area
149 by more than 25 percent, pursuant to a permit applied for after
150 July 1, 2015, is not eligible for coverage by the corporation if

151 the structure is seaward of the coastal construction control
 152 line established pursuant to s. 161.053 or is within the Coastal
 153 Barrier Resources System as designated by 16 U.S.C. ss. 3501-
 154 3510.

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

160 Section 2. Paragraph (c) of subsection (5) of section
 161 627.7011, Florida Statutes, is amended to read:

162 627.7011 Homeowners' policies; offer of replacement cost
 163 coverage and law and ordinance coverage.—

164 (5)

165 (c) For a roof that is at least 15 years old, an insurer
 166 must allow a homeowner to have a roof inspection performed by an
 167 authorized inspector at the homeowner's expense before requiring
 168 the replacement of the roof of a residential structure as a
 169 condition of issuing or renewing a homeowner's insurance policy.
 170 The insurer may not refuse to issue or refuse to renew a
 171 homeowner's insurance policy solely because of roof age if an
 172 inspection of the roof of the residential structure performed by
 173 an authorized inspector indicates that the roof has 5 years or
 174 more of useful life remaining. An authorized inspector must use
 175 the Commercial Roof Condition Inspection Form (CL-RCF-1 07 17).

176 An authorized inspector may provide an appendix to this form
 177 which includes pictures or other documentation to demonstrate
 178 the remaining useful life of the roof.

179 Section 3. Subsection (1) of section 627.714, Florida
 180 Statutes, is amended to read:

181 627.714 Residential condominium unit owner coverage; loss
 182 assessment coverage required.—

183 (1) For policies issued or renewed on or after July 1,
 184 2024 ~~2010~~, coverage under a unit owner's residential property
 185 policy must include at least \$5,000 ~~\$2,000~~ in property loss
 186 assessment coverage for all assessments made as a result of the
 187 same direct loss to the property, regardless of the number of
 188 assessments, owned by all members of the association
 189 collectively if such loss is of the type of loss covered by the
 190 unit owner's residential property insurance policy, to which a
 191 deductible of no more than \$250 per direct property loss
 192 applies. If a deductible was or will be applied to other
 193 property loss sustained by the unit owner resulting from the
 194 same direct loss to the property, no deductible applies to the
 195 loss assessment coverage.

196 Section 4. This act shall take effect July 1, 2024.