

By the Committee on Banking and Insurance; and Senator Gruters

597-01925-26

20261028c1

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

597-01925-26

20261028c1

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

597-01925-26

20261028c1

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

Be It Enacted by the Legislature of the State of Florida:

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 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,

597-01925-26

20261028c1

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 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)~~ (d) "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

597-01925-26

20261028c1

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)~~(e)~~ "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 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.

597-01925-26

20261028c1

146        2. To facilitate the diversion of ineligible applicants and  
147 existing policyholders from the corporation to authorized  
148 insurers, the corporation may ~~shall~~ also develop and implement a  
149 separate commercial lines clearinghouse to confirm eligibility  
150 with the corporation and to enhance access to offers of such  
151 coverage from authorized insurers for new applicants for  
152 commercial residential or commercial nonresidential coverage and  
153 existing commercial residential and commercial nonresidential  
154 policyholders of the corporation ~~appropriate procedures for~~  
155 ~~facilitating the diversion of ineligible applicants and existing~~  
156 ~~policyholders for commercial residential coverage into the~~  
157 ~~private insurance market and shall report such procedures to the~~  
158 ~~President of the Senate and the Speaker of the House of~~  
159 ~~Representatives by January 1, 2014.~~

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

170        (a) May require all new applications for personal lines  
171 coverage, and all personal lines policies due for renewal, to be  
172 submitted for coverage to the program in order to facilitate  
173 obtaining an offer of coverage from an authorized insurer or, if  
174 the risk is a commercial risk, shall require all new

597-01925-26

20261028c1

175 applications for commercial lines coverage, and all commercial  
176 lines policies due for renewal, to be initially submitted for  
177 coverage through the commercial clearinghouse as a single point  
178 of intake for both the corporation and the program in order to  
179 facilitate obtaining an offer of coverage from an approved  
180 surplus lines clearinghouse insurer, before binding or renewing  
181 coverage by the corporation.

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

184 (c) May employ or otherwise contract with individuals or  
185 other entities for appropriate administrative or professional  
186 services to effectuate the plan within the corporation in  
187 accordance with the applicable purchasing requirements under s.  
188 627.351 and, for purposes of implementing the commercial lines  
189 clearinghouse and providing offers of coverage from approved  
190 surplus lines clearinghouse insurers on or before January 1,  
191 2027, contract with such individuals or entities in accordance  
192 with s. 287.057(3)(c).

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

197 ~~(e)-(d)~~ May provide funds to operate the program. Insurers  
198 and agents participating in the program are not required to pay  
199 a fee to offset or partially offset the cost of the program or  
200 use the program for renewal of policies initially written  
201 through the clearinghouse. Notwithstanding this paragraph, any  
202 commercial lines clearinghouse administrator may charge approved  
203 surplus lines clearinghouse insurers and surplus lines agents

597-01925-26

20261028c1

204 participating in the program reasonable transaction, technology,  
205 administration, and other similar fees.

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

209 (g)-(f) For personal lines residential risks, may require  
210 that, before approving all new applications for coverage by the  
211 corporation, ~~that~~ every application be subject to a period of 2  
212 business days when any insurer participating in the program may  
213 select the application for coverage. For commercial lines  
214 residential and commercial lines nonresidential risks, the  
215 corporation may require, before approving all new applications  
216 for commercial lines coverage by the corporation, that every  
217 application be subject to a period of 5 business days when any  
218 insurer participating in the program may select the application  
219 for coverage. The insurer may issue a binder on any policy  
220 selected for coverage for a period of at least 30 days but not  
221 more than 60 days.

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



597-01925-26

20261028c1

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 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

597-01925-26

20261028c1

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 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

597-01925-26

20261028c1

291 direct or indirect customer is initially underwritten and bound  
292 through the program. In the event an insurer accepts a policy  
293 from an agent who is not appointed pursuant to this paragraph,  
294 and thereafter elects to accept a policy from such agent, the  
295 provisions of s. 626.112 requiring appointment apply to the  
296 agent.

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

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

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

319 (e) May participate through their single-designated

597-01925-26

20261028c1

managing general agent or broker or surplus lines agent;  
however, the provisions of paragraph (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.

(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

597-01925-26

20261028c1

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 corporation established in s. 627.351(6)(c)5.a., or exceeds the eligibility threshold for risks that are not primary residences

597-01925-26

20261028c1

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  
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

597-01925-26

20261028c1

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 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

597-01925-26

20261028c1

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 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.



597-01925-26

20261028c1

(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:

(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

597-01925-26

20261028c1

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.

(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

597-01925-26

20261028c1

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.

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

597-01925-26

20261028c1

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.