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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
01/15/2026	.	
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The Committee on Banking and Insurance (Gruters) recommended the following:

**Senate Amendment (with title amendment)**

Delete everything after the enacting clause  
and insert:

Section 1. Paragraph (oo) is added to subsection (6) of  
section 627.351, Florida Statutes, to read:

627.351 Insurance risk apportionment plans.—

(6) CITIZENS PROPERTY INSURANCE CORPORATION.—

(oo) For commercial residential and commercial  
nonresidential risks, if an approved surplus lines clearinghouse



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insurer offers coverage under s. 627.3518(5)(c)2. and the total cost of such coverage is not more than 20 percent greater than the total cost of insurance coverage from the corporation, the corporation may not issue or renew coverage unless it imposes a premium equalization adjustment on such policy equal to the amount by which the total cost of insurance coverage offered by the approved surplus lines clearinghouse insurer exceeds the total cost of insurance coverage from the corporation. If the total cost of insurance from the approved surplus lines clearinghouse insurer does not exceed the total cost of corporation coverage, the corporation may not impose the premium equalization adjustment. If more than one approved surplus lines clearinghouse insurer offers coverage under s. 627.3518(5)(c)2., the lowest offered total cost of insurance coverage applies for purposes of this paragraph. The total cost of insurance coverage includes, but is not limited to, the premium, fees, surcharges, and applicable taxes. A premium equalization adjustment applied pursuant to this paragraph expires at the end of the policy term.

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

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

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

(a) "Approved surplus lines clearinghouse insurer" means an eligible surplus lines insurer that has a financial strength rating of "A-" or higher and a financial size category of A-VII



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or higher from A.M. Best Company which the clearinghouse administrator recommends for participation in the program and which the office verifies meets the requirements for participation in the program within 5 business days after the commercial lines clearinghouse administrator's recommendation.

(b) "Commercial lines clearinghouse administrator" means the individual or entity employed or otherwise contracted by the corporation to provide administrative or professional services to implement the commercial lines clearinghouse required pursuant to subparagraph (2)(b)1. within the corporation as set forth in paragraph (3)(b).

(c) "Corporation" means Citizens Property Insurance Corporation.

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

(e) ~~(c)~~ "Independent agent" means any licensed insurance agent not described in paragraph (d) ~~(b)~~.

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

(g) ~~(d)~~ "Program" means the clearinghouse created under this section, consisting of the personal lines clearinghouse and the commercial lines clearinghouse.

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

(2)(a) The corporation shall establish a personal lines



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clearinghouse ~~in order~~ to confirm an applicant's eligibility with the corporation, ~~and~~ to enhance access of new applicants for personal lines coverage and existing personal lines policyholders of the corporation to offers of coverage from authorized insurers, ~~and the corporation shall establish a program for personal residential risks in order~~ to facilitate the diversion of ineligible applicants and existing policyholders from the corporation into the voluntary insurance market.

(b)1. The corporation shall implement on or before January 1, 2027, a commercial lines clearinghouse in order to enhance access to offers of coverage from approved surplus lines clearinghouse insurers for new applicants for commercial residential coverage and commercial nonresidential coverage and existing commercial residential and commercial nonresidential policyholders of the corporation.

2. To facilitate the diversion of ineligible applicants and existing policyholders from the corporation to authorized insurers, the corporation may ~~shall~~ also develop and implement a separate commercial lines clearinghouse to confirm eligibility with the corporation and to enhance access to offers of such coverage from authorized insurers for new applicants for commercial residential or commercial nonresidential coverage and existing commercial residential and commercial nonresidential policyholders of the corporation ~~appropriate procedures for facilitating the diversion of ineligible applicants and existing policyholders for commercial residential coverage into the private insurance market and shall report such procedures to the President of the Senate and the Speaker of the House of~~



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~~Representatives by January 1, 2014.~~

(3) The corporation board shall establish the ~~clearinghouse~~ program as an organizational unit within the corporation. The program shall have all the rights and responsibilities in carrying out its duties as a licensed general lines agent and a surplus lines agent, but may not be required to employ or engage a licensed general lines agent or a surplus lines agent, or to maintain an insurance agency license to carry out its activities in the solicitation and placement of insurance coverage. In establishing the program, the corporation has all of the following rights and responsibilities ~~may~~:

(a) May require all new applications for personal lines coverage, and all personal lines policies due for renewal, to be submitted for coverage to the program in order to facilitate obtaining an offer of coverage from an authorized insurer or, if the risk is a commercial risk, shall require all new applications for commercial lines coverage, and all commercial lines policies due for renewal, to be initially submitted for coverage through the commercial clearinghouse as a single point of intake for both the corporation and the program in order to facilitate obtaining an offer of coverage from an approved surplus lines clearinghouse insurer, before binding or renewing coverage by the corporation.

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

(c) May employ or otherwise contract with individuals or other entities for appropriate administrative or professional services to effectuate the plan within the corporation in accordance with the applicable purchasing requirements under s.



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627.351 and, for purposes of implementing the commercial lines clearinghouse and providing offers of coverage from approved surplus lines clearinghouse insurers on or before January 1, 2027, contract with such individuals or entities in accordance with s. 287.057(3)(c).

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

(e)~~(d)~~ May provide funds to operate the program. Insurers and agents participating in the program are not required to pay a fee to offset or partially offset the cost of the program or use the program for renewal of policies initially written through the clearinghouse. Notwithstanding this paragraph, any commercial lines clearinghouse administrator may charge approved surplus lines clearinghouse insurers and surplus lines agents participating in the program reasonable transaction, technology, administration, and other similar fees.

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

(g)~~(f)~~ For personal lines residential risks, may require that, before approving all new applications for coverage by the corporation, that every application be subject to a period of 2 business days when any insurer participating in the program may select the application for coverage. For commercial lines residential and commercial lines nonresidential risks, the corporation may require, before approving all new applications for commercial lines coverage by the corporation, that every



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application be subject to a period of 5 business days when any insurer participating in the program may select the application for coverage. The insurer may issue a binder on any policy selected for coverage for a period of at least 30 days but not more than 60 days.

(h) Shall, in creating the commercial lines clearinghouse, establish criteria to determine the capabilities necessary for the commercial lines clearinghouse administrator. For facilitating offers of surplus lines coverage, such criteria must include confirmed expertise in the surplus lines market, at least 5 years of publicly available audited financial statements, the ability to facilitate all approved surplus lines clearinghouse insurers to participate in the commercial lines clearinghouse on terms established by the corporation, and other criteria that the corporation determines necessary to effectively establish, administer, and manage offers of surplus lines coverage through the commercial lines clearinghouse.

(i) Shall select a commercial lines clearinghouse administrator within 90 days after the effective date of this act.

(j) May allow the commercial lines clearinghouse administrator to establish procedures and account clearance requirements the commercial lines clearinghouse administrator deems necessary to ensure an orderly process for offers of coverage to be provided by approved surplus lines clearinghouse insurers participating in the commercial lines clearinghouse and to avoid multiple offers of coverage from the same insurer for the same risk.

(k) Must submit to the commercial lines clearinghouse



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administrator its coverage terms and conditions, deductible  
structures, and its unalterable indicated total cost of  
insurance coverage, which must include, but is not limited to,  
the premium, fees, surcharges, and applicable taxes for the  
subject risk before any approved surplus lines clearinghouse  
insurer is provided a submission for coverage pursuant to the  
program by any applicant for new coverage from the corporation  
or any policyholder of the corporation. The commercial lines  
clearinghouse administrator shall provide the corporation's  
unalterable indicated coverage terms and conditions and  
deductible structures, but may not provide the indicated total  
cost of corporation insurance coverage, to the approved surplus  
lines clearinghouse insurers participating in the program. The  
commercial lines clearinghouse administrator shall then use the  
corporation's unalterable indication to determine whether any  
offers of coverage from approved surplus lines clearinghouse  
insurers satisfy the requirements set forth in s. 627.351(6) (oo)  
and subparagraph (5) (c)2. The corporation may not bind or  
otherwise communicate, indicate, or make an offer of coverage to  
an applicant or policyholder, or its agent, or otherwise accept  
coverage until 5 business days have elapsed from the date that  
it provided its unalterable indication to the commercial lines  
clearinghouse administrator unless the time limit is waived in  
writing. Any change to the corporation's coverage terms and  
conditions, deductible structures, or indicated total cost of  
insurance coverage constitutes a new submission by the  
corporation under this paragraph. The validation period  
described in this paragraph applies regardless of any proposed  
effective date, renewal date, or expiration date of the policy





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and may not be shortened or bypassed based on timing  
considerations relating to binding or renewal.

(4) Any authorized insurer may participate in the program;  
however, participation is not mandatory for any insurer.

Approved surplus lines clearinghouse insurers may participate in  
the commercial lines clearinghouse but may not participate in  
the personal lines clearinghouse; however, participation in the  
program is not mandatory for any surplus lines insurer. Insurers  
making offers of coverage to new applicants or renewal  
policyholders through the program:

(a) May not be required to individually appoint any agent  
whose customer is underwritten and bound through the program.  
Notwithstanding s. 626.112, insurers are not required to appoint  
any agent on a policy underwritten through the program for as  
long as that policy remains with the insurer. Insurers may, at  
their election, appoint any agent or surplus lines agent whose  
direct or indirect customer is initially underwritten and bound  
through the program. In the event an insurer accepts a policy  
from an agent who is not appointed pursuant to this paragraph,  
and thereafter elects to accept a policy from such agent, the  
provisions of s. 626.112 requiring appointment apply to the  
agent.

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



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243 into a limited agency or broker agreement with each producing  
244 agent whose customer is underwritten and bound through the  
245 program.

246 (c) Must enter into its standard agency agreement with each  
247 agent or surplus lines agent whose direct or indirect customer  
248 is underwritten and bound through the program when that agent or  
249 surplus lines agent has been appointed by the insurer pursuant  
250 to s. 626.112. In addition, a surplus lines agent that enters  
251 into a limited agency or broker agreement with an approved  
252 surplus lines clearinghouse insurer making an offer of coverage  
253 through the program must also enter into a limited agency or  
254 broker agreement with each producing agent whose customer is  
255 underwritten and bound through the program.

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

258 (e) May participate through their single-designated  
259 managing general agent or broker or surplus lines agent;  
260 however, the provisions of paragraph (6) (a) regarding ownership,  
261 control, and use of the expirations continue to apply.

262 (f) For authorized insurers, must pay to the producing  
263 agent a commission equal to that paid by the corporation or the  
264 usual and customary commission paid by the insurer for that line  
265 of business, whichever is greater.

266 (g) For approved surplus lines clearinghouse insurers, when  
267 coverage is placed through the clearinghouse with an approved  
268 surplus lines clearinghouse insurer, must pay a total commission  
269 or equivalent compensation on gross written premium, exclusive  
270 of fees, surcharges, and taxes, to the surplus lines agent,  
271 managing general agent, or managing general underwriter placing



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the risk. The surplus lines agent, managing general agent, or managing general underwriter must pay the producing agent a commission that results in an effective commission percentage at least equal to the commission percentage published by the corporation and in effect on January 1, 2026, calculated in the same manner and on the same basis used by the corporation, and shall retain the remainder of the total commission or equivalent compensation. This paragraph does not prohibit an agent from voluntarily accepting a lower commission at the agent's sole discretion. As used in this paragraph, the term "effective commission percentage" means the commission expressed as a percentage of premium, exclusive of all fees, assessments, surcharges, and taxes.

(5)(a) Notwithstanding s. 627.3517, any applicant for new personal lines coverage from the corporation is not eligible for coverage from the corporation if provided an offer of comparable coverage from an authorized insurer through the program at a premium that is at or below the eligibility threshold for applicants for new coverage of a primary residence established in s. 627.351(6)(c)5.a., or for applicants for new coverage of a risk that is not a primary residence established in s. 627.351(6)(c)5.b. Whenever an offer of comparable coverage for a personal lines risk is received for a policyholder of the corporation at renewal from an authorized insurer through the program which is at or below the eligibility threshold for primary residences of policyholders of the corporation established in s. 627.351(6)(c)5.a., or the eligibility threshold for risks that are not primary residences of policyholders of the corporation established in s.



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627.351(6)(c)5.b., the risk is not eligible for coverage with the corporation. In the event an offer of coverage for a new applicant is received from an authorized insurer through the program, and the premium offered exceeds the eligibility threshold for applicants for new coverage of a primary residence established in s. 627.351(6)(c)5.a., or the eligibility threshold for applicants for new coverage on a risk that is not a primary residence established in s. 627.351(6)(c)5.b., the applicant or insured may elect to accept such coverage, or may elect to accept or continue coverage with the corporation. In the event an offer of coverage for a personal lines risk is received from an authorized insurer at renewal through the program, and the premium offered exceeds the eligibility threshold for primary residences of policyholders of the corporation established in s. 627.351(6)(c)5.a., or exceeds the eligibility threshold for risks that are not primary residences of policyholders of the corporation established in s. 627.351(6)(c)5.b., the insured may elect to accept such coverage, or may elect to accept or continue coverage with the corporation. Section 627.351(6)(c)5.a.(I) and b.(I) does not apply to an offer of coverage from an authorized insurer obtained through the program. ~~As used in this subsection, the term "primary residence" has the same meaning as in s. 627.351(6)(c)2.a.~~

(b) Any applicant for new commercial lines residential coverage from the corporation is not eligible for coverage from the corporation if provided an offer of comparable coverage from an authorized insurer through the program at a premium that is at or below the eligibility threshold for applicants for new



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coverage established in s. 627.351(6)(c)5.c. Whenever an offer of comparable coverage for a commercial lines residential risk is received for a policyholder of the corporation at renewal from an authorized insurer through the program which is at or below the eligibility threshold in s. 627.351(6)(c)5.c., the risk is not eligible for coverage from the corporation. In the event that an offer of coverage for a new applicant is received from an authorized insurer through the program, and the premium offered exceeds the eligibility threshold established in s. 627.351(6)(c)5.c., the applicant or insured may elect to accept such coverage or may elect to accept or continue coverage with the corporation. In the event that an offer of coverage for a commercial lines residential risk is received from an authorized insurer at renewal through the program, and the premium offered exceeds the eligibility threshold for policyholders of the corporation established in s. 627.351(6)(c)5.c., the insured may elect to accept such coverage or may elect to accept or continue coverage with the corporation. Section 627.351(6)(c)5.c.(I) does not apply to an offer of coverage from an authorized insurer obtained through the program.

(c)1. Except as provided in subparagraph 2., any applicant for new commercial lines residential coverage or commercial lines nonresidential coverage from the corporation and any policyholder of the corporation, when such applicant or corporation policyholder is offered commercial lines residential or commercial lines nonresidential coverage pursuant to the program by an approved surplus lines clearinghouse insurer, remains eligible for coverage from the corporation. The applicant or policyholder receiving an offer from an approved



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surplus lines clearinghouse insurer may elect to accept such coverage or may elect to accept or continue coverage with the corporation.

2. Any applicant for new commercial lines residential coverage or commercial lines nonresidential coverage from the corporation and any policyholder of the corporation, when such applicant or corporation policyholder is offered commercial lines residential or commercial lines nonresidential coverage by an approved surplus lines insurer pursuant to the program and such offered coverage has material terms and conditions that are substantially equivalent to or better than coverage from the corporation as to all aspects of such coverage, as determined by the corporation through the clearinghouse process and applicable program standards, and the total cost of such insurance coverage is not more than 20 percent greater than the total cost of insurance coverage from the corporation, may elect to accept such coverage from the approved surplus lines clearinghouse insurer or may elect to accept or continue coverage with the corporation, but, if electing corporation coverage, such applicant or policyholder must pay a premium for corporation coverage that is subject to s. 627.351(6)(oo).

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

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

(a) Are granted and must maintain ownership and the exclusive use of expirations, records, or other written or



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electronic information directly related to such applications or renewals written through the corporation or through an insurer participating in the program, notwithstanding s. 627.351(5)(a), s. 627.351(6)(c)5.a.(I)(B) and (II)(B), or s. 627.351(6)(c)5.b.(I)(B) and (II)(B). Such ownership is granted for as long as the insured remains with the agency or until sold or surrendered in writing by the agent. Contracts with the corporation or required by the corporation or with any insurer or surplus lines agent may ~~must~~ not amend, modify, interfere with, or limit such rights of ownership. Such expirations, records, or other written or electronic information may be used to review an application, issue a policy, or for any other purpose necessary for placing such business through the program.

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

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

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

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

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



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(a) Must maintain ownership and the exclusive use of expirations, records, or other written or electronic information directly related to such applications or renewals written through the corporation or through an insurer participating in the program, notwithstanding s. 627.351(6)(c)5.a.(I)(B) and (II)(B) or s. 627.351(6)(c)5.b.(I)(B) and (II)(B). Contracts with the corporation or required by the corporation must not amend, modify, interfere with, or limit such rights of ownership. Such expirations, records, or other written or electronic information may be used to review an application, issue a policy, or for any other purpose necessary for placing such business through the program.

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

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

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

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





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

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

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

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

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

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

2. Is not otherwise readily ascertainable or publicly



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available by proper means by other persons from another source  
in the same configuration as provided to the clearinghouse; and

3. Includes:

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

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

Proprietary business information may be found in underwriting  
criteria or instructions which are used to identify and select  
risks through the program for an offer of coverage and are  
shared with the clearinghouse to facilitate the shopping of  
risks with the insurer.

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

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

2. Pursuant to a court order; or

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

Section 3. This act shall take effect upon becoming a law.

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

And the title is amended as follows:

Delete everything before the enacting clause  
and insert:



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A bill to be entitled  
An act relating to the Citizens Property Insurance Corporation; amending s. 627.351, F.S.; prohibiting the corporation from issuing or renewing coverage for commercial residential and commercial nonresidential risks under certain circumstances; prohibiting the corporation from imposing a premium equalization adjustment under certain circumstances; providing applicability; specifying the components of the total cost of insurance coverage; specifying that certain adjustments expire at a specified time; amending s. 627.3518, F.S.; deleting an obsolete provision; defining terms; revising the definition of the term "program"; requiring the corporation to establish a personal lines clearinghouse for specified purposes; requiring, on or before a specified date, the corporation to implement a commercial lines clearinghouse for a specified purpose; authorizing the corporation to develop and implement a separate commercial lines clearinghouse for specified purposes; deleting obsolete provisions; revising the program's rights and responsibilities; revising the rights and responsibilities the corporation has in establishing the program; authorizing approved surplus lines clearinghouse insurers to participate in the commercial lines clearinghouse; prohibiting such insurers from participating in the personal lines clearinghouse; specifying that participation in the program is not mandatory for such insurers; revising



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prohibitions and requirements for insurers making offers of coverage to new applicants or renewal policyholders through the program; providing construction; defining the term "effective commission percentage"; specifying that applicants for new commercial lines residential coverage are not eligible for coverage from the corporation under certain circumstances; specifying the circumstances under which policyholders of the corporation are not eligible for new commercial lines residential coverage from the corporation; authorizing applicants or insureds to elect to accept coverage with authorized insurers or elect to accept or continue coverage with the corporation under certain circumstances; authorizing insureds to elect to accept coverage with specified insurers or elect to accept or continue coverage with the corporation under certain circumstances; providing applicability; specifying that certain applicants and policyholders remain eligible for coverage from the corporation; authorizing such applicants and policyholders to elect to accept coverage from clearinghouse insurers or elect to accept or continue coverage with the corporation; authorizing certain applicants and policyholders of the corporation to elect to accept coverage from clearinghouse insurers or elect to accept or continue coverage with the corporation; requiring such applicants or policyholders to pay a specified total cost of insurance for corporation



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562 coverage; providing applicability; revising the rights  
563 and authorizations for certain independent insurance  
564 agents; deleting a prohibition relating to commercial  
565 nonresidential policies; providing an effective date.