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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
02/12/2026	.	
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The Committee on Fiscal Policy (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



844932

insurer offers coverage under s. 627.3518(6)(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 an  
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 equalization adjustment. If  
more than one approved surplus lines clearinghouse insurer  
offers coverage under s. 627.3518(6)(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. An offer submitted by a surplus lines clearinghouse  
insurer which is declined by the applicant or policyholder,  
expires, or is not accepted by the applicant or policyholder for  
any reason does not relieve the corporation from its obligation,  
if any, to impose an equalization adjustment as set forth in  
this paragraph. An equalization adjustment applied pursuant to  
this paragraph expires at the end of the policy term. For the  
purposes of this paragraph, the term "equalization adjustment"  
means a temporary policy term-only adjustment applied solely for  
purposes of evaluating and comparing offers of coverage on a  
comparable basis under this section. An equalization adjustment  
does not constitute a rate, premium, surcharge, or filing; does  
not modify or affect any rate, rating plan, rule, or filing



844932

approved for the corporation; and expires by operation of law at the end of the applicable 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 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 10 business days after the commercial lines clearinghouse administrator’s recommendation. If the office does not complete such verification within the 10-business-day period, the insurer shall be deemed verified for purposes of participation in the program.

(b) “Authorized insurer” means an insurer authorized to act as an insurer by a subsisting certificate of authority issued to the insurer by the office.

(c) “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).



844932

(d) "Comparable coverage" means coverage that 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.

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

(f) ~~(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.

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

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

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

(j) "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 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



844932

the diversion of ineligible applicants and existing policyholders from the corporation into the voluntary insurance market.

(b)1. The corporation shall amend its plan of operation and 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 shall implement, on or before January 1, 2027, a separate commercial lines clearinghouse to confirm eligibility for coverage from the corporation and to enhance access to offers of coverage from authorized insurers for new applicants for commercial residential and commercial nonresidential coverage and existing commercial residential and commercial nonresidential policyholders of the corporation shall  
~~also develop 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 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



844932

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) Before binding or renewing coverage by the corporation, the corporation:

1. 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.

2. May, if the corporation establishes a clearinghouse pursuant to subparagraph (2)b.2., require all new applications for commercial lines coverage, and all commercial 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.

3. 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 lines 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



844932

services to effectuate the plan within the corporation in accordance with the applicable purchasing requirements under s. 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 participating in the program reasonable transaction, technology, administration, and other similar fees. All fees charged by the commercial lines clearinghouse administrator must be fair.

(f) Shall include separate components for authorized insurers and approved surplus lines insurers with respect to the commercial lines clearinghouse, each of which shall be independently operated and independently funded.

(g) In the event that there is insufficient commercial support for any component of the commercial lines clearinghouse, shall be relieved of its obligations with respect to that component for which there is insufficient commercial support.



844932

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

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

200       (j)~~(f)~~ For personal lines residential risks, may require  
201 that, before approving all new applications for coverage by the  
202 corporation, ~~that~~ every application be subject to a period of 2  
203 business days when any insurer participating in the program may  
204 select the application for coverage. For commercial lines  
205 residential and commercial lines nonresidential risks, the  
206 corporation may require, before approving all new applications  
207 for commercial lines coverage by the corporation, that every  
208 application be subject to a period of 5 business days when any  
209 insurer participating in the program may select the application  
210 for coverage. The insurer may issue a binder on any policy  
211 selected for coverage for a period of at least 30 days but not  
212 more than 60 days.

213       (k) Shall, in creating the commercial lines clearinghouse,





844932

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, and other criteria that the corporation  
determines necessary to effectively establish, administer,  
manage offers of surplus lines coverage through the commercial  
lines clearinghouse, and the ability to collect and remit,  
either directly or through a surplus lines agent, all taxes  
pursuant to s. 626.932 and service fees pursuant to s. 626.9325.

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

(m) 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 authorized insurers or 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.

(n) Must submit to the commercial lines clearinghouse  
administrator its coverage terms and conditions, deductible  
structures, and 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



844932

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. Upon completion of such  
submission, 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 determine, through established procedures,  
whether a submission is complete before release, which  
submission requires, at a minimum, a validated application from  
the agent and the corporation's unalterable indicated total cost  
of insurance, coverage terms and conditions, and deductible  
structures. 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 (6)(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 the commercial lines  
clearinghouse administrator has determined that a complete  
submission has been made, affirmatively releases one or more  
offers of coverage from approved surplus lines clearinghouse  
insurers, or affirms that no clearinghouse insurer offer of  
coverage has been made, and at least 5 business days have  
elapsed from the date of such release, unless waived in writing.



844932

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

(4) The corporation may share risk exposure and policy information with the commercial lines clearinghouse administrator and, through the commercial lines clearinghouse, the commercial lines clearinghouse administrator may use such information as necessary to operate and administer the commercial lines clearinghouse and ensure the orderly, timely, and transparent assessment of risks by insurers participating in the commercial lines clearinghouse.

(5) 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



844932

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

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

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



844932

(e) May participate through their designated single-  
designated managing general agent, managing general underwriter,  
or broker, or surplus lines agent; however, the provisions of  
paragraph (7)(a) ~~(6)(a)~~ regarding ownership, control, and use of  
the expirations continue to apply.

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

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

(6)(a) ~~(5)~~ Notwithstanding s. 627.3517, any applicant for



844932

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. 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



844932

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 the corporation as to all aspects of such coverage from an authorized insurer through the program at a premium that is at or below the eligibility threshold for applicants for new coverage established in s. 627.351(6)(c)5.c. The determination of whether an offer of comparable coverage from an authorized insurer through the program is at or below the eligibility threshold must be made before the submission of the corporation's coverage terms and conditions, deductible structures, and unalterable indicated total cost of insurance is provided to the commercial lines clearinghouse administrator. Whenever an offer of comparable coverage from the corporation as to all aspects of such 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



844932

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 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





844932

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 is comparable coverage, 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 the total cost of insurance 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.

~~(7)~~ (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 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



844932

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 (6) ~~(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.

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

(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



844932

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 (6) ~~(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.

(9) ~~(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.

(10) ~~(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



844932

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 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.



844932

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.

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

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

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

(c) The reasonableness of fees charged by the commercial lines clearinghouse administrator.

(d) The operational processes used by the commercial lines clearinghouse administrator to determine whether an offer of



844932

coverage from an insurer participating in the program precludes coverage from the corporation or requires an equalization adjustment by the corporation.

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

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

(b) Upon approval by the commission, the corporation may temporarily implement recommendations made by the office to address the solvency risk. Such recommendations may include, but are not limited to, all of the following:

1. Temporary suspension of the equalization adjustment authorized under s. 627.351(6) (oo).

2. Temporary exclusion of one or more participating insurers from the program.

3. Temporary modification of program procedural timelines.

4. If exigent circumstances exist, temporary suspension of the requirement that any applicant for new commercial residential coverage or commercial nonresidential coverage from the corporation and any policyholder of the corporation submit applications for coverage through the commercial lines clearinghouse.

(14) This section does not authorize rebates or any activity that would violate part IX of chapter 626. The corporation and the commercial lines clearinghouse administrator shall implement procedures to ensure that participating agents



844932

and insurers are not induced to violate part IX of chapter 626.  
The office may review such compliance procedures solely for the  
purpose of submitting recommendations to the commission under  
subsection (13).

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:

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 an equalization adjustment  
under certain circumstances; providing applicability;  
specifying the components of the total cost of  
insurance coverage; specifying that the corporation is  
not relieved from an obligation to impose an  
equalization adjustment under certain circumstances;  
specifying that certain adjustments expires at a  
specified time; defining the term "equalization  
adjustment"; 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



844932

before a specified date, the corporation to amend its plan of operation and implement a commercial lines clearinghouse for a specified purpose; requiring, on or before a specified date, the corporation to 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 the corporation to share risk exposure and policy information with the commercial lines clearinghouse administrator; authorizing such administrator to use such information for a specified purpose; 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 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





844932

from the corporation; requiring that the determination of whether an offer of comparable coverage from an authorized insurer is at or below the eligibility threshold be made at a specified time; 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 coverage; providing applicability; revising the rights and authorizations for certain independent insurance agents; deleting a prohibition relating to commercial nonresidential policies; authorizing the Office of Insurance Regulation to review certain operational processes related to the program; specifying the contents of such review; requiring the office to



844932

707        notify the corporation and submit written  
708        recommendations to the Financial Services Commission  
709        under certain circumstances; authorizing the  
710        corporation to temporarily implement certain  
711        recommendations; providing construction; requiring the  
712        corporation and the commercial lines clearinghouse  
713        administrator to implement specified procedures;  
714        authorizing the office to review such procedures;  
715        providing an effective date.