



379412

LEGISLATIVE ACTION

Senate

.

House

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Floor: WD/2R

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04/24/2014 04:24 PM

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Senator Simpson moved the following:

Senate Amendment (with title amendment)

Delete lines 657 - 828

and insert:

Section 4. Subsections (2) and (5), paragraph (a) of subsection (6), and paragraph (a) of subsection (7) of section 627.3518, Florida Statutes, are amended to read:

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



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12 (2) In order to confirm eligibility with the corporation
13 and to enhance the access of new applicants for coverage and
14 existing policyholders of the corporation to offers of coverage
15 from authorized insurers, the corporation shall establish a
16 program for personal residential risks in order to facilitate
17 the diversion of ineligible applicants and existing
18 policyholders ~~from the corporation~~ into the voluntary insurance
19 market. The corporation shall also develop appropriate
20 procedures for facilitating the diversion of ineligible
21 applicants and existing policyholders for commercial residential
22 coverage into the private insurance market and implement these
23 procedures by October 1, 2015 ~~shall report such procedures to~~
24 ~~the President of the Senate and the Speaker of the House of~~
25 ~~Representatives by January 1, 2014.~~

26 (5) Notwithstanding s. 627.3517, an ~~any~~ applicant for new
27 coverage from the corporation is not eligible for coverage from
28 the corporation if provided an offer of coverage from an
29 authorized insurer through the program at a premium that is at
30 or below the eligibility threshold established in s.
31 627.351(6)(c)5.a. or b. Whenever an offer of coverage for a
32 personal lines or commercial lines residential risk is received
33 for a policyholder of the corporation at renewal from an
34 authorized insurer through the program, if the offer is equal to
35 or less than the corporation's renewal premium for comparable
36 coverage, the risk is not eligible for coverage with the
37 corporation. If ~~In the event~~ an offer of coverage for a new
38 applicant is received from an authorized insurer through the
39 program, and the premium offered exceeds the eligibility
40 threshold contained in s. 627.351(6)(c)5.a. or b., the applicant



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41 or insured may elect to accept such coverage, or may elect to
42 accept or continue coverage with the corporation. If ~~In the~~
43 ~~event~~ an offer of coverage for a personal lines or commercial
44 lines residential risk is received from an authorized insurer at
45 renewal through the program⁷ and if the premium offered is more
46 than the corporation's renewal premium for comparable coverage,
47 the insured may elect to accept such coverage⁷ or may elect to
48 accept or continue coverage with the corporation. Section
49 627.351(6)(c)5.a.(I) or b.(I) does not apply to an offer of
50 coverage from an authorized insurer obtained through the
51 program. An applicant for personal lines residential coverage
52 from the corporation who was declared ineligible for coverage at
53 renewal by the corporation in the previous 36 months due to an
54 offer of coverage pursuant to this subsection is ~~shall be~~
55 considered a renewal under this section if the corporation
56 determines that the authorized insurer making the offer of
57 coverage pursuant to this subsection continues to insure the
58 applicant and increased the rate on the policy in excess of the
59 increase allowed for the corporation under s. 627.351(6)(n)6.

60 (6) Independent insurance agents submitting new
61 applications for coverage or that are the agent of record on a
62 renewal policy submitted to the program:

63 (a) Are granted and must maintain ownership and the
64 exclusive use of expirations, records, or other written or
65 electronic information directly related to such applications or
66 renewals written through the corporation or through an insurer
67 participating in the program, notwithstanding s.

68 627.351(6)(c)5.a.(I)(B) and (II)(B) and b.(I)(B) and (II)(B).
69 Such ownership is granted for as long as the insured remains



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70 with the agency or until sold or surrendered in writing by the
71 agent. Contracts with the corporation or required by the
72 corporation must not amend, modify, interfere with, or limit
73 such rights of ownership. Such expirations, records, or other
74 written or electronic information may be used to review an
75 application, issue a policy, or for any other purpose necessary
76 for placing such business through the program.

77
78 Applicants ineligible for coverage in accordance with subsection
79 (5) remain ineligible if their independent agent is unwilling or
80 unable to enter into a standard or limited agency agreement with
81 an insurer participating in the program.

82 (7) Exclusive agents submitting new applications for
83 coverage or that are the agent of record on a renewal policy
84 submitted to the program:

85 (a) Must maintain ownership and the exclusive use of
86 expirations, records, or other written or electronic information
87 directly related to such applications or renewals written
88 through the corporation or through an insurer participating in
89 the program, notwithstanding s. 627.351(6)(c)5.a.(I)(B) and
90 (II)(B) and b.(I)(B) and (II)(B). Contracts with the corporation
91 or required by the corporation must not amend, modify, interfere
92 with, or limit such rights of ownership. Such expirations,
93 records, or other written or electronic information may be used
94 to review an application, issue a policy, or for any other
95 purpose necessary for placing such business through the program.

96
97 Applicants ineligible for coverage in accordance with subsection
98 (5) remain ineligible if their exclusive agent is unwilling or



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99 unable to enter into a standard or limited agency agreement with
100 an insurer making an offer of coverage to that applicant.

101

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

103 And the title is amended as follows:

104 Delete lines 33 - 45

105 and insert:

106 residential coverage; amending s. 627.3518, F.S.;

107 requiring the corporation to implement procedures for

108 diverting ineligible applicants and existing

109 policyholders for commercial residential coverage from

110 the corporation by a certain date; deleting the

111 requirement that the corporation report such

112 procedures to the Legislature; conforming cross-

113 references to changes made by the act; repealing s.