An act relating to the peril of flood; amending s. 163.3178, F.S.; specifying requirements for the coastal management element required for a local government comprehensive plan; creating s. 472.0366, F.S.; defining terms; requiring a surveyor and mapper to submit a copy of each elevation certificate that he or she completes to the Division of Emergency Management within a specified period beginning on a specified date; authorizing the redaction of certain personal information from the copy; amending s. 627.715, F.S.; authorizing flexible flood insurance; specifying coverage requirements; 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 the Office of Insurance Regulation to require an insurer to provide an appropriate credit or refund to affected insureds if the office determines that a rate of the insurer is excessive or unfairly discriminatory; 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 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; specifying requirements for such certification; authorizing such insurer or its agent to reference or include the certification in specified advertising, communications, and documentation; providing that misrepresenting that a flood policy, contract, or endorsement is certified is an unfair or deceptive act; 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.

4. Be consistent with, or more stringent than, the flood-resistant construction requirements in the Florida Building Code and applicable flood plain management regulations set forth in 44 C.F.R. part 60.

5. Require that any construction activities seaward of the coastal construction control lines established pursuant to s. 161.053 be consistent with chapter 161.

6. Encourage local governments to participate in the National Flood Insurance Program Community Rating System administered by the Federal Emergency Management Agency to achieve flood insurance premium discounts for their residents.

Section 2. Section 472.0366, Florida Statutes, is created to read:

472.0366 Elevation certificates; requirements for surveyors and mappers.—

(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 and which is completed by a
surveyor and mapper.

(2) Beginning January 1, 2017, a surveyor and mapper shall,
within 30 days after completion, submit to the division a copy
of each elevation certificate that he or she completes. The copy
must be unaltered, except that the surveyor and mapper may
redact the name of the property owner.

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 include coverage that is broader than the coverage provided under standard flood insurance.

4. Flexible flood insurance must cover losses from the peril of flood, as defined in paragraph (b), and may also include coverage for losses from water intrusion originating from outside the structure which is not otherwise covered by the definition of flood. Flexible flood insurance must include one or more of the following provisions:
   a. An agreement between the insurer and the insured that the flood coverage is in a specified amount, such as coverage that is limited to the total amount of each outstanding mortgage applicable to the covered property.
   b. A requirement for a deductible in an amount authorized under s. 627.701, including a deductible in an amount authorized for hurricanes.
   c. A requirement that flood 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.
d. A restriction limiting flood coverage to the principal building defined in the policy.

e. A provision including or excluding coverage for additional living expenses.

f. A provision excluding coverage for personal property or contents as to the peril of flood.

5.4. 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
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. If the office
determines that a rate is excessive or unfairly discriminatory,
the office shall require the insurer to provide appropriate
credit to affected insureds or an appropriate refund to affected
insureds who no longer receive coverage from the insurer.

(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, 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 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) (a) An authorized insurer offering flood insurance may request the office to certify that a policy, contract, or endorsement provides coverage for the peril of flood which equals or exceeds the flood coverage offered by the National Flood Insurance Program. To be eligible for certification, such policy, contract, or endorsement must contain a provision stating that it meets the private flood insurance requirements specified in 42 U.S.C. s. 4012a(b) and may not contain any provision that is not in compliance with 42 U.S.C. s. 4012a(b).

(b) The authorized insurer or its agent may reference or include a certification under paragraph (a) in advertising or communications with an agent, a lending institution, an insured, or a potential insured only for a policy, contract, or endorsement that is certified under this subsection. 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 certified under this subsection.
(c) An insurer or agent who knowingly misrepresents that a flood policy, contract, or endorsement is certified under this subsection commits an unfair or deceptive act under s. 626.9541.

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