

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

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Prepared By: The Professional Staff of the Committee on Banking and Insurance

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BILL: SB 832

INTRODUCER: Senator Avila

SUBJECT: Residential Property Insurance

DATE: January 14, 2026

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Thomas	Knudson	BI	<b>Favorable</b>
2.			AEG	
3.			FP	

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**I. Summary:**

SB 832 provides that, beginning on October 1, 2026, every rate filing for residential property coverage from a property insurer must include a rate transparency report. The report must be included with any offer of coverage and upon policy renewal. The report must include, among other information, the percentage breakdown of each cost factor making up the rate.

The bill requires the Office of Insurance Regulation (OIR) to establish a comprehensive resource center on its website to aid consumers in their understanding of insurance. The resource center must include substantive information on the current and historical dynamics of the market, available data concerning the financial condition and market conduct of insurance companies, information on the claims process, information on consumer protection, information on disaster preparedness, and information on the insurance coverage choices available to consumers.

The bill provides that the statewide average requested rate change and final approved statewide average rate change in a filing, as well as the county rating examples submitted to the OIR through the rate collection system for the purpose of displaying rates on its website, are not a trade secret.

The bill provides that when establishing the coverage amount or adjusting a claim for a dwelling or other structure under a homeowner's insurance policy, an insurer may not include the value of the land on which such dwelling or structure is located.

The bill is not expected to have a significant impact on state or local government.

The bill takes effect on July 1, 2026.

## II. Present Situation:

### Office of Insurance Regulation

#### *CHOICES*

The Office of Insurance Regulation (OIR) has an existing rate comparison tool on its website entitled “CHOICES” that provides consumers with rate information for various types of insurance. CHOICES was originally created for homeowner’s insurance and modified to include auto insurance in 2013. The CHOICES homeowner’s rate comparison tool provides sample average rates for a variety of companies writing insurance in each county, in addition to rates for Citizens Property Insurance Corporation. Further enhancements to the system expanded CHOICES to include both Medicare Supplement and small group health insurance. The CHOICES tools for both Medicare Supplement and small group health insurance allow the user to select options and enter specific criteria for calculation of rates for any county located in Florida.<sup>1</sup>

The rates provided in the CHOICES system are for illustrative purposes only. The website encourages consumers to contact either an insurance agent or the insurance company for a premium quote based on individual circumstances. Rates for insurers that submitted data as trade secret are not included.<sup>2</sup>

#### *Transparency in Rate Regulation*

The OIR is required to provide the following information with respect to any residential property rate filing on a publicly accessible Internet website:

- The overall rate change requested by the insurer.
- The rate change approved by the OIR along with all of the actuary’s assumptions and recommendations forming the basis of the OIR’s decision.
- Certification by the OIR’s actuary that, based on the actuary’s knowledge, his or her recommendations are consistent with accepted actuarial principles.<sup>3</sup>

The OIR must provide on its website a means for any policyholder who may be affected by a proposed rate change to send an e-mail to the OIR regarding the proposed rate change.<sup>4</sup> Any such e-mail must be accessible to the actuary assigned to review the rate filing.<sup>5</sup>

#### *Insurer Reporting of Property Insurance Data and other Information to the OIR*

Every insurer and insurer group doing business in Florida must file monthly reports with the OIR.<sup>6</sup> These reports, also known as QUASR reports, must include the following information for each zip code in Florida:

- The total number of policies in force at the end of each month.
- The total number of policies canceled.

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<sup>1</sup> <https://flor.com/consumers/choices-rate-comparison-search> (last visited December 22, 2025).

<sup>2</sup> *Id.*

<sup>3</sup> Section 627.0621(2)(a), F.S.

<sup>4</sup> Section 627.0621(2)(b), F.S.

<sup>5</sup> *Id.*

<sup>6</sup> Section 624.424(10)(a), F.S.

- The total number of policies nonrenewed.
- The number of policies canceled due to hurricane risk.
- The number of policies nonrenewed due to hurricane risk.
- The number of new policies written.
- The total dollar value of structure exposure under policies that include wind coverage.
- The number of policies that exclude wind coverage.
- The number of claims opened each month.
- The number of claims closed each month.
- The number of claims pending each month.
- The number of claims in which either the insurer or insured invoked any form of alternative dispute resolution, and specifying which form of alternative dispute resolution was used.<sup>7</sup>

The OIR must aggregate this data on a statewide basis and make it publicly available by publishing such on the OIR's website within one month after each quarterly and annual filing.<sup>8</sup> Such information, when aggregated on a statewide basis, is not a trade secret as defined in s. 688.002(4), F.S., or s. 812.081, F.S., and is not subject to the public records exemption for trade secrets provided in s. 119.0715, F.S.<sup>9</sup>

### **Department of Financial Services**

The Department of Financial Services offers a variety of information and resources on its website to educate consumers regarding insurance and financial topics. Information may be found on homeowner's insurance, automobile insurance, life insurance and annuities, health insurance, and long-term care insurance.<sup>10</sup> The resources include over 30 consumer guides on specific insurance topics.<sup>11</sup>

### **Homeowners' Policies; Offer of Replacement Cost Coverage**

There are two basic ways that property insurance losses can be adjusted: replacement cost value (RCV) or actual cash value (ACV). Actual cash value is the depreciated value of the property being replaced or repaired. An insurer issuing homeowners' insurance policies must offer policyholders each of the following:

- A policy or endorsement providing that any loss that is repaired or replaced will be adjusted on the basis of replacement costs to the dwelling not exceeding policy limits, rather than actual cash value, but not including costs necessary to meet applicable laws and ordinances regulating the construction, use, or repair of any property or requiring the tearing down of any property, including the costs of removing debris.
- A policy or endorsement providing that, subject to other policy provisions, any loss that is repaired or replaced at any location will be adjusted on the basis of replacement costs to the dwelling not exceeding policy limits, rather than actual cash value, and also including costs necessary to meet applicable laws and ordinances regulating the construction, use, or repair

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<sup>7</sup> *Id.*

<sup>8</sup> Section 624.424(10)(b), F.S.

<sup>9</sup> *Id.*

<sup>10</sup> <https://www.myfloridacfo.com/Division/Consumers/> (last visited December 22, 2025).

<sup>11</sup> <https://www.myfloridacfo.com/division/consumers/understanding-insurance/guides> (last visited December 22, 2025).

of any property or requiring the tearing down of any property, including the costs of removing debris. However, additional costs necessary to meet applicable laws and ordinances may be limited to 25 percent or 50 percent of the dwelling limit, as selected by the policyholder, and such coverage applies only to repairs of the damaged portion of the structure unless the total damage to the structure exceeds 50 percent of the replacement cost of the structure.<sup>12</sup>

Unless the insurer obtains the policyholder's written refusal of the policies or endorsements specified above, any policy covering the dwelling is deemed to include the law and ordinance coverage limited to 25 percent of the dwelling limit.<sup>13</sup> In the event of a loss for which a dwelling or personal property is insured on the basis of replacement costs:

- For a dwelling, the insurer must initially pay at least the actual cash value of the insured loss, less any applicable deductible. The insurer must pay any remaining amounts necessary to perform such repairs as work is performed and expenses are incurred. However, if a roof deductible under s. 627.701(10), F.S., is applied to the insured loss, the insurer may limit the claim payment as to the roof to the actual cash value of the loss to the roof until the insurer receives reasonable proof of payment by the policyholder of the roof deductible. Reasonable proof of payment includes a canceled check, money order receipt, credit card statement, or copy of an executed installment plan contract or other financing arrangement that requires full payment of the deductible over time. If a total loss of a dwelling occurs, the insurer must pay the replacement cost coverage without reservation or holdback of any depreciation in value, pursuant to s. 627.702, F.S.<sup>14</sup>
- For personal property:
  - The insurer must offer coverage under which the insurer is obligated to pay the replacement cost without reservation or holdback for any depreciation in value, whether or not the insured replaces the property.
  - The insurer may also offer coverage under which the insurer may limit the initial payment to the actual cash value of the personal property to be replaced, require the insured to provide receipts for the purchase of the property financed by the initial payment, use such receipts to make the next payment requested by the insured for the replacement of insured property, and continue this process until the insured remits all receipts up to the policy limits for replacement costs. The insurer must provide clear notice of this process before the policy is bound. A policyholder must be provided an actuarially reasonable premium credit or discount for this coverage. The insurer may not require the policyholder to advance payment for the replaced property.<sup>15</sup>

### III. Effect of Proposed Changes:

**Section 1** amends s. 627.0621, F.S., to provide that, beginning on October 1, 2026, every rate filing requesting a rate change for residential property coverage from a property insurer must include a rate transparency report. The OIR may accept the rate transparency report or, if it finds that the report fails to provide the required information in concise and plain language that aids consumers in their understanding of insurance or finds the report to be misleading, the OIR must

<sup>12</sup> Section 627.7011(1), F.S.

<sup>13</sup> Section 627.7011(2), F.S.

<sup>14</sup> Section 627.7011(3)(a), F.S.

<sup>15</sup> Section 627.7011(3)(b), F.S.

return the report to the property insurer for modification. Acceptance of the report by the OIR for use or direction for modification may not be deemed an approval pursuant to s. 627.062, F.S. The report must be compiled in a uniform format prescribed by the Financial Services Commission (Commission) and must include a graphical representation identifying a percentage breakdown of rating factors anticipated by the company, book, or program affected by the filing.

The report must be included with any offer of coverage and upon policy renewal. If the report has not been accepted for use or modified in accordance with the OIR's direction, the report must indicate that it is preliminary and subject to modification by the insurer. The report must include all of the following categories, which must total 100 percent, at the cumulative level:

- The percentage of the total rate factor associated with the cost of reinsurance.
- The percentage of the total rate factor associated with the cost of claims.
- The percentage of the total rate factor associated with defense and containment costs.
- The percentage of the total rate factor associated with fees and commissions.
- The percentage of the total rate factor associated with profit and contingency of the insurer.
- Any other categories deemed necessary by the OIR or the Commission.

The rate transparency report must also include the following information:

- Any major adverse findings by the OIR for the previous three calendar years.
- Whether the insurer uses affiliated entities to perform functions of the insurer.
- Contact information, including a phone number, hours of service, and e-mail address, for the DFS's Division of Consumer Services.
- Contact information for the OIR.
- The address for the website for public access to rate filing and affiliate information specified in subsection (3).
- Any changes in the total insured value from the last policy period.

The OIR must define, in concise and plain language, any term used in the rate transparency report to aid consumers in their understanding of insurance.

The bill revises requirements for the OIR website for public access to rate filing information. The bill provides that the OIR must establish and maintain a comprehensive resource center on the website which uses concise and plain language to aid consumers in their understanding of insurance. The website must include substantive information on the current and historical dynamics of the market, data concerning the financial condition and market conduct of insurance companies, and the insurance options available to consumers. At a minimum, the website must contain the following:

- Reports, using graphical information whenever possible, outlining information about the state of the insurance market and adverse and positive trends affecting it.
- Tools that aid consumers in finding insurers including, but not limited to, a listing of all companies actively doing business in Florida which includes each company's address, website, and all phone numbers and e-mail addresses to be used by insureds and applicants for coverage.
- Tools that aid consumers in selecting the coverages beneficial to them, including, but not limited to:

- Educational materials that explain the types of coverage in residential property insurance policies;
- The difference between replacement cost reimbursement and actual cash value reimbursement;
- A glossary of common terms used in policies; and
- A comparison of the coverage, terms, conditions, and exclusions contained in different homeowners and dwelling fire forms.
- Answers to commonly asked questions about residential property insurance coverage.
- Information about mitigation credits and the My Safe Florida Home program, as well as other credits insurers may offer in addition to wind mitigation.
- Access to the rate transparency report, annual statements, market conduct information, and other information related to each insurer.
- Information on the Citizens Property Insurance Corporation takeout process, the clearinghouse, and general information as reported by the OIR.
- Information on the claims process, including, but not limited to:
  - Clear, step-by-step guidance on how to file a claim, what to expect during the claim process, and timelines for resolution of a claim.
  - The obligations of insurers and insureds related to claim reporting, claim handling, communications regarding claims, claim investigations, claim decisions, and claim payments.
  - For each insurer with active policies in this state, the means by which to report a claim, including any phone numbers, e-mail addresses, and website addresses used for claim reporting.
- Information on consumer protection, including, but not limited to:
  - The rights of insureds under Florida law related to coverage; coverage renewals, nonrenewals, and cancellations; and mandated offers of coverage.
  - Information on how to file consumer complaints within the DFS Division of Consumer Services.
- Information on news and updates relevant to consumers regarding Florida's residential property insurance market, including regulatory changes, information on insurers that enter or exit the market, and industry trends.
- Disaster preparedness information directly related to insurance, prepared by the OIR or by the Division of Emergency Management.
- With respect to any residential property rate filing:
  - The overall rate change requested by the insurer.
  - The rate change approved by the OIR along with all of the actuary's assumptions and recommendations forming the basis of the OIR's decision.
  - Certification by the OIR's actuary that, based on the actuary's knowledge, his or her recommendations are consistent with accepted actuarial principles.
  - Whether the insurer uses affiliated entities to perform administrative, claims handling, or other functions of the insurer and, if so, the total percentage of direct written premium paid to the affiliated entities by the insurer in the preceding calendar year.

The bill provides that the statewide average requested rate change and final approved statewide average rate change within a filing is not a trade secret as defined in s. 688.002, F.S., or s.

812.081(1), F.S., and is not subject to the public records exemption for trade secrets provided in s. 119.0715, F.S., or s. 624.4213, F.S.

The bill provides that the county rating examples submitted to the OIR through the rate collection system for the purpose of displaying rates on OIR's website is not a trade secret as defined in s. 688.002, F.S., or s. 812.081(1), F.S., and is not subject to the public records exemption for trade secrets provided in s. 119.0715, F.S., or s. 624.4213, F.S.

**Section 2** amends s. 627.7011, F.S., to provide that when establishing the coverage amount or adjusting a claim for a dwelling or other structure under a homeowner's insurance policy, an insurer may not include the value of the land on which such dwelling or structure is located. This provision may not be construed to permit inclusion of the value of land for dwellings or structures located on the shoreline, surrounded in whole or in part by a body of water, or on land formed or altered by erosion or accretion.

**Section 3** amends s. 627.7142, to make a conforming change to a cross-reference affected by changes made in this bill.

**Section 4** provides that the bill takes July 1, 2026.

#### **IV. Constitutional Issues:**

**A. Municipality/County Mandates Restrictions:**

None.

**B. Public Records/Open Meetings Issues:**

None.

**C. Trust Funds Restrictions:**

None.

**D. State Tax or Fee Increases:**

None.

**E. Other Constitutional Issues:**

None.

#### **V. Fiscal Impact Statement:**

**A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

The bill should assist consumers in making decisions when shopping for insurance.

**C. Government Sector Impact:**

The bill is not expected to impact state or local government. The OIR already uses existing resources making similar information available online.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 627.0621, 627.7011, 627.7142.

**IX. Additional Information:****A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

**B. Amendments:**

None.