HB 809

1 A bill to be entitled 2 An act relating to personal lines residential property 3 insurance; creating s. 627.70122, F.S.; requiring an 4 insurer, before issuing a personal lines residential 5 property insurance policy, to offer a policy that 6 provides a coverage limit on the dwelling equal to the 7 unpaid principal balance of all mortgage loans on the 8 risk; requiring an insurer issuing such a policy to 9 obtain a certain signed statement; specifying the language for such statement; prohibiting a personal 10 11 lines residential property insurer from requiring a 12 coverage limit that includes the value of the land 13 upon which the dwelling sits; providing an effective 14 date. 15 16 Be It Enacted by the Legislature of the State of Florida: 17 18 Section 1. Section 627.70122, Florida Statutes, is created 19 to read: 20 627.70122 Coverage limits on personal lines residential 21 property insurance.-22 (1) Before issuing a personal lines residential property 23 insurance policy, the insurer shall offer a policy that provides 24 a coverage limit on the dwelling equal to the unpaid principal 25 balance of all mortgage loans on the risk. Before issuing any

Page 1 of 2

CODING: Words stricken are deletions; words underlined are additions.

2024

HB 809

2024

26	policy that limits coverage on the dwelling equal to the unpaid
27	principal balance of all mortgage loans on the risk, the insurer
28	shall obtain a statement signed by all insureds which contains
29	the following notice in boldfaced type no smaller than 18 point:
30	"YOU ARE ELECTING TO PURCHASE COVERAGE AT A LIMIT THAT IS EQUAL
31	TO ONLY THE UNPAID PRINCIPAL BALANCE OF THE MORTGAGE LOANS ON
32	YOUR HOME. ACCORDINGLY, IN THE EVENT OF THE TOTAL LOSS OF YOUR
33	HOME OR A LOSS FOR WHICH THE COST TO REPAIR YOUR HOME EXCEEDS
34	THE UNPAID BALANCE ON YOUR MORTGAGE LOAN, YOU WILL INCUR
35	SIGNIFICANT FINANCIAL LOSSES, INCLUDING THE POTENTIAL LOSS OF
36	SOME OF YOUR HOME'S EQUITY."
37	(2) A personal lines residential property insurer may not,
38	as a condition of issuing coverage, require a coverage limit on
39	the dwelling which includes the value of the land upon which the
40	dwelling sits.
41	Section 2. This act shall take effect July 1, 2024.
	Page 2 of 2

CODING: Words stricken are deletions; words underlined are additions.