



265466

LEGISLATIVE ACTION

Senate

.

House

.

.

Floor: 1/WD

.

03/04/2026 06:29 PM

.

.

Senator Gruters moved the following:

Senate Amendment (with title amendment)

Delete lines 95 - 695

and insert:

nonresidential risks submitted through the commercial lines
clearinghouse pursuant to s. 627.3518, if an approved surplus
lines clearinghouse insurer offers comparable coverage as
defined in s. 627.3518(1) and the total cost of such coverage is
not more than 20 percent greater than the corporation's
actuarial total cost of insurance coverage for the specific
risk, the corporation may not issue new coverage unless the



12 premium charged is based on the actuarial total cost of
13 insurance coverage as defined in s. 627.3518(1) and not subject
14 to subparagraph (n)5. The actuarial total cost of insurance
15 coverage used for comparison under this paragraph shall be
16 determined without regard to the limitation in subparagraph
17 (n)5. and shall reflect that actuarial total cost of insurance
18 coverage as defined in s. 627.3518(1), determined without
19 application of subparagraph (n)5. If no qualifying offer meeting
20 the 20 percent threshold is received, the premium charged shall
21 remain subject to subparagraph (n)5. For purposes of this
22 paragraph, the term "total cost of such coverage" includes
23 premium, fees, assessments, surcharges, and applicable taxes
24 required to procure and maintain the policy. This paragraph does
25 not apply to renewals of corporation coverage.

26 Section 2. Section 627.3518, Florida Statutes, is amended
27 to read:

28 627.3518 Citizens Property Insurance Corporation
29 policyholder eligibility clearinghouse program.—The purpose of
30 this section is to provide a framework for the corporation to
31 implement a clearinghouse program ~~by January 1, 2014.~~

32 (1) As used in this section, the term:

33 (a) "Actuarial total cost of insurance coverage" means, for
34 each commercial residential or commercial nonresidential risk
35 submitted through the commercial lines clearinghouse, the
36 corporation's premium for that specific risk calculated strictly
37 in accordance with the most recent rate filing in effect for the
38 applicable line of business and rate class, applied uniformly in
39 accordance with the corporation's approved rating plan, without
40 deviation, discount, discretionary adjustment, selective credit,



41 reclassification, or modification, and prior to application of
42 any statutory limitation on rate increases or policyholder
43 premium caps, together with all policy fees, service charges,
44 assessments, surcharges, and applicable taxes required to
45 procure and maintain the policy for the applicable term.

46 (b) "Approved surplus lines clearinghouse insurer" means an
47 eligible surplus lines insurer pursuant to s. 626.918 which has
48 a financial strength rating of "A-" or higher and a financial
49 size category of A-VII or higher from A.M. Best Company which
50 the clearinghouse administrator recommends for participation in
51 the program and which the office verifies meets the requirements
52 for participation in the program within 10 business days after
53 the commercial lines clearinghouse administrator's
54 recommendation. If the office does not complete such
55 verification within the 10-business-day period, the insurer is
56 deemed verified for purposes of participation in the program.

57 (c) "Authorized insurer" means an insurer authorized to act
58 as an insurer by a subsisting certificate of authority issued to
59 the insurer by the office.

60 (d) "Commercial lines clearinghouse administrator" means
61 the individual or entity employed or otherwise contracted by the
62 corporation to provide administrative or professional services
63 to implement the commercial lines clearinghouse required
64 pursuant to subparagraphs (2) (b)1. and 2. within the corporation
65 as set forth in paragraph (3) (b).

66 (e) "Comparable coverage" means coverage that has material
67 terms and conditions that are substantially equivalent to or
68 better than coverage from the corporation as to all aspects of
69 such coverage, as determined by the corporation through the



265466

70 clearinghouse process and applicable program standards.

71 (f) "Corporation" means Citizens Property Insurance
72 Corporation.

73 (g) ~~(b)~~ "Exclusive agent" means any licensed insurance agent
74 that has, by contract, agreed to act exclusively for one company
75 or group of affiliated insurance companies and is disallowed by
76 the provisions of that contract to directly write for any other
77 unaffiliated insurer absent express consent from the company or
78 group of affiliated insurance companies.

79 (h) ~~(e)~~ "Independent agent" means any licensed insurance
80 agent not described in paragraph (g) ~~(b)~~.

81 (i) "Primary residence" has the same meaning as in s.
82 627.351(6)(c)2.a.

83 (j) ~~(d)~~ "Program" means a the clearinghouse created under
84 this section, consisting of the personal lines clearinghouse and
85 the commercial lines clearinghouses established under
86 subparagraphs (2)(b)1. and 2.

87 (k) "Surplus lines agent" means an insurance agent licensed
88 pursuant to s. 626.927 or s. 626.9272.

89 (2)(a) The corporation shall establish a personal lines
90 clearinghouse ~~in order~~ to confirm an applicant's eligibility
91 with the corporation, ~~and~~ to enhance access of new applicants
92 for personal lines coverage and existing personal lines
93 policyholders of the corporation to offers of coverage from
94 authorized insurers, ~~and the corporation shall establish a~~
95 program for personal residential risks ~~in order~~ to facilitate
96 the diversion of ineligible applicants and existing
97 policyholders from the corporation into the voluntary insurance
98 market.



265466

99 (b)1. To facilitate the diversion of applicants and
100 existing policyholders from the corporation to approved surplus
101 lines clearinghouse insurers, the corporation shall amend its
102 plan of operation and implement on or before January 1, 2027, a
103 separate commercial lines clearinghouse in order to enhance
104 access to offers of coverage from approved surplus lines
105 clearinghouse insurers for new applicants for commercial
106 residential coverage and commercial nonresidential coverage and
107 existing commercial residential and commercial nonresidential
108 policyholders of the corporation.

109 2. To facilitate the diversion of ineligible applicants and
110 existing policyholders from the corporation to authorized
111 insurers, the corporation shall implement, on or before January
112 1, 2027, a separate commercial lines clearinghouse to confirm
113 eligibility for coverage from the corporation and to enhance
114 access to offers of coverage from authorized insurers for new
115 applicants for commercial residential and commercial
116 nonresidential coverage and existing commercial residential and
117 commercial nonresidential policyholders of the corporation ~~The~~
118 ~~corporation shall also develop appropriate procedures for~~
119 ~~facilitating the diversion of ineligible applicants and existing~~
120 ~~policyholders for commercial residential coverage into the~~
121 ~~private insurance market and shall report such procedures to the~~
122 ~~President of the Senate and the Speaker of the House of~~
123 ~~Representatives by January 1, 2014.~~

124 (3) The corporation board shall establish the ~~clearinghouse~~
125 program as an organizational unit within the corporation. The
126 program shall have all the rights and responsibilities in
127 carrying out its duties as a licensed general lines agent and a



265466

128 surplus lines agent and may, but is not ~~may not be~~ required to,
129 employ or engage a licensed general lines agent or a surplus
130 lines agent, or to maintain an insurance agency license to carry
131 out its activities in the solicitation and placement of
132 insurance coverage. In establishing the program, the corporation
133 has all of the following rights and responsibilities ~~may~~:

134 (a) Before binding or renewing coverage by the corporation,
135 the corporation:

136 1. Shall require all new applications for personal lines
137 coverage, and all personal lines policies due for renewal, to be
138 submitted for coverage to the program in order to facilitate
139 obtaining an offer of coverage from an authorized insurer.

140 2. Must, if the corporation establishes a clearinghouse
141 pursuant to subparagraph (2) (b)2., require all new applications
142 for commercial lines coverage, and all commercial lines policies
143 due for renewal, to be submitted for coverage to the program in
144 order to facilitate obtaining an offer of coverage from an
145 authorized insurer. The new or renewal applications must be
146 submitted for coverage through the commercial lines
147 clearinghouse, which shall serve as the single point of intake
148 for the commercial lines clearinghouse in order to facilitate
149 obtaining an offer of coverage from an authorized insurer.

150 3. Must, if the corporation establishes a clearinghouse
151 pursuant to subparagraph (2) (b)1., require all new applications
152 for commercial lines coverage, and all commercial lines policies
153 due for renewal, to be submitted for coverage to the program in
154 order to facilitate obtaining an offer of coverage from an
155 approved surplus lines clearinghouse insurer. The new or renewal
156 applications must be submitted for coverage through the



265466

157 commercial lines clearinghouse, which shall serve as the single
158 point of intake for the commercial lines clearinghouse in order
159 to facilitate obtaining an offer of coverage from an approved
160 surplus lines clearinghouse insurer before binding or renewing
161 coverage by the corporation.

162 (b) Shall establish and maintain the operational systems
163 and procedures necessary to implement the program.

164 (c) Shall employ or otherwise contract with individuals or
165 other entities for appropriate administrative or professional
166 services to effectuate the plan within the corporation in
167 accordance with the applicable purchasing requirements under s.
168 627.351 and, for purposes of implementing the commercial lines
169 clearinghouse and providing offers of coverage from approved
170 surplus lines clearinghouse insurers on or before January 1,
171 2027, may contract with such individuals or entities in
172 accordance with s. 287.057.

173 ~~(d)~~ (e) May enter into contracts with any authorized insurer
174 and any approved surplus lines clearinghouse insurer to
175 participate in the program and accept an appointment by such
176 insurer.

177 ~~(e)~~ (d) May provide funds to operate the program. Insurers
178 and agents participating in the personal lines clearinghouse
179 program are not required to pay a fee to offset or partially
180 offset the cost of the program or use the program for renewal of
181 policies initially written through the clearinghouse.

182 (f) Shall operate and fund pursuant to paragraph (h) the
183 commercial lines clearinghouse established under subparagraph
184 (2) (b) 1. and the commercial lines clearinghouse established
185 under subparagraph (2) (b) 2. separately.



265466

186 (g) If there is insufficient commercial support for any
187 commercial lines clearinghouse, must be relieved of its
188 obligations with respect to that commercial lines clearinghouse
189 for which there is insufficient commercial support.

190 (h) Shall provide or permit access to shared or hosted
191 technology, systems, interfaces, or applications programming
192 interfaces to the commercial lines clearinghouse administrator,
193 provided that each retains operational control over and
194 responsibility for its own technology, systems, interfaces, or
195 applications. Notwithstanding paragraph (e), the corporation may
196 not provide funds to support or offset the infrastructure or
197 operations of the commercial lines clearinghouse or any
198 component thereof, but shall fund and operate its own
199 technology, systems, interfaces, or applications as necessary
200 for the corporation to access and interface with the commercial
201 lines clearinghouse.

202 (i)~~(e)~~ May develop an enhanced application that includes
203 information to assist private insurers in determining whether to
204 make an offer of coverage through the program.

205 (j)~~(f)~~ For personal lines residential risks, may require
206 that, before approving all new applications for coverage by the
207 corporation, ~~that~~ every application be subject to a period of 2
208 business days when any insurer participating in the program may
209 select the application for coverage. For commercial lines
210 residential and commercial lines nonresidential risks, the
211 corporation may require, before approving all new applications
212 for commercial lines coverage by the corporation, that every
213 application be subject to a period of 5 business days when any
214 insurer participating in the program may select the application



265466

215 for coverage. The insurer may issue a binder on any policy
216 selected for coverage for a period of at least 30 days but not
217 more than 60 days.

218 (k) Shall, in creating the commercial lines clearinghouse,
219 establish criteria to determine the capabilities necessary for
220 the commercial lines clearinghouse administrator. For
221 facilitating offers of surplus lines coverage, such criteria
222 must include confirmed expertise in the surplus lines market, at
223 least 5 years of publicly available audited financial
224 statements, the ability to facilitate all approved surplus lines
225 clearinghouse insurers to participate in the commercial lines
226 clearinghouse, and other criteria that the corporation
227 determines necessary to effectively establish, administer,
228 manage offers of surplus lines coverage through the commercial
229 lines clearinghouse, and the ability to collect and remit,
230 either directly or through a surplus lines agent, all taxes
231 pursuant to s. 626.932 and service fees pursuant to s. 626.9325.

232 (l) Shall select a commercial lines clearinghouse
233 administrator for the clearinghouse established under
234 subparagraph (2) (b)1. and a separate commercial lines
235 clearinghouse administrator for the clearinghouse established
236 under subparagraph (2) (b)2. within 90 days after the effective
237 date of this act.

238 (m) Shall allow the commercial lines clearinghouse
239 administrator to establish procedures and account clearance
240 requirements the commercial lines clearinghouse administrator
241 deems necessary to ensure an orderly process for offers of
242 coverage to be provided by authorized insurers or approved
243 surplus lines clearinghouse insurers, including engagement of or



265466

244 with surplus lines agents or managing general agents or managing
245 general underwriters pursuant to paragraph (5) (h), participating
246 in the commercial lines clearinghouse.

247 (n) Shall submit to the commercial lines clearinghouse
248 administrator its coverage terms and conditions, deductible
249 structures, total cost of insurance coverage for the specific
250 risk, actuarial total cost of insurance coverage for the
251 specific risk, the currently approved rate applicable to the
252 risk, and the premium that would be charged after application of
253 s. 627.351(6) (n)5. The commercial lines clearinghouse
254 administrator shall disclose the actuarial total cost of
255 insurance coverage to participating approved surplus lines
256 clearinghouse insurers and may, for renewals, disclose the total
257 cost of insurance coverage to participating approved surplus
258 lines clearinghouse insurers. The actuarial total cost of
259 insurance coverage shall be binding for comparison purposes
260 during the clearinghouse validation period and may not be
261 revised, modified, reclassified, recalculated, adjusted,
262 supplemented, or withdrawn once submitted. Any change to the
263 corporation's coverage terms and conditions, deductible
264 structures, rating classification, rating factor, or actuarial
265 total cost of insurance coverage constitutes a new submission
266 and restarts the validation period.

267
268 Notwithstanding any other provision of this section, the
269 commercial lines clearinghouse administrator may enter into
270 commercially negotiated agreements with approved surplus lines
271 clearinghouse insurers participating in the commercial lines
272 clearinghouse on mutually agreed-upon terms.



265466

273 (4) The corporation may share risk exposure and policy
274 information with the commercial lines clearinghouse
275 administrator and, through the commercial lines clearinghouse,
276 the commercial lines clearinghouse administrator may use such
277 information as necessary to operate and administer the
278 commercial lines clearinghouse and ensure the orderly, timely,
279 and transparent assessment of risks by approved surplus lines
280 clearinghouse insurers participating in the commercial lines
281 clearinghouse. This subsection does not prohibit a commercial
282 lines clearinghouse administrator from sharing risk information
283 with approved surplus lines clearinghouse insurers for
284 underwriting evaluation. Any risk information shared for
285 purposes of this subsection, other than a submission of coverage
286 for a specific risk, must be aggregated and deidentified.

287 (5) Any authorized insurer may participate in the program;
288 however, participation is not mandatory for any insurer.
289 Approved surplus lines clearinghouse insurers may participate in
290 the commercial lines clearinghouse but may not participate in
291 the personal lines clearinghouse; however, participation in the
292 program is not mandatory for any surplus lines insurer. Insurers
293 making offers of coverage to new applicants or renewal
294 policyholders through the program:

295 (a) May not be required to individually appoint any agent
296 whose customer is underwritten and bound through the program.
297 Notwithstanding s. 626.112, insurers are not required to appoint
298 any agent on a policy underwritten through the program for as
299 long as that policy remains with the insurer. Insurers may, at
300 their election, appoint any agent or surplus lines agent whose
301 direct or indirect customer is initially underwritten and bound



302 through the program. In the event an insurer accepts a policy
303 from an agent who is not appointed pursuant to this paragraph,
304 and thereafter elects to accept a policy from such agent, the
305 provisions of s. 626.112 requiring appointment apply to the
306 agent.

307 (b) Must enter into a limited agency agreement with each
308 agent or surplus lines agent that is not appointed in accordance
309 with paragraph (a) and whose direct or indirect customer is
310 underwritten and bound through the program. In addition, a
311 surplus lines agent that enters into a limited agency or broker
312 agreement with an approved surplus lines clearinghouse insurer
313 making an offer of coverage through the program must also enter
314 into a limited agency or broker agreement with each producing
315 agent whose customer is underwritten and bound through the
316 program.

317 (c) Must enter into its standard agency agreement with each
318 agent or surplus lines agent whose direct or indirect customer
319 is underwritten and bound through the program when that agent or
320 surplus lines agent has been appointed by the insurer pursuant
321 to s. 626.112. In addition, a surplus lines agent that enters
322 into a standard agency or broker agreement with an approved
323 surplus lines clearinghouse insurer making an offer of coverage
324 through the program must also enter into a limited agency or
325 broker agreement with each producing agent whose customer is
326 underwritten and bound through the program.

327 (d) Must comply with s. 627.4133(2) or, if the insurer is
328 an approved surplus lines clearinghouse insurer, s. 626.9201.

329 (e) May participate through their designated ~~single-~~
330 ~~designated~~ managing general agent, managing general underwriter,



265466

331 ~~or~~ broker, or surplus lines agent; however, the provisions of
332 paragraph (7) (a) ~~(6) (a)~~ regarding ownership, control, and use of
333 the expirations continue to apply.

334 (f) May make offers of coverage through the commercial
335 lines clearinghouse other than comparable coverage, as long as
336 such noncomparable offers of coverage are clearly designated as
337 noncomparable. Such noncomparable offers of coverage are not
338 subject to s. 627.351(6) (oo).

339 (g) ~~(f)~~ For authorized insurers, must pay to the producing
340 agent a commission equal to that paid by the corporation or the
341 usual and customary commission paid by the insurer for that line
342 of business, whichever is greater.

343 (h) For approved surplus lines clearinghouse insurers, when
344 coverage is placed through the clearinghouse, directly or
345 through a managing general agent or managing general
346 underwriter, must pay a total commission or equivalent
347 compensation on gross written premium, exclusive of fees,
348 surcharges, and taxes, to the surplus lines agent placing the
349 risk. The surplus lines agent must pay the producing agent a
350 commission that results in an effective commission percentage at
351 least equal to the commission percentage published by the
352 corporation and in effect on January 1, 2026, calculated in the
353 same manner and on the same basis used by the corporation, and
354 shall retain the remainder of the total commission or equivalent
355 compensation. This paragraph does not prohibit an agent from
356 voluntarily accepting a lower commission at the agent's sole
357 discretion. As used in this paragraph, the term "effective
358 commission percentage" means the commission expressed as a
359 percentage of premium, exclusive of all fees, assessments,



265466

360 surcharges, and taxes.

361 (6) (a) ~~(5)~~ Notwithstanding s. 627.3517, any applicant for
362 new personal lines coverage from the corporation is not eligible
363 for coverage from the corporation if provided an offer of
364 coverage from an authorized insurer through the program at a
365 premium that is at or below the eligibility threshold for
366 applicants for new coverage of a primary residence established
367 in s. 627.351(6)(c)5.a., or for applicants for new coverage of a
368 risk that is not a primary residence established in s.
369 627.351(6)(c)5.b. Whenever an offer of coverage for a personal
370 lines risk is received for a policyholder of the corporation at
371 renewal from an authorized insurer through the program which is
372 at or below the eligibility threshold for primary residences of
373 policyholders of the corporation established in s.
374 627.351(6)(c)5.a., or the eligibility threshold for risks that
375 are not primary residences of policyholders of the corporation
376 established in s. 627.351(6)(c)5.b., the risk is not eligible
377 for coverage with the corporation. In the event an offer of
378 coverage for a new applicant is received from an authorized
379 insurer through the program, and the premium offered exceeds the
380 eligibility threshold for applicants for new coverage of a
381 primary residence established in s. 627.351(6)(c)5.a., or the
382 eligibility threshold for applicants for new coverage on a risk
383 that is not a primary residence established in s.
384 627.351(6)(c)5.b., the applicant or insured may elect to accept
385 such coverage, or may elect to accept or continue coverage with
386 the corporation. In the event an offer of coverage for a
387 personal lines risk is received from an authorized insurer at
388 renewal through the program, and the premium offered exceeds the



389 eligibility threshold for primary residences of policyholders of
390 the corporation established in s. 627.351(6)(c)5.a., or exceeds
391 the eligibility threshold for risks that are not primary
392 residences of policyholders of the corporation established in s.
393 627.351(6)(c)5.b., the insured may elect to accept such
394 coverage, or may elect to accept or continue coverage with the
395 corporation. Section 627.351(6)(c)5.a.(I) and b.(I) does not
396 apply to an offer of coverage from an authorized insurer
397 obtained through the program. ~~As used in this subsection, the~~
398 ~~term "primary residence" has the same meaning as in s.~~
399 ~~627.351(6)(c)2.a.~~

400 (b) Any applicant for new commercial lines residential
401 coverage from the corporation is not eligible for coverage from
402 the corporation if provided an offer of comparable coverage from
403 an authorized insurer through the program at a premium that is
404 at or below the eligibility threshold for applicants for new
405 coverage established in s. 627.351(6)(c)5.c. The determination
406 of whether an offer of comparable coverage from an authorized
407 insurer through the program is at or below the eligibility
408 threshold must be made before the submission of the
409 corporation's coverage terms and conditions, deductible
410 structures, and unalterable indicated total cost of insurance is
411 provided to the commercial lines clearinghouse administrator.
412 Whenever an offer of comparable coverage for a commercial lines
413 residential risk is received for a policyholder of the
414 corporation at renewal from an authorized insurer through the
415 program which is at or below the eligibility threshold in s.
416 627.351(6)(c)5.c., the risk is not eligible for coverage from
417 the corporation. In the event that an offer of coverage for a



265466

418 new applicant is received from an authorized insurer through the
419 program, and the premium offered exceeds the eligibility
420 threshold established in s. 627.351(6)(c)5.c., the applicant or
421 insured may elect to accept such coverage or may elect to accept
422 or continue coverage with the corporation. In the event that an
423 offer of coverage for a commercial lines residential risk is
424 received from an authorized insurer at renewal through the
425 program, and the premium offered exceeds the eligibility
426 threshold for policyholders of the corporation established in s.
427 627.351(6)(c)5.c., the insured may elect to accept such coverage
428 or may elect to accept or continue coverage with the
429 corporation. Section 627.351(6)(c)5.c.(I) does not apply to an
430 offer of coverage from an authorized insurer obtained through
431 the program.

432 (c)1. Except as provided in subparagraph 2., any applicant
433 for new commercial lines residential coverage or commercial
434 lines nonresidential coverage from the corporation and any
435 policyholder of the corporation, when such applicant or
436 corporation policyholder is offered commercial lines residential
437 or commercial lines nonresidential coverage pursuant to the
438 program by an approved surplus lines clearinghouse insurer,
439 remains eligible for coverage from the corporation. The
440 applicant or policyholder receiving an offer from an approved
441 surplus lines clearinghouse insurer may elect to accept such
442 coverage or may elect to accept or continue coverage with the
443 corporation.

444 2. Any applicant for new commercial lines residential
445 coverage or commercial lines nonresidential coverage from the
446 corporation, when such applicant is offered commercial lines



265466

447 residential or commercial lines nonresidential coverage by an
448 approved surplus lines insurer pursuant to the program and such
449 offered coverage is comparable coverage, and the total cost of
450 such insurance coverage is not more than 20 percent greater than
451 the actuarial total cost of insurance coverage, may elect to
452 accept such coverage from the approved surplus lines
453 clearinghouse insurer or may elect to accept coverage with the
454 corporation, but, if electing corporation coverage, such
455 applicant must pay the total cost of insurance for corporation
456 coverage that is subject to s. 627.351(6) (oo). This subparagraph
457 does not apply to renewals of corporation coverage.

458 3. Section 627.351(6) (c) 5.c. (I) does not apply to an offer
459 of coverage from an approved surplus lines clearinghouse insurer
460 obtained through the program.

461 (7) ~~(6)~~ Independent insurance agents submitting new
462 applications for coverage or that are the agent of record on a
463 renewal policy submitted to the program:

464 (a) Are granted and must maintain ownership and the
465 exclusive use of expirations, records, or other written or
466 electronic information directly related to such applications or
467 renewals written through the corporation or through an insurer
468 participating in the program, notwithstanding s. 627.351(5) (a),
469 s. 627.351(6) (c) 5.a. (I) (B) and (II) (B), or s.
470 627.351(6) (c) 5.b. (I) (B) and (II) (B). Such ownership is granted
471 for as long as the insured remains with the agency or until sold
472 or surrendered in writing by the agent. Contracts with the
473 corporation or required by the corporation or with any insurer
474 or surplus lines agent may ~~must~~ not amend, modify, interfere
475 with, or limit such rights of ownership. Such expirations,



476 records, or other written or electronic information may be used
477 to review an application, issue a policy, or for any other
478 purpose necessary for placing such business through the program.

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

482 (c) May accept an appointment from any insurer
483 participating in the program.

484 (d) May enter into either a standard or limited agency
485 agreement with the insurer, at the insurer's option, and may
486 enter into agreements with a surplus lines agent.

487
488 Applicants ineligible for coverage in accordance with subsection
489 (6) ~~(5)~~ remain ineligible if their independent agent is
490 unwilling or unable to enter into a standard or limited agency
491 agreement with an insurer participating in the program.

492 (8) ~~(7)~~ Exclusive agents submitting new applications for
493 coverage or that are the agent of record on a renewal policy
494 submitted to the program:

495 (a) Must maintain ownership and the exclusive use of
496 expirations, records, or other written or electronic information
497 directly related to such applications or renewals written
498 through the corporation or through an insurer participating in
499 the program, notwithstanding s. 627.351(6)(c)5.a.(I)(B) and
500 (II)(B) or s. 627.351(6)(c)5.b.(I)(B) and (II)(B). Contracts
501 with the corporation or required by the corporation must not
502 amend, modify, interfere with, or limit such rights of
503 ownership. Such expirations, records, or other written or
504 electronic information may be used to review an application,



505 issue a policy, or for any other purpose necessary for placing
506 such business through the program.

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

510 (c) Must only facilitate the placement of an offer of
511 coverage from an insurer whose limited servicing agreement is
512 approved by that exclusive agent's exclusive insurer.

513 (d) May enter into a limited servicing agreement with the
514 insurer making an offer of coverage, and only after the
515 exclusive agent's insurer has approved the limited servicing
516 agreement terms. The exclusive agent's insurer must approve a
517 limited service agreement for the program for any insurer for
518 which it has approved a service agreement for other purposes.

519
520 Applicants ineligible for coverage in accordance with subsection
521 (6) ~~(5)~~ remain ineligible if their exclusive agent is unwilling
522 or unable to enter into a standard or limited agency agreement
523 with an insurer making an offer of coverage to that applicant.

524 (9) ~~(8)~~ Submission of an application for coverage by the
525 corporation to the program does not constitute the binding of
526 coverage by the corporation, and failure of the program to
527 obtain an offer of coverage by an insurer may not be considered
528 acceptance of coverage of the risk by the corporation.

529 (10) ~~(9)~~ The 45-day notice of nonrenewal requirement set
530 forth in s. 627.4133(2)(b)5. applies when a policy is nonrenewed
531 by the corporation because the risk has received an offer of
532 coverage pursuant to this section which renders the risk
533 ineligible for coverage by the corporation.



265466

534 ~~(10) The program may not include commercial nonresidential~~
535 ~~policies.~~

536 (11) Proprietary business information provided to the
537 corporation's clearinghouse by insurers with respect to
538 identifying and selecting risks for an offer of coverage is
539 confidential and exempt from s. 119.07(1) and s. 24(a), Art. I
540 of the State Constitution.

541 (a) As used in this subsection, the term "proprietary
542 business information" means information, regardless of form or
543 characteristics, which is owned or controlled by an insurer and:

544 1. Is identified by the insurer as proprietary business
545 information and is intended to be and is treated by the insurer
546 as private in that the disclosure of the information would cause
547 harm to the insurer, an individual, or the company's business
548 operations and has not been disclosed unless disclosed pursuant
549 to a statutory requirement, an order of a court or
550 administrative body, or a private agreement that provides that
551 the information will not be released to the public;

552 2. Is not otherwise readily ascertainable or publicly
553 available by proper means by other persons from another source
554 in the same configuration as provided to the clearinghouse; and

555 3. Includes:

556 a. Trade secrets, as defined in s. 688.002.

557 b. Information relating to competitive interests, the
558 disclosure of which would impair the competitive business of the
559 provider of the information.

560

561 Proprietary business information may be found in underwriting
562 criteria or instructions which are used to identify and select



563 risks through the program for an offer of coverage and are
564 shared with the clearinghouse to facilitate the shopping of
565 risks with the insurer.

566 (b) The clearinghouse may disclose confidential and exempt
567 proprietary business information:

568 1. If the insurer to which it pertains gives prior written
569 consent;

570 2. Pursuant to a court order; or

571 3. To another state agency in this or another state or to a
572 federal agency if the recipient agrees in writing to maintain
573 the confidential and exempt status of the document, material, or
574 other information and has verified in writing its legal
575 authority to maintain such confidentiality.

576 (12) To promote actuarial soundness, program integrity, and
577 mitigation of solvency or assessment risk to the corporation,
578 the office may review operational processes related to the
579 program. Such review may include, but is not limited to, all of
580 the following:

581 (a) Comparable coverage determinations upon complaint to
582 the office by or on behalf of a policy applicant.

583 (b) Verification of the financial strength of approved
584 surplus lines clearinghouse insurers participating in the
585 program.

586 (c) The operational processes used by the commercial lines
587 clearinghouse administrator to determine whether an offer of
588 coverage from an insurer participating in the program precludes
589 coverage from the corporation.

590 (d) The potential for material adverse impact to the
591 corporation's surplus, solvency, or assessment exposure.



592 (13)(a) If, after a review under subsection (12), the
593 office determines that program processes are creating a material
594 risk to the solvency of the corporation, the office shall notify
595 the corporation and submit written recommendations to the
596 commission.

597 (b) Upon approval by the commission, the corporation may
598 temporarily implement, to the limited extent and duration
599 necessary, recommendations made by the office to address the
600 solvency risk. Such recommendations may include, but are not
601 limited to, all of the following:

- 602 1. Temporary exclusion of one or more participating
603 insurers from the program.
604 2. Temporary modification of program procedural timelines.
605 3. If exigent circumstances exist, temporary suspension of

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

608 And the title is amended as follows:

609 Delete lines 4 - 69

610 and insert:

611 the corporation from issuing new coverage for
612 commercial residential and commercial nonresidential
613 risks under certain circumstances; providing an
614 exception; specifying the components of the total cost
615 of insurance coverage; requiring that the actuarial
616 total cost of insurance coverage be determined in a
617 specified manner; requiring that the premium be
618 subject to certain provisions under certain
619 circumstances; defining the term "total cost of such
620 coverage"; providing applicability; amending s.



621 627.3518, F.S.; deleting an obsolete provision;
622 defining terms; revising the definition of the term
623 "program"; requiring the corporation to establish a
624 personal lines clearinghouse for specified purposes;
625 requiring, on or before a specified date, the
626 corporation to amend its plan of operation and
627 implement a separate commercial lines clearinghouse
628 for a specified purpose; requiring, on or before a
629 specified date, the corporation to implement a
630 separate commercial lines clearinghouse for specified
631 purposes; deleting obsolete provisions; revising the
632 program's rights and responsibilities; revising the
633 rights and responsibilities the corporation has in
634 establishing the program; authorizing the commercial
635 lines clearinghouse administrator to enter into
636 certain agreements; authorizing the corporation to
637 share risk exposure and policy information with the
638 commercial lines clearinghouse administrator;
639 authorizing such administrator to use such information
640 for a specified purpose; providing construction;
641 requiring that certain risk information be aggregated
642 and deidentified; authorizing approved surplus lines
643 clearinghouse insurers to participate in the
644 commercial lines clearinghouse; prohibiting such
645 insurers from participating in the personal lines
646 clearinghouse; specifying that participation in the
647 program is not mandatory for such insurers; revising
648 prohibitions and requirements for insurers making
649 offers of coverage to new applicants or renewal



650 policyholders through the program; providing
651 construction; defining the term "effective commission
652 percentage"; specifying that applicants for new
653 commercial lines residential coverage are not eligible
654 for coverage from the corporation under certain
655 circumstances; specifying the circumstances under
656 which policyholders of the corporation are not
657 eligible for new commercial lines residential coverage
658 from the corporation; requiring that the determination
659 of whether an offer of comparable coverage from an
660 authorized insurer is at or below the eligibility
661 threshold be made at a specified time; authorizing
662 applicants or insureds to elect to accept coverage
663 with authorized insurers or elect to accept or
664 continue coverage with the corporation under certain
665 circumstances; authorizing insureds to elect to accept
666 coverage with specified insurers or elect to accept or
667 continue coverage with the corporation under certain
668 circumstances; providing applicability; specifying
669 that certain applicants and policyholders remain
670 eligible for coverage from the corporation;
671 authorizing such applicants and policyholders to elect
672 to accept coverage from clearinghouse insurers or
673 elect to accept or continue coverage with the
674 corporation; authorizing certain applicants to elect
675 to accept coverage from clearinghouse insurers or
676 elect to accept coverage with the corporation;
677 requiring such applicants to pay a