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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
02/03/2015	.	
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	.	

The Committee on Banking and Insurance (Smith) recommended the following:

Senate Amendment (with title amendment)

Delete lines 46 - 60
and insert:

Section 2. Present paragraphs (b) and (c) of subsection (1) of section 627.43141, Florida Statutes, are redesignated as paragraphs (c) and (d), respectively, a new paragraph (b) is added to that subsection, subsection (2) of that section is amended, present subsections (3) through (6) of that section are redesignated as subsections (4) through (7), respectively, and a



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11 new subsection (3) is added to that section, to read:

12 627.43141 Notice of change in policy terms.—

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

14 (b) "Optional coverage" means the addition of new insurance
15 coverage that has not previously been requested or approved by
16 the policyholder but that does not include any change to the
17 base policy or a deductible or an insurance limit.

18 (2) A renewal policy may contain a change in policy terms.
19 ~~If a renewal policy does contain~~ such change occurs, the insurer
20 shall must give the named insured advance written notice of the
21 change, which may must be enclosed ~~along~~ with the written notice
22 of renewal premium required under by ss. 627.4133 and 627.728 or
23 sent separately within the timeframe required under the Florida
24 Insurance Code for the provision of a notice of nonrenewal to
25 the named insured for that line of insurance. The insurer must
26 also provide a sample copy of the notice to the named insured's
27 insurance agent before or at the same time that notice is
28 provided to the named insured. Such notice shall be entitled
29 "Notice of Change in Policy Terms."

30 (3) A renewal policy that includes the addition of optional
31 coverage that increases the premium to a policyholder may not
32 use the "Notice of Change in Policy Terms" under this section to
33 add the optional coverage to the policy unless the policyholder
34 affirmatively indicates to the insurer or agent that the
35 policyholder approves the addition of the optional coverage.

36 Section 3. Subsection (4) of s. 624.488 and subsection (4)
37 of s. 628.6016, Florida Statutes, are reenacted for the purpose
38 of incorporating the amendments made by this act to s. 627.421,
39 Florida Statutes, in references thereto.



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40 Section 4. Subsection (3) of s. 627.4102, Florida Statutes,
41 is reenacted for the purpose of incorporating the amendments
42 made by this act to s. 627.43141, Florida Statutes, in a
43 reference thereto.

44

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

46 And the title is amended as follows:

47 Delete lines 2 - 13

48 and insert:

49 An act relating to insurer notifications; amending s.
50 627.421, F.S.; authorizing a policyholder of personal
51 lines insurance to elect delivery of policy documents
52 by electronic means; amending s. 627.43141, F.S.;
53 defining the term "optional coverage"; revising the
54 requirements applicable to insurers when providing a
55 notice of change in policy terms for a renewal policy
56 to include the requirement that the notice be an
57 advance notice and to allow such notice to be sent
58 separately from the notice of renewal premium within a
59 specified timeframe; requiring the insurer to provide
60 a sample copy of the notice of change in policy terms
61 to the insurance agent at a specified time;
62 prohibiting the use of such notice to add optional
63 coverage that increases the policy's premium unless
64 the policyholder approves the optional coverage;
65 reenacting ss. 624.488(4) and 628.6016(4), F.S., to
66 incorporate the amendments made to s. 627.421, F.S.,
67 in references thereto; reenacting s. 627.4102(3),
68 F.S., to incorporate the amendments made to s.



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69 | 627.43141, F.S., in a reference thereto; providing an
70 | effective date.