

By Senator Bernard

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A bill to be entitled  
An act relating to homeowners' insurance premium discounts; creating s. 626.0656, F.S.; defining terms; requiring residential property insurers to provide specified premium reductions for claim-free periods and mitigation improvements; specifying the conditions under which such reductions apply; prohibiting the use of storm-related claims to deny eligibility for a premium reduction; requiring the Office of Insurance Regulation to adopt rules relating to mitigation upgrades; requiring residential property insurers to submit, by a specified date, a specified report to the office; requiring the office to compile certain reports and publish an annual report on its website; amending s. 627.4133, F.S.; prohibiting certain claims that are the result of an act of God from being used as a cause for premium discount ineligibility; providing construction; providing an effective date.

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

Section 1. Section 626.0656, Florida Statutes, is created to read:

626.0656 Homeowners' insurance premium discounts and rating protections.—

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

(a) "Claim-free period" means a continuous period during which a residential property insurance policy remains in force and the policyholder submits no claim other than a storm-related

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claim.

(b) "Mitigation improvement" means any structural or nonstructural feature, installation, or upgrade made to a residential structure for the purpose of reducing windstorm or hurricane damage risk, including, but not limited to, roof reinforcement, opening protection, flood barriers, and tie-downs.

(c) "Residential property insurer" means an insurer authorized to issue homeowners policies, dwelling fire policies, or condominium unit owners policies in this state.

(d) "Storm-related claim" means a claim arising directly from a hurricane, tropical storm, tornado, or other weather event declared by the National Weather Service.

(2)(a) A residential property insurer shall provide a premium reduction to a policyholder who completes a claim-free period of 3 years. The premium reduction may not be less than 5 percent of the annual premium and must increase by an additional 5 percent for each consecutive claim-free year thereafter.

(b) The premium reduction required under this subsection must be applied at the next renewal following completion of the claim-free period.

(c) A storm-related claim may not be used to deny, reduce, or disqualify a premium reduction provided under this subsection.

(3)(a) A residential property insurer shall provide a premium reduction to a policyholder who completes a mitigation improvement.

(b) The premium reduction required under this subsection must be applied at the next renewal following the completion of

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the mitigation improvement and must be in addition to any claim-free premium reduction.

(c) The office shall adopt rules to implement this subsection, including rules that:

1. Establish a list of eligible mitigation upgrades; and

2. Maintain a publicly accessible database of approved contractors and products related to mitigation improvements.

(4)(a) By March 1 of each year, each residential property insurer shall submit to the office a report detailing:

1. The number of policies receiving claim-free premium reductions under subsection (2);

2. The number of policies receiving mitigation improvement premium reductions under subsection (3);

3. The total amount of premium savings provided to policyholders under subsections (2) and (3); and

4. The geographic distribution of premium reductions, by county.

(b) The office shall compile the reports received under paragraph (a) and publish an annual report on its website.

Section 2. Subsection (3) of section 627.4133, Florida Statutes, is amended to read:

627.4133 Notice of cancellation, nonrenewal, or renewal premium.—

(3) Claims on property insurance policies that are the result of an act of God may not be used as a cause for cancellation, ~~or nonrenewal, or premium discount ineligibility,~~ unless the insurer can demonstrate, by claims frequency or otherwise, that the insured has failed to take action reasonably necessary as requested by the insurer to prevent recurrence of

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88 damage to the insured property. This subsection does not preempt  
89 or prohibit a reduction in the amount of a premium discount, as  
90 approved by the office, for a claim that is the result of an act  
91 of God and that occurred within 24 months before the discount is  
92 applied.

93 Section 3. This act shall take effect July 1, 2026.