A bill to be entitled
An act relating to the peril of flood; amending s. 163.3178, F.S.; specifying components that must be contained in the coastal management element required for a local government comprehensive plan; creating s. 195.088, F.S.; defining terms; requiring a licensed surveyor and mapper to complete an elevation certificate in accordance with a checklist developed by the Division of Emergency Management and to submit a copy of the elevation certificate to a specified property appraiser within a certain time after its completion; authorizing the redaction of certain personal information from the copy; requiring each property appraiser to submit the copies of elevation certificates to the division on a schedule established by the division; amending s. 627.715, F.S.; revising the required coverage for customized flood insurance; specifying how such coverage may differ from standard and preferred flood insurance; deleting a provision that prohibits supplemental flood insurance from including excess coverage over any other insurance covering the peril of flood; revising the information that must be prominently noted on a certain page of a flood insurance policy; requiring an agent to offer a flood insurance quote when quoting an insurance policy that will cover a residential structure located within a specified area; requiring the agent to maintain a record of an insured’s declination of flood insurance coverage for a specified period of time; revising the
notice that must be provided to and acknowledged by an
applicant for flood coverage from an authorized or
surplus lines insurer if the applicant’s property is
receiving flood insurance under the National Flood
Insurance Program; allowing an authorized insurer to
request a certification from the Office of Insurance
Regulation which indicates that a policy, contract, or
endorsement issued by the insurer provides coverage
for the peril of flood which equals or exceeds the
flood coverage offered by the National Flood Insurance
Program; authorizing such insurer or its agent to
reference or include the certification in specified
advertising, communications, and documentation;
providing an effective date.

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

Section 1. Paragraph (f) of subsection (2) of section
163.3178, Florida Statutes, is amended to read:

163.3178 Coastal management.—

(2) Each coastal management element required by s.
163.3177(6)(g) shall be based on studies, surveys, and data; be
consistent with coastal resource plans prepared and adopted
pursuant to general or special law; and contain:

(f) A redevelopment component that outlines the
principles that must be used to eliminate
inappropriate and unsafe development in the coastal areas when
opportunities arise. The component must:

1. Include development and redevelopment principles,
strategies, and engineering solutions that reduce the flood risk in coastal areas which results from high-tide events, storm surge, flash floods, stormwater runoff, and the related impacts of sea-level rise.

2. Encourage the use of best practices development and redevelopment principles, strategies, and engineering solutions that will result in the removal of coastal real property from flood zone designations established by the Federal Emergency Management Agency.

3. Identify site development techniques and best practices that may reduce losses due to flooding and claims made under flood insurance policies issued in this state.

Section 2. Section 195.088, Florida Statutes, is created to read:

195.088 Property appraisers to submit elevation certificates to the Division of Emergency Management.—

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

(a) “Division” means the Division of Emergency Management established within the Executive Office of the Governor under s. 14.2016.

(b) “Elevation certificate” means the certificate used to demonstrate the elevation of property which has been developed by the Federal Emergency Management Agency pursuant to federal floodplain management regulation or which is completed by a licensed surveyor and mapper.

(c) “Licensed surveyor and mapper” has the same meaning as provided in s. 472.005 for “surveyor and mapper.”

(2) An elevation certificate must be completed by a licensed surveyor and mapper in accordance with the checklist...
developed by the division. Within 30 days after the completion of an elevation certificate, a licensed surveyor and mapper must submit a copy of the certificate to the property appraiser of the county in which the property that was surveyed or mapped is located. The copy must be unaltered, except that the licensed surveyor and mapper may redact the name of the property owner.

(3) Each property appraiser shall submit the copies received under subsection (2) to the division on a regular schedule established by the division.

Section 3. Section 627.715, Florida Statutes, is amended to read:

627.715 Flood insurance.—An authorized insurer may issue an insurance policy, contract, or endorsement providing personal lines residential coverage for the peril of flood on any structure or the contents of personal property contained therein, subject to this section. This section does not apply to commercial lines residential or commercial lines nonresidential coverage for the peril of flood. This section also does not apply to coverage for the peril of flood that is excess coverage over any other insurance covering the peril of flood. An insurer may issue flood insurance policies, contracts, or endorsements on a standard, preferred, customized, or supplemental basis.

(1)(a)1. Standard flood insurance must cover only losses from the peril of flood, as defined in paragraph (b), equivalent to that provided under a standard flood insurance policy under the National Flood Insurance Program. Standard flood insurance issued under this section must provide the same coverage, including deductibles and adjustment of losses, as that provided under a standard flood insurance policy under the National Flood Insurance Program.
2. Preferred flood insurance must include the same coverage as standard flood insurance but:
   a. Include, within the definition of “flood,” losses from water intrusion originating from outside the structure that are not otherwise covered under the definition of “flood” provided in paragraph (b).
   b. Include coverage for additional living expenses.
   c. Require that any loss under personal property or contents coverage that is repaired or replaced be adjusted only on the basis of replacement costs up to the policy limits.

3. Customized flood insurance must provide coverage for the peril of flood, and may differ from standard and preferred that is broader than the coverage provided under standard flood insurance by:
   a. Including coverage that is broader than the coverage provided under standard flood insurance;
   b. Being in an amount agreed upon by the insurer and insured, such as coverage that is limited to the total amount of each outstanding mortgage applicable to the covered property, if such coverage does not include a provision penalizing the policyholder for not insuring the covered property up to the replacement cost;
   c. Including a deductible as authorized in s. 627.701;
   d. Requiring that a loss to a dwelling be adjusted in accordance with s. 627.7011(3) or adjusted only on the basis of the actual cash value of the property;
   e. Restricting flood coverage to the principal building, as defined in the applicable policy;
f. Including or excluding coverage for additional living expenses; and

g. Excluding coverage, as to the peril of flood, for personal property or contents.

4. Supplemental flood insurance may provide coverage designed to supplement a flood policy obtained from the National Flood Insurance Program or from an insurer issuing standard or preferred flood insurance pursuant to this section. Supplemental flood insurance may provide, but need not be limited to, coverage for jewelry, art, deductibles, and additional living expenses. Supplemental flood insurance does not include coverage for the peril of flood that is excess coverage over any other insurance covering the peril of flood.

(b) “Flood” means a general and temporary condition of partial or complete inundation of two or more acres of normally dry land area or of two or more properties, at least one of which is the policyholder’s property, from:

1. Overflow of inland or tidal waters;
2. Unusual and rapid accumulation or runoff of surface waters from any source;
3. Mudflow; or
4. Collapse or subsidence of land along the shore of a lake or similar body of water as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels that result in a flood as defined in this paragraph.

(2) Any limitations on Flood coverage deductibles and or policy limits pursuant to this section, including, but not limited to, deductibles, must be prominently noted on the policy.
declarations page or face page.

(3)(a) An insurer may establish and use flood coverage rates in accordance with the rate standards provided in s. 627.062.

(b) For flood coverage rates filed with the office before October 1, 2019, the insurer may also establish and use such rates in accordance with the rates, rating schedules, or rating manuals filed by the insurer with the office which allow the insurer a reasonable rate of return on flood coverage written in this state. Flood coverage rates established pursuant to this paragraph are not subject to s. 627.062(2)(a) and (f). An insurer shall notify the office of any change to such rates within 30 days after the effective date of the change. The notice must include the name of the insurer and the average statewide percentage change in rates. Actuarial data with regard to such rates for flood coverage must be maintained by the insurer for 2 years after the effective date of such rate change and is subject to examination by the office. The office may require the insurer to incur the costs associated with an examination. Upon examination, the office, in accordance with generally accepted and reasonable actuarial techniques, shall consider the rate factors in s. 627.062(2)(b), (c), and (d), and the standards in s. 627.062(2)(e), to determine if the rate is excessive, inadequate, or unfairly discriminatory.

(4) A surplus lines agent may export a contract or endorsement providing flood coverage to an eligible surplus lines insurer without making a diligent effort to seek such coverage from three or more authorized insurers under s. 626.916(1)(a). This subsection expires July 1, 2017.
(5) In addition to any other applicable requirements, an insurer providing flood coverage in this state must:
   (a) Notify the office at least 30 days before writing flood insurance in this state; and
   (b) File a plan of operation and financial projections or revisions to such plan, as applicable, with the office.
(6) Citizens Property Insurance Corporation may not provide insurance for the peril of flood.
(7) The Florida Hurricane Catastrophe Fund may not provide reimbursement for losses proximately caused by the peril of flood, including losses that occur during a covered event as defined in s. 215.555(2)(b).
(8) An agent must:
   (a) Offer a flood insurance quote when quoting an insurance policy that will cover a residential structure located within a Special Flood Hazard Area designated by the Federal Emergency Management Agency. If the insured declines to obtain flood insurance coverage, the agent must maintain a record of that declination for 36 months.
   (b) Upon receiving an application for flood coverage from an authorized or surplus lines insurer for a property receiving flood insurance under the National Flood Insurance Program, must obtain an acknowledgment signed by the applicant before placing the coverage with the authorized or surplus lines insurer. The acknowledgment must notify the applicant that, if the applicant discontinues coverage under the National Flood Insurance Program which is provided at a subsidized rate, the full risk rate for flood insurance may apply to the property if the applicant such insurance is later
seeks to reinstate coverage obtained under the National Flood Insurance program.

(9) With respect to the regulation of flood coverage written in this state by authorized insurers, this section supersedes any other provision in the Florida Insurance Code in the event of a conflict.

(10) If federal law or rule requires a certification by a state insurance regulatory official as a condition of qualifying for private flood insurance or disaster assistance, the Commissioner of Insurance Regulation may provide the certification, and such certification is not subject to review under chapter 120.

(11) An authorized insurer offering flood insurance in this state may request a certification by the office which indicates that a policy, contract, or endorsement issued by the insurer under this section provides coverage for the peril of flood which equals or exceeds the flood coverage offered by the National Flood Insurance Program. The authorized insurer or its agent may reference or include the certification in advertising and communications with an agent, a lending institution, an insured, and a potential insured. The authorized insurer may include a statement that notifies an insured of the certification on the declarations page or other policy documentation related to flood coverage.

Section 4. This act shall take effect July 1, 2015.