

Tab 1	CS/SB 1598 by BI, Gruters ; (Similar to CS/H 00717) Consumer Protection					
917526	A	S	RCS	AEG, Gruters	Delete L.98 - 799:	03/24 05:41 PM
Tab 2	CS/SB 1058 by EN, Burgess ; (Compare to H 00773) Sanitary Sewer Lateral Inspection Programs					
Tab 3	CS/SB 976 by EN, Brodeur ; (Similar to CS/H 00727) Study of the Little Wekiva River					
Tab 4	CS/SB 1024 by BI, Brodeur (CO-INTRODUCERS) Rouson ; (Similar to CS/H 00701) Increasing Access to Mental Health Care					
409972	A	S	RCS	AEG, Brodeur	Delete L.62:	03/24 05:46 PM
Tab 5	SB 1470 by Boyd ; (Similar to H 00797) Florida Life and Health Insurance Guaranty Association					

The Florida Senate
COMMITTEE MEETING EXPANDED AGENDA

**APPROPRIATIONS SUBCOMMITTEE ON AGRICULTURE,
ENVIRONMENT, AND GENERAL GOVERNMENT**

Senator Albritton, Chair
Senator Rodrigues, Vice Chair

MEETING DATE: Wednesday, March 24, 2021
TIME: 4:30—6:00 p.m.
PLACE: Toni Jennings Committee Room, 110 Senate Building

MEMBERS: Senator Albritton, Chair; Senator Rodrigues, Vice Chair; Senators Ausley, Berman, Boyd, Bradley, Brodeur, Garcia, Mayfield, Stewart, and Thurston

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
PUBLIC TESTIMONY WILL BE RECEIVED FROM ROOM A1 AT THE DONALD L. TUCKER CIVIC CENTER, 505 W PENSACOLA STREET, TALLAHASSEE, FL 32301			
1	CS/SB 1598 Banking and Insurance / Gruters (Similar CS/H 717, Compare H 471, CS/CS/S 76, CS/S 344)	Consumer Protection; Prohibiting consumer reporting agencies from charging to reissue or provide a new unique personal identifier to a consumer for the removal of a security freeze; authorizing the department to disapprove the use of insurance agency names containing the words "Medicare" or "Medicaid"; revising the timeframes in which an insured or a claimant may cancel a public adjuster's contract to adjust a claim without penalty or obligation; prohibiting life insurers from writing new policies of industrial life insurance beginning on a certain date; providing that a communication made to or by an insurer's representative, rather than to or by an insurer's agent, constitutes communication to or by the insurer; revising information contained in the Homeowner Claims Bill of Rights, etc. BI 03/16/2021 Fav/CS AEG 03/24/2021 Fav/CS AP	Fav/CS Yeas 11 Nays 0
2	CS/SB 1058 Environment and Natural Resources / Burgess (Compare H 773)	Sanitary Sewer Lateral Inspection Programs; Authorizing counties and municipalities, respectively, to access sanitary sewer laterals within their jurisdiction for specified purposes; requiring counties and municipalities to notify private property owners within a specified timeframe if the county or municipality intends to access the owner's sanitary sewer lateral; providing that counties and municipalities that establish programs are legally and financially responsible for all work done, etc. EN 03/15/2021 Fav/CS AEG 03/24/2021 Favorable AP	Favorable Yeas 11 Nays 0

COMMITTEE MEETING EXPANDED AGENDA

Appropriations Subcommittee on Agriculture, Environment, and General Government
 Wednesday, March 24, 2021, 4:30—6:00 p.m.

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
3	CS/SB 976 Environment and Natural Resources / Brodeur (Similar CS/H 727)	Study of the Little Wekiva River; Requiring the Department of Environmental Protection, in consultation with the St. Johns River Water Management District, Seminole County, the Fish and Wildlife Conservation Commission, and the Department of Transportation, to conduct a study and issue a report on sediment accumulation and water quality in the Little Wekiva River by a specified date; requiring the department and the water management district to review certain permits along the Little Wekiva River, etc. EN 03/02/2021 Fav/CS AEG 03/24/2021 Favorable AP	Favorable Yeas 11 Nays 0
4	CS/SB 1024 Banking and Insurance / Brodeur (Similar CS/H 701)	Increasing Access to Mental Health Care; Requiring the Department of Financial Services to submit a specified report to the Governor and Legislature by a specified date; specifying the minimum information the report must contain; requiring the department to make certain information available on its website; requiring insurers and health maintenance organizations, respectively, to disclose specified information on their websites; requiring insurers and health maintenance organizations, respectively, to annually provide certain written notices to insureds or subscribers, etc. BI 03/10/2021 Fav/CS AEG 03/24/2021 Fav/CS AP	Fav/CS Yeas 11 Nays 0
5	SB 1470 Boyd (Similar H 797)	Florida Life and Health Insurance Guaranty Association; Defining the term "Moody's Corporate Bond Yield Average"; authorizing the association to assume or reissue covered policies of impaired insurers; granting the association the right to appear or intervene before a court or an agency in certain proceedings; revising the calculation of Class A assessments; specifying requirements for repayment of deferred assessments upon removal or rectification of the conditions causing a deferral, etc. BI 03/16/2021 Favorable AEG 03/24/2021 Favorable AP	Favorable Yeas 11 Nays 0

COMMITTEE MEETING EXPANDED AGENDA

Appropriations Subcommittee on Agriculture, Environment, and General Government
Wednesday, March 24, 2021, 4:30—6:00 p.m.

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
6	Review and Discussion of Fiscal Year 2021-2022 Budget Issues Relating to: Department of Agriculture and Consumer Services Department of Citrus Department of Environmental Protection Fish and Wildlife Conservation Commission Department of Business and Professional Regulation Department of Financial Services Office of Financial Regulation Office of Insurance Regulation Department of Lottery Department of Management Services Division of Administrative Hearings Florida Commission on Human Relations Public Employees Relations Commission Public Service Commission Department of Revenue		Discussed
Other Related Meeting Documents			

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.)

Prepared By: The Professional Staff of the Appropriations Subcommittee on Agriculture, Environment, and General Government

BILL: PCS/CS/SB 1598 (146092)

INTRODUCER: Appropriations Subcommittee on Agriculture, Environment, and General Government;
Banking and Insurance Committee; and Senator Gruters

SUBJECT: Consumer Protection

DATE: March 26, 2021

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Knudson/Johnson</u>	<u>Knudson</u>	<u>BI</u>	<u>Fav/CS</u>
2.	<u>Sanders/Johnson</u>	<u>Betta</u>	<u>AEG</u>	<u>Recommend: Fav/CS</u>
3.	<u> </u>	<u> </u>	<u>AP</u>	<u> </u>

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

PCS/CS/SB 1598 modifies provisions in several areas related to insurance that are regulated by the Department of Financial Services (DFS). The bill:

- Requires insurers to include information regarding the DFS's free financial literacy programs in its notice that a consumer's credit report or score is being requested.
- Requires an entity that is licensed or issued a certificate of authority by the DFS to respond to document requests from the DFS Division of Consumer Services.
- Eliminates the \$60 fee for a new or renewal adjusting firm license.
- Specifies that entities must comply with section 626.8696, Florida Statutes, with respect to possessing an adjusting firm license, but provides that an adjusting firm's branch place of business does not require licensure if it meets specified requirements.
- Revises the Licensing Procedures Law's prohibition against unlicensed activity to include knowingly aiding or abetting an unlicensed person in transacting insurance or otherwise engaging in insurance activities in this state without a license. A person who does so commits a third-degree felony.
- Authorizes the DFS to suspend, revoke, or refuse to issue the license of an insurance agent, adjuster, customer representative, service representative, or managing general agent that makes a consumer's personal financial or medical information available to the public, or initiates in-person or telephone solicitation with a prospective customer after 9 p.m. or before 8 a.m., unless the customer requests otherwise.
- Prohibits the sale of industrial life insurance policies, effective July 1, 2021.

- Increases to 10 days, the cooling-off period during which a consumer may cancel his or her contract with a public adjuster.
- Requires that the public adjuster's written estimate of loss must include an itemized, per-unit estimate of the repairs. The public adjuster must provide the estimate to the claimant or insured within 60 days after the execution of the public adjuster contract.
- Prohibits a licensed contractor or subcontractor from advertising, soliciting, offering to handle, handling, or performing public adjuster services unless licensed and compliant as a public adjuster.
- Prohibits persons other than a licensed public adjuster or attorney from offering to initiate or negotiate on behalf of an insured or advertising services which require a public adjuster license.
- Requires disclosure that surplus lines insurance is not covered by the Florida Insurance Guaranty Association (FIGA) prior to placing coverage with a surplus lines insurer.
- Expands the definition of sliding, a practice that violates the Unfair Insurance Trade Practices, to include:
 - Initiating, effectuating, binding, or otherwise issuing an insurance policy without the prior informed consent of the person who owns the property that will be insured.
 - Submitting an invoice for premium payment to a mortgagee or escrow agent in order to institute an insurance policy without the prior informed consent of the owner of the property; does not apply to renewals or collateral protection insurance.
- Applies the property insurance claim investigation and communication requirements of section 627.70131, Florida Statutes, to surplus lines insurers.
- Requires a residential property insurer begin its claim investigation within 14 days of receiving a proof of loss statement; current law provides 10 business days.
- Requires insurers to provide to policyholders the adjuster's name and state adjuster license number when a claim investigation involves a physical inspection of the property and maintain a record of each adjuster who communicates with the policyholder.
- Requires the insurer to provide notices that explain when the insurer is providing a preliminary or partial estimate or making a claim payment that is not the full and final payment for the claim.
- Prohibits the inclusion of a foreign venue clause within any personal residential property insurance policy sold in Florida that insures only property located in this state. This prohibition also applies to surplus lines insurers and authorized surplus lines insurance.
- Requires insurers to provide the Homeowner Claims Bill of Rights pursuant to any personal lines residential property insurance claim and adds notice regarding the right to receive interest and the utility of taking video of damages and repairs.
- Encourages insureds, under the Homeowner Claims Bill of Rights, to file all claims directly with their insurance company and to be aware of contractors or repair vendors offering incentives free inspections or no out-of-pocket expenses.
- Removes the insured's obligation to pay a \$100 deductible to the FIGA in order to receive payment on their claim through the FIGA.
- Revises the definition of a "covered claim" for purposes of the Florida Workers' Compensation Insurance Guaranty Association, to exclude the return of premium resulting from a policy that was not in force on the date of the final order of liquidation.

Further, the bill prohibits a credit reporting agency from charging any fee to reissue a personal identifier or provide a new unique personal identifier to a consumer.

The bill has an insignificant indeterminate impact on state funds and expenditures. *See* V. Fiscal Impact Statement.

Except as otherwise provided, the bill is effective upon becoming a law.

II. Present Situation:

Department of Financial Services

The Department of Financial Services (DFS) has broad duties, including licensure and regulation of insurance agents, agencies, and adjusters; insurance consumer assistance and protection; and holding and attempting to return unclaimed property to its rightful owner.¹ The DFS has a number of regulatory responsibilities over the Florida insurance market. The DFS regulates insurance adjusters, which includes public adjusters, independent adjusters, and company employee adjusters under Part VI, ch. 626, F.S. The DFS conducts insurance-related consumer outreach through its Division of Consumer Services. The Division of Workers' Compensation within the DFS administers ch. 440, F.S., through enforcement of coverage requirements,² administration of workers' compensation health care delivery system,³ data collection,⁴ and assisting injured workers, employers, insurers, and providers in fulfilling their responsibilities under ch. 440, F.S.⁵ The DFS also administers insurer rehabilitation and liquidation in Florida under part I of ch. 631, F.S.

DFS Division of Consumer Services

The Division of Consumer Services (division) provides education, information, and assistance to consumers for all products or services regulated by the DFS or the Financial Services Commission.⁶ The divisions' duties specifically include:

- Receiving consumer questions and complaints;
- Educating the public about insurance-related topics;
- Providing mediation to resolve disputes between a consumer and insurance company; and
- Serving as a conduit for referrals for further legal action by the DFS.⁷

Section 624.307(10)(b), F.S., permits the division to impose an administrative penalty on a person who holds a license or certificate of authority from the DFS if that person fails to respond

¹ *See, e.g.*, Department of Financial Services (DFS), *What DFS Can Do For You*, <https://www.myfloridacfo.com/division/CFO/DFS.htm> (last visited March 18, 2021).

² Section 440.107(3), F.S.

³ Section 440.13, F.S.

⁴ Sections 440.185 and 440.593, F.S.

⁵ Section 440.191, F.S.

⁶ DFS, *Department of Financial Services Long Range Program Plan: Fiscal Years 2020-21 through 2024-25*, 15 (Sept. 30, 2019), available at <http://floridafiscalportal.state.fl.us/Document.aspx?ID=19566&DocType=PDF> (last visited March 18, 2021). *See also*, DFS, *Consumer Guides*, <https://www.myfloridacfo.com/Division/Consumers/understandingCoverage/Guides/Default.htm> (last visited March 18, 2021).

⁷ Section 624.307(10)(a), F.S.

to the division's request for information within 20 days. This has been limited by the Fifth Amendment privilege against self-incrimination. A licensed individual must produce those records⁸ that are required to be kept by law, but is not required to produce those not within the purview of statutes.⁹ Conversely, a corporation has no privilege against self-incrimination, nor does a custodian of corporate records, even if the contents tend to incriminate him or her.¹⁰

Discretion of the DFS to Act Against Licensees

Section 626.621, F.S., grants the DFS discretion, under certain circumstances, to deny applications for, revoke, or refuse to renew, the licenses or appointments of agents, adjusters, customer representatives, service representatives, and managing general agents. Examples of circumstances that can lead to such agency action include violation of the Florida Insurance Code, violation of lawful orders or rules of the DFS, engaging in unfair and deceptive trade practices.¹¹

DFS Licensure of Adjusting Firms

Current law authorizes, but does not require, licensure of adjusting firms.¹² The DFS does not currently license any adjusting firms.¹³ An adjusting firm license must be renewed every three years and requires a \$60 application fee.¹⁴ An adjusting firm license application must include:¹⁵

- The name and address of each of the firm's majority owners, partners, officers, and directors;
- The firm's name and principal business address; and
- Any branch office locations and the names under which they will operate.

Each adjusting firm location must have a designated primary adjuster who acts as a supervising manager and is accountable for misconduct that occurs at the firm location.¹⁶

Chapter 626, F.S., provides grounds for mandatory and discretionary denial, suspension, or revocation of an adjusting firm license.¹⁷

DFS Authority Regarding Misleading Insurance Agency Names

The DFS may withhold permission to operate under an agency name if the name is too similar to another already in use by a different agency; the name may mislead the public; or the name states

⁸ Pursuant to s. 624.23, F.S., any personal financial and health information held by the DFS or the Office of Insurance Regulation relating to a consumer complaint or inquiry is confidential and exempt from public records.

⁹ *Saviak v. Gunter*, 379 So. 2d 450 (Fla. Dist. Ct. App. 3d Dist. 1980).

¹⁰ *Eller Media Co. v. Serrano*, 761 So. 2d 464 (Fla Dist. Ct. App. 3d Dist. 2000); *State v. Wellington Precious Metals, Inc.*, 487 So. 2d 326 (Fla. Dist. Ct. App. 3d Dist. 1986).

¹¹ Chapters 624-632, 634, 635, 636, 641, 642, 648, and 651, F.S., constitute the "Florida Insurance Code."

¹² Section 626.8696, F.S.

¹³ Email from Meredith Stanfield, Director of Legislative and Cabinet Affairs, DFS, to Michelle Sanders, Legislative Analyst Senate Appropriations Subcommittee on Agriculture, Environment and General Government (March 18, 2021) (on file with the Senate Appropriations Subcommittee on Agriculture, Environment and General Government)

¹⁴ Section 624.501(20), F.S.

¹⁵ Section 626.8696, F.S.

¹⁶ Section 626.8695, F.S.

¹⁷ Section 626.8697, F.S.

or implies that the agency is an entity other than an insurance agency, such as an insurer, state or federal agency, or charitable organization.¹⁸

The Social Security Act prohibits any person from using the terms “Medicare” or “Medicaid” in an advertisement or other communication in a manner which the person knows, or should know, would convey the false impression that the communication is approved by the Centers for Medicare & Medicaid Services.¹⁹

Industrial Life Insurance

Industrial life insurance is a form of life insurance in which the premiums are payable on a monthly or weekly basis. These policies usually have a face amount of less than \$5,000.²⁰ Only 38 of the 398 active life insurers maintain existing industrial life insurance policies, and no new industrial life insurance policies have been written in the last year.²¹

Public Adjuster Contracts and Estimates of Damages

Current law and administrative rules provide numerous restrictions and parameters on activities of public adjusters, especially relating to solicitation of contracts and inducement to contract.²² As an additional consumer protection, Florida law grants a policyholder a short timeframe during which he or she may cancel a contract with an adjuster without cause, penalty, or obligation. This cooling-off period permits the policyholder to cancel the contract within three business days of execution of the contract with an adjuster, or when the insured or claimant notifies the insurer of the claim, whichever is later. However, the cooling-off period is extended to five business days from the date the contract was executed, if it was entered into during a state of emergency or during the one-year period after the date of loss.

The adjuster must disclose, in all of his or her contracts, the consumer’s right to cancel the contract, and the methods by which the consumer may send a cancellation.

Each public adjuster must provide to the claimant or insured a written estimate of the loss to assist in the submission of the insurance claim. The public adjuster must retain the estimate for at least five years and make it available to the claimant, insured, an insurer, or the DFS upon request.

¹⁸ Section 626.602(1)-(3), F.S.

¹⁹ 42 U.S. Code s.1320b-10(a)(1). Upheld by *United Seniors Ass’n Inc. v. SSA*, 423 F. 3d 397, 399 (4th Cir. 2005).

²⁰ Section 627.502, F.S. See also, DFS, *Life Insurance Overview: Types of Policies*, <https://www.myfloridacfo.com/Division/Consumers/UnderstandingCoverage/LifeInsuranceOverview.htm> (last visited March 18, 2021).

²¹ DFS, *HB 717 Agency Analysis*, (Feb. 24, 2021) (on file with the Senate Committee on Banking and Insurance).

²² Section 626.854, F.S. Laws enacted in 2008 (ch. 2008-220, Laws of Fla.), in 2009 (ch. 2009-87, Laws of Fla.), 2011 (ch. 2011-39, Laws of Fla.), and 2017 (ch. 2017-147, Laws of Fla.), provided significant changes relating to public adjusters. Rule 69B-220.201(4) and (5), F.A.C.

Surplus Lines Export Eligibility

Surplus lines insurance refers to a category of insurance for which the admitted market is unable or unwilling to provide coverage.²³ There are three basic categories of surplus lines risks:

- Specialty risks that have unusual underwriting characteristics or underwriting characteristics that admitted insurers view as undesirable;
- Niche risks for which admitted carriers do not have a filed policy form or rate; and
- Capacity risks (which are risks where an insured needs higher coverage limits than those that are available in the admitted market).

Surplus lines insurers are not “authorized” insurers as defined in the Florida Insurance Code,²⁴ which means they do not obtain a certificate of authority from the Office of Insurance Regulation (OIR) to transact insurance in Florida.²⁵ Rather, surplus lines insurers are “unauthorized” insurers,²⁶ but may transact surplus lines insurance if they are made eligible by the OIR.

An insurance agent²⁷ may “export,” or place a policy with an unauthorized insurer under the Surplus Lines Law²⁸, with the consent of the insurance applicant. Before an insurance agent can place insurance in the surplus lines market, the insurance agent must make a diligent effort to procure the desired coverage from admitted insurers.²⁹ A “diligent effort” requires a search for coverage that is ultimately denied by at least three authorized insurers in the admitted market. Additionally, the insurance agent must document the following before exporting the policy to the surplus lines market:³⁰

- The premium rate for policies written by a surplus lines insurer cannot be less than the premium rate used by a majority of authorized insurers for the same coverage on similar risks;
- The policy exported cannot provide coverage or rates that are more favorable than those are used by the majority of authorized insurers actually writing similar coverages on similar risks;
- The deductibles must be the same as those used by one or more authorized insurers, unless the coverage is for fire or windstorm; and
- For personal residential property risks,³¹ the policyholder must be advised in writing coverage may be available and less expensive from Citizens Property Insurance Corporation.

²³ The admitted market is comprised of insurance companies authorized to transact insurance in Florida. The administration of surplus lines insurance business is managed by the Florida Surplus Lines Service Office. Section 626.921, F.S. *See also*, Florida Surplus Lines Service Office, *What is Surplus Lines Insurance?*, <https://www.fslso.com/AboutGroup/about/surplus-lines-insurance> (last visited March 17, 2021).

²⁴ Section 626.914(2), F.S.

²⁵ Section 624.09(1), F.S.

²⁶ Section 624.09(2), F.S.

²⁷ Typically, the applicant’s usual insurance agent works with the surplus lines agent to arrange the placement, rather than the applicant working directly with the surplus lines agent. A surplus lines agent requires separate licensure than a traditional insurance agent, and is permitted to secure insurance coverages with unauthorized insurers whereas traditional insurance agents are not. *See* s. 626.914(1), F.S.

²⁸ Sections 626.913-626.937, F.S., constitute the “Surplus Lines Law,” pursuant to s. 626.913(1), F.S.

²⁹ Section 626.916(1)(a), F.S.

³⁰ Section 626.916(1), F.S.

³¹ Personal residential policies include homeowners, mobile homeowners, dwelling fire, tenants, condominium unit owners, and similar policies.

Certain types of insurance, deemed “commercial risks,” including medical malpractice, travel, general liability, errors and omissions, and excess or umbrella insurance coverage, are exempt from the above diligent effort requirement. An insured for these commercial risks must sign a disclosure that provides, in substantially the following form:

You are agreeing to place coverage in the surplus lines market. Superior coverage may be available in the admitted market and at a lesser cost. Persons insured by surplus lines carriers are not protected under the Florida Insurance Guaranty Act with respect to any right of recovery for the obligation of an insolvent unlicensed insurer.³²

Unfair Insurance Trade Practices

The Unfair Insurance Trade Practices Act³³ prohibits unfair methods of competition and unfair or deceptive acts in the business of insurance,³⁴ including:

- Misrepresenting the benefits, advantages, or terms of any insurance policy;
- Inducing the lapse or exchange of any insurance policy, generally so the agent can earn a commission on a replacement policy; and
- Providing more insurance coverage than a consumer requests or consents to, while also failing to inform the consumer that the additional coverage was optional (“sliding”).³⁵

A person who commits an act prohibited by the Unfair Insurance Trade Practices Act is generally subject to a fine of up to \$20,000 for nonwillful violations, and up to \$200,000 total for willful violations.³⁶ However, specific violations are subject to greater administrative penalties and are also punishable as criminal misdemeanors.³⁷

Additionally, a person who willfully submits fraudulent signatures on an application or policy-related document commits a third-degree felony, which is also punishable by the assessment of administrative fines of no more than \$75,000 per violation.³⁸

Property Insurance Claim Communications and Investigations

Section 627.71031, F.S., provides base requirements for communications between an insurer and consumer that has notified the insurer of a possible claim. Generally, the residential property insurer must respond to the consumer within 14 days to acknowledge the claim and provide necessary claim forms, instructions, and telephone contact information. The insurer is then required to commence an investigation within 10 days after it received proof of loss statements

³² Section 626.916(3)(b), F.S.

³³ Chapter 626, F.S., part IX, ss. 626.951-626.99, F.S.

³⁴ Section 626.9541, F.S.

³⁵ Section 626.9541(1)(z), F.S. *See also, Beckett v. Department of Financial Services*, 982 So. 2d 94 (Fla. 1st DCA).

³⁶ Each count of a nonwillful violation is limited to a fine of no more than \$5,000, and each count of a willful violation is limited to a fine of no more than \$20,000. Section 626.9521(2), F.S.

³⁷ *See, e.g.,* Section 626.9521(3)(a), F.S., which makes the offenses of twisting and churning, which must involve fraudulent conduct, punishable as a first degree misdemeanor.

³⁸ Section 626.9521(3)(b), F.S.

from the consumer. Lastly, the insurer is required to pay or deny a claim within 90 days after notice of the claim was made; if the insurer fails to make such a payment until after 90 days have passed, the payment bears interest due to the consumer. These duties generally constitute the consumer rights outlined in the Homeowner Claims Bill of Rights.³⁹

The Homeowner Claims Bill of Rights

The Homeowner Claims Bill of Rights outlines consumers' rights and responsibilities as a homeowner's insurance policyholder during the insurance claims process.⁴⁰ An insurance company must provide a consumer with a copy of the Homeowner Claims Bill of Rights within 14 days of receiving any communication about a claim.⁴¹ Florida law provides form language that the insurer must include in the Homeowner Claims Bill of Rights, which gives notice of the consumer's right to:⁴²

- Receive written confirmation of a claim's coverage, denial, or continued investigation within 30 days of specific communication;
- Obtain full settlement payment, or partial payment on the undisputed portion of a claim, within 90 days;
- Enter mediation of a disputed claim or neutral evaluation of a claim relating to sinkhole damage; and
- Contact the DFS for assistance.

The Homeowner Claims Bill of Rights also includes consumer advice for best practices after a loss has been incurred.

Forum Venue Clauses

A forum selection clause is a contractual provision in which the parties agree upon the venue for possible future litigation between them.⁴³ Generally, ch. 47, F.S., provides civil actions must be brought in the Florida county where the defendant resides, where the cause accrued, or where the property in question is located.⁴⁴ If the defendant is an out-of-state (foreign) corporation, venue resides where the corporation has a representative, the action accrued, or where the property is located.⁴⁵ However, "a mandatory forum selection clause must be enforced unless it is shown to be unreasonable or unjust."⁴⁶ In 2014, the Legislature codified case law on the matter, holding that a court could refuse to enforce a forum selection clause if it contravenes public policy, or is unjust and unreasonable.⁴⁷

³⁹ See further discussion of the Homeowner Claims Bill of Rights, *infra*.

⁴⁰ DFS, *Know Your Rights- Homeowner Claims Bill of Rights* (Dec. 2020), available at <https://www.myfloridacfo.com/Division/Consumers/understandingCoverage/Guides/documents/HOABillRights.pdf> (last visited March 17, 2021).

⁴¹ Section 627.70131, F.S.

⁴² Section 627.7142, F.S. These consumer rights are partially based on the insurer's duties as outlined in s. 627.70131, F.S.

⁴³ Black's Law Dictionary (11th ed. 2019).

⁴⁴ Section 47.011, F.S.

⁴⁵ Section 47.051, F.S.

⁴⁶ *Illinois Union Ins. Co. v. Co-Free, Inc.*, 128 So.3d 820, 821 (Fla. 1st DCA 2014) (citing *Land O'Sun Mgmt. Corp. v. Commerce and Indus. Ins. Co.*, 961 So. 2d 1078, 1080 (Fla 1st DCA 2007)). Internal citations omitted.

⁴⁷ Section 61.0401, F.S. See also, *Manrique v. Fabbri*, 493 So. 2d 437 (Fla. 1986) and *Atl. Marine Const. Co. v. U.S. Dist. Court for W. Dist. Of Texas*, 571 U.S. 49, 134 S. Ct. 568 (2013).

Several states, including Florida, have attempted to limit forum selection clauses in specific instances. Florida voids, as contrary to public policy, any contract that requires litigation against Florida contractors and related professions to be filed in non-Florida jurisdictions.⁴⁸

Federal and State Requirements Regarding Disclosure of Personal Medical Information

The federal Health Insurance Portability and Accountability Act of 1996 (HIPAA)⁴⁹ requires health care providers, health plans, and health care clearinghouses⁵⁰ (covered entities) to protect the privacy of personal health information. The HIPAA Privacy rules cover protected health information that is created or received by a covered entity and requires covered entities to implement safeguards to protect health information from unauthorized access, use, or disclosure.⁵¹ The term, “protected health information,” (PHI) is broadly defined as individually identifiable information in any form or format—oral, paper-based, electronic—that “[r]elates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual.”⁵²

The HIPAA Privacy rules prohibit a covered entity from using or disclosing PHI except as expressly permitted or required by the rule.⁵³ For all uses or disclosures of PHI that are not otherwise permitted or required by the rule, covered entities must obtain a patient’s written authorization.⁵⁴ Generally, third parties (business associates⁵⁵) of covered entities provide services and will need access to at least some patient information in order to perform those functions. Covered entities are required to obtain written agreements with their business associates that they will use PHI only for the purposes permitted or required by the contract; and implement appropriate safeguards to prevent misuse of PHI.⁵⁶

The Insurance Code requires health insurers to maintain strict confidentiality against unauthorized disclosure of confidential information regarding claims and records relating to the payment of psychiatric and psychotherapeutic services.⁵⁷ Additionally, s. 456.057, F.S., provides patient records, when held by a healthcare professional, must not be disclosed without the consent of the patient or his or her legal representative.

⁴⁸ Section 47.025, F.S.

⁴⁹ P.L. 104-191, 110 Stat. 1936, August 21, 1996.

⁵⁰ 42 U.S.C. s. 1320d–1(a). A health plan is an individual or group plan that provides, or pays the cost of, medical care and includes private and government plans. A health care clearinghouse is an entity (e.g., billing service) that (1) receives nonstandard health information and processes, or facilitates the processing of, the information into a standard format required for electronic transaction; or (2) receives a standard transaction and processes, or facilitates the processing of, the information into nonstandard format for the recipient. A health care provider is a person (e.g., physician, nurse) or entity (e.g., hospital, clinic) who “furnishes, bills, or is paid for health care in the normal course of business and conducts one or more HIPAA-specified standard electronic transactions. 45 C.F.R. s. 160.103.

⁵¹ 45 CFR Part 164 Subparts A and E.

⁵² 45 CFR 160.103. The Privacy Rule implementing HIPAA creates standards for the protection of person health information.

⁵³ 45 CFR 164.502(a).

⁵⁴ 45 C.F.R. §164.508(a).

⁵⁵ 45 CFR 160.103.

⁵⁶ 45 C.F.R. 164.502(e), 164.504(e).

⁵⁷ Sections 627.4195, F.S., and 627.688, F.S.

Credit Reports

A credit report is a record of a consumer's credit history and other information about the consumer, including his or her name, address, social security number, employment information, date of birth, and court judgments.⁵⁸ Three major credit bureaus—Equifax, Experian, and TransUnion—compile and sell consumer credit reports. Lenders, insurers, utility and cell phone companies, employers, and others may obtain a consumer's credit report for their use in determining (i.e., whether to extend credit), set insurance rates, or employ the consumer.⁵⁹ A consumer may also review his or her credit report at no charge once every 12 months, from each of the credit bureaus.

Generally, the federal Fair Credit Reporting Act (FCRA)⁶⁰ regulates the activities of Credit Reporting Agencies (CRAs), the users of consumer reports, and those who furnish information to CRAs. In 2003, the FCRA was amended by the Fair and Accurate Credit Transactions Act (FACTA) to address identity theft, improve the accuracy of consumer records, and to increase consumer access to credit information.⁶¹ The FCRA includes several provisions preempting state laws. For example, the FCRA provides no requirement or prohibition may be imposed under the laws of any state with respect to any subject matter regulated under subsections (i) and (j) of Section 605A, which relates to a national security freeze and national protection for files and credit records of protected consumers, respectively.⁶²

In May 2018, Congress passed the Economic Growth, Regulatory Relief, and Consumer Protection Act.⁶³ The law creates a national, free credit freeze and a national credit freeze for protected persons (for persons under 16 years of age and incapacitated adults). The law also establishes further requirements to protect minors. The “adult” freeze and the protected consumer freeze went into effect September 2018.⁶⁴

Security Freezes and the Keeping I.D. Safe (KIDS) Act

In Florida, The Keeping I.D. Safe (KIDS) Act⁶⁵ allows a third party, such as a parent or guardian, to place a security freeze on a minor child's credit report, or credit score to prevent the information from being released without express authorization to a third party, such as an insurer. After its receipt of a security freeze request, a credit reporting agency must provide a unique personal identification number (PIN) to the minor child's representative; this PIN is required to remove the security freeze. While credit reporting agencies are prohibited from

⁵⁸ 15 U.S. Code s. 1681 defines a “credit report” as any written, oral, or other communication of any information by a consumer reporting agency bearing on a consumer's credit worthiness, ... general reputation, [or] personal characteristics... which is used...for the purpose of...establishing the consumer's eligibility for credit or employment purposes.... The Florida KIDS Act adopts this definition of a “credit report” in s. 501.0051(1)(a), F.S.

⁵⁹ Board of Governors of the Federal Reserve System, *Credit Reports and Credit Scores: Consumer's Guide*, available at https://www.federalreserve.gov/creditreports/pdf/credit_reports_scores_2.pdf (last visited March 17, 2021).

⁶⁰ Fair Credit Reporting Act, Pub. L. No. 91-508, codified as amended at 15 U.S.C. s. 1681-1681x.

⁶¹ Fair and Accurate Credit Transactions Act, Pub. L. No. 108-159 (2003).

⁶² 15 U.S.C. s. 1681t(b)(1)(J).

⁶³ Pub. L. No. 115-174, Title III.

⁶⁴ These changes created subsections (i) and (j) of Section 605A of the FCRA. 15 U.S.C. ss. 1681c-1(i) and 1681c-1(j).

⁶⁵ Section 501.0051, F.S.

charging any fee to place or remove a security freeze, they may charge up to \$10 to reissue a PIN.⁶⁶

Florida Telemarketer Act

The Florida Telemarketer Act, ss. 501.601-501.626, F.S., prohibits commercial telephone solicitations before 8 a.m. or after 9 p.m. However, insurers and their subsidiaries and affiliates are exempt from this law.⁶⁷ Similarly, the Federal Trade Commission's Telemarketing Sales Rule prohibits telemarketing calls before 8 a.m., or after 9 p.m.⁶⁸

Currently, Florida law prohibits public adjusters from soliciting an insured before 8 a.m. and after 8 p.m. on Monday through Saturday, and completely prohibits any solicitations on Sunday.⁶⁹

Florida Insurance Guaranty Association

The Florida Insurance Guaranty Association (FIGA) is a not-for-profit corporation created by statute that steps into the shoes of insolvent insurers to timely pay certain property and casualty claims⁷⁰ that would otherwise be left unpaid.⁷¹ FIGA does not offer a replacement policy, and coverage offered by FIGA is generally limited to a \$300,000 payment. A consumer may receive additional FIGA coverage of up to \$200,000 for damages to their home's structure or the contents thereof.⁷² Condominium and homeowner's association claims have a coverage cap of \$100,000 multiplied by the number of units in the association.⁷³ All claims filed with FIGA are subject to a \$100 deductible in addition to any deductible identified in the consumer's policy.⁷⁴

III. Effect of Proposed Changes:

Consumer Protections Related to Credit Reports

Section 1 amends s. 501.0051, F.S., to prohibit a credit reporting agency from charging any fee to reissue a personal identification number (PIN) or provide a new unique PIN to a consumer.

Section 13 amends s. 626.9741(3), F.S., to require an insurer to include the following language in its notice that a consumer's credit report or score is being requested:

The Department of Financial Services offers free financial literacy

⁶⁶ Section 501.0051(9), F.S.

⁶⁷ Section 501.604(7), F.S.

⁶⁸ Federal Trade Commission, *The Telemarketing Sales Rule*, <https://www.consumer.ftc.gov/articles/0198-telemarketing-sales-rule> (last visited March 17, 2021).

⁶⁹ Section 626.854(5), F.S.

⁷⁰ A "covered claim" is an unpaid claim, including one of unearned premiums, which arises out of, and is within the coverage, and not in excess of, the applicable limits of an insurance policy." Section 631.54, F.S.

⁷¹ See generally, Part II, ch. 631, F.S., "Florida Insurance Guaranty Association Act." See also, Florida Insurance Guaranty Association, *Home*, <https://figafacts.com/> (last visited March 17, 2021).

⁷² Section 631.57(2), F.S.

⁷³ Section 631.57(3), F.S.

⁷⁴ Section 631.57(2), F.S., see also, Florida Insurance Guaranty Association, *Frequently Asked Questions: Are There Limits on the Amount that FIGA Will Pay?*, <https://figafacts.com/frequently-asked-questions/> (last visited March 17, 2021).

programs to assist you with insurance-related questions, including how credit works and how credit scores are calculated. To learn more, visit www.MyFloridaCFO.com.

Insurer Responses to Requests from the Division of Consumer Services

Section 2 amends s. 624.307(10)(b), F.S., to create a duty for an entity that is licensed or issued a certificate of authority by the Department of Financial Services (DFS) to respond to the DFS' requests for documents. The response must include any requested documents not subject to attorney-client or work product privilege.

Claims Adjusting

Section 3 amends s. 624.501, F.S., to eliminate the \$60 fee for a new, or the renewal of an existing, adjusting firm license.

This section necessitates **Section 14**, which conforms a cross reference in s. 626.9953, F.S.

Section 4 amends s. 626.112, F.S., to specify entities that must comply with s. 626.8696, F.S., with respect to possessing an adjusting firm license for each place of business at which it performs activity for which it is necessary to be licensed as a claims adjuster.

The section provides that an adjusting firm's branch place of business is classified as a branch firm, and does not require licensure, if the branch:

- Transacts business under the same name and federal tax identification number as the licensed adjusting firm;
- Designates with the DFS a primary adjuster operating the location as required by s. 626.8965, F.S.; and
- Submits the address and telephone number of the branch location to the DFS within 30 days after insurance transactions begin at the branch location.

The section requires the DFS to impose an administrative fine of up to \$10,000 if an adjusting firm is required to be licensed pursuant to this section but fails to apply for such licensure.

The bill revises the Licensing Procedures Law's prohibition against unlicensed activity to include knowingly aiding or abetting an unlicensed person in transacting insurance or otherwise engaging in insurance activities in this state without a license. A person who does so commits a third-degree felony.

Presently, s. 777.011, F.S., includes as a "principal in the first degree" a person who aids, abets, counsels, hires, or otherwise procures a criminal offense to be committed. Thus, such person may be charged, convicted, and punished, with the underlying criminal offense even if they were actually or constructively present at the commission of such offense. Accordingly, given current statutory provisions regarding aiding and abetting, the bill merely clarifies or restates existing law.

This section necessitates **Section 15**, which conforms a cross reference in s. 626.9957, F.S.

Prohibiting Misleading Insurance Agency Names

Section 5 amends s. 626.602, F.S., to authorize the DFS to disapprove an insurance agency's proposed use of a name which includes the words "Medicare" or "Medicaid." Insurance agencies that operate under such a name as of July 1, 2021, may continue to use the names, but if the license expires or is suspended or revoked, the agency may not be relicensed under that name.⁷⁵

Taking Administrative Action Against Applicants for Licensure and Licensees for Engaging in Prohibited Actions

Section 6 amends s. 626.621, F.S., to add two bases under which the DFS may suspend or revoke the license of an insurance agent, adjuster, customer representative, service representative, or managing general agent, or refuse to issue a license to an applicant:

- Taking an action that allows a consumer's or customer's personal financial or medical information to be made available or accessible to the public; and
- Initiating in-person or telephone solicitation with a prospective customer after 9 p.m. or before 8 a.m., unless the customer requests otherwise.

Prohibiting the Sale of Industrial Life Insurance

Sections 7, 8, and 17 respectively amend ss. 626.782, 626.783, and 627.502, F.S., and **Section 9** repeals s. 626.796, F.S., to prohibit the sale of industrial life insurance policies, after July 1, 2021. Insurers may continue to service and collect premiums on industrial life policies written before that date. According to the DFS, industrial life insurance is not currently being sold in this state, and less than 10 percent of active life insurers maintain existing policies.

Expanding the Cancellation Period for Public Adjuster Contracts; Prohibiting Contractors from Soliciting an Insured to File a Claim

Section 10 amends s. 626.854, F.S., to increase the duration of the cooling-off period during which a consumer may cancel his or her contract with a public adjuster to 10 calendar days. Currently, the contract may generally be canceled within three business days after the contract is executed or the insurer is informed of the claim, whichever is later. Current law provides a cancellation period of five business days during, and for one year thereafter, a state of emergency declared by the Governor.

The bill also specifies the public adjuster's written estimate of loss must include an itemized, per-unit estimate of the repairs, including itemized information on equipment, materials, labor, and supplies created in accordance with accepted industry standards. The public adjuster must provide the detailed written estimate to the claimant or insured within 60 days after the date of the contract.

The bill prohibits a licensed contractor or subcontractor from soliciting, advertising, offering to handle, handling, or performing public-adjuster services unless licensed and compliant as a

⁷⁵ Insurance agency licenses are indefinite. Section 626.382, F.S.

public adjuster. The prohibition does not preclude a contractor from suggesting or recommending the insured contact their insurer to determine if proposed repairs are covered under the insured's insurance policy.

The bill prohibits persons other than a licensed public adjuster or attorney from offering to initiate or negotiate a claim or advertise services which require a public adjuster license on behalf of a public adjuster, an insured, or a third-party claimant. The bill retains current law which prevents persons other than a public adjuster or attorney from soliciting, investigating, or adjusting a claim on behalf of a public adjuster, insured, or third-party claimant.

The bill authorizes the DFS to take administrative actions and impose fines against persons performing without the necessary licensure claims adjusting or any of the public adjusting services detailed in s. 626.854, F.S.

Notice to Insureds that Surplus Lines Insurers Are Not Protected by the Florida Insurance Guaranty Association

Section 11 amends s. 626.916, F.S., to provide that insurance coverage is not eligible for export to a surplus lines insurer, unless the insured signs or provides documented acknowledgement of the following disclosure:

“You are agreeing to place coverage in the surplus lines market. Coverage may be available in the admitted market. Persons insured by surplus lines carriers are not protected under the Florida Insurance Guaranty Act with respect to any right of recovery for the obligation of an insolvent unlicensed insurer.”

The bill deletes a disclosure that was required to export certain types of commercial lines insurance⁷⁶ to a surplus lines carrier without meeting the generally applicable requirements⁷⁷ to export a commercial policy. The deleted disclosure is similar to the one created by the bill, except the deleted disclosure states, “superior coverage may be available in the admitted market and at a lesser cost.”

This section is effective January 1, 2022.

Unfair Insurance Trade Practices

Section 12 amends s. 626.9541, F.S., to expand the definition of sliding, a practice that violates the Unfair Insurance Trade Practices, to include:

- Initiating, effectuating, binding, or otherwise issuing an insurance policy without the prior informed consent of the person who owns the property that will be insured; and
- Mailing, transmitting, or otherwise submitting an invoice for premium payment to a mortgagee or escrow agent in order to effectuate an insurance policy without the prior informed consent of the owner of the property that will be insured. However, it does not

⁷⁶ Those identified in s. 627.062(3)(d)1.

⁷⁷ Section 626.916(1)(a)-(d), F.S.

include cases where the mortgagee or escrow agent is renewing insurance or issuing collateral protection insurance pursuant to the mortgage or other pertinent loan documents or communications regarding the property.

These new violations will be punishable as administrative violations under the general provisions of the Unfair Insurance Trade Practices Act. However, the underlying acts that give rise to those administrative violations may also give rise to charges under s. 626.9541(1)(ee), F.S., which prohibits the willful submission of fraudulent signatures on an application or policy-related document, and is punishable as a third-degree felony pursuant to s. 626.9521, F.S.

Residential Property Insurance Claim Investigations; Application to Surplus Lines

Section 18 amends s. 627.70131, F.S., to impose new requirements on residential property insurers during their claim investigations, and to apply the section's requirements to surplus lines insurers and policies providing personal residential property insurance coverage.

The bill clarifies the communication standards of the statute by referring to "representatives" of an insurer, rather than "an agent" of the insured. The term "representative" is defined in the same way the term "agent" is currently defined by this statute: "any person to whom an insurer has granted authority or responsibility to receive or make such communications with respect to claims on behalf of the insurer." The current use of "agent" could confuse readers of the statute regarding whether the requirements of the section only apply to licensed agents.

The bill requires a residential property insurer begin its claim investigation within 14 days of receiving a proof of loss statement; current law provides 10 business days. As under current law, the statutory time frame for beginning an investigation does not apply if any law or the insurance policy provides otherwise, if a claim investigation is not reasonably necessary, or if circumstances beyond the insurer's control reasonably prevent the investigation from commencing.

If the claim investigation involves a physical inspection of the property, the bill requires that the insurer's licensed adjuster must provide the policyholder a printed or electronic document containing the adjuster's name and state adjuster license number. All subsequent communications by an adjuster must include the adjuster's name and license number. The insurer must maintain a record of each adjuster who engages in the foregoing communications, and provide that list to the insured, the OIR, or the DFS upon request.

The bill requires the insurer to provide notices that explain when the insurer is providing a preliminary or partial estimate, or making a claim payment that is not the full and final payment for the claim. The insurer must include with any preliminary or partial estimate of damages, the following notice in 12-point bold, uppercase type:

THIS ESTIMATE REPRESENTS OUR CURRENT EVALUATION OF
THE COVERED DAMAGES TO YOUR INSURED PROEPRTY AND
MAY BE REVISED AS WE CONTINUE TO EVALUATE YOUR
CLAIM. IF YOU HAVE QUESTIONS, CONCERNS, OR

ADDITIONAL INFORMATION REGARDING YOUR CLAIM, WE
ENCOURAGE TO CONTACT US.

The insurer must include with any claim payment which is not the full and final payment for the claim, the following notice in 12-point bold, uppercase type:

WE ARE CONTINUING TO EVALUATE YOUR CLAIM INVOLVING
YOUR INSURED PROPERTY AND MAY ISSUE ADDITIONAL
PAYMENTS. IF YOU HAVE QUESTIONS, CONCERNS, OR
ADDITIONAL INFORMATION REGARDING YOUR CLAIM, WE
ENCOURAGE YOU TO CONTACT US.

The bill creates a new subsection (8) that applies the section to surplus lines insurers and authorized surplus lines insurance providing personal residential property insurance coverage.

This section is effective January 1, 2022.

Section 16 amends s. 627.062, F.S., to correct a cross reference to s. 627.70131(7), F.S., relating to insurer's rate standards. The insurer may not include any interest paid pursuant to s. 627.7013(7), F.S., in their rate base and may not be used to justify a rate or rate change.

Prohibition on Foreign Venue Clauses

Section 19 creates s. 627.7031, F.S., which prohibits the inclusion within any personal residential property insurance policy any clause that would require an insured to pursue litigation, arbitration, or mediation outside of Florida, if such policy was sold after July 1, 2021, in Florida, and insures only property located in this state.

This prohibition also applies to surplus lines insurers and authorized surplus lines insurance.

Homeowner Claims Bill of Rights

Section 20 amends s. 627.7142, F.S., which contains the Homeowner Claims Bill of Rights which the insurer must provide the homeowner after receiving the initial communication regarding a personal lines residential property insurance claim. Currently, the Homeowner Claims Bill of Rights must be provided within 14 days after an insurer receives an initial communication on any personal lines residential property insurance claim. Additionally, the Homeowner Claims Bill of Rights currently include notice the consumer has the right to receive interest payments; these payments begin accruing when a consumer files a claim if the insurer does not deny the claim or pay the full settlement of the claim, or the undisputed portion of the claim, within 90 calendar days after a claim is filed.⁷⁸ Any payable interest must be paid when the claim, or undisputed portion of the claim, is paid.

The Homeowner Claims Bill of Rights is also amended to encourage insureds to take video of damage before and after any repairs, and specify the purpose of such videos or photographs is so

⁷⁸ See s. 627.70131(5)(a), F.S.

they can be provided to the insurer. In addition, insureds are encouraged to file claims directly with their insurance company and to be aware of contractors or repair vendors who offer incentives for free inspections or promise to coordinate with insured's insurance company to repair the insured's home with no out-of-pocket expense paid by the insured.

This section is effective January 1, 2022.

Elimination of the \$100 Florida Insurance Guaranty Fund Deductible

Section 21 amends s. 631.57, F.S., to remove the insured's obligation to pay a \$100 deductible to FIGA in order to receive payment on their claim through FIGA. The insured remains obligated to pay their original insurer's deductible.

Florida Workers' Compensation Insurance Guaranty Association (FWCIGA) Covered Claims

Section 22 amends s. 631.904(2), F.S., to revise the definition of a "covered claim" for purposes of the FWCIGA, to exclude from the definition the return of premium resulting from a policy that was not in force on the date of the final order of liquidation.

Effective Date

Section 23 provides the bill, except as otherwise provided, is effective upon becoming a law.

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:

Credit Bureaus will no longer be permitted to charge a fee to re-issue a personal identification number to consumers. *See Section VII, Related Issues.*

Consumers who seek to have their claims covered by Florida Insurance Guaranty Association (FIGA) will no longer be required to pay the \$100 deductible to FIGA.

Certain property adjusting businesses will be required to become licensed by the Department of Financial Services (DFS) and pay related application fees; those who fail to submit an application for licensure will be subject to administrative penalties.

Consumers may benefit from the extended cooling-off period, which allows them to void a contract for public adjusting services without penalty.

Certain licensees may be subject to administrative or criminal penalties as a result of the additional penalties created by this bill.

Insurers will be prohibited from selling industrial life insurance policies, although this should have a de minimis impact, as few currently offer this type of policy.

Insurers and certain agents may be required to update forms or mailers to reflect the new surplus lines export disclosure, the hurricane disclosure, the updated homeowner claims bill of rights, and the prohibition of forum selection clauses.

C. Government Sector Impact:

The bill has an insignificant indeterminate impact to state funds and expenditures.

The elimination of the \$60 fee for a new or renewal adjusting firm license may have an insignificant impact on future state revenues. In addition, eliminating the \$100 FIGA deductible may have an insignificant financial impact on FIGA.

Sections 4, 10 and 12 increase the DFS's authority to take administrative action and impose administrative fines, which may result in an insignificant indeterminate increase in administrative fines collected.

The Criminal Justice Impact Conference, which provides the final, official estimate of the prison bed impact, if any, of legislation, has not yet reviewed the bill. Section 5 of the bill revises the Licensing Procedures Law's prohibition against unlicensed activity to include knowingly and abetting an unlicensed person in transacting insurance or otherwise engaging in insurance activities in Florida without a license. A person who does so

commits a third degree felony. **Section 12** of the bill amends the Unfair Insurance Trade Practices Act (Act). The new violations under **Section 12** are punishable as administrative violations under the general provisions of the Act. However, the underlying acts which give rise to the administrative violations may give rise to charges under s. 626.9541(1)(ee), F.S., which is punishable as a third degree felony.

VI. Technical Deficiencies:

Section 6 of the bill amends s. 626.621, F.S., to authorize the Department of Financial Services (DFS) to suspend or revoke the license of an insurance agent, adjuster, customer representative, service representative, or managing general agent, or refuse to issue a license to an applicant for taking an action that allows a consumer's or customer's personal financial or medical information to be made available or accessible to the public; however, it is unclear what information would be considered financial or medical information. These terms are undefined. For purposes of HIPAA, protected health information is defined. Further, s. 624.23, F.S., defines the term, "personal financial and health information," as it relates to consumer complaints and inquiries received by the DFS.

Section 10 of the bill amending s. 626.854(19), F.S., appears intended to prohibit a person that is not an attorney or licensed public adjuster from, on behalf of a public adjuster, advertising, providing advice regarding a claim, or assisting in the adjustment of a claim. This bill section also creates a new subsection (20) to s. 626.854, F.S., to authorize the DFS to take administrative actions and impose fines for unlicensed public adjusting or claims adjusting activity; however, DFS will have difficulty enforcing such a fine or taking administrative action when the violator is not a licensee of the DFS.

VII. Related Issues:

Section 1 of the bill may be federally preempted pursuant to 15 U.S.C. s. 1681t. This federal law prohibits states from imposing laws with respect to any subject matter regulated under subsections (i) and (j) of section 605A relating to security freezes.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 501.0051, 624.307, 624.501, 626.015, 626.112, 626.602, 626.621, 626.7315, 626.782, 626.783, 626.7845, 626.8305, 626.854, 626.916, 626.9541, 626.9741, 626.9953, 626.9957, 627.062, 627.502, 627.70131, 627.7142, 631.57, and 631.904.

This bill creates section 627.7031 of the Florida Statutes.

This bill repeals section 626.796 of the Florida Statutes.

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

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

Recommended CS by Appropriations Subcommittee on Agriculture, Environment, and General Government on March 24, 2021:

The CS:

- Clarifies contractors may recommend that policyholders contact their insurance company, but may not initiate, manage, or handle the claim for the policyholder; but does not prohibit or preclude a contractor from recommending the policyholder contact the insurer to determine if proposed repair is covered under the insured's insurance policy;
- Clarifies the surplus lines 90-day provision would apply only to personal residential properties;
- Clarifies no person other than an attorney at law or a licensed public adjuster, may offer to initiate or negotiate a claim or advertise services which require a public adjuster license on behalf of a public adjuster, an insured, or a third-party claimant
- Includes a provision in the Homeowner Claims Bill of Rights encouraging a consumer to file claims directly with their insurer and to be aware of incentives offered by contractors or repair vendors for free inspections or promises to coordinate repairs; and
- Removes the definition of claims adjusting and the respective cross-references.

CS by Banking and Insurance on March 16, 2021:

The committee substitute:

- Prohibits persons other than a public adjuster or attorney from advertising, providing advice, or assisting the adjustment of a claim on behalf of a public adjuster, insured, or third-party claimant.
- Authorizes the Department of Financial Services to take administrative actions and impose fines against persons performing without the necessary licensure claims adjusting or any of the public adjusting services detailed in s. 626.854, F.S.

B. Amendments:

None.



917526

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/24/2021	.	
	.	
	.	
	.	

Appropriations Subcommittee on Agriculture, Environment, and
General Government (Gruters) recommended the following:

Senate Amendment (with title amendment)

Delete lines 98 - 799
and insert:

Section 1. Subsection (9) of section 501.0051, Florida
Statutes, is amended to read:

501.0051 Protected consumer report security freeze.—

(9)(a) A consumer reporting agency may not charge any fee
to place or remove a security freeze.

~~(b) A consumer reporting agency may charge a reasonable~~



917526

~~fee, not to exceed \$10, if the representative fails to retain the original unique personal identifier provided by the consumer reporting agency and the agency must reissue the unique personal identifier or provide a new unique personal identifier to the representative.~~

Section 2. Paragraph (b) of subsection (10) of section 624.307, Florida Statutes, is amended to read:

624.307 General powers; duties.—

(10)

(b) Any person licensed or issued a certificate of authority by the department or the office shall respond, in writing, to the division within 20 days after receipt of a written request for documents and information from the division concerning a consumer complaint. The response must address the issues and allegations raised in the complaint and include any requested documents concerning the consumer complaint not subject to attorney-client or work-product privilege. The division may impose an administrative penalty for failure to comply with this paragraph of up to \$2,500 per violation upon any entity licensed by the department or the office and \$250 for the first violation, \$500 for the second violation, and up to \$1,000 for the third or subsequent violation upon any individual licensed by the department or the office.

Section 3. Subsection (20) of section 624.501, Florida Statutes, is amended to read:

624.501 Filing, license, appointment, and miscellaneous fees.—The department, commission, or office, as appropriate, shall collect in advance, and persons so served shall pay to it in advance, fees, licenses, and miscellaneous charges as



917526

follows:

~~(20) Adjusting firm, original or renewal 3-year~~
~~license.....\$60.00~~

Section 4. Present subsection (9) of section 626.112, Florida Statutes, is redesignated as subsection (10) and amended, a new subsection (9) is added to that section, and paragraph (d) of subsection (7) of that section is amended, to read:

626.112 License and appointment required; agents, customer representatives, adjusters, insurance agencies, service representatives, managing general agents, insurance adjusting firms.—

(7)

~~(d) Effective October 1, 2015, the department must automatically convert the registration of an approved registered insurance agency to an insurance agency license.~~

(9) (a) An individual, a firm, a partnership, a corporation, an association, or any other entity may not act in its own name or under a trade name, directly or indirectly, as an adjusting firm unless it complies with s. 626.8696 with respect to possessing an adjusting firm license for each place of business at which it engages in an activity that may be performed only by a licensed insurance adjuster. However, an adjusting firm that is owned and operated by a single licensed adjuster conducting business in his or her individual name and not employing or otherwise using the services of or appointing other licensees is exempt from the adjusting firm licensing requirements of this subsection.

(b) A branch place of business that is established by a



917526

licensed adjusting firm is considered a branch firm and is not required to be licensed if:

1. It transacts business under the same name and federal tax identification number as the licensed adjusting firm;

2. It has designated with the department a primary adjuster operating the location as required by s. 626.8695; and

3. The address and telephone number of the branch location have been submitted to the department for inclusion in the licensing record of the licensed adjusting firm within 30 days after insurance transactions begin at the branch location.

(c) If an adjusting firm is required to be licensed but fails to apply for licensure in accordance with this subsection, the department must impose an administrative penalty of up to \$10,000 on the firm.

~~(10)(9)~~ Any person who knowingly transacts insurance or otherwise engages in insurance activities in this state without a license in violation of this section or who knowingly aids or abets an unlicensed person in transacting insurance or otherwise engaging in insurance activities in this state without a license commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

Section 5. Subsection (4) is added to section 626.602, Florida Statutes, to read:

626.602 Insurance agency names; disapproval.—The department may disapprove the use of any true or fictitious name, other than the bona fide natural name of an individual, by any insurance agency on any of the following grounds:

(4) The name contains the word "Medicare" or "Medicaid." An insurance agency whose name contains the word "Medicare" or



917526

98 "Medicaid" but which is licensed as of July 1, 2021, may
99 continue to use that name until June 30, 2023, provided that the
100 agency's license remains valid. If the agency's license expires
101 or is suspended or revoked, the agency may not be relicensed
102 using that name. Licenses for agencies with names containing
103 either of these words automatically expire on July 1, 2023,
104 unless these words are removed from the name.

105 Section 6. Subsections (16) and (17) are added to section
106 626.621, Florida Statutes, to read:

107 626.621 Grounds for discretionary refusal, suspension, or
108 revocation of agent's, adjuster's, customer representative's,
109 service representative's, or managing general agent's license or
110 appointment.—The department may, in its discretion, deny an
111 application for, suspend, revoke, or refuse to renew or continue
112 the license or appointment of any applicant, agent, adjuster,
113 customer representative, service representative, or managing
114 general agent, and it may suspend or revoke the eligibility to
115 hold a license or appointment of any such person, if it finds
116 that as to the applicant, licensee, or appointee any one or more
117 of the following applicable grounds exist under circumstances
118 for which such denial, suspension, revocation, or refusal is not
119 mandatory under s. 626.611:

120 (16) Taking an action that allows the personal financial or
121 medical information of a consumer or customer to be made
122 available or accessible to the general public, regardless of the
123 format in which the record is stored.

124 (17) Initiating in-person or telephone solicitation after 9
125 p.m. or before 8 a.m. local time of the prospective customer
126 unless requested by the prospective customer.



917526

Section 7. Section 626.782, Florida Statutes, is amended to read:

626.782 "Industrial class insurer" defined.—An "industrial class insurer" is an insurer collecting premiums on policies of ~~writing~~ industrial life insurance, as defined in s. 627.502, written before July 1, 2021, and as to such insurance, operates under a system of collecting a debit by its agent.

Section 8. Section 626.783, Florida Statutes, is amended to read:

626.783 "Ordinary-combination class insurer" defined.—An "ordinary-combination class insurer" is an insurer writing ~~both~~ ordinary class insurance and collecting premiums on existing industrial life ~~class~~ insurance as defined by s. 627.502.

Section 9. Section 626.796, Florida Statutes, is repealed.

Section 10. Subsections (6), (11), (15), and (19) of section 626.854, Florida Statutes, are amended, and subsection (20) is added to that section, to read:

626.854 "Public adjuster" defined; prohibitions.—The Legislature finds that it is necessary for the protection of the public to regulate public insurance adjusters and to prevent the unauthorized practice of law.

(6) An insured or claimant may cancel a public adjuster's contract to adjust a claim without penalty or obligation within 10 calendar ~~3-business~~ days after the date on which the contract is executed ~~or within 3 business days after the date on which the insured or claimant has notified the insurer of the claim, whichever is later.~~ The public adjuster's contract must contain the following language in minimum 18-point bold type: "You, the insured, may cancel this contract for any reason without penalty



917526

or obligation to you within 10 days after the date of this contract by providing notice to ...(name of public adjuster)..., submitted in writing and sent by certified mail, return receipt requested, or other form of mailing that provides proof thereof, at the address specified in the contract ~~disclose to the insured or claimant his or her right to cancel the contract and advise the insured or claimant that notice of cancellation must be submitted in writing and sent by certified mail, return receipt requested, or other form of mailing that provides proof thereof, to the public adjuster at the address specified in the contract, provided, during any state of emergency as declared by the Governor and for 1 year after the date of loss, the insured or claimant has 5 business days after the date on which the contract is executed to cancel a public adjuster's contract.~~

(11) Each public adjuster must provide to the claimant or insured a written estimate of the loss to assist in the submission of a proof of loss or any other claim for payment of insurance proceeds within 60 days after the date of the contract. The written estimate must include an itemized, per-unit estimate of the repairs, including itemized information on equipment, materials, labor, and supplies, in accordance with accepted industry standards. The public adjuster shall retain such written estimate for at least 5 years and shall make the estimate available to the claimant or insured, the insurer, and the department upon request.

(15) A licensed contractor under part I of chapter 489, or a subcontractor of such licensee, may not advertise, solicit, offer to handle, handle, or perform public adjuster services as provided in s. 626.854(1) ~~adjust a claim on behalf of an insured~~



917526

unless licensed and compliant as a public adjuster under this chapter. The prohibition against solicitation does not preclude a contractor from suggesting or otherwise recommending to a consumer that the consumer consider contacting his or her insurer to determine if the proposed repair is covered under the consumer's insurance policy. In addition ~~However~~, the contractor may discuss or explain a bid for construction or repair of covered property with the residential property owner who has suffered loss or damage covered by a property insurance policy, or the insurer of such property, if the contractor is doing so for the usual and customary fees applicable to the work to be performed as stated in the contract between the contractor and the insured.

(19) Except as otherwise provided in this chapter, no person, except an attorney at law or a licensed public adjuster, may for money, commission, or any other thing of value, directly or indirectly:

(a) Prepare, complete, or file an insurance claim for an insured or a third-party claimant;

(b) Act on behalf of or aid an insured or a third-party claimant in negotiating for or effecting the settlement of a claim for loss or damage covered by an insurance contract;

(c) Offer to initiate or negotiate a claim on behalf of an insured;

(d) Advertise services that require a license for ~~employment~~ as a public adjuster; or

~~(e)-(d)~~ Solicit, investigate, or adjust a claim on behalf of a public adjuster, an insured, or a third-party claimant.

(20) The department may take administrative actions and



917526

impose fines against any persons performing claims adjusting as
defined in s. 626.015(6) or any other services as described in
this section without the licensure required under this section
and s. 626.112.

Section 11. Effective January 1, 2022, subsection (3) of
section 626.916, Florida Statutes, is amended, and paragraph (f)
is added to subsection (1) of that section, to read:

626.916 Eligibility for export.—

(1) No insurance coverage shall be eligible for export
unless it meets all of the following conditions:

(f) The insured has signed or otherwise provided documented
acknowledgment of a disclosure in substantially the following
form: "You are agreeing to place coverage in the surplus lines
market. Coverage may be available in the admitted market.
Persons insured by surplus lines carriers are not protected
under the Florida Insurance Guaranty Act with respect to any
right of recovery for the obligation of an insolvent unlicensed
insurer."

(3)(a) Subsection (1) does not apply to wet marine and
transportation or aviation risks that ~~which~~ are subject to s.
626.917.

(b) Paragraphs (1)(a)-(d) do not apply to classes of
insurance which are subject to s. 627.062(3)(d)1. These classes
may be exportable under the following conditions:

1. The insurance must be placed only by or through a
surplus lines agent licensed in this state;

2. The insurer must be made eligible under s. 626.918; and

3. The insured has complied with paragraph (1)(f) ~~must sign~~
~~a disclosure that substantially provides the following: "You are~~



917526

~~agreeing to place coverage in the surplus lines market. Superior coverage may be available in the admitted market and at a lesser cost. Persons insured by surplus lines carriers are not protected under the Florida Insurance Guaranty Act with respect to any right of recovery for the obligation of an insolvent unlicensed insurer."~~ If the disclosure notice is signed by the insured, the insured is presumed to have been informed and to know that other coverage may be available, and, with respect to the diligent-effort requirement under subsection (1), there is no liability on the part of, and no cause of action arises against, the retail agent presenting the form.

Section 12. Paragraph (z) of subsection (1) of section 626.9541, Florida Statutes, is amended to read:

626.9541 Unfair methods of competition and unfair or deceptive acts or practices defined.—

(1) UNFAIR METHODS OF COMPETITION AND UNFAIR OR DECEPTIVE ACTS.—The following are defined as unfair methods of competition and unfair or deceptive acts or practices:

(z) *Sliding*.—Sliding is the act or practice of any of the following:

1. Representing to the applicant that a specific ancillary coverage or product is required by law in conjunction with the purchase of insurance when such coverage or product is not required.~~†~~

2. Representing to the applicant that a specific ancillary coverage or product is included in the policy applied for without an additional charge when such charge is required.~~† or~~

3. Charging an applicant for a specific ancillary coverage or product, in addition to the cost of the insurance coverage



917526

applied for, without the informed consent of the applicant.

4. Initiating, effectuating, binding, or otherwise issuing a policy of insurance without the prior informed consent of the owner of the property to be insured.

5. Mailing, transmitting, or otherwise submitting by any means an invoice for premium payment to a mortgagee or escrow agent, for the purpose of effectuating an insurance policy, without the prior informed consent of the owner of the property to be insured. However, this subparagraph does not apply in cases in which the mortgagee or escrow agent is renewing insurance or issuing collateral protection insurance, as defined in s. 624.6085, pursuant to the mortgage or other pertinent loan documents or communications regarding the property.

Section 13. Effective January 1, 2022, subsection (3) of section 626.9741, Florida Statutes, is amended to read:

626.9741 Use of credit reports and credit scores by insurers.—

(3) An insurer must inform an applicant or insured, in the same medium as the application is taken, that a credit report or score is being requested for underwriting or rating purposes. The notification to the consumer must include the following language: "The Department of Financial Services offers free financial literacy programs to assist you with insurance-related questions, including how credit works and how credit scores are calculated. To learn more, visit www.MyFloridaCFO.com." An insurer that makes an adverse decision based, in whole or in part, upon a credit report must provide at no charge, a copy of the credit report to the applicant or insured or provide the applicant or insured with the name, address, and telephone



917526

number of the consumer reporting agency from which the insured or applicant may obtain the credit report. The insurer must provide notification to the consumer explaining the reasons for the adverse decision. The reasons must be provided in sufficiently clear and specific language so that a person can identify the basis for the insurer's adverse decision. Such notification shall include a description of the four primary reasons, or such fewer number as existed, which were the primary influences of the adverse decision. The use of generalized terms such as "poor credit history," "poor credit rating," or "poor insurance score" does not meet the explanation requirements of this subsection. A credit score may not be used in underwriting or rating insurance unless the scoring process produces information in sufficient detail to permit compliance with the requirements of this subsection. It shall not be deemed an adverse decision if, due to the insured's credit report or credit score, the insured continues to receive a less favorable rate or placement in a less favorable tier or company at the time of renewal except for renewals or reunderwriting required by this section.

Section 14. Subsection (5) of section 626.9953, Florida Statutes, is amended to read:

626.9953 Qualifications for registration; application required.—

(5) An applicant must submit a set of his or her fingerprints to the department and pay the processing fee established under s. 624.501(23) ~~s. 624.501(24)~~. The department shall submit the applicant's fingerprints to the Department of Law Enforcement for processing state criminal history records



917526

checks and local criminal records checks through local law enforcement agencies and for forwarding to the Federal Bureau of Investigation for national criminal history records checks. The fingerprints shall be taken by a law enforcement agency, a designated examination center, or another department-approved entity. The department may not approve an application for registration as a navigator if fingerprints have not been submitted.

Section 15. Subsection (1) of section 626.9957, Florida Statutes, is amended to read:

626.9957 Conduct prohibited; denial, revocation, or suspension of registration.—

(1) As provided in s. 626.112, only a person licensed as an insurance agent or customer representative may engage in the solicitation of insurance. A person who engages in the solicitation of insurance as described in s. 626.112(1) without such license is subject to the penalties provided under s. 626.112(10) ~~s. 626.112(9)~~.

Section 16. Subsection (10) of section 627.062, Florida Statutes, is amended to read:

627.062 Rate standards.—

(10) Any interest paid pursuant to s. 627.70131(7) ~~s. 627.70131(5)~~ may not be included in the insurer's rate base and may not be used to justify a rate or rate change.

Section 17. Section 627.502, Florida Statutes, is amended to read:

627.502 "Industrial life insurance" defined; reporting; prohibition on new policies after a certain date.—

(1) For the purposes of this code, "industrial life



917526

insurance" is that form of life insurance written under policies under which premiums are payable monthly or more often, bearing the words "industrial policy" or "weekly premium policy" or words of similar import imprinted upon the policies as part of the descriptive matter, and issued by an insurer that ~~which~~, as to such industrial life insurance, is operating under a system of collecting a debit by its agent.

(2) Every life insurer servicing existing ~~transacting~~ industrial life insurance shall report to the office all annual statement data regarding the exhibit of life insurance, including relevant information for industrial life insurance.

(3) Beginning July 1, 2021, a life insurer may not write a new policy of industrial life insurance.

Section 18. Effective January 1, 2022, section 627.70131, Florida Statutes, is amended to read:

627.70131 Insurer's duty to acknowledge communications regarding claims; investigation.-

(1)(a) Upon an insurer's receiving a communication with respect to a claim, the insurer shall, within 14 calendar days, review and acknowledge receipt of such communication unless payment is made within that period of time or unless the failure to acknowledge is caused by factors beyond the control of the insurer which reasonably prevent such acknowledgment. If the acknowledgment is not in writing, a notification indicating acknowledgment shall be made in the insurer's claim file and dated. A communication made to or by a representative ~~an agent~~ of an insurer with respect to a claim shall constitute communication to or by the insurer.

(b) As used in this subsection, the term "representative"



917526

388 ~~"agent"~~ means any person to whom an insurer has granted
389 authority or responsibility to receive or make such
390 communications with respect to claims on behalf of the insurer.

391 (c) This subsection does ~~shall~~ not apply to claimants
392 represented by counsel beyond those communications necessary to
393 provide forms and instructions.

394 (2) Such acknowledgment must ~~shall~~ be responsive to the
395 communication. If the communication constitutes a notification
396 of a claim, unless the acknowledgment reasonably advises the
397 claimant that the claim appears not to be covered by the
398 insurer, the acknowledgment must ~~shall~~ provide necessary claim
399 forms, and instructions, including an appropriate telephone
400 number.

401 (3) (a) Unless otherwise provided by the policy of insurance
402 or by law, within 14 ~~10 working~~ days after an insurer receives
403 proof of loss statements, the insurer shall begin such
404 investigation as is reasonably necessary unless the failure to
405 begin such investigation is caused by factors beyond the control
406 of the insurer which reasonably prevent the commencement of such
407 investigation.

408 (b) If such investigation involves a physical inspection of
409 the property, the licensed adjuster assigned by the insurer must
410 provide the policyholder with a printed or electronic document
411 containing his or her name and state adjuster license number.

412 (c) Any subsequent communication with the policyholder
413 regarding the claim must also include the name and license
414 number of the adjuster communicating about the claim.

415 Communication of the adjuster's name and license number may be
416 included with other information provided to the policyholder.



917526

(4) An insurer shall maintain a record or log of each adjuster who communicates with the policyholder as provided in paragraphs (3) (b) and (c) and provide a list of such adjusters to the insured, office, or department upon request.

(5) For purposes of this section, the term "insurer" means any residential property insurer.

(6) (a) When providing a preliminary or partial estimate of damage regarding a claim, an insurer shall include with the estimate the following statement printed in at least 12-point bold, uppercase type: THIS ESTIMATE REPRESENTS OUR CURRENT EVALUATION OF THE COVERED DAMAGES TO YOUR INSURED PROPERTY AND MAY BE REVISED AS WE CONTINUE TO EVALUATE YOUR CLAIM. IF YOU HAVE QUESTIONS, CONCERNS, OR ADDITIONAL INFORMATION REGARDING YOUR CLAIM, WE ENCOURAGE YOU TO CONTACT US.

(b) When providing a payment on a claim which is not the full and final payment for the claim, an insurer shall include with the payment the following statement printed in at least 12-point bold, uppercase type: WE ARE CONTINUING TO EVALUATE YOUR CLAIM INVOLVING YOUR INSURED PROPERTY AND MAY ISSUE ADDITIONAL PAYMENTS. IF YOU HAVE QUESTIONS, CONCERNS, OR ADDITIONAL INFORMATION REGARDING YOUR CLAIM, WE ENCOURAGE YOU TO CONTACT US.

~~(7) (a) - (5) (a)~~ Within 90 days after an insurer receives notice of an initial, reopened, or supplemental property insurance claim from a policyholder, the insurer shall pay or deny such claim or a portion of the claim unless the failure to pay is caused by factors beyond the control of the insurer which reasonably prevent such payment. Any payment of an initial or supplemental claim or portion of such claim made 90 days after



917526

the insurer receives notice of the claim, or made more than 15 days after there are no longer factors beyond the control of the insurer which reasonably prevented such payment, whichever is later, bears interest at the rate set forth in s. 55.03. Interest begins to accrue from the date the insurer receives notice of the claim. The provisions of this subsection may not be waived, voided, or nullified by the terms of the insurance policy. If there is a right to prejudgment interest, the insured shall select whether to receive prejudgment interest or interest under this subsection. Interest is payable when the claim or portion of the claim is paid. Failure to comply with this subsection constitutes a violation of this code. However, failure to comply with this subsection does not form the sole basis for a private cause of action.

(b) Notwithstanding subsection (5) ~~(4)~~, for purposes of this subsection, the term "claim" means any of the following:

1. A claim under an insurance policy providing residential coverage as defined in s. 627.4025(1);

2. A claim for structural or contents coverage under a commercial property insurance policy if the insured structure is 10,000 square feet or less; or

3. A claim for contents coverage under a commercial tenant policy if the insured premises is 10,000 square feet or less.

(c) This subsection does ~~shall~~ not apply to claims under an insurance policy covering nonresidential commercial structures or contents in more than one state.

(8) This section also applies to surplus lines insurers and surplus lines insurance authorized under ss. 626.913-626.937 providing personal residential coverage.



917526

Section 19. Section 627.7031, Florida Statutes, is created to read:

627.7031 Foreign venue clauses prohibited.—After July 1, 2021, a personal residential property insurance policy sold in this state, insuring only real property located in this state, may not require an insured to pursue dispute resolution through litigation, arbitration, or mediation outside this state. This section also applies to surplus lines insurers and surplus lines insurance authorized under ss. 626.913-626.937.

Section 20. Effective January 1, 2022, section 627.7142, Florida Statutes, is amended to read:

627.7142 Homeowner Claims Bill of Rights.—An insurer issuing a personal lines residential property insurance policy in this state must provide a Homeowner Claims Bill of Rights to a policyholder within 14 days after receiving an initial communication with respect to a claim, ~~unless the claim follows an event that is the subject of a declaration of a state of emergency by the Governor.~~ The purpose of the bill of rights is to summarize, in simple, nontechnical terms, existing Florida law regarding the rights of a personal lines residential property insurance policyholder who files a claim of loss. The Homeowner Claims Bill of Rights is specific to the claims process and does not represent all of a policyholder's rights under Florida law regarding the insurance policy. The Homeowner Claims Bill of Rights does not create a civil cause of action by any individual policyholder or class of policyholders against an insurer or insurers. The failure of an insurer to properly deliver the Homeowner Claims Bill of Rights is subject to administrative enforcement by the office but is not admissible



917526

as evidence in a civil action against an insurer. The Homeowner Claims Bill of Rights does not enlarge, modify, or contravene statutory requirements, including, but not limited to, ss. 626.854, 626.9541, 627.70131, 627.7015, and 627.7074, and does not prohibit an insurer from exercising its right to repair damaged property in compliance with the terms of an applicable policy or ss. 627.7011(5) (e) and 627.702(7). The Homeowner Claims Bill of Rights must state:

HOMEOWNER CLAIMS

BILL OF RIGHTS

This Bill of Rights is specific to the claims process and does not represent all of your rights under Florida law regarding your policy. There are also exceptions to the stated timelines when conditions are beyond your insurance company's control. This document does not create a civil cause of action by an individual policyholder, or a class of policyholders, against an insurer or insurers and does not prohibit an insurer from exercising its right to repair damaged property in compliance with the terms of an applicable policy.

YOU HAVE THE RIGHT TO:

1. Receive from your insurance company an acknowledgment of your reported claim within 14 days after the time you communicated the claim.

2. Upon written request, receive from your insurance company within 30 days after you have



917526

submitted a complete proof-of-loss statement to your insurance company, confirmation that your claim is covered in full, partially covered, or denied, or receive a written statement that your claim is being investigated.

3. Within 90 days, subject to any dual interest noted in the policy, receive full settlement payment for your claim or payment of the undisputed portion of your claim, or your insurance company's denial of your claim.

4. Receive payment of interest, as provided in s. 627.70131, Florida Statutes, from your insurance company, which begins accruing from the date your claim is filed if your insurance company does not pay full settlement of your initial, reopened, or supplemental claim or the undisputed portion of your claim or does not deny your claim within 90 days after your claim is filed. The interest, if applicable, must be paid when your claim or the undisputed portion of your claim is paid.

5. Free mediation of your disputed claim by the Florida Department of Financial Services, Division of Consumer Services, under most circumstances and subject to certain restrictions.

~~6.5.~~ Neutral evaluation of your disputed claim, if your claim is for damage caused by a sinkhole and is covered by your policy.

~~7.6.~~ Contact the Florida Department of Financial Services, Division of Consumer Services' toll-free



917526

helpline for assistance with any insurance claim or questions pertaining to the handling of your claim. You can reach the Helpline by phone at...(toll-free phone number)...., or you can seek assistance online at the Florida Department of Financial Services, Division of Consumer Services' website at...(website address)....

YOU ARE ADVISED TO:

1. Contact your insurance company before entering into any contract for repairs to confirm any managed repair policy provisions or optional preferred vendors.

2. Make and document emergency repairs that are necessary to prevent further damage. Keep the damaged property, if feasible, keep all receipts, and take photographs or video of damage before and after any repairs to provide to your insurer.

3. Carefully read any contract that requires you to pay out-of-pocket expenses or a fee that is based on a percentage of the insurance proceeds that you will receive for repairing or replacing your property.

4. Confirm that the contractor you choose is licensed to do business in Florida. You can verify a contractor's license and check to see if there are any complaints against him or her by calling the Florida Department of Business and Professional Regulation. You should also ask the contractor for references from previous work.



917526

5. Require all contractors to provide proof of insurance before beginning repairs.

6. Take precautions if the damage requires you to leave your home, including securing your property and turning off your gas, water, and electricity, and contacting your insurance company and provide a phone number where you can be reached.

7. File all claims directly with your insurance company and be aware of contractors or repair vendors that offer incentives for free inspections or promise to coordinate with your insurance company to repair your home with no out-of-pocket expenses to you.

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

And the title is amended as follows:

Delete lines 3 - 54

and insert:

501.0051, F.S.; deleting authorization for consumer reporting agencies to charge a fee for reissuing or providing a new unique personal identifier to a consumer; amending s. 624.307, F.S.; revising a requirement for persons licensed or authorized by the Department of Financial Services or the Office of Insurance Regulation to respond to the department's Division of Consumer Services regarding consumer complaints; amending s. 624.501, F.S.; deleting a fee for adjusting firm licenses; amending s. 626.112, F.S.; deleting an obsolete provision; prohibiting unlicensed activity by an adjusting firm; providing an



917526

exemption; providing an exemption from licensure for branch firms that meet certain criteria; providing an administrative penalty for failing to apply for certain licensure; providing a criminal penalty for aiding or abetting unlicensed activity; amending s. 626.602, F.S.; authorizing the department to disapprove the use of insurance agency names containing the words "Medicare" or "Medicaid"; providing an exception for certain insurance agencies for a certain period; providing for expiration of certain licenses on a certain date; amending s. 626.621, F.S.; adding grounds on which the department may take certain actions against a license, appointment, or application of certain insurance representatives; amending ss. 626.782 and 626.783, F.S.; revising the definitions of the terms "industrial class insurer" and "ordinary-combination class insurer," respectively, to conform to changes made by the act; repealing s. 626.796, F.S., relating to the representation of multiple insurers in the same industrial debit territory; amending s. 626.854, F.S.; revising the timeframes in which an insured or a claimant may cancel a public adjuster's contract to adjust a claim without penalty or obligation; requiring that a public adjuster's contract include a specified disclosure; specifying requirements for written estimates of loss provided by public adjusters to claimants or insureds; revising a prohibition against certain contractors or subcontractors



917526

649 providing insureds with specified services; providing
650 an exception; revising services a person is prohibited
651 from performing unless the person meets specified
652 requirements; authorizing the department to take
653 administrative actions and impose fines against
654 persons performing specified activities without
655 licensure; amending s. 626.916, F.S.; revising

By the Committee on Banking and Insurance; and Senator Gruters

597-02952-21

20211598c1

1 A bill to be entitled
 2 An act relating to consumer protection; amending s.
 3 501.0051, F.S.; prohibiting consumer reporting
 4 agencies from charging to reissue or provide a new
 5 unique personal identifier to a consumer for the
 6 removal of a security freeze; amending s. 624.307,
 7 F.S.; revising a requirement for persons licensed or
 8 authorized by the Department of Financial Services or
 9 the Office of Insurance Regulation to respond to the
 10 department's Division of Consumer Services regarding
 11 consumer complaints; amending s. 624.501, F.S.;
 12 deleting a fee for adjusting firm licenses; amending
 13 s. 626.015, F.S.; defining the term "claims
 14 adjusting"; amending s. 626.112, F.S.; deleting an
 15 obsolete provision; prohibiting unlicensed activity by
 16 an adjusting firm; providing an exemption; providing
 17 an exemption from licensure for branch firms that meet
 18 certain criteria; providing an administrative penalty
 19 for failing to apply for certain licensure; providing
 20 a criminal penalty for aiding or abetting unlicensed
 21 activity; amending s. 626.602, F.S.; authorizing the
 22 department to disapprove the use of insurance agency
 23 names containing the words "Medicare" or "Medicaid";
 24 providing an exception for certain insurance agencies
 25 for a certain period; providing for expiration of
 26 certain licenses on a certain date; amending s.
 27 626.621, F.S.; adding grounds on which the department
 28 may take certain actions against a license,
 29 appointment, or application of certain insurance

Page 1 of 31

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

597-02952-21

20211598c1

30 representatives; amending s. 626.7315, F.S.;
 31 conforming a cross-reference; amending ss. 626.782 and
 32 626.783, F.S.; revising the definitions of the terms
 33 "industrial class insurer" and "ordinary-combination
 34 class insurer," respectively, to conform to changes
 35 made by the act; amending s. 626.7845, F.S.;
 36 conforming a cross-reference; repealing s. 626.796,
 37 F.S., relating to the representation of multiple
 38 insurers in the same industrial debit territory;
 39 amending s. 626.8305, F.S.; conforming a cross-
 40 reference; amending s. 626.854, F.S.; revising the
 41 timeframes in which an insured or a claimant may
 42 cancel a public adjuster's contract to adjust a claim
 43 without penalty or obligation; requiring that public
 44 adjuster's contracts include a specified disclosure;
 45 specifying requirements for written estimates of loss
 46 provided by public adjusters to claimants or insureds;
 47 prohibiting certain contractors from soliciting
 48 insureds to file insurance claims under certain
 49 circumstances; revising services a person is
 50 prohibited from performing unless the person meets
 51 specified requirements; authorizing the department to
 52 take administrative actions and impose fines against
 53 persons performing specified activities without
 54 licensure; amending s. 626.916, F.S.; revising
 55 disclosure requirements for certain classes of
 56 insurance before being eligible for export under the
 57 Surplus Lines Law; amending s. 626.9541, F.S.; adding
 58 certain acts or practices to the definition of

Page 2 of 31

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

597-02952-21

20211598c1

59 sliding; amending s. 626.9741, F.S.; requiring an
 60 insurer to include certain additional information when
 61 providing an applicant or insured with certain credit
 62 report or score information; amending s. 626.9953,
 63 F.S.; correcting a cross-reference; amending ss.
 64 626.9957 and 627.062, F.S.; conforming cross-
 65 references; amending s. 627.502, F.S.; prohibiting
 66 life insurers from writing new policies of industrial
 67 life insurance beginning on a certain date; making
 68 technical changes; amending s. 627.70131, F.S.;
 69 providing that a communication made to or by an
 70 insurer's representative, rather than to or by an
 71 insurer's agent, constitutes communication to or by
 72 the insurer; revising the timeframe for insurers to
 73 begin certain investigations; requiring an insurer-
 74 assigned licensed adjuster to provide the policyholder
 75 with certain information in certain investigations;
 76 requiring insurers to maintain certain records and
 77 provide certain lists upon request; requiring insurers
 78 to include specified notices when providing
 79 preliminary or partial damage estimates or claim
 80 payments; providing applicability; conforming
 81 provisions to changes made by the act; creating s.
 82 627.7031, F.S.; prohibiting foreign venue clauses in
 83 property insurance policies; providing applicability;
 84 amending s. 627.7142, F.S.; revising information
 85 contained in the Homeowner Claims Bill of Rights;
 86 conforming provisions to changes made by the act;
 87 amending s. 631.57, F.S.; deleting a deductible on the

Page 3 of 31

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

597-02952-21

20211598c1

88 obligation of the Florida Insurance Guaranty
 89 Association, Incorporated, as to certain covered
 90 claims; amending s. 631.904, F.S.; revising the
 91 definition of the term "covered claim"; deleting a
 92 requirement that a policy be in force on the date of
 93 the final order of liquidation; providing effective
 94 dates.

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

98 Section 1. Paragraph (b) of subsection (9) of section
 99 501.0051, Florida Statutes, is amended to read:

100 501.0051 Protected consumer report security freeze.-
 101 (9)

102 (b) A consumer reporting agency may not charge a fee to a
 103 ~~reasonable fee, not to exceed \$10, if the representative fails~~
 104 ~~to retain the original unique personal identifier provided by~~
 105 ~~the consumer reporting agency and the agency must~~ reissue the
 106 unique personal identifier or to provide a new unique personal
 107 identifier to the consumer ~~representative~~.

108 Section 2. Paragraph (b) of subsection (10) of section
 109 624.307, Florida Statutes, is amended to read:

110 624.307 General powers; duties.-
 111 (10)

112 (b) Any person licensed or issued a certificate of
 113 authority by the department or the office shall respond, in
 114 writing, to the division within 20 days after receipt of a
 115 written request for documents and information from the division
 116 concerning a consumer complaint. The response must address the

Page 4 of 31

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

597-02952-21

20211598c1

issues and allegations raised in the complaint and include any requested documents concerning the consumer complaint not subject to attorney-client or work-product privilege. The division may impose an administrative penalty for failure to comply with this paragraph of up to \$2,500 per violation upon any entity licensed by the department or the office and \$250 for the first violation, \$500 for the second violation, and up to \$1,000 for the third or subsequent violation upon any individual licensed by the department or the office.

Section 3. Subsection (20) of section 624.501, Florida Statutes, is amended to read:

624.501 Filing, license, appointment, and miscellaneous fees.—The department, commission, or office, as appropriate, shall collect in advance, and persons so served shall pay to it in advance, fees, licenses, and miscellaneous charges as follows:

~~(20) Adjusting firm, original or renewal 3-year license.....\$60.00~~

Section 4. Present subsections (6) through (21) of section 626.015, Florida Statutes, are redesignated as subsections (7) through (22), respectively, and a new subsection (6) is added to that section, to read:

626.015 Definitions.—As used in this part:

(6) "Claims adjusting" means directly or indirectly attempting or undertaking to ascertain and determine the amount of a claim, loss, or damage payable under an insurance contract or undertaking to negotiate or effect settlement of a claim, loss, or damage under an insurance contract, if such action results in payment to or receipt of money, commission, or any

597-02952-21

20211598c1

other thing of value by the party or parties rendering such service or persons affiliated with such party or parties. Claims adjusting also includes soliciting claims adjusting services as described in this chapter or soliciting an insured or policyholder to file an insurance claim. Claims adjusting does not include:

(a) Paid services as a spokesperson used as part of a written or an electronic advertisement;

(b) Paid services as a photographer or videographer used to capture images of damage;

(c) Paid services to inventory personal property or business personal property; or

(d) Discussion or explanation of a bid for construction or repair services with a property owner or the insurer of such property by a contractor licensed pursuant to part I of chapter 489 or a subcontractor for a licensed contractor.

Section 5. Present subsection (9) of section 626.112, Florida Statutes, is redesignated as subsection (10) and amended, a new subsection (9) is added to that section, and paragraph (d) of subsection (7) of that section is amended, to read:

626.112 License and appointment required; agents, customer representatives, adjusters, insurance agencies, service representatives, managing general agents, insurance adjusting firms.—

(7)

~~(d) Effective October 1, 2015, the department must automatically convert the registration of an approved registered insurance agency to an insurance agency license.~~

597-02952-21

20211598c1

(9) (a) An individual, firm, partnership, corporation, association, or other entity may not act in its own name or under a trade name, directly or indirectly, as an adjusting firm unless it complies with s. 626.8696 with respect to possessing an adjusting firm license for each place of business at which it engages in an activity that may be performed only by a licensed insurance adjuster. However, an adjusting firm that is owned and operated by a single licensed adjuster conducting business in his or her individual name and not employing or otherwise using the services of or appointing other licensees is exempt from the adjusting firm licensing requirements of this subsection.

(b) A branch place of business that is established by a licensed adjusting firm is considered a branch firm and is not required to be licensed if:

1. It transacts business under the same name and federal tax identification number as the licensed adjusting firm;

2. It has designated with the department a primary adjuster operating the location as required by s. 626.8695; and

3. The address and telephone number of the branch location have been submitted to the department for inclusion in the licensing record of the licensed adjusting firm within 30 days after insurance transactions begin at the branch location.

(c) If an adjusting firm is required to be licensed but fails to apply for licensure in accordance with this section, the department must impose an administrative penalty of up to \$10,000 on the firm.

~~(10)~~ (9) Any person who knowingly transacts insurance or otherwise engages in insurance activities in this state without a license in violation of this section or who knowingly aids or

597-02952-21

20211598c1

abets an unlicensed person in transacting insurance or otherwise engaging in insurance activities in this state without a license commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

Section 6. Subsection (4) is added to section 626.602, Florida Statutes, to read:

626.602 Insurance agency names; disapproval.—The department may disapprove the use of any true or fictitious name, other than the bona fide natural name of an individual, by any insurance agency on any of the following grounds:

(4) The name contains the word "Medicare" or "Medicaid." An insurance agency whose name contains the word "Medicare" or "Medicaid" but which is licensed as of July 1, 2021, may continue to use that name until June 30, 2023, provided that the agency's license remains valid. If the agency's license expires or is suspended or revoked, the agency may not be relicensed using that name. Licenses for agencies with names containing either of these words automatically expire on July 1, 2023, unless these words are removed from the name.

Section 7. Subsections (16) and (17) are added to section 626.621, Florida Statutes, to read:

626.621 Grounds for discretionary refusal, suspension, or revocation of agent's, adjuster's, customer representative's, service representative's, or managing general agent's license or appointment.—The department may, in its discretion, deny an application for, suspend, revoke, or refuse to renew or continue the license or appointment of any applicant, agent, adjuster, customer representative, service representative, or managing general agent, and it may suspend or revoke the eligibility to

597-02952-21

20211598c1

hold a license or appointment of any such person, if it finds that as to the applicant, licensee, or appointee any one or more of the following applicable grounds exist under circumstances for which such denial, suspension, revocation, or refusal is not mandatory under s. 626.611:

(16) Taking an action that allows the personal financial or medical information of a consumer or customer to be made available or accessible to the general public, regardless of the format in which the record is stored.

(17) Initiating in-person or telephone solicitation after 9 p.m. or before 8 a.m. local time of the prospective customer unless requested by the prospective customer.

Section 8. Section 626.7315, Florida Statutes, is amended to read:

626.7315 Prohibition against the unlicensed transaction of general lines insurance.—With respect to any line of authority as defined in s. 626.015(8) ~~s. 626.015(7)~~, no individual shall, unless licensed as a general lines agent:

(1) Solicit insurance or procure applications therefor;

(2) In this state, receive or issue a receipt for any money on account of or for any insurer, or receive or issue a receipt for money from other persons to be transmitted to any insurer for a policy, contract, or certificate of insurance or any renewal thereof, even though the policy, certificate, or contract is not signed by him or her as agent or representative of the insurer, except as provided in s. 626.0428(1);

(3) Directly or indirectly represent himself or herself to be an agent of any insurer or as an agent, to collect or forward any insurance premium, or to solicit, negotiate, effect,

597-02952-21

20211598c1

procure, receive, deliver, or forward, directly or indirectly, any insurance contract or renewal thereof or any endorsement relating to an insurance contract, or attempt to effect the same, of property or insurable business activities or interests, located in this state;

(4) In this state, engage or hold himself or herself out as engaging in the business of analyzing or abstracting insurance policies or of counseling or advising or giving opinions, other than as a licensed attorney at law, relative to insurance or insurance contracts, for fee, commission, or other compensation, other than as a salaried bona fide full-time employee so counseling and advising his or her employer relative to the insurance interests of the employer and of the subsidiaries or business affiliates of the employer;

(5) In any way, directly or indirectly, make or cause to be made, or attempt to make or cause to be made, any contract of insurance for or on account of any insurer;

(6) Solicit, negotiate, or in any way, directly or indirectly, effect insurance contracts, if a member of a partnership or association, or a stockholder, officer, or agent of a corporation which holds an agency appointment from any insurer; or

(7) Receive or transmit applications for suretyship, or receive for delivery bonds founded on applications forwarded from this state, or otherwise procure suretyship to be effected by a surety insurer upon the bonds of persons in this state or upon bonds given to persons in this state.

Section 9. Section 626.782, Florida Statutes, is amended to read:

597-02952-21

20211598c1

291 626.782 "Industrial class insurer" defined.—An "industrial
 292 class insurer" is an insurer collecting premiums on policies of
 293 ~~writing~~ industrial life insurance, as defined in s. 627.502,
 294 written before July 1, 2021, and as to such insurance, operates
 295 under a system of collecting a debit by its agent.

296 Section 10. Section 626.783, Florida Statutes, is amended
 297 to read:

298 626.783 "Ordinary-combination class insurer" defined.—An
 299 "ordinary-combination class insurer" is an insurer writing ~~both~~
 300 ordinary class insurance and collecting premiums on existing
 301 industrial life class insurance as defined by s. 627.502.

302 Section 11. Subsection (2) of section 626.7845, Florida
 303 Statutes, is amended to read:

304 626.7845 Prohibition against unlicensed transaction of life
 305 insurance.—

306 (2) Except as provided in s. 626.112(6), with respect to
 307 any line of authority specified in s. 626.015(13) ~~or~~
 308 ~~626.015(12)~~, an individual may not, unless licensed as a life
 309 agent:

310 (a) Solicit insurance or annuities or procure applications;

311 (b) In this state, engage or hold himself or herself out as
 312 engaging in the business of analyzing or abstracting insurance
 313 policies or of counseling or advising or giving opinions to
 314 persons relative to insurance or insurance contracts, unless the
 315 individual is:

316 1. A consulting actuary advising insurers;

317 2. An employee of a labor union, association, employer, or
 318 other business entity, or the subsidiaries and affiliates of
 319 each, who counsels and advises such entity or entities relative

597-02952-21

20211598c1

320 to their interests and those of their members or employees under
 321 insurance benefit plans; or

322 3. A trustee advising a settlor, a beneficiary, or a person
 323 regarding his or her interests in a trust, relative to insurance
 324 benefit plans; or

325 (c) In this state, from this state, or with a resident of
 326 this state, offer or attempt to negotiate on behalf of another
 327 person a viatical settlement contract as defined in s. 626.9911.

328 Section 12. Section 626.796, Florida Statutes, is repealed.

329 Section 13. Section 626.8305, Florida Statutes, is amended
 330 to read:

331 626.8305 Prohibition against the unlicensed transaction of
 332 health insurance.—Except as provided in s. 626.112(6), with
 333 respect to any line of authority specified in s. 626.015(9) ~~or~~
 334 ~~626.015(8)~~, an individual may not, unless licensed as a health
 335 agent:

336 (1) Solicit insurance or procure applications; or

337 (2) In this state, engage or hold himself or herself out as
 338 engaging in the business of analyzing or abstracting insurance
 339 policies or of counseling or advising or giving opinions to
 340 persons relative to insurance contracts, unless the individual
 341 is:

342 (a) A consulting actuary advising insurers;

343 (b) An employee of a labor union, association, employer, or
 344 other business entity, or the subsidiaries and affiliates of
 345 each, who counsels and advises such entity or entities relative
 346 to their interests and those of their members or employees under
 347 insurance benefit plans; or

348 (c) A trustee advising a settlor, a beneficiary, or a

597-02952-21

20211598c1

person regarding his or her interests in a trust, relative to insurance benefit plans.

Section 14. Subsections (6), (11), (15), and (19) of section 626.854, Florida Statutes, are amended, and subsection (20) is added to that section, to read:

626.854 "Public adjuster" defined; prohibitions.—The Legislature finds that it is necessary for the protection of the public to regulate public insurance adjusters and to prevent the unauthorized practice of law.

(6) An insured or claimant may cancel a public adjuster's contract to adjust a claim without penalty or obligation within 10 calendar 3 business days after the date on which the contract is executed ~~or within 3 business days after the date on which the insured or claimant has notified the insurer of the claim, whichever is later.~~ The public adjuster's contract must contain the following language in minimum 18-point bold type: "You, the insured, may cancel this contract for any reason without penalty or obligation to you within 10 days after the date of this contract by providing notice to ... (name of public adjuster) ..., submitted in writing and sent by certified mail, return receipt requested, or other form of mailing that provides proof thereof, at the address specified in the contract disclose to the insured or claimant his or her right to cancel the contract and advise the insured or claimant that notice of cancellation must be submitted in writing and sent by certified mail, return receipt requested, or other form of mailing that provides proof thereof, to the public adjuster at the address specified in the contract, provided, during any state of emergency as declared by the Governor and for 1 year after the date of loss, the insured or

597-02952-21

20211598c1

~~claimant has 5 business days after the date on which the contract is executed to cancel a public adjuster's contract.~~

(11) Each public adjuster must provide to the claimant or insured a written estimate of the loss to assist in the submission of a proof of loss or any other claim for payment of insurance proceeds within 60 days after the date of the contract. The written estimate must include an itemized, per-unit estimate of the repairs, including itemized information on equipment, materials, labor, and supplies, in accordance with accepted industry standards. The public adjuster shall retain such written estimate for at least 5 years and shall make the estimate available to the claimant or insured, the insurer, and the department upon request.

(15) A licensed contractor under part I of chapter 489, or a subcontractor, may not adjust a claim on behalf of an insured, or solicit an insured to file a claim, unless licensed and compliant as a public adjuster under this chapter. However, the contractor may discuss or explain a bid for construction or repair of covered property with the residential property owner who has suffered loss or damage covered by a property insurance policy, or the insurer of such property, if the contractor is doing so for the usual and customary fees applicable to the work to be performed as stated in the contract between the contractor and the insured.

(19) Except as otherwise provided in this chapter, no person, except an attorney at law or a public adjuster, may for money, commission, or any other thing of value, directly or indirectly:

(a) Prepare, complete, or file an insurance claim for an

597-02952-21

20211598c1

insured or a third-party claimant;

(b) Act on behalf of or aid an insured or a third-party claimant in negotiating for or effecting the settlement of a claim for loss or damage covered by an insurance contract;

(c) Advertise for employment as a public adjuster; or

(d) Solicit, advertise, advise, assist, investigate, or adjust a claim on behalf of a public adjuster, an insured, or a third-party claimant.

(20) The department may take administrative actions and impose fines against any persons performing claims adjusting as defined in s. 626.015(6) or any other services as described in this section without the licensure required under this section and s. 626.112.

Section 15. Effective January 1, 2022, subsection (3) of section 626.916, Florida Statutes, is amended, and paragraph (f) is added to subsection (1) of that section, to read:

626.916 Eligibility for export.—

(1) No insurance coverage shall be eligible for export unless it meets all of the following conditions:

(f) The insured has signed or otherwise provided documented acknowledgment of a disclosure in substantially the following form: "You are agreeing to place coverage in the surplus lines market. Coverage may be available in the admitted market. Persons insured by surplus lines carriers are not protected under the Florida Insurance Guaranty Act with respect to any right of recovery for the obligation of an insolvent unlicensed insurer."

(3)(a) Subsection (1) does not apply to wet marine and transportation or aviation risks that ~~which~~ are subject to s.

597-02952-21

20211598c1

626.917.

(b) Paragraphs (1)(a)-(d) do not apply to classes of insurance which are subject to s. 627.062(3)(d)1. These classes may be exportable under the following conditions:

1. The insurance must be placed only by or through a surplus lines agent licensed in this state;

2. The insurer must be made eligible under s. 626.918; and

3. The insured has complied with paragraph (1)(f) ~~must sign a disclosure that substantially provides the following: "You are agreeing to place coverage in the surplus lines market. Superior coverage may be available in the admitted market and at a lesser cost. Persons insured by surplus lines carriers are not protected under the Florida Insurance Guaranty Act with respect to any right of recovery for the obligation of an insolvent unlicensed insurer."~~ If the disclosure notice is signed by the insured, the insured is presumed to have been informed and to know that other coverage may be available, and, with respect to the diligent-effort requirement under subsection (1), there is no liability on the part of, and no cause of action arises against, the retail agent presenting the form.

Section 16. Paragraph (z) of subsection (1) of section 626.9541, Florida Statutes, is amended to read:

626.9541 Unfair methods of competition and unfair or deceptive acts or practices defined.—

(1) UNFAIR METHODS OF COMPETITION AND UNFAIR OR DECEPTIVE ACTS.—The following are defined as unfair methods of competition and unfair or deceptive acts or practices:

(z) Sliding.—Sliding is the act or practice of any of the following:

597-02952-21

20211598c1

1. Representing to the applicant that a specific ancillary coverage or product is required by law in conjunction with the purchase of insurance when such coverage or product is not required.~~+~~

2. Representing to the applicant that a specific ancillary coverage or product is included in the policy applied for without an additional charge when such charge is required.~~+~~

3. Charging an applicant for a specific ancillary coverage or product, in addition to the cost of the insurance coverage applied for, without the informed consent of the applicant.

4. Initiating, effectuating, binding, or otherwise issuing a policy of insurance without the prior informed consent of the owner of the property to be insured.

5. Mailing, transmitting, or otherwise submitting by any means an invoice for premium payment to a mortgagee or escrow agent, for the purpose of effectuating an insurance policy, without the prior informed consent of the owner of the property to be insured. However, this subparagraph does not apply in cases in which the mortgagee or escrow agent is renewing insurance or issuing collateral protection insurance, as defined in s. 624.6085, pursuant to the mortgage or other pertinent loan documents or communications regarding the property.

Section 17. Effective January 1, 2022, subsection (3) of section 626.9741, Florida Statutes, is amended to read:

626.9741 Use of credit reports and credit scores by insurers.—

(3) An insurer must inform an applicant or insured, in the same medium as the application is taken, that a credit report or score is being requested for underwriting or rating purposes.

597-02952-21

20211598c1

The notification to the consumer must include the following language: "The Department of Financial Services offers free financial literacy programs to assist you with insurance-related questions, including how credit works and how credit scores are calculated. To learn more, visit www.MyFloridaCFO.com." An insurer that makes an adverse decision based, in whole or in part, upon a credit report must provide at no charge~~+~~ a copy of the credit report to the applicant or insured or provide the applicant or insured with the name, address, and telephone number of the consumer reporting agency from which the insured or applicant may obtain the credit report. The insurer must provide notification to the consumer explaining the reasons for the adverse decision. The reasons must be provided in sufficiently clear and specific language so that a person can identify the basis for the insurer's adverse decision. Such notification shall include a description of the four primary reasons, or such fewer number as existed, which were the primary influences of the adverse decision. The use of generalized terms such as "poor credit history," "poor credit rating," or "poor insurance score" does not meet the explanation requirements of this subsection. A credit score may not be used in underwriting or rating insurance unless the scoring process produces information in sufficient detail to permit compliance with the requirements of this subsection. It shall not be deemed an adverse decision if, due to the insured's credit report or credit score, the insured continues to receive a less favorable rate or placement in a less favorable tier or company at the time of renewal except for renewals or reunderwriting required by this section.

597-02952-21

20211598c1

Section 18. Subsection (5) of section 626.9953, Florida Statutes, is amended to read:

626.9953 Qualifications for registration; application required.—

(5) An applicant must submit a set of his or her fingerprints to the department and pay the processing fee established under s. 624.501(23) ~~s. 624.501(24)~~. The department shall submit the applicant's fingerprints to the Department of Law Enforcement for processing state criminal history records checks and local criminal records checks through local law enforcement agencies and for forwarding to the Federal Bureau of Investigation for national criminal history records checks. The fingerprints shall be taken by a law enforcement agency, a designated examination center, or another department-approved entity. The department may not approve an application for registration as a navigator if fingerprints have not been submitted.

Section 19. Subsection (1) of section 626.9957, Florida Statutes, is amended to read:

626.9957 Conduct prohibited; denial, revocation, or suspension of registration.—

(1) As provided in s. 626.112, only a person licensed as an insurance agent or customer representative may engage in the solicitation of insurance. A person who engages in the solicitation of insurance as described in s. 626.112(1) without such license is subject to the penalties provided under s. 626.112(10) ~~s. 626.112(9)~~.

Section 20. Subsection (10) of section 627.062, Florida Statutes, is amended to read:

597-02952-21

20211598c1

627.062 Rate standards.—

(10) Any interest paid pursuant to s. 627.70131(7) ~~s. 627.70131(5)~~ may not be included in the insurer's rate base and may not be used to justify a rate or rate change.

Section 21. Section 627.502, Florida Statutes, is amended to read:

627.502 "Industrial life insurance" defined; reporting; prohibition on new policies after a certain date.—

(1) For the purposes of this code, "industrial life insurance" is that form of life insurance written under policies under which premiums are payable monthly or more often, bearing the words "industrial policy" or "weekly premium policy" or words of similar import imprinted upon the policies as part of the descriptive matter, and issued by an insurer that ~~which~~, as to such industrial life insurance, is operating under a system of collecting a debit by its agent.

(2) Every life insurer servicing existing ~~transacting~~ industrial life insurance shall report to the office all annual statement data regarding the exhibit of life insurance, including relevant information for industrial life insurance.

(3) Beginning July 1, 2021, a life insurer may not write a new policy of industrial life insurance.

Section 22. Effective January 1, 2022, section 627.70131, Florida Statutes, is amended to read:

627.70131 Insurer's duty to acknowledge communications regarding claims; investigation.—

(1) (a) Upon an insurer's receiving a communication with respect to a claim, the insurer shall, within 14 calendar days, review and acknowledge receipt of such communication unless

597-02952-21 20211598c1

581 payment is made within that period of time or unless the failure
 582 to acknowledge is caused by factors beyond the control of the
 583 insurer which reasonably prevent such acknowledgment. If the
 584 acknowledgment is not in writing, a notification indicating
 585 acknowledgment shall be made in the insurer's claim file and
 586 dated. A communication made to or by a representative ~~an agent~~
 587 of an insurer with respect to a claim shall constitute
 588 communication to or by the insurer.

589 (b) As used in this subsection, the term "representative"
 590 "~~agent~~" means any person to whom an insurer has granted
 591 authority or responsibility to receive or make such
 592 communications with respect to claims on behalf of the insurer.

593 (c) This subsection does ~~shall~~ not apply to claimants
 594 represented by counsel beyond those communications necessary to
 595 provide forms and instructions.

596 (2) Such acknowledgment must ~~shall~~ be responsive to the
 597 communication. If the communication constitutes a notification
 598 of a claim, unless the acknowledgment reasonably advises the
 599 claimant that the claim appears not to be covered by the
 600 insurer, the acknowledgment must ~~shall~~ provide necessary claim
 601 forms, and instructions, including an appropriate telephone
 602 number.

603 (3) (a) Unless otherwise provided by the policy of insurance
 604 or by law, within 14 ~~10 working~~ days after an insurer receives
 605 proof of loss statements, the insurer shall begin such
 606 investigation as is reasonably necessary unless the failure to
 607 begin such investigation is caused by factors beyond the control
 608 of the insurer which reasonably prevent the commencement of such
 609 investigation.

597-02952-21 20211598c1

610 (b) If such investigation involves a physical inspection of
 611 the property, the licensed adjuster assigned by the insurer must
 612 provide the policyholder with a printed or electronic document
 613 containing his or her name and state adjuster license number.

614 (c) Any subsequent communication with the policyholder
 615 regarding the claim must also include the name and license
 616 number of the adjuster communicating about the claim.
 617 Communication of the adjuster's name and license number may be
 618 included with other information provided to the policyholder.

619 (4) An insurer shall maintain a record or log of each
 620 adjuster who communicates with the policyholder as provided in
 621 paragraphs (3) (b) and (c) and provide a list of such adjusters
 622 to the insured, office, or department upon request.

623 (5) For purposes of this section, the term "insurer" means
 624 any residential property insurer.

625 (6) (a) When providing a preliminary or partial estimate of
 626 damage regarding a claim, an insurer shall include with the
 627 estimate the following statement printed in at least 12-point
 628 bold, uppercase type: THIS ESTIMATE REPRESENTS OUR CURRENT
 629 EVALUATION OF THE COVERED DAMAGES TO YOUR INSURED PROPERTY AND
 630 MAY BE REVISED AS WE CONTINUE TO EVALUATE YOUR CLAIM. IF YOU
 631 HAVE QUESTIONS, CONCERNS, OR ADDITIONAL INFORMATION REGARDING
 632 YOUR CLAIM, WE ENCOURAGE YOU TO CONTACT US.

633 (b) When providing a payment on a claim which is not the
 634 full and final payment for the claim, an insurer shall include
 635 with the payment the following statement printed in at least 12-
 636 point bold, uppercase type: WE ARE CONTINUING TO EVALUATE YOUR
 637 CLAIM INVOLVING YOUR INSURED PROPERTY AND MAY ISSUE ADDITIONAL
 638 PAYMENTS. IF YOU HAVE QUESTIONS, CONCERNS, OR ADDITIONAL

597-02952-21

20211598c1

639 INFORMATION REGARDING YOUR CLAIM, WE ENCOURAGE YOU TO CONTACT
 640 US.

641 (7) (a) (5) (a) Within 90 days after an insurer receives
 642 notice of an initial, reopened, or supplemental property
 643 insurance claim from a policyholder, the insurer shall pay or
 644 deny such claim or a portion of the claim unless the failure to
 645 pay is caused by factors beyond the control of the insurer which
 646 reasonably prevent such payment. Any payment of an initial or
 647 supplemental claim or portion of such claim made 90 days after
 648 the insurer receives notice of the claim, or made more than 15
 649 days after there are no longer factors beyond the control of the
 650 insurer which reasonably prevented such payment, whichever is
 651 later, bears interest at the rate set forth in s. 55.03.
 652 Interest begins to accrue from the date the insurer receives
 653 notice of the claim. The provisions of this subsection may not
 654 be waived, voided, or nullified by the terms of the insurance
 655 policy. If there is a right to prejudgment interest, the insured
 656 shall select whether to receive prejudgment interest or interest
 657 under this subsection. Interest is payable when the claim or
 658 portion of the claim is paid. Failure to comply with this
 659 subsection constitutes a violation of this code. However,
 660 failure to comply with this subsection does not form the sole
 661 basis for a private cause of action.

662 (b) Notwithstanding subsection (5) (4), for purposes of
 663 this subsection, the term "claim" means any of the following:

664 1. A claim under an insurance policy providing residential
 665 coverage as defined in s. 627.4025(1);

666 2. A claim for structural or contents coverage under a
 667 commercial property insurance policy if the insured structure is

597-02952-21

20211598c1

668 10,000 square feet or less; or

669 3. A claim for contents coverage under a commercial tenant
 670 policy if the insured premises is 10,000 square feet or less.

671 (c) This subsection ~~does shall~~ not apply to claims under an
 672 insurance policy covering nonresidential commercial structures
 673 or contents in more than one state.

674 (8) This section also applies to surplus lines insurers and
 675 surplus lines insurance authorized under ss. 626.913-626.937
 676 providing residential coverage.

677 Section 23. Section 627.7031, Florida Statutes, is created
 678 to read:

679 627.7031 Foreign venue clauses prohibited.—After July 1,
 680 2021, a personal residential property insurance policy sold in
 681 this state, insuring only real property located in this state,
 682 may not require an insured to pursue dispute resolution through
 683 litigation, arbitration, or mediation outside this state. This
 684 section also applies to surplus lines insurers and surplus lines
 685 insurance authorized under ss. 626.913-626.937.

686 Section 24. Effective January 1, 2022, section 627.7142,
 687 Florida Statutes, is amended to read:

688 627.7142 Homeowner Claims Bill of Rights.—An insurer
 689 issuing a personal lines residential property insurance policy
 690 in this state must provide a Homeowner Claims Bill of Rights to
 691 a policyholder within 14 days after receiving an initial
 692 communication with respect to a claim, ~~unless the claim follows~~
 693 ~~an event that is the subject of a declaration of a state of~~
 694 ~~emergency by the Governor.~~ The purpose of the bill of rights is
 695 to summarize, in simple, nontechnical terms, existing Florida
 696 law regarding the rights of a personal lines residential

597-02952-21 20211598c1

697 property insurance policyholder who files a claim of loss. The
 698 Homeowner Claims Bill of Rights is specific to the claims
 699 process and does not represent all of a policyholder's rights
 700 under Florida law regarding the insurance policy. The Homeowner
 701 Claims Bill of Rights does not create a civil cause of action by
 702 any individual policyholder or class of policyholders against an
 703 insurer or insurers. The failure of an insurer to properly
 704 deliver the Homeowner Claims Bill of Rights is subject to
 705 administrative enforcement by the office but is not admissible
 706 as evidence in a civil action against an insurer. The Homeowner
 707 Claims Bill of Rights does not enlarge, modify, or contravene
 708 statutory requirements, including, but not limited to, ss.
 709 626.854, 626.9541, 627.70131, 627.7015, and 627.7074, and does
 710 not prohibit an insurer from exercising its right to repair
 711 damaged property in compliance with the terms of an applicable
 712 policy or ss. 627.7011(5)(e) and 627.702(7). The Homeowner
 713 Claims Bill of Rights must state:

HOMEOWNER CLAIMS

BILL OF RIGHTS

717 This Bill of Rights is specific to the claims process
 718 and does not represent all of your rights under
 719 Florida law regarding your policy. There are also
 720 exceptions to the stated timelines when conditions are
 721 beyond your insurance company's control. This document
 722 does not create a civil cause of action by an
 723 individual policyholder, or a class of policyholders,
 724 against an insurer or insurers and does not prohibit
 725 an insurer from exercising its right to repair damaged

597-02952-21 20211598c1

726 property in compliance with the terms of an applicable
 727 policy.
 728
 729 YOU HAVE THE RIGHT TO:
 730 1. Receive from your insurance company an
 731 acknowledgment of your reported claim within 14 days
 732 after the time you communicated the claim.
 733 2. Upon written request, receive from your
 734 insurance company within 30 days after you have
 735 submitted a complete proof-of-loss statement to your
 736 insurance company, confirmation that your claim is
 737 covered in full, partially covered, or denied, or
 738 receive a written statement that your claim is being
 739 investigated.
 740 3. Within 90 days, subject to any dual interest
 741 noted in the policy, receive full settlement payment
 742 for your claim or payment of the undisputed portion of
 743 your claim, or your insurance company's denial of your
 744 claim.
 745 4. Receive payment of interest, as provided in s.
 746 627.70131, Florida Statutes, from your insurance
 747 company, which begins accruing from the date your
 748 claim is filed if your insurance company does not pay
 749 full settlement of your initial, reopened, or
 750 supplemental claim or the undisputed portion of your
 751 claim or does not deny your claim within 90 days after
 752 your claim is filed. The interest, if applicable, must
 753 be paid when your claim or undisputed portion of your
 754 claim is paid.

597-02952-21

20211598c1

755 5. Free mediation of your disputed claim by the
 756 Florida Department of Financial Services, Division of
 757 Consumer Services, under most circumstances and
 758 subject to certain restrictions.

759 ~~6.5-~~ Neutral evaluation of your disputed claim,
 760 if your claim is for damage caused by a sinkhole and
 761 is covered by your policy.

762 ~~7.6-~~ Contact the Florida Department of Financial
 763 Services, Division of Consumer Services' toll-free
 764 helpline for assistance with any insurance claim or
 765 questions pertaining to the handling of your claim.
 766 You can reach the Helpline by phone at...(toll-free
 767 phone number)..., or you can seek assistance online at
 768 the Florida Department of Financial Services, Division
 769 of Consumer Services' website at...(website
 770 address)....

771
 772 YOU ARE ADVISED TO:

773 1. Contact your insurance company before entering
 774 into any contract for repairs to confirm any managed
 775 repair policy provisions or optional preferred
 776 vendors.

777 2. Make and document emergency repairs that are
 778 necessary to prevent further damage. Keep the damaged
 779 property, if feasible, keep all receipts, and take
 780 photographs or video of damage before and after any
 781 repairs to provide to your insurer.

782 3. Carefully read any contract that requires you
 783 to pay out-of-pocket expenses or a fee that is based

Page 27 of 31

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

597-02952-21

20211598c1

784 on a percentage of the insurance proceeds that you
 785 will receive for repairing or replacing your property.

786 4. Confirm that the contractor you choose is
 787 licensed to do business in Florida. You can verify a
 788 contractor's license and check to see if there are any
 789 complaints against him or her by calling the Florida
 790 Department of Business and Professional Regulation.
 791 You should also ask the contractor for references from
 792 previous work.

793 5. Require all contractors to provide proof of
 794 insurance before beginning repairs.

795 6. Take precautions if the damage requires you to
 796 leave your home, including securing your property and
 797 turning off your gas, water, and electricity, and
 798 contacting your insurance company and provide a phone
 799 number where you can be reached.

800 Section 25. Paragraph (a) of subsection (1) and subsection
 801 (6) of section 631.57, Florida Statutes, are amended to read:
 802 631.57 Powers and duties of the association.—

803 (1) The association shall:

804 (a)1. Be obligated to the extent of the covered claims
 805 existing:

806 a. Prior to adjudication of insolvency and arising within
 807 30 days after the determination of insolvency;

808 b. Before the policy expiration date if less than 30 days
 809 after the determination; or

810 c. Before the insured replaces the policy or causes its
 811 cancellation, if she or he does so within 30 days of the
 812 determination.

Page 28 of 31

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

597-02952-21

20211598c1

2. The obligation under subparagraph 1. includes ~~only~~ the amount of each covered claim which is ~~in excess of \$100 and is~~ less than \$300,000, except that policies providing coverage for homeowner's insurance ~~must~~ shall provide for an additional \$200,000 for the portion of a covered claim which relates only to the damage to the structure and contents.

3.a. Notwithstanding subparagraph 2., the obligation under subparagraph 1. for policies covering condominium associations or homeowners' associations, which associations have a responsibility to provide insurance coverage on residential units within the association, includes ~~shall include~~ that amount of each covered property insurance claim which is less than \$200,000 multiplied by the number of condominium units or other residential units; however, as to homeowners' associations, this sub-subparagraph applies only to claims for damage or loss to residential units and structures attached to residential units.

b. Notwithstanding sub-subparagraph a., the association has no obligation to pay covered claims that are to be paid from the proceeds of bonds issued under s. 631.695. However, the association shall assign and pledge the first available moneys from all or part of the assessments to be made under paragraph (3)(a) to or on behalf of the issuer of such bonds for the benefit of the holders of such bonds. The association shall administer any such covered claims and present valid covered claims for payment in accordance with the provisions of the assistance program in connection with which such bonds have been issued.

4. ~~In no event shall~~ The association may not be obligated to a policyholder or claimant in an amount in excess of the

597-02952-21

20211598c1

obligation of the insolvent insurer under the policy from which the claim arises.

(6) The association may extend the time limits specified in paragraph (1)(a) by up to an additional 60 days ~~or waive the applicability of the \$100 deductible specified in paragraph (1)(a) if the board determines it is that either or both such actions are necessary to facilitate the bulk assumption of obligations.~~

Section 26. Subsection (2) of section 631.904, Florida Statutes, is amended to read:

631.904 Definitions.—As used in this part, the term:

(2) "Covered claim" means an unpaid claim, including a claim for return of unearned premiums, which arises out of, is within the coverage of, and is not in excess of the applicable limits of, an insurance policy to which this part applies, which policy was issued by an insurer and which claim is made on behalf of a claimant or insured who was a resident of this state at the time of the injury. The term "covered claim" includes unpaid claims under any employer liability coverage of a workers' compensation policy limited to the lesser of \$300,000 or the limits of the policy. The term "covered claim" does not include any amount sought as a return of premium under any retrospective rating plan; any amount due any reinsurer, insurer, insurance pool, or underwriting association, as subrogation recoveries or otherwise; or any claim that would otherwise be a covered claim that has been rejected or denied by any other state guaranty fund based upon that state's statutory exclusions, including, but not limited to, those based on coverage, policy type, or an insured's net worth, except this

597-02952-21

20211598c1

871 exclusion from the definition of covered claim does not apply to
872 employers who, prior to April 30, 2004, entered into an
873 agreement with the corporation preserving the employer's right
874 to seek coverage of claims rejected by another state's guaranty
875 fund, ~~or any return of premium resulting from a policy that was~~
876 ~~not in force on the date of the final order of liquidation.~~
877 Member insurers have no right of subrogation against the insured
878 of any insolvent insurer. This provision applies retroactively
879 to cover claims of an insolvent self-insurance fund resulting
880 from accidents or losses incurred prior to January 1, 1994,
881 regardless of the date the petition in circuit court was filed
882 alleging insolvency and the date the court entered an order
883 appointing a receiver.

884 Section 27. Except as otherwise expressly provided in this
885 act, this act shall take effect upon becoming a law.

Sanders, Michelle

From: Stanfield, Meredith <Meredith.Stanfield@myfloridacfo.com>
Sent: Thursday, March 18, 2021 12:24 PM
To: Sanders, Michelle
Cc: Stowers, Austin
Subject: FW: HB 717 Fiscal

Meredith Brock Stanfield

Director of Legislative and Cabinet Affairs

Office of Chief Financial Officer Jimmy Patronis

Florida Department of Financial Services

(o): 850-413-2890 (c): 850-509-2753

Meredith.Stanfield@myfloridacfo.com

[Download CFO Patronis' Hurricane Financial Preparedness Toolkit](#)



Please note that Florida has a broad public records law. Most written communications to or from state officials regarding state business are considered to be public records and will be made available to the public and the media upon request. Therefore, your e-mail message may be subject to public disclosure.

From: Stanfield, Meredith

Sent: Tuesday, March 9, 2021 9:09 AM

To: Topp, Bruce <Bruce.Topp@LASPBS.STATE.FL.US>; Lee, Christopher <Christopher.Lee@LASPBS.STATE.FL.US>

Cc: Stowers, Austin <Austin.Stowers@myfloridacfo.com>; Thomas, Greg <Greg.Thomas@myfloridacfo.com>

Subject: RE: HB 717 Fiscal

Bruce and Chris –

A note on administrative fees: Administrative fines could potentially increase for violations of section 624.307, F.S., and section 626.112, F.S. That is, fees against adjusting firms may increase however, the increase may be offset by a simultaneous decrease in fines against individual adjusters, as we will now be able to address the firm instead of the individual.

I hope this is helpful! Please let me know if you have any questions or need more information.

Meredith Brock Stanfield

Director of Legislative and Cabinet Affairs

Office of Chief Financial Officer Jimmy Patronis

Florida Department of Financial Services

(o): 850-413-2890 (c): 850-509-2753

Meredith.Stanfield@myfloridacfo.com

[Download CFO Patronis' Hurricane Financial Preparedness Toolkit](#)



Please note that Florida has a broad public records law. Most written communications to or from state officials regarding state business are considered to be public records and will be made available to the public and the media upon request. Therefore, your e-mail message may be subject to public disclosure.

From: Stanfield, Meredith

Sent: Tuesday, March 9, 2021 8:44 AM

To: Topp, Bruce <Bruce.Topp@LASPBS.STATE.FL.US>; Lee, Christopher <Christopher.Lee@LASPBS.STATE.FL.US>

Cc: Stowers, Austin <Austin.Stowers@myfloridacfo.com>; Thomas, Greg <Greg.Thomas@myfloridacfo.com>

Subject: HB 717 Fiscal

Bruce and Chris –

Good morning! I would like to update our estimated fiscal on CS/HB 717 based on changes that we made in the Committee Substitute to remove a potential fiscal impact regarding public adjusting firm licensing fees. Currently, the Department does not license public adjusting firms and, accordingly, does not receive revenue from those fees. The stated fiscal in our bill analysis will be amended to reflect this change.

Please let me know if you have any questions or need more information. Thank you!

Meredith Brock Stanfield

Director of Legislative and Cabinet Affairs

Office of Chief Financial Officer Jimmy Patronis

Florida Department of Financial Services

(o): 850-413-2890 (c): 850-509-2753

Meredith.Stanfield@myfloridacfo.com

[Download](#) CFO Patronis' Hurricane Financial Preparedness Toolkit



Please note that Florida has a broad public records law. Most written communications to or from state officials regarding state business are considered to be public records and will be made available to the public and the media upon request. Therefore, your e-mail message may be subject to public disclosure.

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/24/21

Meeting Date

1598

Bill Number (if applicable)

917526

Amendment Barcode (if applicable)

Topic Consumer Protection

Name Meredith Stanfield

Job Title Legislative Affairs Director

Address PL 11, The Capitol
Street

Phone (850) 413-2890

Tallahassee FL 32399
City State Zip

Email meredith.stanfield@myfloridacfo.com

Speaking: ☐ For ☐ Against ☐ Information

Waive Speaking: ☒ In Support ☐ Against
(The Chair will read this information into the record.)

Representing CFO Jimmy Patronis

Appearing at request of Chair: ☐ Yes ☐ No

Lobbyist registered with Legislature: ☒ Yes ☐ No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting

S-001 (10/14/14)

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/24/21

Meeting Date

1598

Bill Number (if applicable)

917526

Amendment Barcode (if applicable)

Topic Consumer Protection

Name Tasha Carter

Job Title Insurance Consumer Advocate

Address 200 East Gaines St.
Street

Phone (850) 413-5923

Tallahassee FL 32399
City State Zip

Email YourFLVoice@MyFloridafo.com

Speaking: ☐ For ☐ Against ☐ Information

Waive Speaking: ☒ In Support ☐ Against
(The Chair will read this information into the record.)

Representing Self

Appearing at request of Chair: ☐ Yes ☐ No

Lobbyist registered with Legislature: ☒ Yes ☐ No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/14/14)

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/24/21

Meeting Date

1598

Bill Number (if applicable)

Topic Consumer Protection

Amendment Barcode (if applicable)

Name Meredith Stanfield

Job Title Legislative Affairs Director

Address PL 11, The Capitol

Street

Phone (850) 413-2890

Tallahassee

City

FL

State

32399

Zip

Email meredith.stanfield@myfloridacfo.com

Speaking: ☐ For ☐ Against ☐ Information

Waive Speaking: ☒ In Support ☐ Against
(The Chair will read this information into the record.)

Representing CFO Jimmy Patronis

Appearing at request of Chair: ☐ Yes ☐ No

Lobbyist registered with Legislature: ☒ Yes ☐ No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/24/21

Meeting Date

1598

Bill Number (if applicable)

Topic Consumer Protection

Amendment Barcode (if applicable)

Name Tasha Carter

Job Title Insurance Consumer Advocate

Address 200 East Gaines St.

Phone (850) 413-5923

Street

Tallahassee

City

FL

State

32399

Zip

Email YourFLVoice@MyFloridaCFO.com

Speaking: ☐ For ☐ Against ☐ Information

Waive Speaking: ☒ In Support ☐ Against
(The Chair will read this information into the record.)

Representing Self

Appearing at request of Chair: ☐ Yes ☐ No

Lobbyist registered with Legislature: ☒ Yes ☐ No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

S-001 (10/14/14)

YOU MUST PRINT AND DELIVER THIS FORM TO THE ASSIGNED TESTIMONY ROOM

THE FLORIDA SENATE
APPEARANCE RECORD

3/24/2021

Meeting Date

SB 1598

Bill Number (if applicable)

Topic DFS Consumer Protection

Amendment Barcode (if applicable)

Name Timothy J. Meenan

Job Title Lobbyist

Address PO Box 11247

Phone 8504254000

Street

Tallahassee

FL

32301

Email tim@meenanolawfirm.com

City

State

Zip

Speaking: ☐ For ☐ Against ☐ Information

Waive Speaking: ☒ In Support ☐ Against
(The Chair will read this information into the record.)

Representing NAIFA-FL

Appearing at request of Chair: ☐ Yes ☐ No

Lobbyist registered with Legislature: ☒ Yes ☐ No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/14/14)

THE FLORIDA SENATE
APPEARANCE RECORD

3/24/21

Meeting Date

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1598

Bill Number (if applicable)

Topic Consumer Protection

Amendment Barcode (if applicable)

Name BG Murphy

Job Title Director of Government Affairs

Address 3159 Shamrock St. S.

Phone 863-698-8820

Street

Tallahassee

City

FL

State

32309

Zip

Email bmurphy@fara.com

Speaking: ☐ For ☐ Against ☐ Information

Waive Speaking: ☒ In Support ☐ Against
(The Chair will read this information into the record.)

Representing Florida Association of Insurance Agents

Appearing at request of Chair: ☐ Yes ☒ No

Lobbyist registered with Legislature: ☒ Yes ☐ No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/14/14)

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.)

Prepared By: The Professional Staff of the Appropriations Subcommittee on Agriculture, Environment, and General Government

BILL: CS/SB 1058

INTRODUCER: Environment and Natural Resources Committee and Senator Burgess

SUBJECT: Sanitary Sewer Lateral Inspection Programs

DATE: March 23, 2021

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Anderson	Rogers	EN	Fav/CS
2.	Reagan	Betta	AEG	Recommend: Favorable
3.			AP	

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 1058 authorizes counties and municipalities to access any sanitary sewer lateral within their jurisdictions to investigate, clean, repair, recondition, or replace the sanitary sewer lateral.

The bill adds to and revises the discretionary minimum program requirements for counties and municipalities which establish an evaluation and rehabilitation program for sanitary sewer laterals on residential and commercial properties. For counties and municipalities that identify a defective, damaged, or deteriorated sanitary sewer lateral and initiate a program to eliminate extraneous flow, the bill:

- Requires notice by certified mail, return receipt requested, by the county or municipality to the property owner, specifying that the county or municipality intends to access the owner's property within 14 days to address the sanitary sewer lateral.
- Provides that the county or municipality is responsible for any repair work done on the private property and is required to ensure that the property is restored to at least its pre-work conditions after the repair is complete.
- Requires that the repair work done to a sanitary sewer lateral by a county or municipality provide one continuous monolithic pipe system with connections for the structure, mainline, and cleanout installed and integrated into the continuous monolithic pipe system by a Florida licensed plumber; and be inspected using a lateral launch or similar CCTV camera system conducted by a Pipeline Assessment Certification Program (PACP) and Lateral Assessment and Certification Program (LACP)-certified camera operator.

- Authorizes the county or municipality to consider economical methods to repair or replace a defective, damaged, or deteriorated sanitary sewer lateral.

The county or municipality may use state or local funds allocated for the purpose of environmental preservation or the protection of water quality for a sanitary sewer lateral program.

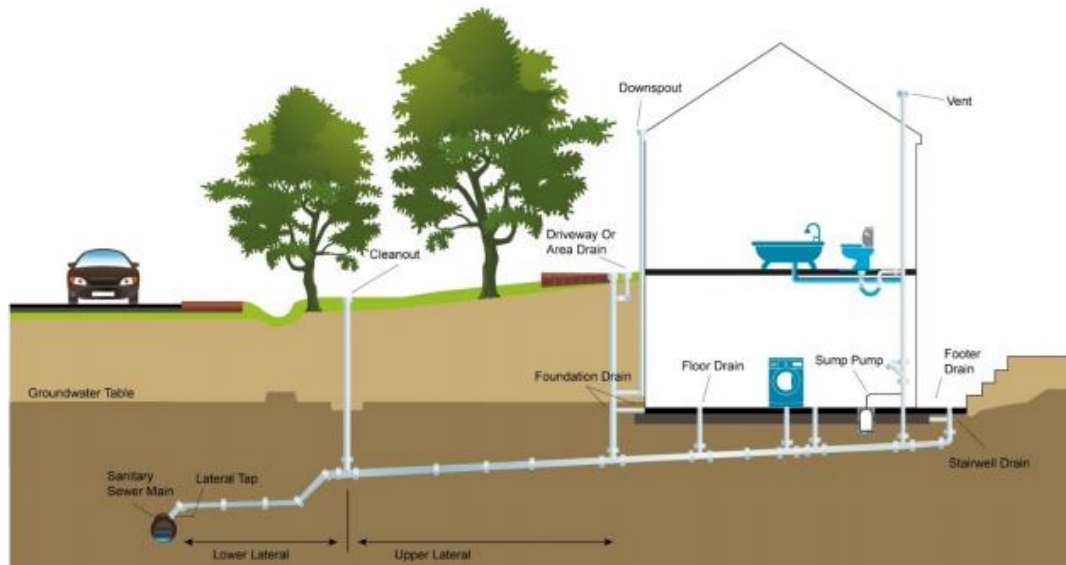
The bill does not have a fiscal impact on state government.

The bill is effective July 1, 2021.

II. Present Situation:

Sanitary Sewer Laterals

A private sanitary sewer lateral is an underground pipe that connects private plumbing systems to a public sewer network,¹ to convey wastewater from homes and businesses to wastewater treatment plants.² The diagram below shows an example of a sanitary sewer lateral configuration.³



Sanitary sewer laterals are often in poor condition and defects can occur due to aging systems, structural failure, lack of maintenance, or poor construction and design practices.⁴ Problems in

¹ See State of Florida Department of Environmental Protection, *Design and Specifications Guidelines for Low Pressure Sewer Systems* at xi, available at https://floridadep.gov/sites/default/files/guide_lowpres.pdf (last visited Mar. 1, 2021).

² Water Environment Federation, *Sanitary Sewers* (May 2011), available at <https://www.wef.org/globalassets/assets-wef/3---resources/topics/a-n/collection-systems/technical-resources/ss-fact-sheet-with-wider-margins-1.pdf> (last visited Mar. 1, 2021).

³ Water Environment Federation, *Sanitary Sewer Rehabilitation Fact Sheet*, available at <https://www.wef.org/globalassets/assets-wef/direct-download-library/public/03---resources/wsec-2017-fs-009---csc---sewer-rehabilitation---final---9.27.17.pdf> (last visited Mar. 1, 2021).

⁴ *Id.*

sanitary sewer laterals can have a significant impact on the performance of the sewer system and treatment plant and can account for half of the infiltration and inflow to sanitary sewers.⁵ Cracked or broken laterals can allow groundwater and infiltrating rainwater to enter into the sewer system which, at high levels, can cause problems at the treatment facility or overload the sewers and cause sanitary sewer overflows.⁶

The Florida Building Code requires every building in which plumbing fixtures are installed to be connected to a publicly or investor-owned sewage system, or if none is available, then to an approved onsite sewage treatment and disposal system.⁷

There are no statewide requirements for inspections of sanitary sewer laterals. Generally, local governments are responsible for maintaining sewer mains and the portions of sewer laterals in public rights-of-way,⁸ but the property owner is responsible for the maintenance and repair of a sanitary sewer lateral on the person's private property.⁹

Sanitary Sewer Lateral Inspection Programs for Counties and Municipalities

A sanitary sewer lateral is defined in Florida law as “a privately owned pipeline connecting a property to the main sewer line, which is maintained and repaired by the property owner.”¹⁰

Chapter 2020-158, Laws of Florida, encouraged counties and municipalities to establish an evaluation and rehabilitation program, by July 1, 2022, for sanitary sewer laterals on residential and commercial properties within the county's jurisdiction to identify and reduce extraneous flow from leaking sanitary sewer laterals.¹¹ Counties and municipalities that opt to establish such a program are authorized to do the following:

- Establish a system to identify defective, damaged, or deteriorated sanitary sewer laterals on residential and commercial properties within the jurisdiction of the county;
- Consider economical methods for a property owner to repair or replace a defective, damaged, or deteriorated sanitary sewer lateral; and
- Establish and maintain a publicly accessible database to store information concerning properties where a defective, damaged, or deteriorated sanitary sewer lateral has been identified. For each property, the database must include, but is not limited to, the address of the property, the names of any persons the county notified concerning the faulty sanitary sewer lateral, and the date and method of such notification.¹²

III. Effect of Proposed Changes:

The bill amends ss. 125.569 and 166.0481, F.S., relating to counties and municipalities, respectively. The bill makes the following changes to both sections of law.

⁵ *Id.*

⁶ U.S. Environmental Protection Agency, *Private Sewer Laterals* (Jun. 2014), available at <https://www3.epa.gov/region1/sso/pdfs/PrivateSewerLaterals.pdf> (last visited Mar. 1, 2021).

⁷ Chapter 7, § 701.2 Florida Building Code – Plumbing 6th Edition (July 2017).

⁸ See, e.g., *Sewer Laterals*, http://www.beachapedia.org/Sewer_Laterals (last visited Mar. 1, 2021).

⁹ Sections 125.569 and 166.0481, F.S.

¹⁰ Chapter 2020-150, Laws of Fla.

¹¹ Sections 125.569 and 166.0481, F.S.

¹² *Id.*

The bill defines the term “continuous monolithic pipe system” to mean a pipe system with no joints or seams anywhere, including all points where it connects to the structure, the mainline, and the cleanout.

The bill authorizes counties and municipalities to access any sanitary sewer lateral within its jurisdiction to investigate, clean, repair, recondition, or replace the sanitary sewer lateral.

The bill deletes the deadline by which counties are encouraged to establish a sanitary sewer lateral evaluation and rehabilitation program.

The bill adds to and revises the discretionary minimum program requirements for counties and municipalities that establish an evaluation and rehabilitation program for sanitary sewer laterals on residential and commercial properties. For a county or municipality that identifies a defective, damaged, or deteriorated sanitary sewer lateral and initiates a program to eliminate extraneous flow, the bill:

- Requires the county or municipality to notify the property owner of the issue by certified mail, return receipt requested. The notice must specify that the county or municipality intends to access the owner’s property within 14 days after receiving the notice to address the defective, damaged, or deteriorated sanitary sewer lateral. The notice must identify the issue, inform the property owner that he or she will be indemnified and held harmless in the repair process, and provide a proposed timeline and plan for the duration of the project, including start and completion dates.
- Provides that the county or municipality is responsible for any repair work done on the private property. The bill requires the county or municipality to ensure that the property is restored to at least its pre-work conditions after the repair is complete if it is necessary to disrupt the property to access the sanitary sewer lateral.
- Requires that the repair work done to a sanitary sewer lateral by a county or municipality meets the following requirements:
 - Provide one continuous monolithic pipe system with connections for the structure, mainline, and cleanout installed and integrated into the continuous monolithic pipe system by a Florida licensed plumber; and
 - Be inspected using a lateral launch or similar CCTV camera system conducted by a Pipeline Assessment Certification Program (PACP) and Lateral Assessment and Certification Program (LACP)-certified camera operator. The contractor must produce and provide the county or municipality with a PACP- and LACP-certified report describing the conditions of the continuous monolithic pipe system and the connections to the main sewer pipe and structure.
- Authorizes the county or municipality to consider economical methods for the county or municipality, rather than the homeowner, to repair or replace a defective, damaged, or deteriorated sanitary sewer lateral.

The bill authorizes the county or municipality to use state or local funds allocated for the purpose of environmental preservation or the protection of water quality for a sanitary sewer lateral program.

The bill takes effect on July 1, 2021.

IV. Constitutional Issues:**A. Municipality/County Mandates Restrictions:**

The bill adds discretionary requirements to the evaluation and rehabilitation program that counties and municipalities may establish for sanitary sewer laterals. The bill is not a mandate because it does not require the expenditure of funds for the program.

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:

None.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 125.569 and 166.0481.

IX. Additional Information:

- A. **Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Environment and Natural Resources on March 15, 2021:

- Revises the notice requirement to require notice by certified mail, return receipt requested.
- Clarifies that state or local funds can be used for the protection of water quality.
- Deletes the deadline by which counties are encouraged to establish a sanitary sewer lateral evaluation and rehabilitation program.

- B. **Amendments:**

None.

By the Committee on Environment and Natural Resources; and
Senator Burgess

592-02885-21

20211058c1

A bill to be entitled

An act relating to sanitary sewer lateral inspection programs; amending ss. 125.569 and 166.0481, F.S.; defining the term "continuous monolithic pipe system"; authorizing counties and municipalities, respectively, to access sanitary sewer laterals within their jurisdiction for specified purposes; requiring counties and municipalities to notify private property owners within a specified timeframe if the county or municipality intends to access the owner's sanitary sewer lateral; providing that counties and municipalities that establish programs are legally and financially responsible for all work done; requiring counties and municipalities that establish programs to consider economical methods for the counties and municipalities, rather than the property owners, to complete such work; authorizing a program established by a county or a municipality to evaluate and rehabilitate sanitary sewer laterals on residential and commercial properties to use state or local funds allocated for environmental preservation or the protection of water quality; providing an effective date.

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

Section 1. Section 125.569, Florida Statutes, is amended to read:
125.569 County sanitary sewer lateral inspections

Page 1 of 6

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

592-02885-21

20211058c1

~~inspection programs for counties.-~~

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

(a) "Sanitary sewer lateral" means a privately owned pipeline connecting a property to the main sewer line which is maintained and repaired by the property owner.

(b) "Continuous monolithic pipe system" means a pipe system with no joints or seams anywhere, including all points where it connects to the structure, the mainline, and the cleanout.

(2) A county may access any sanitary sewer lateral within its jurisdiction to investigate, clean, repair, recondition, or replace the sanitary sewer lateral.

(3) By July 1, 2022, Each county is encouraged to establish an evaluation and rehabilitation program for sanitary sewer laterals on residential and commercial properties within the county's jurisdiction to identify and reduce extraneous flow from leaking sanitary sewer laterals. At a minimum, the program may do all of the following:

(a) Establish a system to identify defective, damaged, or deteriorated sanitary sewer laterals on residential and commercial properties within the jurisdiction of the county. If a county identifies a defective, damaged, or deteriorated sanitary sewer lateral and initiates a program to eliminate extraneous flow, the county:

1. Shall notify the property owner of the issue by certified mail, return receipt requested. The notice must specify that within 14 days after receiving the notice, the county intends to access the owner's property to address the defective, damaged, or deteriorated sanitary sewer lateral. The notice must identify the issue, inform the property owner that

Page 2 of 6

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

592-02885-21

20211058c1

he or she will be indemnified and held harmless in the repair process, and provide a proposed timeline and plan for the duration of the project, including start and completion dates.

2. Is responsible for any repair work done on the private property. If any disruption of the property is necessary to access the sanitary sewer lateral, the county shall ensure that the property is restored to at least its pre-work conditions after the repair is complete. Any repair work done to a sanitary sewer lateral must meet all of the following requirements:

a. Provide one continuous monolithic pipe system. The connections for the structure, mainline, and cleanout must be installed and integrated into the continuous monolithic pipe system by a Florida-licensed plumber; and

b. Be inspected using a lateral launch or similar CCTV camera system conducted by a Pipeline Assessment Certification Program (PACP)- and Lateral Assessment and Certification Program (LACP)-certified camera operator. The contractor must produce and provide the county with a PACP- and LACP-certified report describing the conditions of the continuous monolithic pipe system and the respective connections to the main sewer pipe and the structure.

(b) Consider economical methods for ~~the county a property owner~~ to repair or replace a defective, damaged, or deteriorated sanitary sewer lateral.

(c) Establish and maintain a publicly accessible database to store information concerning properties where a defective, damaged, or deteriorated sanitary sewer lateral has been identified. For each property, the database must include, but is not limited to, the address of the property, the names of any

592-02885-21

20211058c1

persons the county notified concerning the faulty sanitary sewer lateral, and the date and method of such notification.

(d) Use state or local funds allocated for the purpose of environmental preservation or the protection of water quality.

Section 2. Section 166.0481, Florida Statutes, is amended to read:

166.0481 Municipal sanitary sewer lateral inspections ~~inspection programs for municipalities.~~

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

(a) "Sanitary sewer lateral" means a privately owned pipeline connecting a property to the main sewer line which is maintained and repaired by the property owner.

(b) "Continuous monolithic pipe system" means a pipe system with no joints or seams anywhere, including all points where it connects to the structure, the mainline, and the cleanout.

(2) A municipality may access any sanitary sewer lateral within its jurisdiction to investigate, clean, repair, recondition, or replace the sanitary sewer lateral.

(3) ~~By July 1, 2022,~~ Each municipality is encouraged to establish an evaluation and rehabilitation program for sanitary sewer laterals on residential and commercial properties within the municipality's jurisdiction to identify and reduce extraneous flow from leaking sanitary sewer laterals. At a minimum, the program may do all of the following:

(a) Establish a system to identify defective, damaged, or deteriorated sanitary sewer laterals on residential and commercial properties within the jurisdiction of the municipality. If a municipality identifies such a defective, damaged, or deteriorated sanitary sewer lateral and initiates a

592-02885-21

20211058c1

program to eliminate extraneous flow, the municipality:

1. Shall notify the property owner of the issue by certified mail, return receipt requested. The notice must specify that within 14 days after receiving the notice, the municipality intends to access the owner's property to address the defective, damaged, or deteriorated sanitary sewer lateral. The notice must identify the issue, inform the property owner that he or she will be indemnified and held harmless in the repair process, and provide a proposed timeline and plan for the duration of the project, including start and completion dates.

2. Is responsible for any repair work done on the private property. If any disruption of the property is necessary to access the sanitary sewer lateral, the municipality must ensure that the property is restored to at least its pre-work conditions after the repair is complete. Any repair work done to a sanitary sewer lateral must meet all of the following requirements:

a. Provide one continuous monolithic pipe system. The connections for the structure, mainline, and cleanout must be installed and integrated into the continuous monolithic pipe system by a Florida-licensed plumber; and

b. Be inspected using a lateral launch or similar CCTV camera system and conducted by a Pipeline Assessment Certification Program (PACP)- and Lateral Assessment and Certification Program (LACP)-certified camera operator. The contractor must produce and provide the county with a PACP- and LACP-certified report stating the conditions of the continuous monolithic pipe system and the respective connections to the main sewer pipe and the structure.

592-02885-21

20211058c1

(b) Consider economical methods for the municipality ~~a property owner~~ to repair or replace a defective, damaged, or deteriorated sanitary sewer lateral.

(c) Establish and maintain a publicly accessible database to store information concerning properties where a defective, damaged, or deteriorated sanitary sewer lateral has been identified. For each property, the database must include, but is not limited to, the address of the property, the names of any persons the municipality notified concerning the faulty sanitary sewer lateral, and the date and method of such notification.

(d) Use state or local funds allocated for the purpose of environmental preservation or the protection of water quality.

Section 3. This act shall take effect July 1, 2021.



The Florida Senate

Committee Agenda Request

To: Senator Ben Albritton, Chair
Committee on Appropriations on Agriculture, Environment, and General Government

Subject: Committee Agenda Request

Date: March 19, 2021

I respectfully request that **Senate Bill #1058**, relating to Sanitary Sewer Lateral Inspection Programs, be placed on the:

- ☐ committee agenda at your earliest possible convenience.
- ☒ next committee agenda.

A handwritten signature in blue ink, appearing to read "Danny", is written over a horizontal line.

Senator Danny Burgess
Florida Senate, District 20

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.)

Prepared By: The Professional Staff of the Appropriations Subcommittee on Agriculture, Environment, and General Government

BILL: CS/SB 976

INTRODUCER: Environment and Natural Resources Committee and Senator Brodeur

SUBJECT: Study of the Little Wekiva River

DATE: March 23, 2021

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Anderson	Rogers	EN	Fav/CS
2.	Reagan	Betta	AEG	Recommend: Favorable
3.			AP	

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 976 requires the Department of Environmental Protection (DEP), in consultation with the St. Johns River Water Management District (SJRWMD), Seminole County, the Fish and Wildlife Conservation Commission (FWCC), and the Department of Transportation (DOT), to conduct a study and issue a report by December 31, 2021, to identify the source of sediment accumulation in the Little Wekiva River and detail improvements to the water quality and ecology of the area which might be achieved by efforts to remove accumulated sediments by appropriate means, restore the natural river channel, remove invasive plants, and implement protective measures. The report must include an estimated cost for each improvement and potential funding sources. The bill authorizes local or state agencies or their contractors to conduct restoration efforts during the study period.

The bill requires the DEP and the SJRWMD to review any permits north of State Road 436 where the Little Wekiva River is identified as the “receiving waters” to assess whether a permittee is in violation of permit conditions, take appropriate action to resolve compliance issues, and remediate any impacts related to sedimentation in the Little Wekiva River and its adjacent wetland habitat.

The bill requires permitting agencies to levy all fines authorized by law commensurate with restoration costs if a permittee or their contractors is found to be in violation of a permit condition for a project that has had an accumulation of sediments or caused ecological harm to the Little Wekiva River.

The DEP has estimated the cost of the study to be approximately \$500,000.

The bill is effective July 1, 2021.

II. Present Situation:

Wekiva River System

The Wekiva River begins at the junction of Wekiwa Spring Run and Rock Springs Run and runs north for 15 miles.¹ It is a Florida and National Scenic and Wild River,² an Outstanding Florida Water,³ and a state designated paddling trail.⁴ The Little Wekiva River, Blackwater Creek, and more than 30 springs contribute their waters to the Wekiva River as it winds its way north.⁵ The Wekiva River Basin is a complex ecological system of rivers, springs, seepage areas, lakes, streams, sinkholes, wetland prairies, hardwood hammocks, pine flatwoods, and sand pine scrub communities.⁶ The superb ecological condition of the Wekiva River Basin supports many species of plant and animal life, some of which are endangered, threatened, or of special concern.⁷

The Little Wekiva River is a tributary to the Wekiva River. It is approximately 15 miles long, and its main stem flows northward from Lake Lawne in Orlando.⁸ Its stream course consists of a combination of channelized ditches, lakes, incised channel reaches and meandering wetland flow until its confluence with the Wekiva River.⁹ According to the 2005 Little Wekiva River Watershed Management Plan, the Little Wekiva River has experienced chronic occurrences of sedimentation from the urbanization of the river's watershed which has overtaxed the conveyance and sediment transport capacity of the river.¹⁰

Wekiva River Protection Act

In 1988, the Florida Legislature passed the Wekiva River Protection Act and declared the Wekiva River Protection Area as a natural resource of state and regional importance.¹¹ The act requires the river's surrounding counties to amend their comprehensive plans and land

¹ Department of Environmental Protection (DEP), *Wekiva River Aquatic Preserve*, <https://floridadep.gov/rcp/aquatic-preserve/locations/wekiva-river-aquatic-preserve> (last visited Feb. 18, 2021).

² National Wild and Scenic Rivers System, *Florida*, <https://www.rivers.gov/florida.php> (last visited Feb. 18, 2021).

³ Section 258.39(30), F.S.; Fla. Admin. Code. R. 62-302.700.

⁴ DEP, *Florida's Designated Paddling Trails*, <https://floridadep.gov/PaddlingTrails> (last visited Feb. 18, 2021).

⁵ DEP, *Wekiva River Aquatic Preserve*, <https://floridadep.gov/rcp/aquatic-preserve/locations/wekiva-river-aquatic-preserve> (last visited Feb. 18, 2021).

⁶ National Wild and Scenic Rivers System, *Wekiva River, Florida*, <https://www.rivers.gov/wekiva.php> (last visited Feb. 18, 2021).

⁷ *Id.*

⁸ Seminole County, *Seminole County Water Atlas*, <http://www.seminole.wateratlas.usf.edu/macro/waterbody.aspx?wbodyid=1013> (last visited Feb. 18, 2021).

⁹ St. Johns River Water Management District (SJRWMD), *Little Wekiva River Watershed Management Plan* (Nov. 2005), available at http://www.orange.wateratlas.usf.edu/upload/documents/Basinreport_LittleWekiva_ExecSumm.pdf.

¹⁰ *Id.* at ES-3.

¹¹ Sections 369.301-369.309, F.S. See 369.307(3), F.S.

development rules to deter wetlands losses, promote protection of wildlife and their habitats, and provide long-term protection for the area.¹² A small portion of the Little Wekiva River Basin is within this protection area, namely the area of the basin that is to the north of State Road 434 and to the west of Markham Woods Road.¹³ The map below shows the Wekiva River Protection Area.¹⁴



Seminole County Little Wekiva River Restoration Project

Seminole County has proposed a project to maintain and restore the Little Wekiva River in a proposed area that is approximately 7,000 linear feet in length and 20 acres.¹⁵ The proposed area is shown in the map below. The project is intended to address excess accumulated sediments and vegetation that are causing the river to expand into the flood plain. Proposed project activities include harvesting invasive plant islands, removing deposited sediments within the river, re-contouring historic meanders, and replanting with beneficial native plant species.¹⁶

Seminole County is leading the project and coordinating with local residents, the St. Johns River Water Management District, the DEP, the FWCC, the DOT, Orange County, the City of Altamonte Springs, United States Representative Stephanie Murphy, Florida Audubon, and the Friends of the Wekiva River.¹⁷

¹² Sections 369.301-369.309, F.S. See SJRWMD, *Little Wekiva River Watershed Management Plan* (Nov. 2005), available at http://www.orange.wateratlas.usf.edu/upload/documents/Basinreport_LittleWekiva_ExecSumm.pdf.

¹³ *Id.*

¹⁴ SJRWMD, *Wekiva River Protection Area*, <https://data-floridaswater.opendata.arcgis.com/maps/edit?content=floridaswater%3A%3Awekiva-river-protection-area-sjrwmd> (last visited Feb. 18, 2021).

¹⁵ *Seminole County, Little Wekiva River Restoration Project* (undated memo) (on file with the Senate Committee on Environment and Natural Resources).

¹⁶ *Id.*

¹⁷ *Id.*

Seminole County estimates that the project will cost \$1,650,000 and is seeking matching funds for the restoration project with local and state partners, the DEP and water management district grants, and local sales tax funding.¹⁸



Environmental Resource Permits

Florida's environmental resource permit (ERP) program regulates activities involving the alteration of surface water flows.¹⁹ An ERP authorizes new development or construction activities to occur in a manner that will prevent flooding, manage surface water, and protect water quality, wetlands, and other surface waters from stormwater pollution.²⁰ Unless specifically exempt or below permitting thresholds, anyone proposing construction of new facilities, such as residential, commercial, governmental or institutional, or anyone proposing work in, on, or over wetlands or other surface waters, must obtain an ERP prior to beginning construction.²¹ Construction requiring an ERP includes dredging or filling; dams, impoundments, docks or other structures; and stormwater management systems.²²

The ERP program is implemented by the DEP, the water management districts, and certain delegated local government programs. The ERP rule criteria are designed to protect water quantity, water quality, and wetland functions. An applicant must:

¹⁸ *Id.*

¹⁹ DEP, *Environmental Resource Permitting Online Help*, <https://floridadep.gov/water/submerged-lands-environmental-resources-coordination/content/environmental-resource-0> (last visited Mar. 2, 2021).

²⁰ St. Johns River Water Management District, *Permitting*, <https://www.sjrwmd.com/permitting/#about-erps> (last visited Mar. 2, 2021).

²¹ *Id.*

²² MyFlorida.com, *Florida's Water Permitting Portal*, <http://flwaterpermits.com/typesofpermits.html> (last visited Mar. 2, 2021).

- Provide reasonable assurance that state water quality standards will not be violated and the activity is not contrary to public interest;
- Demonstrate that the development is not harmful to the water resources or inconsistent with the overall objectives of the appropriate water management district or the DEP; and
- Have a plan for implementing performance-based erosion and sediment control BMPs, which must be installed and maintained in accordance with specified manuals.²³

If wetland or other surface water impacts will occur, mitigation is usually required to offset adverse impacts to wetland or other surface water functions.²⁴ The DEP is authorized to issue administrative penalties under s. 403.121, F.S., for violations of the ERP permitting process.

III. Effect of Proposed Changes:

The bill requires the DEP, in consultation with the St. Johns River Water Management District, Seminole County, the FWCC, and the DOT, to conduct a study and issue a report by December 31, 2021, to identify the source of sediment accumulation in the Little Wekiva River and detail improvements to the water quality and ecology of the area which might be achieved by efforts to remove accumulated sediments by appropriate means, restore the natural river channel, remove invasive plants, and implement protective measures. The report must include an estimated cost for each improvement and potential funding sources.

The bill authorizes local or state agencies or their contractors to conduct restoration efforts during the study period.

The bill requires the DEP and the St. Johns River Water Management District to review any permits north of State Road 436 where the Little Wekiva River is identified as the “receiving waters” to assess whether any permittee is in violation of permit conditions, take appropriate action to resolve compliance issues, and remediate any impacts related to sedimentation in the Little Wekiva River and its adjacent wetland habitat.

The bill requires permitting agencies to levy all fines authorized by law commensurate with restoration costs if a permittee or their contractors is found to be in violation of a permit condition for a project that has had an accumulation of sediments or caused ecological harm to the Little Wekiva River.

The bill takes effect on July 1, 2021.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

²³ Fla. Admin. Code R. 62-330.301 and 62-330.302; *see also* DEP, *Environmental Resource Permit Applicant’s Handbook Volume I (General and Environmental)* (eff. June 1, 2018), available at https://www.swfwmd.state.fl.us/sites/default/files/medias/documents/Applicant_Hanbook_I_-_Combined.pdf.

²⁴ St. Johns River Water Management District, *Permitting*, <https://www.sjrwmd.com/permitting/#about-erps> (last visited Mar. 2, 2021).

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:

None.

C. Government Sector Impact:

The Department of Environmental Protection estimates the cost of the study to be approximately \$500,000.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill creates an undesignated section of law.

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

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

CS by Environment and Natural Resources on March 2, 2021:

- Revises the purpose of the study required under the bill to detail improvements to the water quality and ecology of the Little Wekiva River area which might be achieved by certain efforts.
- Authorizes local or state agencies or their contractors to conduct restoration efforts during the time the study is being completed.
- Requires the DEP and the water management districts to review permits north of State Road 436 where the Little Wekiva River is identified as the receiving waters to assess whether the permittee is in violation of any permit conditions, take appropriate action to resolve compliance issues, and remediate any impacts from sedimentation.
- Authorizes permitting agencies to levy all fines authorized by law commensurate with restoration costs on a permittee or contractors found to be in violation of a permit condition for a project that has had an accumulation of sediments or caused ecological harm to the Little Wekiva River.

B. Amendments:

None.

By the Committee on Environment and Natural Resources; and
Senator Brodeur

592-02336-21

2021976c1

A bill to be entitled

An act relating to a study of the Little Wekiva River; requiring the Department of Environmental Protection, in consultation with the St. Johns River Water Management District, Seminole County, the Fish and Wildlife Conservation Commission, and the Department of Transportation, to conduct a study and issue a report on sediment accumulation and water quality in the Little Wekiva River by a specified date; providing requirements for the report; authorizing local and state entities or their contractors to conduct restoration efforts during the study period; requiring the department and the water management district to review certain permits along the Little Wekiva River; requiring certain enforcement actions to be taken against noncompliant permittees; providing an effective date.

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

Section 1. The Department of Environmental Protection, in consultation with the St. Johns River Water Management District, Seminole County, the Fish and Wildlife Conservation Commission, and the Department of Transportation, shall conduct a study and issue a report by December 31, 2021, to identify the source of sediment accumulation in the Little Wekiva River and detail improvements to the water quality and ecology of the area which might be achieved by efforts to remove accumulated sediments by appropriate means, restore the natural river channel, remove

Page 1 of 2

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

592-02336-21

2021976c1

invasive plants, and implement protective measures. The report must include an estimated cost for each improvement and potential funding sources. Local or state agencies or their contractors may conduct restoration efforts during the study period. The department and the water management district shall immediately review any permits north of S.R. 436 where the Little Wekiva River is identified as the "receiving waters" to assess whether any permittee is in violation of any permit conditions, take appropriate action to resolve any compliance issues, and remediate any impacts related to sedimentation in the Little Wekiva River and its adjacent wetland habitat. If a permittee or their contractors are found to be in violation of any permit condition associated with a project that has had an accumulation of sediments or has been found to have caused ecological harm to the Little Wekiva River, the permitting agencies shall levy all fines authorized by law commensurate with restoration costs.

Section 2. This act shall take effect July 1, 2021.

Page 2 of 2

CODING: Words ~~stricken~~ are deletions; words underlined are additions.



The Florida Senate

Committee Agenda Request

To: Senator Ben Albritton, Chair
Appropriations Subcommittee on Agriculture, Environment, and General Government

Subject: Committee Agenda Request

Date: March 3, 2021

I respectfully request that **Senate Bill 976**, relating to A Study of the Little Wekiva River, be placed on the:

- ☐ committee agenda at your earliest possible convenience.
- ☒ next committee agenda.

A handwritten signature in black ink that reads "Jason Brodeur".

Senator Jason Brodeur
Florida Senate, District 9

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.)

Prepared By: The Professional Staff of the Appropriations Subcommittee on Agriculture, Environment, and General Government

BILL: PCS/CS/SB 1024 (716122)

INTRODUCER: Appropriations Subcommittee on Agriculture, Environment, and General Government; Banking and Insurance Committee; and Senator Brodeur and others

SUBJECT: Increasing Access to Mental Health Care

DATE: March 26, 2021

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Johnson	Knudson	BI	Fav/CS
2.	Sanders	Betta	AEG	Recommend: Fav/CS
3.			AP	

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

PCS/CS/SB 1024 requires the Department of Financial Services (DFS) to submit a report to the Legislature and the Governor regarding complaints submitted by individuals covered by an individual or group health insurance policy or health maintenance organization (HMO) contract about the adequacy of coverage and access to mental health services. The report is due January 31, 2022.

Insurers and HMOs are required to provide insureds and subscribers a direct notice regarding the federal and state coverage requirements for mental health services, as well as contact information for the Division of Consumer Services within the DFS. Insurers and HMOs are also required to make this information available on their website.

The bill will have an insignificant fiscal impact on the DFS that can be absorbed within existing resources.

The bill is effective October 1, 2021.

II. Present Situation:

Mental health is a state of mind characterized by emotional well-being, good behavioral adjustment, relative freedom from anxiety and disabling symptoms, and a capacity to establish

constructive relationships and cope with the ordinary demands and stresses of life.¹ Mental illness refers collectively to all diagnosable mental disorders – health conditions involving significant changes in thinking, emotion or behavior or distress or problems functioning in social, work, or family activities.² In the United States, mental illnesses are common. Nearly one in five U.S. adults, or 51.5 million people, in 2019, were living with a mental illness, which represents 20.6 percent of all U.S. adults.³ Mental illnesses include many different conditions that vary in degree of severity, ranging from mild to moderate to severe. Serious mental illness (SMI) is a mental, behavioral, or emotional disorder resulting in serious functional impairment, which substantially interferes with or limits one or more major life activities.⁴ The burden of mental illnesses is particularly concentrated among those who experience disability due to SMI. In 2019, there were an estimated 13.1 million adults aged 18 or older in the United States with SMI. This number represented 5.2 percent of all U.S. adults. In 2019, among the 13.1 million adults with SMI, 8.6 million (65.5 percent) received mental health treatment in the past year.⁵

Some mental health conditions have been identified as risk factors for developing a substance use disorder.⁶ For example, research suggests that people with mental illness may use drugs or alcohol as a form of self-medication.⁷ In the United States, approximately 8.2 million adults (3.4 percent of all adults) had co-occurring disorders, which is the existence of both a mental health and a substance use disorder.⁸

Mental Health Insurance Coverage in the Private Health Insurance Market

Federal Requirements

Prior to 1996, health insurance coverage for mental illness was generally not as comprehensive as coverage for medical and surgical benefits. In response, Congress enacted the Mental Health Parity Act of 1996⁹ (MHPA), which requires parity of medical and surgical benefits with mental health benefits for annual and aggregate lifetime limits of large group plans.

In 2008, Congress passed the Mental Health Parity and Addiction Equity Act¹⁰ (MHPAEA), which generally applies to large group health plans.¹¹ The MHPAEA expanded parity of coverage to include financial requirements, treatment limitations, and in- and out-of-network coverage if a plan provided coverage for mental illness. The MHPAEA also applies to the

¹ American Psychological Association, APA Dictionary of Psychology, <https://dictionary.apa.org/mental-health> (last visited Feb. 20, 2021).

² American Psychological Association, What is Mental Illness? <https://www.psychiatry.org/patients-families/what-is-mental-illness> (last visited Jan. 30, 2021).

³ National Institute of Mental Health, *Mental Illness*, available at <https://www.nimh.nih.gov/health/statistics/mental-illness.shtml> (last viewed Feb. 20, 2021).

⁴ *Id.*

⁵ *Id.*

⁶ M. Baigent, Managing patients with dual diagnosis in psychiatric practice. *Curr Opin Psychiatry*. 2012;25(3):201-205.

⁷ K. Santucci, Psychiatric disease and drug abuse. *Curr Opin Pediatr*. 2012;24(2):233-237.

⁸ Key Substance Use and Mental Health Indicators in the United States: Results from the 2016 National Survey on Drug Use and Health (Sep. 2017), available at <https://www.samhsa.gov/data/sites/default/files/NSDUH-FFR1-2016/NSDUH-FFR1-2016.pdf> (last viewed Feb. 20, 2021).

⁹ Pub. L. No. 104-204.

¹⁰ Pub. L. No. 110-343.

¹¹ 45 CFR Parts 146 and 147.

treatment of substance use disorders.¹² Like the MHPA, the MHPAEA does not require large groups to provide benefits for mental health or substance use disorders. The MHPAEA contains a cost exemption, which allows a group health plan to receive a waiver, exempting them from some of the key requirements, if the plan demonstrates that costs increased at least one percent because of compliance.¹³

In 2010, the Patient Protection and Affordable Care Act¹⁴ (PPACA) amended the MHPAEA to apply the provisions to individual health insurance coverage. The PPACA mandates that qualified health plans must provide coverage of 10 essential health benefits,¹⁵ including coverage for mental health and substance use disorders for individual and small group qualified health plans. The final rule, implementing these provisions, generally requires health insurers offering health insurance coverage in the individual and small group markets to comply with the requirements of the MHPAEA regulations in order to satisfy the essential health benefit requirement.¹⁶

State Requirements

Section 627.668, F.S., requires insurers and HMOs offering group coverage to make available optional coverage for mental and nervous disorders for an appropriate additional premium that would include specified benefits. Section 627.669, F.S., requires insurers and HMOs offering group coverage to make available optional coverage for substance abuse that would include certain benefits.

Department of Financial Services

The Chief Financial Officer (CFO) is an elected member of the Cabinet, serves as the chief fiscal officer of the State of Florida,¹⁷ is designated as the State Fire Marshal,¹⁸ and is known as the Treasurer.¹⁹ The CFO is the head of the DFS.²⁰ Section 20.121, F.S., establishes the Office of the Insurance Consumer Advocate and numerous divisions within the DFS, including the Division of Consumer Services.

¹² 45 CFR Parts 146 and 160.

¹³ Plans and issuers that make changes to comply with MHPAEA and incur an increased cost of at least two percent in the first year that MHPAEA applies to the plan or coverage or at least one percent in any subsequent plan year may claim an exemption from MHPAEA based on their increased cost. If such a cost is incurred, the plan or coverage is exempt from MHPAEA requirements for the plan or policy year following the year the cost was incurred. The plan sponsors or issuers must notify the plan beneficiaries that MHPAEA does not apply to their coverage. These exemptions last one year. After that, the plan or coverage is required to comply again; however, if the plan or coverage incurs an increased cost of at least one percent in that plan or policy year, the plan or coverage could claim the exemption for the following plan or policy year.

¹⁴ Pub. L. No. 111-148, as amended by Pub. L. No. 111-152.

¹⁵ 45 CFR s. 156.115.

¹⁶ 45 CFR ss. 147.150 and 156.115.

¹⁷ FLA. CONST. art. IV, s. 4.

¹⁸ Section 633.104(1), F.S.

¹⁹ Section 20.121, F.S.

²⁰ Id.

Division of Consumer Services

The Division of Consumer Services (division) of the DFS assists consumers with issues and complaints related to products or services regulated by the DFS or the Office of Insurance (OIR).

The division:

- Receives inquiries and complaints from consumers;
- Prepares and disseminates information as the DFS deems appropriate to inform or assist consumers;
- Provides direct assistance and advocacy for consumers; and
- Reports potential violations of law or applicable rules by a person or entity licensed by the DFS or the OIR to the appropriate division within the DFS or the OIR, as applicable.²¹

A consumer may request assistance from the division regarding coverage questions and concerns, or file a formal complaint by telephone, email, or online.²² An insurer or other entity licensed or issued a certificate of authority by the DFS or the OIR must respond in writing to the division within 20 days after receipt of a written request for information from the division concerning a consumer complaint.²³ The division may impose an administrative penalty on an entity licensed by the DFS or the OIR that fails to respond to the division.²⁴

The division currently tracks and monitors complaint activity using a database known as ServicePoint.²⁵ The division can generate reports, by request, on any entity, individual, line of business, or reason by accessing ServicePoint codes along with the use of key word searches. Individuals requesting reports can request any key words to be used in their report request. The division refers managed care consumer complaints regarding allegations of lack of an adequate provider network to the agency once the division has assisted the individual to the extent of its ability.²⁶

The Office of Insurance Regulation

The OIR regulates insurers, HMOs, and other risk-bearing entities.²⁷ Rates and forms of health insurers and HMOs are subject to prior approval by the OIR.²⁸ The OIR reviews health insurance rates and forms for compliance with state and federal laws, such as the MHPAEA.²⁹ The OIR communicates any violations of MHPAEA to the insurer or HMO. If the insurer or HMO fails to correct the issue, the OIR would refer the issue to the appropriate federal regulator as a possible violation of federal law.³⁰

²¹ Section 624.307(10), F.S.

²² DFS, Division of Consumer Services, *File an insurance complaint*, at <https://www.myfloridacfo.com/Division/Consumers/needourhelp.htm> (last viewed Feb. 24, 2021).

²³ Section 624.307(10)(b), F.S.

²⁴ *Id.*

²⁵ DFS, *2021 Legislative Bill Analysis of SB 1024* (Feb. 25, 2021).

²⁶ *Id.*

²⁷ Section 20.121(3)(a), F.S.

²⁸ Sections 627.410, 627.411, and 627.413, F.S.

²⁹ Office of Insurance Regulation, MHPAEA Compliance Checklist to be Completed by Regulated Entity, <https://www.floir.com/sitedocuments/2021ACAEnhancedAttestation.pdf> (last viewed Feb. 21, 2021).

³⁰ Section 624.26(2), F.S.

III. Effect of Proposed Changes:

Section 1 creates s. 624.36, F.S., to require the DFS to submit a report by January 31, 2022, to the Legislature and the Governor regarding the disposition of complaints relating to access and affordability of mental health services and benefits during the prior calendar year. The report must include all of the following information:

- The total number of complaints received.
- The nature of the complaints; including but not limited to, concerns related to access to providers, facilities, and inpatient or outpatient services; affordability of services. equivalency of mental health benefits with respect to medical and surgical benefits; quality of care; and denial of services.
- The disposition of complaints.
- Any recommendations made by the DFS to the Legislature for ensuring access to and the affordability of mental health services to insureds and subscribers.

Further, the section also requires the DFS to make available on its website a description of mental health benefits required to be made available pursuant to state and federal law for individual and group policies and contracts.

Sections 2 and 3 create ss. 627.4215 and 641.31085, F.S., to require health insurers and HMOs, respectively, to provide direct notices to insureds and subscribers and make information available on their websites. Health insurers and HMOs are required to provide insureds and subscribers an annual direct notice regarding the federal and state requirements for coverage of mental health services, as well as contact information for the DFS' Division of Consumer Services. Further, insurers and HMOs are required to make the same information contained in the written notices available at their respective websites.

Section 4 provides the bill has an effective date of October 1, 2021.

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 written disclosures regarding the state and federal mental health coverage requirements and the contact information for the DFS Consumer Hotline that insurers and HMOs would provide insureds and subscribers may assist insureds and subscribers in understanding their coverage and obtaining mental health services.

C. Government Sector Impact:

Department of Financial Services³¹

The fiscal impact is indeterminate. The Division of Consumer Services of the DFS currently uses a database for monitoring and tracking complaints and generating reports. The DFS may incur insignificant costs associated with producing a complaint report for the prior calendar year and modifying their website to include a description of mental health benefits required to be made available pursuant to state and federal law. These costs can be absorbed within existing resources.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill creates the following section of Florida Statutes: 624.36, 627.4215, and 641.31085.

IX. Additional Information:

- A. Committee Substitute – Statement of Substantial Changes:
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

Recommended CS by Appropriations Subcommittee Agriculture, Environment, and General Government on March 24, 2021:

³¹ See *Supra* note 36.

The CS clarifies health insurers and HMOs shall provide direct versus written notice to insurers and subscribers, respectively, on an annual basis.

CS by Banking and Insurance on March 10, 2021:

The CS:

- Requires the DFS to submit a report to the Legislature and the Governor using information generated from their current complaint database and eliminates the requirement that the Agency for Health Care Administration collaborate on complaint tracking and the issuance of a joint report with the DFS.
- Revises the information that must be included in the DFS report about complaints received from insureds and subscribers relating to the access and affordability of mental health services and benefits.
- Requires the DFS to make available on their website a description of mental health benefits required to be made available pursuant to state and federal laws for individual and group policies and contracts.
- Requires insurers and HMOs to provide written notices to insureds and subscribers, respectively, and information on their website regarding federal and state requirements for coverage of mental health services and contact information for the Division of Consumer Services of the DFS.
- Revises the report due date from January 1, 2022, to January 31, 2022 and the effective date of the bill from July 1, 2021, to October 1, 2021.

B. Amendments:

None.



409972

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/24/2021	.	
	.	
	.	
	.	

Appropriations Subcommittee on Agriculture, Environment, and
General Government (Brodeur) recommended the following:

Senate Amendment (with title amendment)

Delete line 62

and insert:

(2) On an annual basis, an insurer shall provide direct

Delete line 82

and insert:

shall provide direct notice to subscribers which must include a

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



409972

11 And the title is amended as follows:
12 Delete line 14
13 and insert:
14 certain direct notices to insureds or subscribers;

By the Committee on Banking and Insurance; and Senators Brodeur and Rouson

597-02653-21

20211024c1

A bill to be entitled

An act relating to increasing access to mental health care; creating s. 624.36, F.S.; requiring the Department of Financial Services to submit a specified report to the Governor and Legislature by a specified date; specifying the minimum information the report must contain; requiring the department to make certain information available on its website; creating ss. 627.4215 and 641.31085, F.S.; requiring insurers and health maintenance organizations, respectively, to disclose specified information on their websites; requiring insurers and health maintenance organizations, respectively, to annually provide certain written notices to insureds or subscribers; providing an effective date.

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

Section 1. Section 624.36, Florida Statutes, is created to read:

624.36 Coverage of and access to mental health services; complaints; reporting.—

(1) By January 31, 2022, the department shall submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives relating to the disposition of complaints received from insureds and subscribers of insurers or health maintenance organizations regulated by the office relating to the access and affordability of mental health services and benefits during the prior calendar year. At a

597-02653-21

20211024c1

minimum, the report must include all of the following information:

(a) The total number of complaints received.

(b) The nature of complaints, including, but not limited to, concerns related to access to in-network providers or facilities; access to inpatient or outpatient services; availability of specialists; affordability of services; equivalency of mental health benefits with respect to medical and surgical benefits; quality of care; and denial of services, including the types of services denied and the stated reason for the denials.

(c) The disposition of complaints.

(d) Any recommendations made by the department to the Legislature for ensuring access to and the affordability of mental health services to insureds and subscribers.

(2) The department shall make available on its website a description of mental health benefits required to be made available pursuant to s. 627.668 and federal law for individual and group policies and contracts.

Section 2. Section 627.4215, Florida Statutes, is created to read:

627.4215 Disclosures to policyholders; coverage of mental and nervous disorders.—

(1) An insurer shall make all of the following information available on its website:

(a) The federal and state requirements for coverage of mental health services.

(b) Contact information for the Division of Consumer Services of the Department of Financial Services, including a

597-02653-21 20211024c1

59 hyperlink, for consumers to submit inquiries or complaints
 60 relating to insurer or health maintenance organization products
 61 or services regulated by the department or the office.
 62 (2) On an annual basis, an insurer shall provide written
 63 notice to insureds which must include a description of the
 64 federal and state requirements for coverage of mental health
 65 services. Such notice must also include the website address and
 66 statewide toll-free telephone number of the Division of Consumer
 67 Services of the department for receiving and logging complaints.
 68 Section 3. Section 641.31085, Florida Statutes, is created
 69 to read:
 70 641.31085 Disclosures to subscribers; coverage of mental
 71 and nervous disorders.—
 72 (1) A health maintenance organization shall make all of the
 73 following information available on its website:
 74 (a) The federal and state requirements for coverage of
 75 mental health services.
 76 (b) Contact information for the Division of Consumer
 77 Services of the Department of Financial Services, including a
 78 hyperlink, for consumers to submit inquiries or complaints
 79 relating to insurer or health maintenance organization products
 80 or services regulated by the department or the office.
 81 (2) On an annual basis, a health maintenance organization
 82 shall provide written notice to subscribers which must include a
 83 description of the federal and state requirements for coverage
 84 of mental health services. Such notice must also include the
 85 website address and statewide toll-free telephone number of the
 86 Division of Consumer Services of the department for receiving
 87 and logging complaints.

Page 3 of 4

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

597-02653-21 20211024c1

88 Section 4. This act shall take effect October 1, 2021.

Page 4 of 4

CODING: Words ~~stricken~~ are deletions; words underlined are additions.



The Florida Senate

Committee Agenda Request

To: Senator Ben Albritton, Chair
Appropriations Subcommittee on Agriculture, Environment, and General Government

Subject: Committee Agenda Request

Date: March 10, 2021

I respectfully request that **Senate Bill 1024**, relating to the Increasing Access to Mental Health Care, be placed on the:

- ☐ committee agenda at your earliest possible convenience.
- ☒ next committee agenda.

A handwritten signature in black ink that reads "Jason Brodeur".

Senator Jason Brodeur
Florida Senate, District 9

YOU MUST PRINT AND DELIVER THIS FORM TO THE ASSIGNED TESTIMONY ROOM

THE FLORIDA SENATE

APPEARANCE RECORD

3/24/2021

Meeting Date

1024

Bill Number (if applicable)

Topic Access to Mental Health Care

Amendment Barcode (if applicable)

Name Adam Roberts

Job Title Director of Communications

Address 2634 Capital Circle, Building J

Phone (850) 591-9293

Street

Tallahassee

Florida

32308

Email adamr32@apalacheecenter.org

City

State

Zip

Speaking: ☒ For ☐ Against ☐ Information

Waive Speaking: ☐ In Support ☐ Against
(The Chair will read this information into the record.)

Representing Florida Mental Health Advocacy Coalition

Appearing at request of Chair: ☐ Yes ☒ No

Lobbyist registered with Legislature: ☒ Yes ☐ No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/14/14)

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.)

Prepared By: The Professional Staff of the Appropriations Subcommittee on Agriculture, Environment, and General Government

BILL: SB 1470

INTRODUCER: Senator Boyd

SUBJECT: Florida Life and Health Insurance Guaranty Association

DATE: March 23, 2021

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Arnold</u>	<u>Knudson</u>	<u>BI</u>	Favorable
2.	<u>Sanders</u>	<u>Betta</u>	<u>AEG</u>	Recommend: Favorable
3.	<u> </u>	<u> </u>	<u>AP</u>	<u> </u>

I. Summary:

SB 1470 makes changes to conform to the Life and Health Insurance Guaranty Association Model Act. An insurance guaranty association ensures that policyholders' paid insurance premiums are protected and outstanding claims are settled, up to limits provided by law, if their insurer is liquidated. The Florida Life and Health Insurance Guaranty Association (FLAHIGA) is the guaranty association for most insurance companies that write life and health insurance or annuities in Florida.

The bill:

- Adds a definition for the term "Moody's Corporate Bond Yield Average."
- Amends the definition of "person" to include "limited liability company" and "governmental body or entity."
- Clarifies that in dealing with an impaired domestic insurer FLAHIGA may assume or reissue covered policies, in addition to guaranteeing and reinsuring the policies.
- Expressly provides that the FLAHIGA has the right to appear or intervene before a court or agency in another state.
- Provides that for purposes of FLAHIGA's standing to appear before any court in this state, FLAHIGA's powers and duties include reissuing or modifying covered policies.
- Provides that FLAHIGA may recover payment of improper claims.
- Authorizes FLAHIGA to join an organization of other state guaranty associations to further the purposes and to carry out the powers and duties of FLAHIGA.
- As to Class A assessments, which pay the FLAHIGA's general administrative expenses, removes the cap of \$250, permits the assessments to be made on a pro rata basis, and allows FLAHIGA's board to credit the assessments against future assessments related to insurer insolvencies.

- Provides that, if an insurer's assessment is deferred because the assessment would endanger the insurer's financial solvency, the insurer must pay the assessment once it regains financial strength.
- Removes the reduced assessment cap for nonprofit annuity insurers that issue policies to educational groups, thus making such insurers subject to the assessment cap for all other annuity insurers.
- Requires FLAHIGA to establish a procedure for removing a member insurer board member if that member insurer becomes impaired or insolvent and establish policies and procedures to address conflicts of interest.

The bill does not impact state revenues or state expenditures.

The bill provides an effective date of July 1, 2021.

II. Present Situation:

Insurer Insolvency

States primarily regulate insurance companies, and the state of domicile serves as the primary regulator for insurers. In Florida, the Office of Insurance Regulation (OIR) licenses and regulates the activities of insurers and other risk-bearing entities.¹ The OIR monitors the solvency of insurers, examines insurers, and takes administrative action, if necessary.

Federal law provides that insurance companies may not file for bankruptcy.² Instead, the state through the Division of Rehabilitation and Liquidation of the Department of Financial Services (DFS) is responsible for rehabilitating or liquidating an insurer.³ If an insurer is found to be insolvent and is ordered to be liquidated by a court, a receiver takes over the insurer under court supervision and processes the assets and liabilities through liquidation. Generally, once an insurance company is liquidated, an insurance guaranty association becomes liable for the policy or contract obligations of the liquidated insurance company. Insurance guaranty funds are designed to protect policyholders of liquidated insurers from financial losses and delays in claim payments, up to limits provided by law. The Florida Legislature has created five guaranty funds.⁴

Florida Life and Health Insurance Guaranty Association

Part III of ch. 631, F.S., governs the powers and duties of the Florida Life and Health Insurance Guaranty Association (association).⁵ The association services covered policies and contracts,

¹ Section 20.121(3), F.S.

² The Bankruptcy Code expressly provides that "a domestic insurance company" may not be the subject of a federal bankruptcy proceeding. 11 U.S.C. s. 109(b)(2). The exclusion of insurers from the federal bankruptcy court process is consistent with federal policy generally allowing states to regulate the business of insurance. *See* 15 U.S.C. ss. 1011- 1012.

³ Sections 631.051 and 631.061, F.S. Chapter 631, F.S., governs the receivership process for insurance companies in Florida.

⁴ See parts II-V of ch. 631, F.S. and s. 440.385, F.S. (The Florida Insurance Guaranty Association, Florida Life and Health Insurance Guaranty Association, Florida Health Maintenance Organization Consumer Assistance Plan, Florida Workers' Compensation Insurance Guaranty Association, and the Florida Self-Insurers Guaranty Association, respectively.)

⁵ In 1979, the Florida Legislature enacted provisions of the National Association of Insurance Commissioners' *Life and Health Insurance Guaranty Association Model Act*,⁵ which created FLAHIGA. Ch. 79-189, L.O.F. The National Association of Insurance Commissioners (NAIC) is a voluntary association of insurance regulators from all 50 states. The NAIC

collects premiums, and pays valid claims.⁶ All insurers authorized to write life insurance policies, health insurance policies, supplemental contracts, and annuity contracts (with exceptions) in Florida are required, as a condition of doing business in this state, to be member insurers of the association.⁷ Currently, the association does not provide coverage for or assess health maintenance organizations.⁸

A policy must meet coverage requirements, and association payments are limited for any one person as follows:

- Life Insurance Death Benefit: \$300,000 per insured life.
- Life Insurance Cash Surrender: \$100,000 per insured life.
- Health Insurance Claims: \$500,000 per insured life; before that date \$300,000 per insured life (took effect January 1, 2020).
- Annuity Cash Surrender: \$250,000 for deferred annuity contracts per contract owner.
- Annuity in Benefit: \$300,000 per contract owner.⁹

Additionally, the association will only cover a policy or contract to the extent that:

- The interest rate on which the policy or contract is based, averaged over the four-year period immediately preceding the date on which the member insurer becomes impaired or insolvent, is less than the Moody's Corporate Bond Yield (averaged for that same four-year period) minus two percentage points; and
- The interest rate on which the policy or contract is based, on and after the date on which the member insurer becomes impaired or insolvent, is less than the Moody's Corporate Bond Yield Average minus three percentage points.¹⁰

The Florida Life and Health Insurance Act does not currently define Moody's Corporate Bond Yield Average and long-term care insurers are not subject to the interest rate cap.¹¹

Section 631.713(3), F.S., excludes all of the following from coverage by the association:

- Any portion or part of a variable life insurance contract or a variable annuity contract that is not guaranteed by a licensed insurer.
- Any portion or part of any policy or contract under which the risk is borne by the policyholder.
- Any policy or contract or part thereof assumed by the failed insurer under a contract of reinsurance, unless assumption certificates were issued.
- Fraternal benefit society products.
- Health maintenance insurance.
- Dental service plan insurance.
- Pharmaceutical service plan insurance.

coordinates regulation and examination of multistate insurers, provides a forum for addressing major insurance issues, and promotes uniform model laws among the states.

⁶ See the association's website available at <https://www.flahiga.org/About> (last viewed Mar. 17, 2021).

⁷ Sections 631.713 and 631.715, F.S.

⁸ Section 631.713(3)(e), F.S.

⁹ Section 631.717(12), F.S., and FLAHIGA, *Frequently Asked Questions*, available at <https://www.flahiga.org/FAQ> (last viewed Mar. 17, 2021).

¹⁰ Section 631.713(2)(n), F.S.

¹¹ *Id.*

- Optometric service plan insurance.
- Ambulance service association insurance.
- Preneed funeral merchandise or service contract insurance.
- Prepaid health clinic insurance.
- Certain federal employees group policies.
- Any annuity contract or group annuity contract that is not issued to and owned by an individual, except to the extent of any annuity benefits guaranteed directly and not through an intermediary to an individual by an insurer under such contract or certificate.

Board of Directors

The board of directors of the association must be composed of not fewer than nine but not more than eleven member insurers.¹² At least one member of the board must be a domestic insurer.¹³ The member insurers elect the members of the board, and the members of the board are subject to the approval of the DFS. In approving or appointing members to the board the DFS must consider whether all member insurers are represented fairly.¹⁴ The members of board have the authority to fill a board vacancy; however, there is no process in law for removing a member of the board when the insurer becomes impaired or insolvent.

Assessments

The association has three operating accounts for purposes of administration and assessments: health insurance, life insurance, and annuity.

The association may impose two classes of assessments: Class A for administrative costs and general expenses and Class B to carry out the powers and duties of the association with regard to an impaired or insolvent domestic insurer.¹⁵ Class A assessments are determined by the board, are made on a non-pro rata basis, and may not exceed \$250 per year per member insurer.¹⁶ Class B assessments are calculated based on the premiums collected by each assessed member insurer on policies or contracts covered for each account in proportion to premiums collected by all assessed member insurers for the three most recent years.

Florida law limits assessments on a member insurer to a maximum of one percent of the insurer's premiums written in the state regarding business covered by the account received during the three calendar years preceding the year in which the assessment is made, divided by three.¹⁷ For long-term care insurer impairments and insolvencies, the total assessment is limited to 0.5 percent of the insurer's premiums written during any one calendar year, and also imposed upon members of the Florida Health Maintenance Organization Consumer Assistance Plan.¹⁸

¹² Section 631.716(1), F.S.

¹³ See Section 624.06, F.S.

¹⁴ Section 631.716(2), F.S.

¹⁵ Section 631.718(2), F.S.

¹⁶ Section 631.718(2)(a), F.S.

¹⁷ Section 631.718(5)(a), F.S.

¹⁸ *Id.*

Currently, there is a cap on assessment of any member insurer that is a nonprofit insurance company which issues annuity contracts or group annuity contracts pursuant to s. 121.35, F.S., or for the benefit of employees of Florida educational institutions. Such nonprofit insurance companies may not be assessed in any one calendar year more than the greater of:

- The amount which the company paid to this state in the previous year as premium tax and corporate tax on the business to which the FLAHIGA statutes apply; or
- 0.1 percent of written premium on such business in this state.¹⁹

Member insurers of the association may offset the amount of an assessment against the insurance premium tax or corporate income tax.²⁰ The credit may be taken in an amount of five percent of the assessments for each of the 20 years following the year in which the assessment was paid.²¹

The FLAHIGA may abate or defer, in whole or in part, the assessment of a member insurer if, in the opinion of the board, payment of the assessment would endanger the ability of the member insurer to fulfill its contractual obligations. In the event an assessment against a member insurer is abated, or deferred in whole or in part, the amount by which such assessment is abated or deferred may be assessed against the other member insurers.²²

Legal Standing and Right of Intervention

The FLAHIGA has standing to appear before any court in this state which has jurisdiction over an impaired or insolvent insurer to which the FLAHIGA is or may become obligated.²³ Such standing extends to all matters germane to the powers and duties of the FLAHIGA, including but not limited to, proposals for reinsuring or guaranteeing the covered policies of the impaired or insolvent insurer and the determination of the covered policies and contractual obligations. While the statute expressly provides the FLAHIGA standing to appear in courts of this state, the statute does not expressly provide the FLAHIGA the right to appear or intervene before a court or agency in another state.

The National Organization of Life and Health Insurance Guaranty Associations

The National Organization of Life and Health Insurance Guaranty Associations (NOLHGA) is a voluntary association comprised of the life and health insurance guaranty associations of all 50 states and the District of Columbia. The NOLHGA assembles a task force of guaranty association officials to address situations where insurers licensed in multiple states are facing insolvency or are declared insolvent. This task force analyzes the companies' policies, ensures that covered claims are paid, and arranges for the transfer of covered policies to another insurer (when possible). This allows the receiver and potential assuming carriers to deal with a single point of contact and contracting instead of having to engage in multiple discussions,

¹⁹ Section 631.718(9), F.S.

²⁰ Section 631.72, F.S.

²¹ Section 631.72(1)(b), F.S.

²² Section 631.718(4), F.S.

²³ Section 631.717(7), F.S.

negotiations, and contracts with a variety of different associations.²⁴ The NOLGHA allocates these expenses²⁵ to affected guaranty associations for payment.²⁶

The National Association of Insurance Commissioners

The National Association of Insurance Commissioners (NAIC) is an association of insurance regulators that coordinates regulation and examination of multistate insurers, provides a forum for addressing major insurance issues, and promotes uniform model laws among the states. In 2017, the NAIC released and updated the Life and Health Insurance Guaranty Association Act.²⁷ The model act is designed to protect policy owners, insureds, beneficiaries, annuitants, payees and assignees against losses (both in terms of payment of claims and continuation of coverage), which might otherwise occur due to an impairment or insolvency of an insurer.

III. Effect of Proposed Changes:

Section 1 amends s. 631.714, F.S., relating to definitions, by defining “Moody’s Corporate Bond Yield Average” to mean the monthly average corporates as published by Moody’s Investors Service, Inc., or similar successor organization. Currently the term is used in s. 631.713(3)(n), F.S., which specifies the types of insurance and portions of insurance contracts to which the chapter does not apply.

The bill expands the current definition of “person” to include any limited liability company or governmental body entity, in addition to any individual, corporation, partnership, association, or voluntary organization.

Section 2 amends s. 631.717, F.S. relating to the powers and duties of the association, to provide FLAHIGA with the right to appear or intervene before a court or agency in another state which has jurisdiction over an impaired or insolvent insurer for which FLAHIGA is or may become obligated, or with jurisdiction over any person or property against whom FLAHIGA may have rights through subrogation or otherwise. This essentially authorizes FLAHIGA to attempt to intervene in and appear before courts and agencies in other states, but Florida law does not govern the courts of agencies of other states and thus this statutory change will not ensure FLAHIGA is able to appear or intervene before such entities.

For purposes of the FLAHIGA’s standing to appear before any court in Florida, the bill expands standing to FLAHIGA’s powers and duties to include reissuing or modifying covered policies.

The bill provides FLAHIGA with the authority to assume or reissue, or cause to be reissued, any or all of the covered policies of an impaired domestic insurer.

²⁴ National Organization of Life & Health, Insurance Guaranty Associations, *About Us*, <https://www.nolhga.com/aboutnolhga/main.cfm/location/whatisnolhga> (last viewed Mar. 17, 2021).

²⁵ *Id.*

²⁶ Section 631.721, F.S.

²⁷ NAIC, *Life and Health Insurance Guaranty Association Model Act 520-1* (1st Quarter 2018) available at: <https://content.naic.org/sites/default/files/inline-files/MDL-520.pdf> (last viewed Mar. 17, 2021).

The bill further provides FLAHIGA with authority to join an organization of state guaranty associations to further the purposes and to carry out the powers and duties of FLAHIGA.

Section 3 amends s. 631.718, F.S., relating to assessments, to provide that Class A assessments may be made on a pro rata basis. Class A assessments made on a pro rata basis may be credited against future Class B assessments, as determined by the board of directors. The bill removes the \$250 cap on Class A assessments.

The bill removes the cap on assessment of any member insurer that is a nonprofit insurance company that issues annuity contracts or group annuity contracts pursuant to s. 121.35, F.S., or for the benefit of employees of Florida educational institutions. Currently, assessments may not exceed the greater of insurer's premium tax and corporate tax payments on insurance subject to ch. 631, F.S., or 0.1 percent of the insurer's written premium on such business in this state. Such companies would still be subject to assessment caps applicable to all member insurers, and the FLAHIGA maintains its ability to abate or defer the assessment of a member insurer if payment of the assessment would put the member insurer at risk of becoming impaired or insolvent.

The bill provides that a member insurer must pay all deferred assessments once the conditions that caused a deferral have been removed or rectified.

Section 4 amends s. 631.721, F.S., relating to FLAHIGA's plan of operation, to provide FLAHIGA with the authority to establish a procedure for removing a member of the board in the event the member insurer becomes impaired or insolvent.

The bill requires FLAHIGA's board of directors to establish policies and procedures for addressing conflicts of interest.

Section 5 provides an effective date of July 1, 2021.

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 removes the \$250 per year limit on Class A assessments against a member insurer, which are used to meet FLAHIGA's administrative costs, general expenses, and expenses related to certain examinations of member insurer that are not impaired or insolvent.

The bill also removes the limit on assessment of any member insurer that is a nonprofit insurance company which issues annuity contracts or group annuity contracts pursuant to s. 121.35, F.S., or for the benefit of employees of Florida educational institutions. Such companies would still be subject to assessment caps applicable to all member insurers.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 631.714, 631.717, 631.718, and 631.721.

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.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

By Senator Boyd

21-01280A-21

20211470__

A bill to be entitled

An act relating to the Florida Life and Health Insurance Guaranty Association; amending s. 631.714, F.S.; defining the term "Moody's Corporate Bond Yield Average"; revising the definition of the term "person"; amending s. 631.717, F.S.; authorizing the association to assume or reissue covered policies of impaired insurers; granting the association the right to appear or intervene before a court or an agency in certain proceedings; authorizing the association to take legal action to recover payment of improper claims; authorizing the association to join an organization of other state guaranty associations for certain purposes; amending s. 631.718, F.S.; revising the calculation of Class A assessments; specifying requirements for repayment of deferred assessments upon removal or rectification of the conditions causing a deferral; deleting a prohibition on certain nonprofit insurance companies being assessed more than a certain amount in a calendar year; amending s. 631.721, F.S.; revising the requirements of the association's plan of operation; providing an effective date.

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

Section 1. Present subsections (8), (9), and (10) of section 631.714, Florida Statutes, are redesignated as subsections (9), (10), and (11), respectively, a new subsection

Page 1 of 5

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

21-01280A-21

20211470__

(8) is added to that section, and present subsection (9) of that section is amended, to read:

631.714 Definitions.—As used in this part, the term:

(8) "Moody's Corporate Bond Yield Average" means the monthly average corporates as published by Moody's Investors Service, Inc., or a similar successor organization.

~~(10)(9)~~ "Person" means any individual, corporation, limited liability company, partnership, association, governmental body or entity, or voluntary organization.

Section 2. Subsections (1) and (7) and paragraph (f) of subsection (13) of section 631.717, Florida Statutes, are amended, and paragraph (h) is added to subsection (13) of that section, to read:

631.717 Powers and duties of the association.—

(1) If a domestic insurer is an impaired insurer, the association may, subject to the approval of the impaired insurer and the department:

(a) Guarantee, assume, reissue, or reinsure, or cause to be guaranteed, assumed, reissued, or reinsured, any or all of the covered policies of the impaired insurer;

(b) Provide such moneys, pledges, notes, guarantees, or other means as are proper to effectuate paragraph (a) and assure payment of the contractual obligations of the impaired insurer pending action under paragraph (a); and

(c) Loan money to the impaired insurer.

(7) The association has ~~shall have~~ standing to appear before any court in this state which has jurisdiction over an impaired or insolvent insurer to which the association is or may become obligated under this part. Such standing extends ~~shall~~

Page 2 of 5

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

21-01280A-21

20211470

~~extend~~ to all matters germane to the powers and duties of the association, including, but not limited to, proposals for reinsuring, reissuing, modifying, or guaranteeing the covered policies of the impaired or insolvent insurer and the determination of the covered policies and contractual obligations. The association has the right to appear or intervene before a court or an agency in another state with jurisdiction over an impaired or insolvent insurer for which the association is or may become obligated or with jurisdiction over any person or property against whom the association may have rights through subrogation or otherwise.

(13) The association may:

(f) Take such legal action as may be necessary to avoid or recover payment of improper claims.

(h) Join an organization of other state guaranty associations to further the purposes and administer the powers and duties of the association.

Section 3. Paragraph (a) of subsection (3) and subsections (4) and (9) of section 631.718, Florida Statutes, are amended to read:

631.718 Assessments.—

(3) (a) The amount of any Class A assessment shall be determined by the board and may be made on a pro rata or non-pro rata basis. If the assessment is made on a pro rata basis, the board may provide that it be credited against future Class B assessments ~~The assessment may not be credited against future insolvency assessments and may not exceed \$250 per member insurer in any one calendar year.~~

(4) The association may abate or defer, in whole or in

21-01280A-21

20211470

part, the assessment of a member insurer if, in the opinion of the board, payment of the assessment would endanger the ability of the member insurer to fulfill its contractual obligations. In the event an assessment against a member insurer is abated, or deferred in whole or in part, the amount by which such assessment is abated or deferred may be assessed against the other member insurers in a manner consistent with the basis for assessments set forth in this section. Once the conditions that caused a deferral have been removed or rectified, the member insurer shall pay all assessments that were deferred pursuant to a repayment plan approved by the association.

~~(9) Notwithstanding any provision to the contrary, no member insurer that is a nonprofit insurance company which issues annuity contracts or group annuity contracts pursuant to s. 121.35, or for the benefit of employees of educational institutions situated in this state may be assessed in any one calendar year an amount greater than the amount which it paid to this state in the previous year as premium tax and corporate tax on the business to which this part applies or 0.1 percent of written premium on such business in this state, whichever is greater.~~

Section 4. Paragraphs (h) and (i) are added to subsection (3) of section 631.721, Florida Statutes, to read:

631.721 Plan of operation.—

(3) The plan of operation shall, in addition to requirements enumerated elsewhere in this part:

(h) Establish a procedure for removing a member insurer director when that member insurer becomes an impaired or insolvent insurer.

21-01280A-21

20211470__

117 (i) Require the board of directors to establish policies
118 and procedures for addressing conflicts of interest.
119 Section 5. This act shall take effect July 1, 2021.



THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

COMMITTEES:

Banking and Insurance, *Chair*
Agriculture
Appropriations Subcommittee on Agriculture,
Environment, and General Government
Appropriations Subcommittee on Transportation,
Tourism, and Economic Development
Criminal Justice
Judiciary

JOINT COMMITTEE:

Joint Legislative Auditing Committee

SENATOR JIM BOYD

21st District

March 16, 2021

Senator Ben Albritton

Appropriations Subcommittee on Agriculture, Environment, and General Government

201 The Capitol

404 S. Monroe Street

Tallahassee, FL 32399

Dear Chairman Albritton:

I respectfully request that SB 1470: Florida Life and Health Insurance Guaranty Association, be scheduled for a hearing in the Appropriations Subcommittee on Agriculture, Environment, and General Government at your earliest convenience.

If I may be of assistance to you on this or any other matter, please do not hesitate to contact me.

Thank you for your consideration of this matter.

Best regards,

A handwritten signature in blue ink, appearing to read "Jim Boyd".

Jim Boyd

cc: Giovanni Betta
Caroline Goodner

REPLY TO:

☐ 717 Manatee Avenue West, Bradenton, Florida 34205 (941) 742-6445

☐ 312 Senate Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5021

Senate's Website: www.flsenate.gov

WILTON SIMPSON
President of the Senate

AARON BEAN
President Pro Tempore

YOU MUST PRINT AND DELIVER THIS FORM TO THE ASSIGNED TESTIMONY ROOM

THE FLORIDA SENATE

APPEARANCE RECORD

3/24/2021

Meeting Date

SB 1470

Bill Number (if applicable)

Topic Florida Life & Health Insurance Guaranty Association

Amendment Barcode (if applicable)

Name Timothy J. Meenan

Job Title Lobbyist

Address PO Box 11247

Phone 8504254000

Street

Tallahassee

FL

32301

Email tim@meenanolawfirm.com

City

State

Zip

Speaking: ☒ For ☐ Against ☐ Information

Waive Speaking: ☐ In Support ☐ Against
(The Chair will read this information into the record.)

Representing Florida Life & Health Insurance Guaranty Association

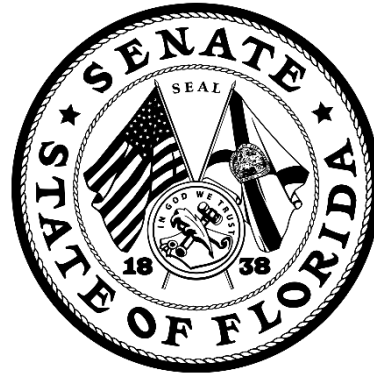
Appearing at request of Chair: ☐ Yes ☐ No

Lobbyist registered with Legislature: ☒ Yes ☐ No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/14/14)



Senate Appropriations Subcommittee on Agriculture, Environment, and General Government

FY 2021-2022 Subcommittee Budget Proposal

Budget Spreadsheet

**Color Key for Budget Spreadsheet
FY 2021-22**

Tan	= Base/Continuation Budget
------------	-----------------------------------

Pink	= Budget Amendments and/or Non-Policy Technical Adjustments
-------------	--

Lavender	= Base Budget Reductions Issues & Fund Shifts
-----------------	--

Light Blue	= Federal Grants/Donations/Other Entity Contracts (state match in-kind, if applicable)
-------------------	---

Light Yellow	= Full Appropriations Committee Decisions - Statewide Issues
---------------------	---

Blue	= Total By Agency
-------------	--------------------------

Orange	Total for Appropriations Subcommittee on the Environment and Natural Resources
---------------	---

Appropriations Subcommittee on Agriculture, Environment, and General Government

			SUBCOMMITTEE RECOMMENDATIONS								
	Issue	Issue Title	FTE	RATE	GR	GR NR	LATF	NR LATF	OTHER TF	ALL FUNDS	
1		AGRIC/CONSUMER SVCS/COMMR (BASE)	3,740.25	162,967,107	103,601,926		102,876,093		1,471,917,888	1,678,395,907	1
2	1601280	CONTINUATION OF BUDGET AMENDMENT EOG #B0514 - ADDITIONAL LICENSING BUDGET AUTHORITY							4,340,000	4,340,000	2
3	1601700	CONTINUATION OF BUDGET AMENDMENT EOG #B0346 - ADDITIONAL FEDERAL GRANTS BUDGET AUTHORITY							400,000	400,000	3
4	2401000	REPLACEMENT EQUIPMENT					2,624,950	2,624,950	2,000,000	4,624,950	4
5	2401500	REPLACEMENT OF MOTOR VEHICLES							1,505,960	1,505,960	5
6	2503080	ADJUSTMENTS TO COST RECOVERY FUNDS - DIRECT BILLING FOR ADMINISTRATIVE HEARINGS							(489)	(489)	6
7	33N0001	REDIRECT RECURRING APPROPRIATIONS TO NON-RECURRING - DEDUCT			(4,624,900)					(4,624,900)	7
8	33N0002	REDIRECT RECURRING APPROPRIATIONS TO NON-RECURRING - ADD			4,624,900	4,624,900				4,624,900	8
9	33V5140	ELIMINATE POULTRY AND EGG PROGRAM	(14.00)	(556,499)					(1,186,665)	(1,186,665)	9
10	3409600	FUND SHIFT GENERAL REVENUE APPROPRIATIONS TO LAND ACQUISITION TRUST FUND - DEDUCT			(24,643,879)					(24,643,879)	10
11	3409610	FUND SHIFT GENERAL REVENUE APPROPRIATIONS TO LAND ACQUISITION TRUST FUND - ADD					24,643,879			24,643,879	11
12	3600PC0	FLORIDA PLANNING, ACCOUNTING, AND LEDGER MANAGEMENT (PALM) READINESS			778,668	778,668				778,668	12
13	36270C0	ACQUISITION OF MICROSOFT OFFICE 365							304,290	304,290	13
14	36280C0	INFORMATION TECHNOLOGY SECURITY ENHANCEMENTS							268,071	268,071	14
15	4900020	TENANT BROKER FUNDING							84,000	84,000	15
16	4900110	HURRICANE BLOCK GRANT							1,500,000	1,500,000	16
17	4900150	LAUREL WILT SURVEY AND MITIGATION PROGRAM							150,000	150,000	17
18	4900180	AG WATER POLICY FEDERAL FUNDING							377,207	377,207	18
19	4900210	GIANT AFRICAN LAND SNAIL ERADICATION PROGRAM							1,356,502	1,356,502	19
20	4900280	FERTILIZER RATE STUDY							2,200,000	2,200,000	20
21	4900700	FLORIDA AGRICULTURE PROMOTION CAMPAIGN			1,000,000	1,000,000				1,000,000	21
22	4900730	FARM SHARE PROGRAM			2,065,091	2,065,091				2,065,091	22
23	4900920	MIAMI-DADE MOSQUITO CONTROL ADULTICIDE PROGRAM			51,600	51,600				51,600	23
24	4901060	INCREASE CONTRACTED SERVICES - EXECUTIVE DIRECTION							220,000	220,000	24
25	4901065	TRANSFER GENERAL REVENUE TO AGRICULTURAL EMERGENCY ERADICATION TRUST FUND			11,900,000	11,900,000				11,900,000	25
26	4901820	VITICULTURE PROGRAM							50,000	50,000	26
27	4901900	OFFICE OF AGRICULTURAL WATER POLICY AGRICULTURAL WATER SUPPLY PLANNING AND CONSERVATION PROGRAM					1,500,000	1,500,000		1,500,000	27
28	4903990	SPECIALTY CROP BLOCK GRANT							200,000	200,000	28
29	4904007	SUPPORT FOR FOOD BANKS			4,395,000	4,395,000				4,395,000	29
30	4906600	CITRUS HEALTH RESPONSE PROGRAM							7,170,713	7,170,713	30
31	4907000	STATE INDUSTRIAL HEMP PROGRAM							832,126	832,126	31
32	4908710	CITRUS RESEARCH							10,500,000	10,500,000	32
33	990E000	ENVIRONMENTAL PROJECTS									33
34	083621	LAKE OKEECHOBEE PROJECTS					4,000,000	4,000,000		4,000,000	34
35	990G000	GRANTS AND AIDS - FIXED CAPITAL OUTLAY									35
36	140039	FAMU - BROOKSVILLE AG AND ENV. RESEARCH			1,600,000	1,600,000					36
37	087125	RESTORE/DEEPWATER HORIZON							450,000	450,000	37

Appropriations Subcommittee on Agriculture, Environment, and General Government

			SUBCOMMITTEE RECOMMENDATIONS								
	Issue	Issue Title	FTE	RATE	GR	GR NR	LATF	NR LATF	OTHER TF	ALL FUNDS	
38	140250	FLA STATE FAIR AUTHORITY			1,000,000	1,000,000				1,000,000	38
39	146556	US DEPT OF ENERGY GRANTS							1,250,000	1,250,000	39
40	990M000	MAINTENANCE AND REPAIR									40
41	083622	FFS ROADS/BRIDGES/MAINTENANCE					3,500,000	3,500,000		3,500,000	41
42	083643	FFS MAIN/REP/CONST-STATEWIDE					1,500,000	1,500,000		1,500,000	42
43	145550	AG EDUCATION AND PROMOTION FACILITIES			6,400,831	6,400,831				6,400,831	43
44		AGRIC/CONSUMER SVCS/COMMR	3,726.25	162,410,608	108,149,237	33,816,090	140,644,922	13,124,950	1,505,889,603	1,753,083,762	44
45		CITRUS, DEPT OF (BASE)	27.00	2,795,635	5,650,000				20,843,506	26,493,506	45
46	330S100	REDUCE NEW VARIETIES PROGRAM			(500,000)					(500,000)	46
47	4900010	CITRUS RECOVERY PROGRAM			12,500,000	12,500,000				12,500,000	47
48	4900020	INCREASE OPERATING CAPITAL OUTLAY							300,000	300,000	48
49	990M000	MAINTENANCE AND REPAIR									49
50	083643	MAIN/REP/CONST-STATEWIDE-CITRUS BUILDING			1,000,000	1,000,000				1,000,000	50
51		CITRUS, DEPT OF	27.00	2,795,635	18,650,000	13,500,000	0	0	21,143,506	39,793,506	51
52		ENVIR PROTECTION, DEPT OF (BASE)	2,917.50	139,459,781	21,599,353		507,686,567		279,534,697	808,820,617	52
53	2000220	REALIGN BUDGET BETWEEN CATEGORIES IN WATER RESOURCE MANAGEMENT - DEDUCT							(10,000)	(10,000)	53
54	2000230	REALIGN BUDGET BETWEEN CATEGORIES IN WATER RESOURCE MANAGEMENT - ADD							10,000	10,000	54
55	2001010	REALIGN BUDGET BETWEEN CATEGORIES WITHIN THE EXECUTIVE DIRECTION PROGRAM - DEDUCT							(150,000)	(150,000)	55
56	2001020	REALIGN BUDGET BETWEEN CATEGORIES WITHIN THE EXECUTIVE DIRECTION PROGRAM - ADD							150,000	150,000	56
57	2503080	ADJUSTMENTS TO COST RECOVERY FUNDS - DIRECT BILLING FOR ADMINISTRATIVE HEARINGS							42,440	42,440	57
58	3300200	REDUCE FUNDING PURSUANT TO AGENCY-WIDE LEASE SAVINGS					(10,000)		(122,090)	(132,090)	58
59	33025C0	REDUCE SUBMERGED AND UPLANDS PUBLIC REVENUE SYSTEM (SUPRS) TECHNOLOGY REFRESH - STATE LANDS							(502,878)	(502,878)	59
60	3300600	ELIMINATE REDUNDANT RESILIENT PLANNING GRANTS			(10,001,563)					(10,001,563)	60
61	33N0001	REDIRECT RECURRING APPROPRIATIONS TO NONRECURRING-DEDUCT			(2,386)					(2,386)	61
62	33N0002	REDIRECT RECURRING APPROPRIATIONS TO NONRECURRING-ADD			2,386	2,386				2,386	62
63	3400500	FUND SHIFT SALARIES AND BENEFITS - DEDUCT							(14,385)	(14,385)	63
64	3400510	FUND SHIFT SALARIES AND BENEFITS - ADD							14,385	14,385	64
65	3400720	FUND SHIFT EXPENSES - DEDUCT					(16,018)		(4,980)	(20,998)	65
66	3400730	FUND SHIFT EXPENSES - ADD							20,998	20,998	66
67	3409600	FUND SHIFT GENERAL REVENUE APPROPRIATIONS TO LAND ACQUISITION TRUST FUND - DEDUCT			(7,951,231)					(7,951,231)	67
68	3409610	FUND SHIFT GENERAL REVENUE APPROPRIATIONS TO LAND ACQUISITION TRUST FUND - ADD					7,951,231			7,951,231	68
69	36103C0	PALM INFORMATION TECHNOLOGY STAFF AUGMENTATION							792,034	792,034	69
70	36220C0	AGENCY WIDE IT CLOUD READY APPLICATIONS							150,002	150,002	70
71	36309C0	STATE REVOLVING FUND SYSTEM - WATER RESTORATION ASSISTANCE							65,000	65,000	71
72	4100170	LOGGERHEAD MARINELIFE CENTER			249,779	249,779				249,779	72
72	4405050	KILROY MONITORING SYSTEM			250,000	250,000				250,000	72
73	4300A90	ESTABLISH ON CALL FEES - LAW ENFORCEMENT							25,902	25,902	73

Appropriations Subcommittee on Agriculture, Environment, and General Government

			SUBCOMMITTEE RECOMMENDATIONS								
	Issue	Issue Title	FTE	RATE	GR	GR NR	LATF	NR LATF	OTHER TF	ALL FUNDS	
74	4300150	INCREASE HAZARDOUS WASTE CLEANUP - OFFICE OF EMERGENCY RESPONSE							150,000	150,000	74
75	4302250	RESILIENT FLORIDA PROGRAM	25.00	1,463,657					9,026,698	9,026,698	75
76	4302260	WASTEWATER GRANT PROGRAM	7.00	420,000					710,752	710,752	76
77	4302280	INCREASE STATE 404 PROGRAM STAFFING	4.00	220,000					381,565	381,565	77
78	4302285	SB 64 - RECLAIMED WATER	9.00	460,743			764,906	40,032		764,906	78
79	4500440	WATER QUALITY IMPROVEMENTS			10,797,614	10,797,614				10,797,614	79
80	4700390	DIESEL EMISSIONS REDUCTION ACT (DERA) GRANT - AIR RESOURCES MANAGEMENT							150,000	150,000	80
81	7000200	CARYSFORT MARINA RESTORATION PROJECT							109,063	109,063	81
82	990D000	DEBT SERVICE									82
83	089070	DEBT SERVICE					(21,552,183)			(21,552,183)	83
84	089080	DEBT SERVICE-SAVE EVERG					8,691			8,691	84
85	089270	DEBT SERVICE							(3,240,996)	(3,240,996)	85
86	990E000	ENVIRONMENTAL PROJECTS									86
87	080083	VOLKSWAGEN SETTLEMENT							30,000,000	30,000,000	87
88	080524	DRY CLEAN/SITE CLEANUP							4,000,000	4,000,000	88
89	086000	WASTE TIRE ABATEMENT							500,000	500,000	89
90	087125	RESTORE/DEEPWATER HORIZON							37,750,000	37,750,000	90
91	087127	NRDR/FINAL - DEEPWATER HOR							500,000	500,000	91
92	087889	PETROLEUM TANKS CLEANUP							61,000,000	61,000,000	92
93	088502	HAZARD WASTE/SITE CLEANUP							3,000,000	3,000,000	93
94	088964	TOTAL MAX DAILY LOADS					20,000,000	20,000,000		20,000,000	94
95	140076	G/A-NPS MGMT PLANNING					5,000,000	5,000,000	12,000,000	17,000,000	95
96	140078	G/A-LOC GOV/NONST ENT-FCO RESILIENT FLOIRDA PLANNING GRANTS							20,000,000	20,000,000	96
97	140122	CLEAN MARINA							500,000	500,000	97
98	140129	DRINK WATER FAC CONSTR-SRL			8,643,080	8,643,080			128,001,478	136,644,558	98
99	140131	WASTEWATER TREAT FAC CONST			10,728,200	10,728,200			200,521,125	211,249,325	99
100	140134	SOLID WASTE MANAGEMENT							3,000,000	3,000,000	100
101	140143	G/A WQI - BISCAYNE BAY					15,000,000	15,000,000		15,000,000	101
102	140200	UF PFAS CONTAMINATED MATERIAL TREATMENT PILOT							1,000,000	1,000,000	102
103	140205	BOCA RATON LEVEL 2 ELECTRIC VEHICLE CHARGING STATION			250,000	250,000				250,000	103
104	140895	G/A-INNOVATIVE TECH					5,000,000	5,000,000		5,000,000	104
105	141117	EVERGLADES RESTORATION					171,229,346	171,229,346		171,229,346	105
106	141118	N EVERGLADES/ESTUARIES PRT					43,211,224	41,510,093		43,211,224	106
107	141132	G/A-REEF PROT/TIRE ABATE							2,500,000	2,500,000	107
108	141138	G/A - ALT WATER SUPPLY					10,000,000	10,000,000		10,000,000	108
109	143276	SMALL CO WASTEWTR TRMT GNT							13,000,000	13,000,000	109
110	149950	G/A-WASTEWATER GRANT PROGRAM							140,389,248	140,389,248	110
111	149936	G/A-WATER QUALITY IMPRVMTS - EVERGLADES					70,000,000	70,000,000		70,000,000	111
112	149945	G/A-WATER QUALITY IMPRVMTS - SPRINGS COAST AND PEACE RIVER BASIN					20,000,000	20,000,000		20,000,000	112
113	141142	G/A - SEPTIC UPGRADE INCENTIVE PROGRAM					10,000,000	10,000,000		10,000,000	113
114	087880	G/A-DAIRY FARM POLLUTANT PILOT PROJECT-OKEECHOBEE BASIN			800,000	800,000				800,000	114
115	087881	G/A-DAIRY FARM POLLUTANT PILOT PROJECT-SUWANNEE BASIN			500,000	500,000				500,000	115
116	990G000	GRANTS AND AIDS - FIXED CAPITAL OUTLAY									116
117	140001	FED LAND/WATER CONSV/GRNTS							13,500,000	13,500,000	117
118	140061	FLORIDA CZM PROGRAM							832,000	832,000	118

Appropriations Subcommittee on Agriculture, Environment, and General Government

			SUBCOMMITTEE RECOMMENDATIONS								
	Issue	Issue Title	FTE	RATE	GR	GR NR	LATF	NR LATF	OTHER TF	ALL FUNDS	
119	140185	NATL REC TRAIL GRANTS							1,500,000	1,500,000	119
120	140017	PONTE VEDRA BEACH NORTH BEACH AND DUNE RESTORATION			250,000	250,000				250,000	120
121	140127	MADIERA BEACH GROIN REHABILITATION			250,000	250,000				250,000	121
122	140002	FRDAP							1,998,100	1,998,100	122
123	140694	LOCAL PARKS			995,000	995,000				995,000	123
124	990L000	LAND ACQUISITION									124
125	082002	LAND ACQUISITION EASEMENTS					50,000,000	50,000,000		50,000,000	125
126	990M000	MAINTENANCE AND REPAIR									126
127	080039	STATE PARK FACILITY IMPROV					18,000,000	18,000,000	12,000,000	30,000,000	127
128	083643	MAIN/REP/CONST-STATEWIDE					716,500	716,500		716,500	128
129	087870	ADDITIONAL SPRINGS RESTORATION FUNDING					25,000,000	25,000,000		25,000,000	129
130	140047	WATER PROJECTS			37,513,744	37,513,744				37,513,744	130
131	99R0000	REDUCTION IN RECURRING FCO									131
132	141118	N EVERGLADES/ESTUARIES PRT			(1,701,131)					(1,701,131)	132
133		ENVIR PROTECTION, DEPT OF	2,962.50	142,024,181	73,172,845	71,229,803	957,990,264	461,495,971	974,780,158	2,005,943,267	133
134		FISH/WILDLIFE CONSERV COMM (BASE)	2,114.50	107,919,593	46,102,912		102,263,865		212,525,561	360,892,338	134
135	2005000	REALIGN CONTRACTUAL SERVICES TO CORRECT CATEGORY - BACK OUT							(150,088)	(150,088)	135
136	2005100	REALIGN CONTRACTUAL SERVICES TO CORRECT CATEGORY - ADD BACK							150,088	150,088	136
137	2401510	REPLACEMENT EQUIPMENT - HEAVY DUTY MOTOR VEHICLES					790,000	790,000		790,000	137
138	2402400	ADDITIONAL EQUIPMENT - MOTOR VEHICLES							459,861	459,861	138
139	2402500	REPLACEMENT EQUIPMENT - BOATS, MOTORS, AND TRAILERS			900,000	900,000				900,000	139
140	2403000	REPLACEMENT OF PATROL VEHICLES			3,100,000	3,100,000				3,100,000	140
141	2503080	ADJUSTMENTS TO COST RECOVERY FUNDS - DIRECT BILLING FOR ADMINISTRATIVE HEARINGS							50,465	50,465	141
142	3409600	FUND SHIFT GENERAL REVENUE APPROPRIATIONS TO LAND ACQUISITION TRUST FUND - DEDUCT			(727,456)					(727,456)	142
143	3409610	FUND SHIFT GENERAL REVENUE APPROPRIATIONS TO LAND ACQUISITION TRUST FUND - ADD					727,456			727,456	143
144	30051C0 3600PC0	STAFF AUGMENTATION TO SUPPORT FLORIDAPALM MIGRATION EFFORTS - INFORMATION TECHNOLOGY							415,360	415,360	144
145	30052C0 3600PC0	SUPPORT FOR FLORIDAPALM MIGRATION EFFORTS							350,000	350,000	145
146	33V0020	REDUCE RED TIDE RESEARCH FUNDING			(2,000,000)					(2,000,000)	146
147	36220C0	AGENCY WIDE IT CLOUD READY APPLICATIONS							483,791	483,791	147
148	36344C0	LAW ENFORCEMENT FIELD OFFICERS LAPTOP COMPUTERS							500,000	500,000	148
149	4400415	BEAR RESISTANT TRASH CAN STRAP PROGRAM			200,000	200,000				200,000	149
150	4400560	HURRICANE IRMA MARINE FISHERIES DISASTER RECOVERY							2,927,209	2,927,209	150
151	4700A40	INCREASE FUNDING FOR DIVISION OF LAW ENFORCEMENT LEAVE PAYOUTS							500,000	500,000	151
152	8106000	NATURAL RESOURCE DAMAGE RESTORATION - DEEPWATER HORIZON OIL SPILL							1,883,278	1,883,278	152
153	8106210	NATIONAL FISH AND WILDLIFE FOUNDATION PROJECTS - APALACHICOLA BAY OYSTER RESTORATION							1,173,955	1,173,955	153
154	8109000	FWRI CONTRACTS AND GRANTS							997,296	997,296	154
155	990G000	GRANTS AND AIDS - FIXED CAPITAL OUTLAY									155

Appropriations Subcommittee on Agriculture, Environment, and General Government

			SUBCOMMITTEE RECOMMENDATIONS								
	Issue	Issue Title	FTE	RATE	GR	GR NR	LATF	NR LATF	OTHER TF	ALL FUNDS	
156	082800	BOATING INFRASTRUCTURE							3,900,000	3,900,000	156
157	140004	ART FISH REEF CONST PROG							600,000	600,000	157
158	140270	FL BOATING IMPROVEMENT PRG							1,877,993	1,877,993	158
159	141113	G/A FINAL NRDR DWH FCO							11,572,020	11,572,020	159
160	990L000	LAND ACQUISITION									160
161	083045	LAND ACQUISITION							4,590,000	4,590,000	161
162	990M000	MAINTENANCE AND REPAIR									162
163	084230	FWRI REPAIRS							1,793,078	1,793,078	163
164	990S000	SPECIAL PURPOSE									164
165	080064	DERELICT VESSEL REMOVAL PG							3,574,194	3,574,194	165
166	140037	JACKSONVILLE ZOO AND GARDENS RIVERFRONT BOARDWALK			200,000	200,000				200,000	166
167	140028	ZOOTAMPA PANTHER MEDICAL AND HABITAT FACILITIES			200,000	200,000				200,000	167
168	140082	G/A MARINE RECOVERY PROGRAM							1,000,000	1,000,000	168
169	084250	RESEARCH LAB REPLACEMENT							630,415	630,415	169
170	087870	SPRINGS RESTORATION							1,028,963	1,028,963	170
171	089801	FTCT-CNTR FOR CONSERVTON							4,620,000	4,620,000	171
172		FISH/WILDLIFE CONSERV COMM	2,114.50	107,919,593	47,975,456	4,600,000	103,781,321	790,000	257,453,439	409,210,216	172
173		BUSINESS/PROFESSIONAL REG (BASE)	1,659.25	75,618,711	1,453,731				163,133,591	164,587,322	173
174	2405000	LAW ENFORCEMENT EQUIPMENT - UTILIZATION OF FORFEITURE FUNDS FROM FEDERAL LAW ENFORCEMENT TRUST FUND							56,710	56,710	174
175	2503080	DIRECT BILLING FOR ADMINISTRATIVE HEARINGS							(4,746)	(4,746)	175
176	33V1870	REDUCE INVESTIGATIVE STAFF IN THE DIVISION OF REAL ESTATE	(2.00)	(65,646)					(106,293)	(106,293)	176
177	33V4550	REDUCTION IN PARI-MUTUEL WAGERING PROGRAM DUE TO THE PASSAGE OF AMENDMENT 13 TO BAN GREYHOUND RACING BY JANUARY 1, 2021	(6.00)	(210,810)					(548,244)	(548,244)	177
178	3301960	REDUCE OTHER PERSONAL SERVICES (OPS) IN THE DIVISION OF REAL ESTATE LEGAL UNIT BASED ON PRIOR YEAR BUDGET REVERSIONS							(30,000)	(30,000)	178
179	3302240	REDUCE LEASE OR LEASE-PURCHASE OF EQUIPMENT							(6,000)	(6,000)	179
180	36255C0	NETWORK AND COMPUTER SECURITY ENHANCEMENTS							293,780	293,780	180
181	3801500	LAW ENFORCEMENT TRAINING - UTILIZATION OF FORFEITURE FUNDS FROM FEDERAL LAW ENFORCEMENT TRUST FUND							108,750	108,750	181
182		BUSINESS/PROFESSIONAL REG	1,651.25	75,342,255	1,453,731	0	0	0	162,897,548	164,351,279	182
183		FINANCIAL SERVICES (BASE)	1,932.50	102,394,352	22,951,751				263,863,983	286,815,734	183
184	1800030	CONSOLIDATE HUMAN RESOURCE POSITIONS TO EXECUTIVE DIRECTION - DEDUCT	(6.00)	(216,562)	(43,241)				(298,724)	(341,965)	184
185	1800040	CONSOLIDATE HUMAN RESOURCE POSITIONS TO EXECUTIVE DIRECTION - ADD	6.00	216,562	43,241				298,724	341,965	185
186	20060C0	COST INCREASE: TRANSFER FLAIR SYSTEM APPROPRIATIONS BETWEEN CATEGORIES - DEDUCT							(324,000)	(324,000)	186
187	20061C0	COST INCREASE: TRANSFER FLAIR SYSTEM APPROPRIATIONS BETWEEN CATEGORIES - ADD							324,000	324,000	187
188	24010C0	INFORMATION TECHNOLOGY INFRASTRUCTURE REPLACEMENT							608,664	608,664	188
189	2401030	REPLACEMENT OF SAFETY EQUIPMENT - BOMB SQUADS							92,000	92,000	189

Appropriations Subcommittee on Agriculture, Environment, and General Government

			SUBCOMMITTEE RECOMMENDATIONS								
	Issue	Issue Title	FTE	RATE	GR	GR NR	LATF	NR LATF	OTHER TF	ALL FUNDS	
190	2402300	ADDITIONAL EQUIPMENT FOR LAW ENFORCEMENT OFFICERS - TASERS							186,000	186,000	190
191	2503080	DIRECT BILLING FOR ADMINISTRATIVE HEARINGS							(48,120)	(48,120)	191
192	3001190	INSURANCE FRAUD - FINANCIAL CRIMES, LEADERSHIP, AND BEST PRACTICES TRAINING FOR LAW ENFORCEMENT PERSONNEL							290,050	290,050	192
193	33N0001	REDIRECT RECURRING TO NONRECURRING - DELETE			(276,365)				(1,163,809)	(1,440,174)	193
194	33N0002	REDIRECT RECURRING TO NONRECURRING - ADD			276,365	276,365			1,163,809	1,440,174	194
195	3400090	FUND SHIFT RESULTING FROM CONSOLIDATION OF HUMAN RESOURCE POSITIONS INTO EXECUTIVE DIRECTION - DEDUCT			(43,241)				(173,627)	(216,868)	195
196	3400100	FUND SHIFT RESULTING FROM CONSOLIDATION OF HUMAN RESOURCE POSITIONS INTO EXECUTIVE DIRECTION - ADD							216,868	216,868	196
197	3600PC0	FLORIDA PLANNING, ACCOUNTING, AND LEDGER MANAGEMENT (PALM) READINESS							1,814,238	1,814,238	197
198	36105C0	FLAIR REPLACEMENT							27,979,267	27,979,267	198
199	36107C0	CONTINUATION: INCREASE RECURRING SUPPORT FOR LOCAL GOVERNMENT ELECTRONIC REPORTING SYSTEM (XBRL) INITIATIVE			318,096					318,096	199
200	36109C0	CONTINUATION: INCREASE RECURRING SUPPORT FOR FINANCIAL TRANSPARENCY							185,000	185,000	200
201	36201C0	COST INCREASE: MAINFRAME DIRECT ACCESS STORAGE DEVICE (DASD) SYSTEM UPGRADE							365,209	365,209	201
202	4000210	AID TO LOCAL GOVERNMENTS - LOCAL GOVERNMENT FIRE SERVICE							2,600,000	2,600,000	202
203	4000080	FIREFIGHTER CANCER INITIATIVE (Senate Form 1884)			1,000,000	1,000,000				1,000,000	203
204	4000430	INCREASE CONTRACTED SERVICES FOR INVESTIGATIONS							335,855	335,855	204
205	4000480	PHARMACEUTICAL PRICE MONITORING SERVICES							125,000	125,000	205
206	4000630	STATE URBAN SEARCH AND RESCUE TRAINING PROGRAM							700,000	700,000	206
207	4000710	ADDITIONAL CONTRACTED MEDICAL SERVICES							105,242	105,242	207
208	4000720	PHARMACY BENEFITS CONTRACT							393,237	393,237	208
209	4000730	FIREFIGHTER DECONTAMINATION KIT MATCH PROGRAM - AID TO LOCAL GOVERNMENTS - MATCH GRANT PROGRAM							250,000	250,000	209
210	4000750	INCREASE CONTRACTED SERVICES BUDGET AUTHORITY							22,000	22,000	210
211	4000760	DIVISION OF RISK MANAGEMENT INCREASE FOR MEDICAL CASE MANAGEMENT							1,095,677	1,095,677	211
212	4000790	CONTRACTED MEDICAL SERVICES CONTRACT INCREASE							227,729	227,729	212
213	4001510	DIVISION OF INSURANCE FRAUD - ADD'L RESOURCES FOR TARGETED INVESTIGATIONS OF CRIMINAL ACTIVITY	13.00	590,926					1,867,657	1,867,657	213
214	990M000	MAINTENANCE AND REPAIR									214
215	080940	ARSON LAB-BLDG REP/MAINT							35,000	35,000	215
216	080990	FIRE COLLEGE-BLDG MAINT							235,000	235,000	216
217	990S000	SPECIAL PURPOSE									217
218	080990	FIRE COLLEGE-BLDG MAINT							250,000	250,000	218
219	990G000	SPECIAL PURPOSE									219

Appropriations Subcommittee on Agriculture, Environment, and General Government

			SUBCOMMITTEE RECOMMENDATIONS								
	Issue	Issue Title	FTE	RATE	GR	GR NR	LATF	NR LATF	OTHER TF	ALL FUNDS	
220	140085	GRANTS AND AIDS TO LOCAL GOVERNMENTS AND NONSTATE ENTITIES - FCO							8,654,262	8,654,262	220
221		FINANCIAL SERVICES	1,945.50	102,985,278	24,226,606	1,276,365	0	0	312,276,191	336,502,797	221
222		Office of Insurance Regulation (BASE)	283.00	15,886,799					32,556,773	32,556,773	222
223		Office of Insurance Regulation	283.00	15,886,799	0	0	0	0	32,556,773	32,556,773	223
224		Office of Financial Regulation (BASE)	354.00	21,185,183					42,897,778	42,897,778	224
225	1800600	LEGAL TEAM REALIGNMENT - LEGAL AND ADMINISTRATIVE POSITIONS WITHIN OFFICE OF FINANCIAL REGULATION - DEDUCT	(28.00)	(1,987,300)					(2,825,982)	(2,825,982)	225
226	1800610	LEGAL TEAM REALIGNMENT - LEGAL AND ADMINISTRATIVE POSITIONS WITHIN OFFICE OF FINANCIAL REGULATION - ADD	28.00	1,987,300					2,825,982	2,825,982	226
227	1800620	TECHNOLOGY SUPPORT - REALIGNMENT OF POSITIONS AND FUNDING WITHIN OFFICE OF FINANCIAL REGULATION - DEDUCT	(4.00)	(250,980)					(361,782)	(361,782)	227
228	1800630	TECHNOLOGY SUPPORT - REALIGNMENT OF POSITIONS AND FUNDING WITHIN OFFICE OF FINANCIAL REGULATION - ADD	4.00	250,980					361,782	361,782	228
229	33V0310	REDUCE CONTRACTED SERVICES IN FINANCE REGULATION							(50,000)	(50,000)	229
230	3400310	FUND SHIFT RESULTING FROM REALIGNMENT OF LEGAL TEAM POSITIONS - DEDUCT		(2,725,757)					(2,774,357)	(2,774,357)	230
231	3400320	FUND SHIFT RESULTING FROM REALIGNMENT OF LEGAL TEAM POSITIONS - ADD		2,725,757					2,774,357	2,774,357	231
232	3400330	FUND SHIFT RESULTING FROM REALIGNMENT OF TECHNOLOGY SUPPORT TEAM POSITIONS - DEDUCT		(354,582)					(361,782)	(361,782)	232
233	3400340	FUND SHIFT RESULTING FROM REALIGNMENT OF TECHNOLOGY SUPPORT TEAM POSITIONS - ADD		354,582					361,782	361,782	233
234		Office of Financial Regulation	354.00	21,185,183	0	0	0	0	42,847,778	42,847,778	234
235		PUBLIC SERVICE COMMISSION (BASE)	271.00	15,828,428					26,933,272	26,933,272	235
236	2503080	DIRECT BILLING FOR ADMINISTRATIVE HEARINGS							(8,142)	(8,142)	236
237		PUBLIC SERVICE COMMISSION	271.00	15,828,428	0	0	0	0	26,925,130	26,925,130	237
238		MANAGEMENT SRVCS, DEPT OF (BASE)	1,064.50	57,307,661	28,928,032				595,261,832	624,189,864	238
239	1602040	REALIGN BUDGET AUTHORITY FROM CONTRACTED SERVICES TO OTHER PERSONNEL SERVICES CATEGORY - DEDUCT							(8,000)	(8,000)	239
240	1602050	REALIGN BUDGET AUTHORITY FROM CONTRACTED SERVICES TO OTHER PERSONNEL SERVICES CATEGORY - ADD							8,000	8,000	240
241	1608030	REALIGN BUDGET AUTHORITY IN THE DIVISION OF FLORIDA DIGITAL SERVICES - ADD							887,860	887,860	241
242	1608040	REALIGN BUDGET AUTHORITY IN THE DIVISION OF FLORIDA DIGITAL SERVICES - DEDUCT							(887,860)	(887,860)	242
243	1608050	REALIGN BUDGET AUTHORITY WITHIN A BUDGET ENTITY - ADD							1,228,421	1,228,421	243
244	1608060	REALIGN BUDGET AUTHORITY WITHIN A BUDGET ENTITY - DEDUCT							(1,228,421)	(1,228,421)	244
245	20004C0	REALIGNMENT OF FUNDS FOR STATE DATA CENTER MAINFRAME SERVICES - ADD							20,000,000	20,000,000	245
246	20005C0	REALIGNMENT OF FUNDS FOR STATE DATA CENTER MAINFRAME SERVICES - DEDUCT							(20,000,000)	(20,000,000)	246
247	2503080	DIRECT BILLING FOR ADMINISTRATIVE HEARINGS			(69,776)				149,103	79,327	247
248	3000950	ADDITIONAL RESOURCES FOR THE FLORIDA COMMISSION ON HUMAN RELATIONS	2.00	108,455					178,287	178,287	248

Appropriations Subcommittee on Agriculture, Environment, and General Government

			SUBCOMMITTEE RECOMMENDATIONS								
	Issue	Issue Title	FTE	RATE	GR	GR NR	LATF	NR LATF	OTHER TF	ALL FUNDS	
249	3003000	E911 NEXT GENERATION GRANT							1,815,088	1,815,088	249
250	33J01C0	SAVINGS THROUGH OUTSOURCING MAINFRAME	(5.00)	(213,237)					(345,217)	(345,217)	250
251	33V0010	REDUCTION TO OPERATING CATEGORIES							(27,000)	(27,000)	251
252	33V0060	ELIMINATE STATE EMPLOYEE LEASING	(1.00)	(66,103)					(96,457)	(96,457)	252
253	33V0090	REDUCE SERVICES IN FEDERAL PROPERTY ASSISTANCE	(2.00)	(23,495)					(150,631)	(150,631)	253
254	33V02C0	REDUCE INFORMATION TECHNOLOGY DIVISION OF RETIREMENT							(1,420,586)	(1,420,586)	254
255	33V0580	REDUCE THE ADMINISTRATIVE SERVICES ONLY CONTRACT FOR HEALTH INSURANCE							(4,774,966)	(4,774,966)	255
256	33V0600	REDUCE OPERATING CAPITAL OUTLAY IN STATE PURCHASING							(15,859)	(15,859)	256
257	33V08C0	REDUCE CONTRACTED SERVICES							(249,332)	(249,332)	257
258	33V11C0	ELIMINATE AZURE SERVICES							(641,719)	(641,719)	258
259	33V1100	REDUCTION OF THE TRAVEL MANAGEMENT SYSTEM			(51,386)					(51,386)	259
260	33V1350	REDUCTION IN PEOPLE FIRST HUMAN RESOURCES SERVICES - STATEWIDE CONTRACT							(2,401,776)	(2,401,776)	260
261	33V1360	ELIMINATE STATEWIDE LAW ENFORCEMENT RADIO SYSTEM CONTRACT PAYMENT							(21,561,629)	(21,561,629)	261
262	3300050	REDUCE SPECIAL CATEGORIES - MAIL SERVICES							(7,000)	(7,000)	262
263	36306C0	TELECOMMUNICATIONS: INCREASE BUDGET FOR DISTRIBUTION OF WIRELESS 911 REVENUES TO COUNTIES & SERVICE PROVIDERS							9,136,820	9,136,820	263
264	36332C0	INTEGRATED RETIREMENT INFORMATION SYSTEM (IRIS)							1,206,192	1,206,192	264
265	4A012C0	INFORMATION TECHNOLOGY AUDIT RECOMMENDATION							1,824,525	1,824,525	265
266	4000060	SOCIAL SECURITY DISABILITY INCOME CONTRACT							375,000	375,000	266
267	4000070	INCREASE PAYMENT OF EMPLOYER'S CONTRIBUTION TO HEALTH SAVINGS ACCOUNT							300,000	300,000	267
268	40015C0	COMMUNICATIONS SERVICES MIGRATION STAFF AUGMENTATION							674,160	674,160	268
269	40018C0	AUTOMATION SERVICES							2,500,000	2,500,000	269
270	40040C0	DATA PROCESSING INCREASE FLORIDA COMMISSION ON HUMAN RELATIONS (FCHR)							49,670	49,670	270
271	4100050	DEPARTMENT OF MANAGEMENT SERVICES ADMINISTRATIVE ASSESSMENT			22,348				122,804	145,152	271
272	41007C0	MYFLORIDAMARKETPLACE							11,360,000	11,360,000	272
273	4105600	INCREASES/DECREASES IN GENERAL REVENUE FUNDED PENSIONS AND BENEFITS			240,772					240,772	273
274	42001C0	EMERGENCY 911 CALL ROUTING SYSTEM							13,000,000	13,000,000	274
275	4204025	GLADES COUNTY E-911 PUBLIC SAFETY FACILITY			450,000	450,000				450,000	275
276	4204035	LAKE COUNTY PUBLIC SAFETY RADIO INFRASTRUCTURE			2,000,000	2,000,000				2,000,000	276
277	47003C0	ARTIFICIAL INTELLIGENCE AND ANALYTICS							320,777	320,777	277
278	990C000	CODE CORRECTIONS									278
279	081010	COMPL/AMER DISABIL ACT							5,674,103	5,674,103	279
280	081400	LIFE SAFETY PROJ, STW							1,150,000	1,150,000	280
281	990D000	DEBT SERVICE									281
282	089070	DEBT SERVICE							73,087	73,087	282
283	990M000	MAINTENANCE AND REPAIR									283
284	083400	CAP. DEPRE. - GENERAL			9,920,526	9,920,526			10,000,000	19,920,526	284
285	990S000	SPECIAL PURPOSE									285

Appropriations Subcommittee on Agriculture, Environment, and General Government

			SUBCOMMITTEE RECOMMENDATIONS								
	Issue	Issue Title	FTE	RATE	GR	GR NR	LATF	NR LATF	OTHER TF	ALL FUNDS	
286	080076	PLANNING AND DESIGN - EOC			5,900,000	5,900,000				5,900,000	286
287		MANAGEMENT SRVCS, DEPT OF	1,058.50	57,113,281	47,340,516	18,270,526	0	0	623,479,276	670,819,792	287
288		ADMIN HEARINGS (BASE)	240.00	15,784,162					28,234,754	28,234,754	288
289		ADMIN HEARINGS	240.00	15,784,162	0	0	0	0	28,234,754	28,234,754	289
290		LOTTERY, DEPARTMENT OF THE (BASE)	418.50	19,063,219					187,771,560	187,771,560	290
291	1800100	INTRA-AGENCY REORGINAZTIONS BUDGET TRANSPARENCY - CREATE EXECUTIVE DIRECTION AND SUPPORT SERVICES - DEDUCT	(418.50)	(19,063,219)					(187,771,560)	(187,771,560)	291
292	1800110	INTRA-AGENCY REORGINAZTIONS BUDGET TRANSPARENCY - CREATE EXECUTIVE DIRECTION AND SUPPORT SERVICES - DEDUCT	418.50	19,063,219					187,771,560	187,771,560	292
293	2002030	TRANSFER FROM EXPENSES TO CONTRACTED SERVICES - DEDUCT							(123,375)	(123,375)	293
294	2002040	TRANSFER FROM EXPENSES TO CONTRACTED SERVICES - ADD							123,375	123,375	294
295	2401140	SECURITY CAMERA REPLACEMENT AT HEADQUARTERS BUILDING							82,200	82,200	295
296	30010C0	INCREASED WORKLOAD FOR DATA CENTER TO SUPPORT AN AGENCY							37,000	37,000	296
297	3009300	FLORIDA LOTTERY INDEPENDENT SECURITY AUDIT							250,000	250,000	297
298	33V0120	UTILITIES SAVINGS AT HEADQUARTERS BUILDING							(10,000)	(10,000)	298
299	3301180	ELIMINATE PRINTING OF THE DEPARTMENT'S QUARTERLY RETAILER NEWSLETTER							(15,000)	(15,000)	299
300	36303C0	PRIZE PAYMENT SYSTEM BUSINESS CASE							110,000	110,000	300
301	5000110	INCREASE TO INSTANT TICKET PURCHASE APPROPRIATION							3,604,057	3,604,057	301
302	5000230	INCREASE TO GAMING SYSTEM CONTRACT							1,867,753	1,867,753	302
303	5000800	INCREASE FOR LEASES							86,670	86,670	303
304		LOTTERY, DEPARTMENT OF THE	418.50	19,063,219	0	0	0	0	193,784,240	193,784,240	304
305		REVENUE, DEPARTMENT OF (BASE)	5,054.75	207,943,967	198,773,915				382,982,767	581,756,682	305
306	160G010	REALIGNMENT OF OPERATING CAPITAL OUTLAY - ADD			16,012					16,012	306
307	160G020	REALIGNMENT OF OPERATING CAPITAL OUTLAY - DEDUCT			(16,012)					(16,012)	307
308	1602500	REALIGNMENT GENERAL TAX ADMINISTRATION PROGRAM - DEDUCT							(1,510,000)	(1,510,000)	308
309	1602510	REALIGNMENT GENERAL TAX ADMINISTRATION PROGRAM - ADD							1,510,000	1,510,000	309
310	2503080	ADJUSTMENT TO COST RECOVERY FUNDS DIRECT BILLING FOR ADMINISTRATIVE HEARINGS			355,470				697,738	1,053,208	310
311	3000040	CHILD SUPPORT PROGRAM - INCREASED STAFF AUG FOR ENTERPRISE SYSTEMS SUPPORT PROCESS							773,312	773,312	311
312	3002000	AID TO LOCAL GOVERNMENTS - AERIAL PHOTOGRAPHY/MAPPING			1,352,876	1,352,876				1,352,876	312
313	3008000	CHILD SUPPORT ENFORCEMENT GUIDELINE SCHEDULE REVIEW							250,000	250,000	313
314	33V0100	CHILD SUPPORT PROGRAM - OTHER PERSONAL SERVICES			(102,000)				(198,000)	(300,000)	314
315	33V0200	CHILD SUPPORT ENFORCEMENT REDUCE GENERAL REVENUE FOR FINANCIAL LOSSES			(471,818)					(471,818)	315
316	33V0430	CHILD SUPPORT PROGRAM - EXPENSE			(24,861)				(48,259)	(73,120)	316
317	33V0440	CHILD SUPPORT PROGRAM - ELIMINATE SENIOR CLERK POSITIONS	(9.00)	(193,806)	(102,973)				(199,888)	(302,861)	317
318	33V1690	PARENTING TIME EXPENSE			(66,745)					(66,745)	318

Appropriations Subcommittee on Agriculture, Environment, and General Government

			SUBCOMMITTEE RECOMMENDATIONS								
	Issue	Issue Title	FTE	RATE	GR	GR NR	LATF	NR LATF	OTHER TF	ALL FUNDS	
319	33V5010	INFORMATION SYSTEMS PROGRAM - REDUCE OTHER PERSONAL SERVICES CATEGORY			(115,058)					(115,058)	319
320	33V6030	GENERAL TAX ADMINISTRATION - REDUCE SALARIES - RE EMPLOYMENT TAX ELECTRONIC AMENDED RETURNS	(6.00)	(171,371)	(254,964)					(254,964)	320
321	33V6040	GENERAL TAX ADMINISTRATION - REDUCE SALARIES - ELIMINATE VACANT POSITIONS OVER 180 DAYS OLD	(5.00)	(203,731)	(289,614)					(289,614)	321
322	33V6050	GENERAL TAX ADMINISTRATION - REDUCE SALARIES - IMAGE MANAGEMENT SYSTEM - YEAR 2 SAVINGS	(7.00)	(178,353)	(390,023)					(390,023)	322
323	33V6100	GENERAL TAX ADMINISTRATION - REDUCE EXPENSES - OUT OF STATE OFFICES - HOUSTON AND NEW YORK			(209,558)					(209,558)	323
324	33V6160	GENERAL TAX ADMINISTRATION - REDUCE GENERAL REVENUE AND REPLACE LOSS WITH AN INCREASE IN ADMINISTRATIVE COST			(7,806,779)					(7,806,779)	324
325	36203C0	REPLACEMENT OF THE IMAGE MANAGEMENT SYSTEM							1,413,165	1,413,165	325
326	36220C0	CYBERSECURITY ENHANCEMENT							634,372	634,372	326
327	36318C0	PROOF OF CONCEPT ORACLE DATABASE TO SAP HANA DATABASE IN CHILD SUPPORT AUTOMATED MANAGEMENT SYSTEM							2,305,795	2,305,795	327
328	52M0540	FISCALLY CONSTRAINED COUNTIES - AD VALOREM TAX			32,148,961	32,148,961				32,148,961	328
329		REVENUE, DEPARTMENT OF	5,027.75	207,196,706	222,796,829	33,501,837	0	0	388,611,002	611,407,831	329
330		GRAND TOTAL	20,079.75	945,535,328	543,765,220	176,194,621	1,202,416,507	475,410,921	4,570,879,398	6,315,461,125	330

CourtSmart Tag Report

Room: SB 110

Case No.:

Type:

Caption: Senate Appropriations Subcommittee on Agriculture, Environment, and General Government **Judge:**

Started: 3/24/2021 4:32:08 PM

Ends: 3/24/2021 5:12:29 PM

Length: 00:40:22

4:32:07 PM	Sen. Albritton (Chair)
4:33:57 PM	S 1598
4:34:04 PM	Sen. Gruters
4:34:43 PM	Am. 917526
4:35:19 PM	Meredith Stanfield, Legislative Affairs Director, Chief Financial Officer Jimmy Patrons (waives in support)
4:35:31 PM	Tasha Carter, Lobbyist (waives in support)
4:36:01 PM	S 1598 (cont.)
4:36:13 PM	Meredith Stanfield, Legislative Affairs Director, Chief Financial Officer Jimmy Patrons (waives in support)
4:36:18 PM	Tasha Carter, Lobbyist (waives in support)
4:36:21 PM	Timothy J. Meenan, Lobbyist, National Association of Insurance and Financial Advisors - Florida (waives in support)
4:36:33 PM	BG Murphy, Director of Government Affairs, Florida Association of Insurance Agents (waives in support)
4:36:58 PM	Sen. Thurston
4:37:24 PM	Sen. Gruters
4:39:03 PM	S 976
4:39:08 PM	Sen. Brodeur
4:40:34 PM	Sen. Berman
4:40:51 PM	Sen. Brodeur
4:41:27 PM	Sen. Berman
4:41:34 PM	Sen. Brodeur
4:42:18 PM	Sen. Berman
4:42:23 PM	Sen. Brodeur
4:42:53 PM	Sen. Thurston
4:43:08 PM	Sen. Brodeur
4:44:17 PM	Sen. Thurston
4:44:42 PM	Sen. Brodeur
4:45:40 PM	Sen. Albritton
4:46:04 PM	Sen. Stewart
4:46:31 PM	Sen. Brodeur
4:46:43 PM	Sen. Albritton
4:47:40 PM	S 1058
4:47:46 PM	Sen. Burgess
4:49:26 PM	Sen. Berman
4:49:37 PM	Sen. Burgess
4:50:07 PM	Sen. Berman
4:50:20 PM	Sen. Burgess
4:51:32 PM	S 1024
4:51:39 PM	Sen. Brodeur
4:52:36 PM	Am. 409972
4:53:22 PM	S 1024 (cont.)
4:53:39 PM	Adam Roberts, Director of Communications, Florida Mental Health Advocacy Coalition
4:54:26 PM	Sen. Berman
4:55:22 PM	Sen. Brodeur
4:56:14 PM	S 1470
4:56:21 PM	Sen. Boyd
4:57:43 PM	Timothy J. Meenan, Lobbyist, Florida Life and Health Insurance Guaranty Association (waives in support)
4:58:33 PM	TAB 6 - Fiscal Year 2021-2022 Budget Proposal
4:58:34 PM	Sen. Albritton
5:11:55 PM	Sen. Bradley
5:12:02 PM	Sen. Brodeur