



26 Statutes, is renumbered as subsection (8), paragraph (b) of  
 27 subsection (6) and present subsection (7) are amended, and a new  
 28 subsection (7) is added to that section, to read:

29 627.351 Insurance risk apportionment plans.—

30 (6) CITIZENS PROPERTY INSURANCE CORPORATION.—

31 (b)1. All insurers authorized to write one or more subject  
 32 lines of business in this state are subject to assessment by the  
 33 corporation and, for the purposes of this subsection, are  
 34 referred to collectively as "assessable insurers." Insurers  
 35 writing one or more subject lines of business in this state  
 36 pursuant to part VIII of chapter 626 are not assessable  
 37 insurers; however, insureds who procure one or more subject  
 38 lines of business in this state pursuant to part VIII of chapter  
 39 626 are subject to assessment by the corporation and are  
 40 referred to collectively as "assessable insureds." An insurer's  
 41 assessment liability begins on the first day of the calendar  
 42 year following the year in which the insurer was issued a  
 43 certificate of authority to transact insurance for subject lines  
 44 of business in this state and terminates 1 year after the end of  
 45 the first calendar year during which the insurer no longer holds  
 46 a certificate of authority to transact insurance for subject  
 47 lines of business in this state.

48 2.a. All revenues, assets, liabilities, losses, and  
 49 expenses of the corporation shall be divided into three separate  
 50 accounts as follows:

51 (I) A personal lines account for personal residential  
52 policies issued by the corporation which provides comprehensive,  
53 multiperil coverage on risks that are not located in areas  
54 eligible for coverage by the Florida Windstorm Underwriting  
55 Association as those areas were defined on January 1, 2002, or  
56 included as eligible for coverage by the corporation and for  
57 policies that do not provide coverage for the peril of wind on  
58 risks that are located in such areas;

59 (II) A commercial lines account for commercial residential  
60 and commercial nonresidential policies issued by the corporation  
61 which provides coverage for basic property perils on risks that  
62 are not located in areas eligible for coverage by the Florida  
63 Windstorm Underwriting Association as those areas were defined  
64 on January 1, 2002, or included as eligible for coverage by the  
65 corporation and for policies that do not provide coverage for  
66 the peril of wind on risks that are located in such areas; and

67 (III) A coastal account for personal residential policies  
68 and commercial residential and commercial nonresidential  
69 property policies issued by the corporation which provides  
70 coverage for the peril of wind on risks that are located in  
71 areas eligible for coverage by the Florida Windstorm  
72 Underwriting Association as those areas were defined on January  
73 1, 2002, or included as eligible for coverage by the  
74 corporation. The corporation may offer policies that provide  
75 multiperil coverage and shall offer policies that provide

76 coverage only for the peril of wind for risks located in areas  
77 eligible for coverage in the coastal account. Effective July 1,  
78 2014, the corporation shall cease offering new commercial  
79 residential policies providing multiperil coverage and shall  
80 instead continue to offer commercial residential wind-only  
81 policies, and may offer commercial residential policies  
82 excluding wind. The corporation may, however, continue to renew  
83 a commercial residential multiperil policy on a building that is  
84 insured by the corporation on June 30, 2014, under a multiperil  
85 policy. In issuing multiperil coverage, the corporation may use  
86 its approved policy forms and rates for the personal lines  
87 account. An applicant or insured who is eligible to purchase a  
88 multiperil policy from the corporation may purchase a multiperil  
89 policy from an authorized insurer without prejudice to the  
90 applicant's or insured's eligibility to prospectively purchase a  
91 policy that provides coverage only for the peril of wind from  
92 the corporation. An applicant or insured who is eligible for a  
93 corporation policy that provides coverage only for the peril of  
94 wind may elect to purchase or retain such policy and also  
95 purchase or retain coverage excluding wind from an authorized  
96 insurer without prejudice to the applicant's or insured's  
97 eligibility to prospectively purchase a policy that provides  
98 multiperil coverage from the corporation. It is the goal of the  
99 Legislature that there be an overall average savings of 10  
100 percent or more for a policyholder who currently has a wind-only

101 policy with the corporation, and an ex-wind policy with a  
102 voluntary insurer or the corporation, and who obtains a  
103 multiperil policy from the corporation. It is the intent of the  
104 Legislature that the offer of multiperil coverage in the coastal  
105 account be made and implemented in a manner that does not  
106 adversely affect the tax-exempt status of the corporation or  
107 creditworthiness of or security for currently outstanding  
108 financing obligations or credit facilities of the coastal  
109 account, the personal lines account, or the commercial lines  
110 account. The coastal account must also include quota share  
111 primary insurance under subparagraph (c)2. The area eligible for  
112 coverage under the coastal account also includes the area within  
113 Port Canaveral, which is bordered on the south by the City of  
114 Cape Canaveral, bordered on the west by the Banana River, and  
115 bordered on the north by Federal Government property.

116 b. The three separate accounts must be maintained as long  
117 as financing obligations entered into by the Florida Windstorm  
118 Underwriting Association or Residential Property and Casualty  
119 Joint Underwriting Association are outstanding, in accordance  
120 with the terms of the corresponding financing documents. If no  
121 such financing obligations remain outstanding or if the  
122 financing documents allow for combining of accounts, the  
123 corporation may consolidate the three separate accounts into a  
124 new account, to be known as the Citizens account, for all  
125 revenues, assets, liabilities, losses, and expenses of the

126 corporation. The Citizens account, if established by the  
 127 corporation, is authorized to provide coverage to the same  
 128 extent as provided under each of the three separate accounts.  
 129 The authority to provide coverage under the Citizens account is  
 130 set forth in subparagraph 4. Consistent with this subparagraph  
 131 and prudent investment policies that minimize the cost of  
 132 carrying debt, the board shall exercise its best efforts to  
 133 retire existing debt or obtain the approval of necessary parties  
 134 to amend the terms of existing debt, so as to structure the most  
 135 efficient plan for consolidating the three separate accounts  
 136 into a single account. Once the accounts are combined into one  
 137 account, this subparagraph and subparagraph 3. shall be replaced  
 138 in their entirety by subparagraphs 4. and 5.

139 c. Creditors of the Residential Property and Casualty  
 140 Joint Underwriting Association and the accounts specified in  
 141 sub-sub-subparagraphs a.(I) and (II) may have a claim against,  
 142 and recourse to, those accounts and no claim against, or  
 143 recourse to, the account referred to in sub-sub-subparagraph  
 144 a.(III). Creditors of the Florida Windstorm Underwriting  
 145 Association have a claim against, and recourse to, the account  
 146 referred to in sub-sub-subparagraph a.(III) and no claim  
 147 against, or recourse to, the accounts referred to in sub-sub-  
 148 subparagraphs a.(I) and (II).

149 d. Revenues, assets, liabilities, losses, and expenses not  
 150 attributable to particular accounts shall be prorated among the

151 | accounts.

152 |       e. The Legislature finds that the revenues of the  
153 | corporation are revenues that are necessary to meet the  
154 | requirements set forth in documents authorizing the issuance of  
155 | bonds under this subsection.

156 |       f. The income of the corporation may not inure to the  
157 | benefit of any private person.

158 |       3. With respect to a deficit in an account:

159 |       a. After accounting for the Citizens policyholder  
160 | surcharge imposed under sub-subparagraph j., if the remaining  
161 | projected deficit incurred in the coastal account in a  
162 | particular calendar year:

163 |       (I) Is not greater than 2 percent of the aggregate  
164 | statewide direct written premium for the subject lines of  
165 | business for the prior calendar year, the entire deficit shall  
166 | be recovered through regular assessments of assessable insurers  
167 | under paragraph (q) and assessable insureds.

168 |       (II) Exceeds 2 percent of the aggregate statewide direct  
169 | written premium for the subject lines of business for the prior  
170 | calendar year, the corporation shall levy regular assessments on  
171 | assessable insurers under paragraph (q) and on assessable  
172 | insureds in an amount equal to the greater of 2 percent of the  
173 | projected deficit or 2 percent of the aggregate statewide direct  
174 | written premium for the subject lines of business for the prior  
175 | calendar year. Any remaining projected deficit shall be

176 recovered through emergency assessments under sub-subparagraph  
177 e.

178       b. Each assessable insurer's share of the amount being  
179 assessed under sub-subparagraph a. must be in the proportion  
180 that the assessable insurer's direct written premium for the  
181 subject lines of business for the year preceding the assessment  
182 bears to the aggregate statewide direct written premium for the  
183 subject lines of business for that year. The assessment  
184 percentage applicable to each assessable insured is the ratio of  
185 the amount being assessed under sub-subparagraph a. to the  
186 aggregate statewide direct written premium for the subject lines  
187 of business for the prior year. Assessments levied by the  
188 corporation on assessable insurers under sub-subparagraph a.  
189 must be paid as required by the corporation's plan of operation  
190 and paragraph (q). Assessments levied by the corporation on  
191 assessable insureds under sub-subparagraph a. shall be collected  
192 by the surplus lines agent at the time the surplus lines agent  
193 collects the surplus lines tax required by s. 626.932, and paid  
194 to the Florida Surplus Lines Service Office at the time the  
195 surplus lines agent pays the surplus lines tax to that office.  
196 Upon receipt of regular assessments from surplus lines agents,  
197 the Florida Surplus Lines Service Office shall transfer the  
198 assessments directly to the corporation as determined by the  
199 corporation.

200       c. The corporation may not levy regular assessments under

201 paragraph (q) pursuant to sub-subparagraph a. or sub-  
 202 subparagraph b. if the three separate accounts in sub-sub-  
 203 subparagraphs 2.a.(I)-(III) have been consolidated into the  
 204 Citizens account pursuant to sub-subparagraph 2.b. However, the  
 205 outstanding balance of any regular assessment levied by the  
 206 corporation before establishment of the Citizens account remains  
 207 payable to the corporation.

208 d. After accounting for the Citizens policyholder  
 209 surcharge imposed under sub-subparagraph j., the remaining  
 210 projected deficits in the personal lines account and in the  
 211 commercial lines account in a particular calendar year shall be  
 212 recovered through emergency assessments under sub-subparagraph  
 213 e.

214 e. Upon a determination by the board of governors that a  
 215 projected deficit in an account exceeds the amount that is  
 216 expected to be recovered through regular assessments under sub-  
 217 subparagraph a., plus the amount that is expected to be  
 218 recovered through surcharges under sub-subparagraph j., the  
 219 board, after verification by the office, shall levy emergency  
 220 assessments for as many years as necessary to cover the  
 221 deficits, to be collected by assessable insurers and the  
 222 corporation and collected from assessable insureds upon issuance  
 223 or renewal of policies for subject lines of business, excluding  
 224 National Flood Insurance policies. The amount collected in a  
 225 particular year must be a uniform percentage of that year's

226 | direct written premium for subject lines of business and all  
227 | accounts of the corporation, excluding National Flood Insurance  
228 | Program policy premiums, as annually determined by the board and  
229 | verified by the office. The office shall verify the arithmetic  
230 | calculations involved in the board's determination within 30  
231 | days after receipt of the information on which the determination  
232 | was based. The office shall notify assessable insurers and the  
233 | Florida Surplus Lines Service Office of the date on which  
234 | assessable insurers shall begin to collect and assessable  
235 | insureds shall begin to pay such assessment. The date must be at  
236 | least 90 days after the date the corporation levies emergency  
237 | assessments pursuant to this sub-subparagraph. Notwithstanding  
238 | any other provision of law, the corporation and each assessable  
239 | insurer that writes subject lines of business shall collect  
240 | emergency assessments from its policyholders without such  
241 | obligation being affected by any credit, limitation, exemption,  
242 | or deferment. Emergency assessments levied by the corporation on  
243 | assessable insureds shall be collected by the surplus lines  
244 | agent at the time the surplus lines agent collects the surplus  
245 | lines tax required by s. 626.932 and paid to the Florida Surplus  
246 | Lines Service Office at the time the surplus lines agent pays  
247 | the surplus lines tax to that office. The emergency assessments  
248 | collected shall be transferred directly to the corporation on a  
249 | periodic basis as determined by the corporation and held by the  
250 | corporation solely in the applicable account. The aggregate

251 amount of emergency assessments levied for an account in any  
252 calendar year may be less than but may not exceed the greater of  
253 10 percent of the amount needed to cover the deficit, plus  
254 interest, fees, commissions, required reserves, and other costs  
255 associated with financing the original deficit, or 10 percent of  
256 the aggregate statewide direct written premium for subject lines  
257 of business and all accounts of the corporation for the prior  
258 year, plus interest, fees, commissions, required reserves, and  
259 other costs associated with financing the deficit.

260 f. The corporation may pledge the proceeds of assessments,  
261 projected recoveries from the Florida Hurricane Catastrophe  
262 Fund, other insurance and reinsurance recoverables, policyholder  
263 surcharges and other surcharges, and other funds available to  
264 the corporation as the source of revenue for and to secure bonds  
265 issued under paragraph (q), bonds or other indebtedness issued  
266 under subparagraph (c)3., or lines of credit or other financing  
267 mechanisms issued or created under this subsection, or to retire  
268 any other debt incurred as a result of deficits or events giving  
269 rise to deficits, or in any other way that the board determines  
270 will efficiently recover such deficits. The purpose of the lines  
271 of credit or other financing mechanisms is to provide additional  
272 resources to assist the corporation in covering claims and  
273 expenses attributable to a catastrophe. As used in this  
274 subsection, the term "assessments" includes regular assessments  
275 under sub-subparagraph a. or subparagraph (q)1. and emergency

276 assessments under sub-subparagraph e. Emergency assessments  
277 collected under sub-subparagraph e. are not part of an insurer's  
278 rates, are not premium, and are not subject to premium tax,  
279 fees, or commissions; however, failure to pay the emergency  
280 assessment shall be treated as failure to pay premium. The  
281 emergency assessments shall continue as long as any bonds issued  
282 or other indebtedness incurred with respect to a deficit for  
283 which the assessment was imposed remain outstanding, unless  
284 adequate provision has been made for the payment of such bonds  
285 or other indebtedness pursuant to the documents governing such  
286 bonds or indebtedness.

287 g. As used in this subsection for purposes of any deficit  
288 incurred on or after January 25, 2007, the term "subject lines  
289 of business" means insurance written by assessable insurers or  
290 procured by assessable insureds for all property and casualty  
291 lines of business in this state, but not including workers'  
292 compensation or medical malpractice. As used in this sub-  
293 subparagraph, the term "property and casualty lines of business"  
294 includes all lines of business identified on Form 2, Exhibit of  
295 Premiums and Losses, in the annual statement required of  
296 authorized insurers under s. 624.424 and any rule adopted under  
297 this section, except for those lines identified as accident and  
298 health insurance and except for policies written under the  
299 National Flood Insurance Program or the Federal Crop Insurance  
300 Program. For purposes of this sub-subparagraph, the term

301 "workers' compensation" includes both workers' compensation  
302 insurance and excess workers' compensation insurance.

303 h. The Florida Surplus Lines Service Office shall  
304 determine annually the aggregate statewide written premium in  
305 subject lines of business procured by assessable insureds and  
306 report that information to the corporation in a form and at a  
307 time the corporation specifies to ensure that the corporation  
308 can meet the requirements of this subsection and the  
309 corporation's financing obligations.

310 i. The Florida Surplus Lines Service Office shall verify  
311 the proper application by surplus lines agents of assessment  
312 percentages for regular assessments and emergency assessments  
313 levied under this subparagraph on assessable insureds and assist  
314 the corporation in ensuring the accurate, timely collection and  
315 payment of assessments by surplus lines agents as required by  
316 the corporation.

317 j. Upon determination by the board of governors that an  
318 account has a projected deficit, the board shall levy a Citizens  
319 policyholder surcharge against all policyholders of the  
320 corporation.

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

324 (II) The surcharge is payable upon cancellation or  
325 termination of the policy, upon renewal of the policy, or upon

326 issuance of a new policy by the corporation within the first 12  
327 months after the date of the levy or the period of time  
328 necessary to fully collect the surcharge amount.

329 (III) The corporation may not levy any regular assessments  
330 under paragraph (q) pursuant to sub-subparagraph a. or sub-  
331 subparagraph b. with respect to a particular year's deficit  
332 until the corporation has first levied the full amount of the  
333 surcharge authorized by this sub-subparagraph.

334 (IV) The surcharge is not considered premium and is not  
335 subject to commissions, fees, or premium taxes. However, failure  
336 to pay the surcharge shall be treated as failure to pay premium.

337 k. If the amount of any assessments or surcharges  
338 collected from corporation policyholders, assessable insurers or  
339 their policyholders, or assessable insureds exceeds the amount  
340 of the deficits, such excess amounts shall be remitted to and  
341 retained by the corporation in a reserve to be used by the  
342 corporation, as determined by the board of governors and  
343 approved by the office, to pay claims or reduce any past,  
344 present, or future plan-year deficits or to reduce outstanding  
345 debt.

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

348 a. Personal residential policies that provide  
349 comprehensive, multiperil coverage on risks that are not located  
350 in areas eligible for coverage by the Florida Windstorm

351 Underwriting Association, as those areas were defined on January  
 352 1, 2002, and for policies that do not provide coverage for the  
 353 peril of wind on risks that are located in such areas;

354 b. Commercial residential and commercial nonresidential  
 355 policies that provide coverage for basic property perils on  
 356 risks that are not located in areas eligible for coverage by the  
 357 Florida Windstorm Underwriting Association, as those areas were  
 358 defined on January 1, 2002, and for policies that do not provide  
 359 coverage for the peril of wind on risks that are located in such  
 360 areas; and

361 c. Personal residential policies and commercial  
 362 residential and commercial nonresidential property policies that  
 363 provide coverage for the peril of wind on risks that are located  
 364 in wind-eligible areas ~~eligible for coverage by the Florida~~  
 365 ~~Windstorm Underwriting Association, as those areas were defined~~  
 366 ~~on January 1, 2002.~~ The corporation may offer policies that  
 367 provide multiperil coverage and shall offer policies that  
 368 provide coverage only for the peril of wind for risks located in  
 369 wind-eligible areas ~~eligible for coverage by the Florida~~  
 370 ~~Windstorm Underwriting Association, as those areas were defined~~  
 371 ~~on January 1, 2002.~~ The corporation may not offer new commercial  
 372 residential policies providing multiperil coverage. The  
 373 corporation, ~~but~~ shall continue to offer commercial residential  
 374 wind-only policies, and may offer commercial residential  
 375 policies excluding wind. However, the corporation may continue

376 to renew a commercial residential multiperil policy on a  
 377 building that was insured by the corporation on June 30, 2014,  
 378 under a multiperil policy. In issuing multiperil coverage under  
 379 this sub-subparagraph, the corporation may use its approved  
 380 policy forms and rates for risks located in areas that are not  
 381 wind-eligible ~~eligible for coverage by the Florida Windstorm~~  
 382 ~~Underwriting Association as those areas were defined on January~~  
 383 ~~1, 2002,~~ and for policies that do not provide coverage for the  
 384 peril of wind on risks that are located in such areas. An  
 385 applicant or insured who is eligible to purchase a multiperil  
 386 policy from the corporation may purchase a multiperil policy  
 387 from an authorized insurer without prejudice to the applicant's  
 388 or insured's eligibility to prospectively purchase a policy that  
 389 provides coverage only for the peril of wind from the  
 390 corporation. An applicant or insured who is eligible for a  
 391 corporation policy that provides coverage only for the peril of  
 392 wind may elect to purchase or retain such policy and also  
 393 purchase or retain coverage excluding wind from an authorized  
 394 insurer without prejudice to the applicant's or insured's  
 395 eligibility to prospectively purchase a policy that provides  
 396 multiperil coverage from the corporation. The following  
 397 policies, which provide coverage only for the peril of wind,  
 398 must also include quota share primary insurance under  
 399 subparagraph (c)2.: Personal residential policies and commercial  
 400 residential and commercial nonresidential property policies that

401 provide coverage for the peril of wind on risks that are located  
 402 in areas eligible for coverage by the Florida Windstorm  
 403 Underwriting Association, as those areas were defined on January  
 404 1, 2002; policies that provide multiperil coverage, if offered  
 405 by the corporation, and policies that provide coverage only for  
 406 the peril of wind for risks located in areas eligible for  
 407 coverage by the Florida Windstorm Underwriting Association, as  
 408 those areas were defined on January 1, 2002; commercial  
 409 residential wind-only policies; commercial residential policies  
 410 excluding wind, if offered by the corporation; and commercial  
 411 residential multiperil policies on a building that was insured  
 412 by the corporation on June 30, 2014. The area eligible for  
 413 coverage with the corporation under this sub-subparagraph  
 414 includes the area within Port Canaveral, which is bordered on  
 415 the south by the City of Cape Canaveral, bordered on the west by  
 416 the Banana River, and bordered on the north by Federal  
 417 Government property.

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

419 a. Upon a determination by the board of governors that the  
 420 Citizens account has a projected deficit, the board shall levy a  
 421 Citizens policyholder surcharge against all policyholders of the  
 422 corporation.

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

426 (II) The surcharge is payable upon cancellation or  
 427 termination of the policy, upon renewal of the policy, or upon  
 428 issuance of a new policy by the corporation within the first 12  
 429 months after the date of the levy or the period of time  
 430 necessary to fully collect the surcharge amount.

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

434 b. After accounting for the Citizens policyholder  
 435 surcharge imposed under sub-subparagraph a., the remaining  
 436 projected deficit incurred in the Citizens account in a  
 437 particular calendar year shall be recovered through emergency  
 438 assessments under sub-subparagraph c.

439 c. Upon a determination by the board of governors that a  
 440 projected deficit in the Citizens account exceeds the amount  
 441 that is expected to be recovered through surcharges under sub-  
 442 subparagraph a., the board, after verification by the office,  
 443 shall levy emergency assessments for as many years as necessary  
 444 to cover the deficits, to be collected by assessable insurers  
 445 and the corporation and collected from assessable insureds upon  
 446 issuance or renewal of policies for subject lines of business,  
 447 excluding National Flood Insurance Program policies. The amount  
 448 collected in a particular year must be a uniform percentage of  
 449 that year's direct written premium for subject lines of business  
 450 and the Citizens account, National Flood Insurance Program

451 policy premiums, as annually determined by the board and  
452 verified by the office. The office shall verify the arithmetic  
453 calculations involved in the board's determination within 30  
454 days after receipt of the information on which the determination  
455 was based. The office shall notify assessable insurers and the  
456 Florida Surplus Lines Service Office of the date on which  
457 assessable insurers shall begin to collect and assessable  
458 insureds shall begin to pay such assessment. The date must be at  
459 least 90 days after the date the corporation levies emergency  
460 assessments pursuant to this sub-subparagraph. Notwithstanding  
461 any other law, the corporation and each assessable insurer that  
462 writes subject lines of business shall collect emergency  
463 assessments from its policyholders without such obligation being  
464 affected by any credit, limitation, exemption, or deferment.  
465 Emergency assessments levied by the corporation on assessable  
466 insureds shall be collected by the surplus lines agent at the  
467 time the surplus lines agent collects the surplus lines tax  
468 required by s. 626.932 and paid to the Florida Surplus Lines  
469 Service Office at the time the surplus lines agent pays the  
470 surplus lines tax to that office. The emergency assessments  
471 collected shall be transferred directly to the corporation on a  
472 periodic basis as determined by the corporation and held by the  
473 corporation solely in the Citizens account. The aggregate amount  
474 of emergency assessments levied for the Citizens account in any  
475 calendar year may be less than, but may not exceed the greater

476 of, 10 percent of the amount needed to cover the deficit, plus  
477 interest, fees, commissions, required reserves, and other costs  
478 associated with financing the original deficit or 10 percent of  
479 the aggregate statewide direct written premium for subject lines  
480 of business and the Citizens accounts for the prior year, plus  
481 interest, fees, commissions, required reserves, and other costs  
482 associated with financing the deficit.

483 d. The corporation may pledge the proceeds of assessments,  
484 projected recoveries from the Florida Hurricane Catastrophe  
485 Fund, other insurance and reinsurance recoverables, policyholder  
486 surcharges and other surcharges, and other funds available to  
487 the corporation as the source of revenue for and to secure bonds  
488 issued under paragraph (q), bonds or other indebtedness issued  
489 under subparagraph (c)3., or lines of credit or other financing  
490 mechanisms issued or created under this subsection; or to retire  
491 any other debt incurred as a result of deficits or events giving  
492 rise to deficits, or in any other way that the board determines  
493 will efficiently recover such deficits. The purpose of the lines  
494 of credit or other financing mechanisms is to provide additional  
495 resources to assist the corporation in covering claims and  
496 expenses attributable to a catastrophe. As used in this  
497 subsection, the term "assessments" includes emergency  
498 assessments under sub-subparagraph c. Emergency assessments  
499 collected under sub-subparagraph c. are not part of an insurer's  
500 rates, are not premium, and are not subject to premium tax,

501 fees, or commissions; however, failure to pay the emergency  
502 assessment shall be treated as failure to pay premium. The  
503 emergency assessments shall continue as long as any bonds issued  
504 or other indebtedness incurred with respect to a deficit for  
505 which the assessment was imposed remain outstanding, unless  
506 adequate provision has been made for the payment of such bonds  
507 or other indebtedness pursuant to the documents governing such  
508 bonds or indebtedness.

509 e. As used in this subsection and for purposes of any  
510 deficit incurred on or after January 25, 2007, the term "subject  
511 lines of business" means insurance written by assessable  
512 insurers or procured by assessable insureds for all property and  
513 casualty lines of business in this state, but not including  
514 workers' compensation or medical malpractice. As used in this  
515 sub-subparagraph, the term "property and casualty lines of  
516 business" includes all lines of business identified on Form 2,  
517 Exhibit of Premiums and Losses, in the annual statement required  
518 of authorized insurers under s. 624.424 and any rule adopted  
519 under this section, except for those lines identified as  
520 accident and health insurance and except for policies written  
521 under the National Flood Insurance Program or the Federal Crop  
522 Insurance Program. For purposes of this sub-subparagraph, the  
523 term "workers' compensation" includes both workers' compensation  
524 insurance and excess workers' compensation insurance.

525 f. The Florida Surplus Lines Service Office shall annually

526 | determine the aggregate statewide written premium in subject  
 527 | lines of business procured by assessable insureds and report  
 528 | that information to the corporation in a form and at a time the  
 529 | corporation specifies to ensure that the corporation can meet  
 530 | the requirements of this subsection and the corporation's  
 531 | financing obligations.

532 |         g. The Florida Surplus Lines Service Office shall verify  
 533 | the proper application by surplus lines agents of assessment  
 534 | percentages for emergency assessments levied under this  
 535 | subparagraph on assessable insureds and assist the corporation  
 536 | in ensuring the accurate, timely collection and payment of  
 537 | assessments by surplus lines agents as required by the  
 538 | corporation.

539 |         h. If the amount of any assessments or surcharges  
 540 | collected from corporation policyholders, assessable insurers or  
 541 | their policyholders, or assessable insureds exceeds the amount  
 542 | of the deficits, such excess amounts shall be remitted to and  
 543 | retained by the corporation in a reserve to be used by the  
 544 | corporation, as determined by the board of governors and  
 545 | approved by the office, to pay claims or reduce any past,  
 546 | present, or future plan-year deficits or to reduce outstanding  
 547 | debt.

548 |         (7) DEVELOPMENT AND MODIFICATION OF WIND-ELIGIBLE AREAS.—

549 |         (a) The Citizens Property Insurance Corporation may amend  
 550 | the wind-eligible areas, subject to approval by the office under

551 paragraph (b) and the Legislature under paragraph (c), by  
552 developing new eligibility criteria and rates for policies that  
553 provide wind-only coverage. In developing new eligibility  
554 criteria and rates, the corporation may consider the market for  
555 wind-only coverage in the areas in which wind-only coverage is  
556 to be offered, the resulting impact to the corporation's overall  
557 exposure of offering such coverage in those areas, as well as  
558 reasonably prudent measures for limiting its exposure upon  
559 offering wind-only coverage in those areas.

560 (b) Rates for coverage offered in wind-eligible areas are  
561 subject to paragraph (6)(n).

562 (c) By December 1 of every fifth year, beginning in 2030,  
563 the corporation shall review and submit to the Legislature any  
564 recommendations to revise the eligibility criteria developed  
565 under paragraph (a) for review and approval. The office shall  
566 implement the eligibility criteria only upon approval by the  
567 Legislature.

568 (8)-(7) WIND-ELIGIBLE AREA DEFINED; COLLATERAL PROTECTION  
569 INSURANCE.-

570 (a) Except as otherwise provided in subsection (7), the  
571 term "wind-eligible area," as used in this section, means an  
572 area that is eligible for coverage by the Florida Windstorm  
573 Underwriting Association, as those areas were defined on January  
574 1, 2002.

575 (b) As used in this section and ss. 215.555 and 627.311,

576 | the term "collateral protection insurance" means commercial  
577 | property insurance of which a creditor is the primary  
578 | beneficiary and policyholder and which protects or covers an  
579 | interest of the creditor arising out of a credit transaction  
580 | secured by real or personal property. Initiation of such  
581 | coverage is triggered by the mortgagor's failure to maintain  
582 | insurance coverage as required by the mortgage or other lending  
583 | document. Collateral protection insurance is not residential  
584 | coverage.

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