



LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
02/12/2026	.	
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The Committee on Fiscal Policy (Gruters) recommended the following:

1 **Senate Amendment (with title amendment)**

2
3 Delete everything after the enacting clause
4 and insert:

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

7 627.351 Insurance risk apportionment plans.—

8 (6) CITIZENS PROPERTY INSURANCE CORPORATION.—

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



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11 insurer offers coverage under s. 627.3518(6)(c)2. and the total
12 cost of such coverage is not more than 20 percent greater than
13 the total cost of insurance coverage from the corporation, the
14 corporation may not issue or renew coverage unless it imposes an
15 equalization adjustment on such policy equal to the amount by
16 which the total cost of insurance coverage offered by the
17 approved surplus lines clearinghouse insurer exceeds the total
18 cost of insurance coverage from the corporation. If the total
19 cost of insurance from the approved surplus lines clearinghouse
20 insurer does not exceed the total cost of corporation coverage,
21 the corporation may not impose the equalization adjustment. If
22 more than one approved surplus lines clearinghouse insurer
23 offers coverage under s. 627.3518(6)(c)2., the lowest offered
24 total cost of insurance coverage applies for purposes of this
25 paragraph. The total cost of insurance coverage includes, but is
26 not limited to, the premium, fees, surcharges, and applicable
27 taxes. An offer submitted by a surplus lines clearinghouse
28 insurer which is declined by the applicant or policyholder,
29 expires, or is not accepted by the applicant or policyholder for
30 any reason does not relieve the corporation from its obligation,
31 if any, to impose an equalization adjustment as set forth in
32 this paragraph. An equalization adjustment applied pursuant to
33 this paragraph expires at the end of the policy term. For the
34 purposes of this paragraph, the term "equalization adjustment"
35 means a temporary policy term-only adjustment applied solely for
36 purposes of evaluating and comparing offers of coverage on a
37 comparable basis under this section. An equalization adjustment
38 does not constitute a rate, premium, surcharge, or filing; does
39 not modify or affect any rate, rating plan, rule, or filing



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40 approved for the corporation; and expires by operation of law at
41 the end of the applicable policy term.

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

44 627.3518 Citizens Property Insurance Corporation
45 policyholder eligibility clearinghouse program.—The purpose of
46 this section is to provide a framework for the corporation to
47 implement a clearinghouse program by January 1, 2014.

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

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

60 (b) "Authorized insurer" means an insurer authorized to act
61 as an insurer by a subsisting certificate of authority issued to
62 the insurer by the office.

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



69 (d) "Comparable coverage" means coverage that has material
70 terms and conditions that are substantially equivalent to or
71 better than coverage from the corporation as to all aspects of
72 such coverage, as determined by the corporation through the
73 clearinghouse process and applicable program standards.

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

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

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

84 (h) "Primary residence" has the same meaning as in s.
85 627.351(6)(c)2.a.

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

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

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



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

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

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

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



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

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

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

139 2. May, if the corporation establishes a clearinghouse
140 pursuant to subparagraph (2)b.2., require all new applications
141 for commercial lines coverage, and all commercial lines policies
142 due for renewal, to be submitted for coverage to the program in
143 order to facilitate obtaining an offer of coverage from an
144 authorized insurer.

145 3. Shall require all new applications for commercial lines
146 coverage, and all commercial lines policies due for renewal, to
147 be initially submitted for coverage through the commercial lines
148 clearinghouse as a single point of intake for both the
149 corporation and the program in order to facilitate obtaining an
150 offer of coverage from an approved surplus lines clearinghouse
151 insurer before binding or renewing coverage by the corporation.

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

154 (c) May employ or otherwise contract with individuals or
155 other entities for appropriate administrative or professional



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156 services to effectuate the plan within the corporation in
157 accordance with the applicable purchasing requirements under s.
158 627.351 and, for purposes of implementing the commercial lines
159 clearinghouse and providing offers of coverage from approved
160 surplus lines clearinghouse insurers on or before January 1,
161 2027, contract with such individuals or entities in accordance
162 with s. 287.057(3)(c).

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

167 (e) (d) May provide funds to operate the program. Insurers
168 and agents participating in the program are not required to pay
169 a fee to offset or partially offset the cost of the program or
170 use the program for renewal of policies initially written
171 through the clearinghouse. Notwithstanding this paragraph, any
172 commercial lines clearinghouse administrator may charge approved
173 surplus lines clearinghouse insurers participating in the
174 program reasonable transaction, technology, administration, and
175 other similar fees. All fees charged by the commercial lines
176 clearinghouse administrator must be fair.

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

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



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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,



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

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

230 (m) May allow the commercial lines clearinghouse
231 administrator to establish procedures and account clearance
232 requirements the commercial lines clearinghouse administrator
233 deems necessary to ensure an orderly process for offers of
234 coverage to be provided by authorized insurers or approved
235 surplus lines clearinghouse insurers participating in the
236 commercial lines clearinghouse and to avoid multiple offers of
237 coverage from the same insurer for the same risk.

238 (n) Must submit to the commercial lines clearinghouse
239 administrator its coverage terms and conditions, deductible
240 structures, and unalterable indicated total cost of insurance
241 coverage, which must include, but is not limited to, the
242 premium, fees, surcharges, and applicable taxes for the subject



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243 risk before any approved surplus lines clearinghouse insurer is
244 provided a submission for coverage pursuant to the program by
245 any applicant for new coverage from the corporation or any
246 policyholder of the corporation. Upon completion of such
247 submission, the commercial lines clearinghouse administrator
248 shall provide the corporation's unalterable indicated coverage
249 terms and conditions and deductible structures, but may not
250 provide the indicated total cost of corporation insurance
251 coverage, to the approved surplus lines clearinghouse insurers
252 participating in the program. The commercial lines clearinghouse
253 administrator shall determine, through established procedures,
254 whether a submission is complete before release, which
255 submission requires, at a minimum, a validated application from
256 the agent and the corporation's unalterable indicated total cost
257 of insurance, coverage terms and conditions, and deductible
258 structures. The commercial lines clearinghouse administrator
259 shall then use the corporation's unalterable indication to
260 determine whether any offers of coverage from approved surplus
261 lines clearinghouse insurers satisfy the requirements set forth
262 in s. 627.351(6)(oo) and subparagraph (6)(c)2. The corporation
263 may not bind or otherwise communicate, indicate, or make an
264 offer of coverage to an applicant or policyholder, or its agent,
265 or otherwise accept coverage until the commercial lines
266 clearinghouse administrator has determined that a complete
267 submission has been made, affirmatively releases one or more
268 offers of coverage from approved surplus lines clearinghouse
269 insurers, or affirms that no clearinghouse insurer offer of
270 coverage has been made, and at least 5 business days have
271 elapsed from the date of such release, unless waived in writing.



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272 Any change to the corporation's coverage terms and conditions,
273 deductible structures, or indicated total cost of insurance
274 coverage constitutes a new submission by the corporation under
275 this paragraph. The validation period described in this
276 paragraph applies regardless of any proposed effective date,
277 renewal date, or expiration date of the policy and may not be
278 shortened or bypassed based on timing considerations relating to
279 binding or renewal.

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

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

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

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



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301 their election, appoint any agent or surplus lines agent whose
302 direct or indirect customer is initially underwritten and bound
303 through the program. In the event an insurer accepts a policy
304 from an agent who is not appointed pursuant to this paragraph,
305 and thereafter elects to accept a policy from such agent, the
306 provisions of s. 626.112 requiring appointment apply to the
307 agent.

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

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

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



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

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

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

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



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



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

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



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417 the corporation. In the event that an offer of coverage for a
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



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446 corporation and any policyholder of the corporation, when such
447 applicant or corporation policyholder is offered commercial
448 lines residential or commercial lines nonresidential coverage by
449 an approved surplus lines insurer pursuant to the program and
450 such offered coverage is comparable coverage, and the total cost
451 of such insurance coverage is not more than 20 percent greater
452 than the total cost of insurance coverage from the corporation,
453 may elect to accept such coverage from the approved surplus
454 lines clearinghouse insurer or may elect to accept or continue
455 coverage with the corporation, but, if electing corporation
456 coverage, such applicant or policyholder must pay the total cost
457 of insurance for corporation coverage that is subject to s.
458 627.351(6)(oo).

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

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

465 (a) Are granted and must maintain ownership and the
466 exclusive use of expirations, records, or other written or
467 electronic information directly related to such applications or
468 renewals written through the corporation or through an insurer
469 participating in the program, notwithstanding s. 627.351(5)(a),
470 s. 627.351(6)(c).5.a.(I)(B) and (II)(B), or s.
471 627.351(6)(c).5.b.(I)(B) and (II)(B). Such ownership is granted
472 for as long as the insured remains with the agency or until sold
473 or surrendered in writing by the agent. Contracts with the
474 corporation or required by the corporation or with any insurer



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475 or surplus lines agent may ~~must~~ not amend, modify, interfere
476 with, or limit such rights of ownership. Such expirations,
477 records, or other written or electronic information may be used
478 to review an application, issue a policy, or for any other
479 purpose necessary for placing such business through the program.

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

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

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

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

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

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



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504 ownership. Such expirations, records, or other written or
505 electronic information may be used to review an application,
506 issue a policy, or for any other purpose necessary for placing
507 such business through the program.

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

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

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

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

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

530 (10) ~~(9)~~ The 45-day notice of nonrenewal requirement set
531 forth in s. 627.4133(2)(b)5. applies when a policy is nonrenewed
532 by the corporation because the risk has received an offer of



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533 coverage pursuant to this section which renders the risk
534 ineligible for coverage by the corporation.

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

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

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

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

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

556 3. Includes:

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

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



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

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

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

571 2. Pursuant to a court order; or

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

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

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

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

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

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



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

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

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

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

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

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

609 3. Temporary modification of program procedural timelines.
610 4. If exigent circumstances exist, temporary suspension of
611 the requirement that any applicant for new commercial
612 residential coverage or commercial nonresidential coverage from
613 the corporation and any policyholder of the corporation submit
614 applications for coverage through the commercial lines
615 clearinghouse.

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



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

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

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

627 | And the title is amended as follows:

628 Delete everything before the enacting clause
629 and insert:

630 A bill to be entitled

631 An act relating to the Citizens Property Insurance
632 Corporation; amending s. 627.351, F.S.; prohibiting
633 the corporation from issuing or renewing coverage for
634 commercial residential and commercial nonresidential
635 risks under certain circumstances; prohibiting the
636 corporation from imposing an equalization adjustment
637 under certain circumstances; providing applicability;
638 specifying the components of the total cost of
639 insurance coverage; specifying that the corporation is
640 not relieved from an obligation to impose an
641 equalization adjustment under certain circumstances;
642 specifying that certain adjustments expires at a
643 specified time; defining the term "equalization
644 adjustment"; amending s. 627.3518, F.S.; deleting an
645 obsolete provision; defining terms; revising the
646 definition of the term "program"; requiring the
647 corporation to establish a personal lines
648 clearinghouse for specified purposes; requiring, on or



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649 before a specified date, the corporation to amend its
650 plan of operation and implement a commercial lines
651 clearinghouse for a specified purpose; requiring, on
652 or before a specified date, the corporation to
653 implement a separate commercial lines clearinghouse
654 for specified purposes; deleting obsolete provisions;
655 revising the program's rights and responsibilities;
656 revising the rights and responsibilities the
657 corporation has in establishing the program;
658 authorizing the corporation to share risk exposure and
659 policy information with the commercial lines
660 clearinghouse administrator; authorizing such
661 administrator to use such information for a specified
662 purpose; authorizing approved surplus lines
663 clearinghouse insurers to participate in the
664 commercial lines clearinghouse; prohibiting such
665 insurers from participating in the personal lines
666 clearinghouse; specifying that participation in the
667 program is not mandatory for such insurers; revising
668 prohibitions and requirements for insurers making
669 offers of coverage to new applicants or renewal
670 policyholders through the program; providing
671 construction; defining the term "effective commission
672 percentage"; specifying that applicants for new
673 commercial lines residential coverage are not eligible
674 for coverage from the corporation under certain
675 circumstances; specifying the circumstances under
676 which policyholders of the corporation are not
677 eligible for new commercial lines residential coverage



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678 from the corporation; requiring that the determination
679 of whether an offer of comparable coverage from an
680 authorized insurer is at or below the eligibility
681 threshold be made at a specified time; authorizing
682 applicants or insureds to elect to accept coverage
683 with authorized insurers or elect to accept or
684 continue coverage with the corporation under certain
685 circumstances; authorizing insureds to elect to accept
686 coverage with specified insurers or elect to accept or
687 continue coverage with the corporation under certain
688 circumstances; providing applicability; specifying
689 that certain applicants and policyholders remain
690 eligible for coverage from the corporation;
691 authorizing such applicants and policyholders to elect
692 to accept coverage from clearinghouse insurers or
693 elect to accept or continue coverage with the
694 corporation; authorizing certain applicants and
695 policyholders of the corporation to elect to accept
696 coverage from clearinghouse insurers or elect to
697 accept or continue coverage with the corporation;
698 requiring such applicants or policyholders to pay a
699 specified total cost of insurance for corporation
700 coverage; providing applicability; revising the rights
701 and authorizations for certain independent insurance
702 agents; deleting a prohibition relating to commercial
703 nonresidential policies; authorizing the Office of
704 Insurance Regulation to review certain operational
705 processes related to the program; specifying the
706 contents of such review; requiring the office to



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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.