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CS/HB 359, Engrossed 2

2017 Legislature

1
2 An act relating to the regulation of insurance
3 companies; amending s. 177.041, F.S.; providing that a
4 specified property information report, rather than a
5 specified certification by an abstractor or a title
6 company, may be submitted as part of certain
7 information required in relation to the plat or replat
8 of a subdivision; amending ss. 177.091 and 197.502,
9 F.S.; conforming provisions to changes made by the
10 act; amending s. 215.555, F.S.; deleting a future
11 repeal of an exemption of medical malpractice
12 insurance premiums from certain emergency assessments
13 by the State Board of Administration relating to the
14 Florida Hurricane Catastrophe Fund; amending ss.
15 624.407 and 624.408, F.S.; specifying the minimum
16 surplus as to policyholders for insurers that only
17 transact in specified forms of residential property
18 insurance; amending s. 624.424, F.S.; revising a
19 requirement for audit committees established by the
20 boards of directors of insurers, relating to
21 relationships that would interfere with the exercise
22 of independent judgment of committee members; amending
23 s. 625.012, F.S.; revising the allowable assets of
24 insurers relating to specified levied assessments;
25 amending s. 627.062, F.S.; revising requirements for

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26 | certain rate filings by medical malpractice insurers;
27 | amending s. 627.0645, F.S.; adding certain medical
28 | malpractice insurance to casualty insurance excluded
29 | from an annual base rate filing requirement for rating
30 | organizations; amending s. 627.4035, F.S.; revising
31 | the methods of paying premiums for insurance
32 | contracts; authorizing an insurer to impose a
33 | specified insufficient funds fee if certain premium
34 | payment methods are returned, are declined, or cannot
35 | be processed; providing an exception; amending s.
36 | 627.421, F.S.; providing that an electronically
37 | delivered document in an insurance policy meets
38 | formatting requirements for printed documents under
39 | certain conditions; amending s. 627.7295, F.S.;
40 | conforming provisions to changes made by the act;
41 | amending s. 627.7843, F.S.; replacing provisions
42 | relating to ownership and encumbrance reports with
43 | provisions relating to property information reports;
44 | defining the term "property information report";
45 | prohibiting property information reports from setting
46 | forth or implying certain assurances; providing
47 | construction; specifying a limitation on the
48 | contractual liability of issuers of property
49 | information reports; requiring a specified disclosure
50 | in property information reports; providing

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51 applicability; providing an effective date.

52

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

54

55 Section 1. Subsection (2) of section 177.041, Florida
 56 Statutes, is amended to read:

57 177.041 Boundary survey and title certification required.—
 58 Every plat or replat of a subdivision submitted to the approving
 59 agency of the local governing body must be accompanied by:

60 (2) A title opinion of an attorney at law licensed in
 61 Florida or a property information report ~~certification by an~~
 62 ~~abstractor or a title company~~ showing that record title to the
 63 land as described and shown on the plat is in the name of the
 64 person, persons, corporation, or entity executing the
 65 dedication. The title opinion or property information report
 66 must ~~certification shall~~ also show all mortgages not satisfied
 67 or released of record nor otherwise terminated by law.

68 Section 2. Subsection (16) of section 177.091, Florida
 69 Statutes, is amended to read:

70 177.091 Plats made for recording.—Every plat of a
 71 subdivision offered for recording shall conform to the
 72 following:

73 (16) Location and width of proposed easements and existing
 74 easements identified in the title opinion or property
 75 information report ~~certification~~ required by s. 177.041(2) must

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76 | ~~shall~~ be shown on the plat or in the notes or legend, and their
 77 | intended use shall be clearly stated. Where easements are not
 78 | coincident with property lines, they must be labeled with
 79 | bearings and distances and tied to the principal lot, tract, or
 80 | right-of-way.

81 | Section 3. Paragraph (a) of subsection (5) of section
 82 | 197.502, Florida Statutes, is amended to read:

83 | 197.502 Application for obtaining tax deed by holder of
 84 | tax sale certificate; fees.—

85 | (5)(a) The tax collector may contract with a title company
 86 | or an abstract company to provide the minimum information
 87 | required in subsection (4), consistent with rules adopted by the
 88 | department. If additional information is required, the tax
 89 | collector must make a written request to the title or abstract
 90 | company stating the additional requirements. The tax collector
 91 | may select any title or abstract company, regardless of its
 92 | location, as long as the fee is reasonable, the minimum
 93 | information is submitted, and the title or abstract company is
 94 | authorized to do business in this state. The tax collector may
 95 | advertise and accept bids for the title or abstract company if
 96 | he or she considers it appropriate to do so.

97 | 1. The property information ~~ownership and encumbrance~~
 98 | report must include the letterhead of the person, firm, or
 99 | company that makes the search, and the signature of the
 100 | individual who makes the search or of an officer of the firm.

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101 The tax collector is not liable for payment to the firm unless
 102 these requirements are met. The report may be submitted to the
 103 tax collector in an electronic format.

104 2. The tax collector may not accept or pay for any title
 105 search or abstract if financial responsibility is not assumed
 106 for the search. However, reasonable restrictions as to the
 107 liability or responsibility of the title or abstract company are
 108 acceptable. Notwithstanding s. 627.7843(3), the tax collector
 109 may contract for higher maximum liability limits.

110 3. In order to establish uniform prices for property
 111 information ~~ownership and encumbrance~~ reports within the county,
 112 the tax collector must ensure that the contract for property
 113 information ~~ownership and encumbrance reports~~ include all
 114 requests for title searches or abstracts for a given period of
 115 time.

116 Section 4. Paragraph (b) of subsection (6) of section
 117 215.555, Florida Statutes, is amended to read:

118 215.555 Florida Hurricane Catastrophe Fund.—

119 (6) REVENUE BONDS.—

120 (b) *Emergency assessments.*—

121 1. If the board determines that the amount of revenue
 122 produced under subsection (5) is insufficient to fund the
 123 obligations, costs, and expenses of the fund and the
 124 corporation, including repayment of revenue bonds and that
 125 portion of the debt service coverage not met by reimbursement

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126 | premiums, the board shall direct the Office of Insurance
127 | Regulation to levy, by order, an emergency assessment on direct
128 | premiums for all property and casualty lines of business in this
129 | state, including property and casualty business of surplus lines
130 | insurers regulated under part VIII of chapter 626, but not
131 | including any workers' compensation premiums or medical
132 | malpractice premiums. As used in this subsection, the term
133 | "property and casualty business" includes all lines of business
134 | identified on Form 2, Exhibit of Premiums and Losses, in the
135 | annual statement required of authorized insurers by s. 624.424
136 | and any rule adopted under this section, except for those lines
137 | identified as accident and health insurance and except for
138 | policies written under the National Flood Insurance Program. The
139 | assessment shall be specified as a percentage of direct written
140 | premium and is subject to annual adjustments by the board in
141 | order to meet debt obligations. The same percentage applies to
142 | all policies in lines of business subject to the assessment
143 | issued or renewed during the 12-month period beginning on the
144 | effective date of the assessment.

145 | 2. A premium is not subject to an annual assessment under
146 | this paragraph in excess of 6 percent of premium with respect to
147 | obligations arising out of losses attributable to any one
148 | contract year, and a premium is not subject to an aggregate
149 | annual assessment under this paragraph in excess of 10 percent
150 | of premium. An annual assessment under this paragraph continues

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151 as long as the revenue bonds issued with respect to which the
152 assessment was imposed are outstanding, including any bonds the
153 proceeds of which were used to refund the revenue bonds, unless
154 adequate provision has been made for the payment of the bonds
155 under the documents authorizing issuance of the bonds.

156 3. Emergency assessments shall be collected from
157 policyholders. Emergency assessments shall be remitted by
158 insurers as a percentage of direct written premium for the
159 preceding calendar quarter as specified in the order from the
160 Office of Insurance Regulation. The office shall verify the
161 accurate and timely collection and remittance of emergency
162 assessments and shall report the information to the board in a
163 form and at a time specified by the board. Each insurer
164 collecting assessments shall provide the information with
165 respect to premiums and collections as may be required by the
166 office to enable the office to monitor and verify compliance
167 with this paragraph.

168 4. With respect to assessments of surplus lines premiums,
169 each surplus lines agent shall collect the assessment at the
170 same time as the agent collects the surplus lines tax required
171 by s. 626.932, and the surplus lines agent shall remit the
172 assessment to the Florida Surplus Lines Service Office created
173 by s. 626.921 at the same time as the agent remits the surplus
174 lines tax to the Florida Surplus Lines Service Office. The
175 emergency assessment on each insured procuring coverage and

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176 filing under s. 626.938 shall be remitted by the insured to the
177 Florida Surplus Lines Service Office at the time the insured
178 pays the surplus lines tax to the Florida Surplus Lines Service
179 Office. The Florida Surplus Lines Service Office shall remit the
180 collected assessments to the fund or corporation as provided in
181 the order levied by the Office of Insurance Regulation. The
182 Florida Surplus Lines Service Office shall verify the proper
183 application of such emergency assessments and shall assist the
184 board in ensuring the accurate and timely collection and
185 remittance of assessments as required by the board. The Florida
186 Surplus Lines Service Office shall annually calculate the
187 aggregate written premium on property and casualty business,
188 other than workers' compensation and medical malpractice,
189 procured through surplus lines agents and insureds procuring
190 coverage and filing under s. 626.938 and shall report the
191 information to the board in a form and at a time specified by
192 the board.

193 5. Any assessment authority not used for a particular
194 contract year may be used for a subsequent contract year. If,
195 for a subsequent contract year, the board determines that the
196 amount of revenue produced under subsection (5) is insufficient
197 to fund the obligations, costs, and expenses of the fund and the
198 corporation, including repayment of revenue bonds and that
199 portion of the debt service coverage not met by reimbursement
200 premiums, the board shall direct the Office of Insurance

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201 Regulation to levy an emergency assessment up to an amount not
202 exceeding the amount of unused assessment authority from a
203 previous contract year or years, plus an additional 4 percent
204 provided that the assessments in the aggregate do not exceed the
205 limits specified in subparagraph 2.

206 6. The assessments otherwise payable to the corporation
207 under this paragraph shall be paid to the fund unless the Office
208 of Insurance Regulation and the Florida Surplus Lines Service
209 Office received a notice from the corporation and the fund,
210 which shall be conclusive and upon which they may rely without
211 further inquiry, that the corporation has issued bonds and the
212 fund has no agreements in effect with local governments under
213 paragraph (c). On or after the date of the notice and until the
214 date the corporation has no bonds outstanding, the fund shall
215 have no right, title, or interest in or to the assessments,
216 except as provided in the fund's agreement with the corporation.

217 7. Emergency assessments are not premium and are not
218 subject to the premium tax, to the surplus lines tax, to any
219 fees, or to any commissions. An insurer is liable for all
220 assessments that it collects and must treat the failure of an
221 insured to pay an assessment as a failure to pay the premium. An
222 insurer is not liable for uncollectible assessments.

223 8. If an insurer is required to return an unearned
224 premium, it shall also return any collected assessment
225 attributable to the unearned premium. A credit adjustment to the

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226 collected assessment may be made by the insurer with regard to
 227 future remittances that are payable to the fund or corporation,
 228 but the insurer is not entitled to a refund.

229 9. If a surplus lines insured or an insured who has
 230 procured coverage and filed under s. 626.938 is entitled to the
 231 return of an unearned premium, the Florida Surplus Lines Service
 232 Office shall provide a credit or refund to the agent or such
 233 insured for the collected assessment attributable to the
 234 unearned premium before remitting the emergency assessment
 235 collected to the fund or corporation.

236 ~~10. The exemption of medical malpractice insurance~~
 237 ~~premiums from emergency assessments under this paragraph is~~
 238 ~~repealed May 31, 2019, and medical malpractice insurance~~
 239 ~~premiums shall be subject to emergency assessments attributable~~
 240 ~~to loss events occurring in the contract years commencing on~~
 241 ~~June 1, 2019.~~

242 Section 5. Subsection (1) of section 624.407, Florida
 243 Statutes, is amended to read:

244 624.407 Surplus required; new insurers.—

245 (1) To receive authority to transact any one kind or
 246 combinations of kinds of insurance, as defined in part V of this
 247 chapter, an insurer applying for its original certificate of
 248 authority in this state shall possess surplus as to
 249 policyholders at least the greater of:

250 (a) For a property and casualty insurer, \$5 million, or

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251 \$2.5 million for any other insurer;

252 (b) For life insurers, 4 percent of the insurer's total
253 liabilities;

254 (c) For life and health insurers, 4 percent of the
255 insurer's total liabilities, plus 6 percent of the insurer's
256 liabilities relative to health insurance;

257 (d) For all insurers other than life insurers and life and
258 health insurers, 10 percent of the insurer's total liabilities;

259 (e) Notwithstanding paragraph (a) or paragraph (d), for a
260 domestic insurer that transacts residential property insurance
261 and is:

262 1. Not a wholly owned subsidiary of an insurer domiciled
263 in any other state, \$15 million.

264 2. A wholly owned subsidiary of an insurer domiciled in
265 any other state, \$50 million; ~~or~~

266 (f) Notwithstanding paragraphs (a), (d), and (e), for a
267 domestic insurer that only transacts limited sinkhole coverage
268 insurance for personal lines residential property pursuant to s.
269 627.7151, \$7.5 million; or

270 (g) Notwithstanding paragraphs (a), (d), and (e), for an
271 insurer that only transacts residential property insurance in
272 the form of renter's insurance, tenant's coverage, cooperative
273 unit owner insurance, or any combination thereof, \$10 million.

274 Section 6. Subsection (1) of section 624.408, Florida
275 Statutes, is amended to read:

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276 | 624.408 Surplus required; current insurers.—

277 | (1) To maintain a certificate of authority to transact any
278 | one kind or combinations of kinds of insurance, as defined in
279 | part V of this chapter, an insurer in this state must at all
280 | times maintain surplus as to policyholders at least the greater
281 | of:

282 | (a) Except as provided in paragraphs (e), (f), and (g),
283 | \$1.5 million.

284 | (b) For life insurers, 4 percent of the insurer's total
285 | liabilities.

286 | (c) For life and health insurers, 4 percent of the
287 | insurer's total liabilities plus 6 percent of the insurer's
288 | liabilities relative to health insurance.

289 | (d) For all insurers other than mortgage guaranty
290 | insurers, life insurers, and life and health insurers, 10
291 | percent of the insurer's total liabilities.

292 | (e) For property and casualty insurers, \$4 million, except
293 | for property and casualty insurers authorized to underwrite any
294 | line of residential property insurance.

295 | (f) For residential property insurers not holding a
296 | certificate of authority before July 1, 2011, \$15 million.

297 | (g) For residential property insurers holding a
298 | certificate of authority before July 1, 2011, and until June 30,
299 | 2016, \$5 million; on or after July 1, 2016, and until June 30,
300 | 2021, \$10 million; on or after July 1, 2021, \$15 million.

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301 (h) Notwithstanding paragraphs (e), (f), and (g), for a
 302 domestic insurer that only transacts limited sinkhole coverage
 303 insurance for personal lines residential property pursuant to s.
 304 627.7151, \$7.5 million.

305 (i) Notwithstanding paragraphs (a), (d), and (e), for an
 306 insurer that only transacts residential property insurance in
 307 the form of renter's insurance, tenant's coverage, cooperative
 308 unit owner insurance, or any combination thereof, \$10 million.
 309

310 The office may reduce the surplus requirement in paragraphs (f)
 311 and (g) if the insurer is not writing new business, has premiums
 312 in force of less than \$1 million per year in residential
 313 property insurance, or is a mutual insurance company.

314 Section 7. Paragraph (c) of subsection (8) of section
 315 624.424, Florida Statutes, is amended to read:

316 624.424 Annual statement and other information.—

317 (8)

318 (c) The board of directors of an insurer shall hire the
 319 certified public accountant that prepares the audit required by
 320 this subsection and the board shall establish an audit committee
 321 of three or more directors of the insurer or an affiliated
 322 company. The audit committee shall be responsible for discussing
 323 audit findings and interacting with the certified public
 324 accountant with regard to her or his findings. The audit
 325 committee shall be comprised ~~solely~~ of members who are free from

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326 any relationship that, in the opinion of its board of directors,
 327 would interfere with the exercise of independent judgment as a
 328 committee member. The audit committee shall report to the board
 329 any findings of adverse financial conditions or significant
 330 deficiencies in internal controls that have been noted by the
 331 accountant. The insurer may request the office to waive this
 332 requirement of the audit committee membership based upon unusual
 333 hardship to the insurer.

334 Section 8. Subsection (15) of section 625.012, Florida
 335 Statutes, is amended to read:

336 625.012 "Assets" defined.—In any determination of the
 337 financial condition of an insurer, there shall be allowed as
 338 "assets" only such assets as are owned by the insurer and which
 339 consist of:

340 (15) (a) Assessments levied pursuant to s. 631.57(3) (a) and
 341 (e) or s. 631.914 which ~~that~~ are paid before policy surcharges
 342 are collected and result in a receivable for policy surcharges
 343 to be collected in the future. This amount, to the extent it is
 344 likely that it will be realized, meets the definition of an
 345 admissible asset as specified in the National Association of
 346 Insurance Commissioners' Statement of Statutory Accounting
 347 Principles No. 4. The asset shall be established and recorded
 348 separately from the liability regardless of whether it is based
 349 on a retrospective or prospective premium-based assessment. If
 350 an insurer is unable to fully recoup the amount of the

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351 assessment because of a reduction in writings or withdrawal from
 352 the market, the amount recorded as an asset shall be reduced to
 353 the amount reasonably expected to be recouped.

354 (b) Assessments levied as monthly installments pursuant to
 355 s. 631.57(3)(e)3. or s. 631.914 which ~~that~~ are paid after policy
 356 surcharges are collected so that the recognition of assets is
 357 based on actual premium written offset by the obligation to the
 358 Florida Insurance Guaranty Association or the Florida Workers'
 359 Compensation Insurance Guaranty Association, Incorporated.

360 Section 9. Paragraph (e) of subsection (7) of section
 361 627.062, Florida Statutes, is amended to read:

362 627.062 Rate standards.—

363 (7) The provisions of this subsection apply only to rates
 364 for medical malpractice insurance and control to the extent of
 365 any conflict with other provisions of this section.

366 (e) For medical malpractice rates subject to paragraph
 367 (2)(a), the medical malpractice insurer shall make an annual
 368 base a rate filing in accordance with s. 627.0645 ~~under this~~
 369 ~~section~~, sworn to by at least two executive officers of the
 370 insurer, ~~at least once each calendar year.~~

371 Section 10. Subsection (1) of section 627.0645, Florida
 372 Statutes, is amended to read:

373 627.0645 Annual filings.—

374 (1) Each rating organization filing rates for, and each
 375 insurer writing, any line of property or casualty insurance to

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376 | which this part applies, except:

377 | (a) Workers' compensation and employer's liability
378 | insurance;

379 | (b) Insurance as defined in ss. 624.604 and 624.605,
380 | limited to coverage of commercial risks other than commercial
381 | residential multiperil and medical malpractice insurance that is
382 | subject to s. 627.062(2) (a) and (f); or

383 | (c) Travel insurance, if issued as a master group policy
384 | with a situs in another state where each certificateholder pays
385 | less than \$30 in premium for each covered trip and where the
386 | insurer has written less than \$1 million in annual written
387 | premiums in the travel insurance product in this state during
388 | the most recent calendar year,

389 |
390 | shall make an annual base rate filing for each such line with
391 | the office no later than 12 months after its previous base rate
392 | filing, demonstrating that its rates are not inadequate.

393 | Section 11. Section 627.4035, Florida Statutes, is amended
394 | to read:

395 | 627.4035 ~~Cash~~ Payment of premiums; claims.—

396 | (1) (a) The premiums for insurance contracts issued in this
397 | state or covering risk located in this state must ~~shall~~ be paid
398 | in cash consisting of coins, currency, checks, electronic
399 | checks, drafts, or money orders or by using a debit card, credit
400 | card, automatic electronic funds transfer, or payroll deduction

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401 | plan. ~~By July 1, 2007,~~ Insurers issuing personal lines
 402 | residential and commercial property policies shall provide a
 403 | premium payment plan option to their policyholders which allows
 404 | for a minimum of quarterly and semiannual payment of premiums.
 405 | Insurers may, but are not required to, offer monthly payment
 406 | plans. Insurers issuing such policies must submit their premium
 407 | payment plan option to the office for approval before use.

408 | (b) If, due to insufficient funds, a payment of premium
 409 | under this subsection by debit card, credit card, electronic
 410 | funds transfer, or electronic check is returned, is declined, or
 411 | cannot be processed, the insurer may impose an insufficient
 412 | funds fee of up to \$15 per occurrence pursuant to the policy
 413 | terms. However, the insurer may not charge the policyholder an
 414 | insufficient funds fee if the failure in payment resulted from
 415 | fraud or misuse on the policyholder's account from which the
 416 | payment was made and such fraud or misuse was not attributed to
 417 | the policyholder.

418 | (2) Subsection (1) is not applicable to:

419 | (a) Reinsurance agreements;

420 | (b) Pension plans;

421 | (c) Premium loans, whether or not subject to an automatic
 422 | provision;

423 | (d) Dividends, whether to purchase additional paid-up
 424 | insurance or to shorten the dividend payment period;

425 | (e) Salary deduction plans;

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426 (f) Preauthorized check plans;
 427 (g) Waivers of premiums on disability;
 428 (h) Nonforfeiture provisions affording benefits under
 429 supplementary contracts; or
 430 (i) Such other methods of paying for life insurance as may
 431 be permitted by the commission pursuant to rule or regulation.
 432 (3) All payments of claims made in this state under any
 433 contract of insurance shall be paid:
 434 (a) In cash consisting of coins, currency, checks, drafts,
 435 or money orders and, if by check or draft, shall be in such form
 436 as will comply with the standards for cash items adopted by the
 437 Federal Reserve System to facilitate the sorting, routing, and
 438 mechanized processing of such items; or
 439 (b) If authorized in writing by the recipient or the
 440 recipient's representative, by debit card or any other form of
 441 electronic transfer. Any fees or costs to be charged against the
 442 recipient must be disclosed in writing to the recipient or the
 443 recipient's representative at the time of written authorization.
 444 However, the written authorization requirement may be waived by
 445 the recipient or the recipient's representative if the insurer
 446 verifies the identity of the insured or the insured's recipient
 447 and does not charge a fee for the transaction. If the funds are
 448 misdirected, the insurer remains liable for the payment of the
 449 claim.
 450 Section 12. Subsection (5) is added to section 627.421,

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451 Florida Statutes, to read:

452 627.421 Delivery of policy.—

453 (5) An electronically delivered document satisfies any
 454 font, size, color, spacing, or other formatting requirement for
 455 printed documents if the format in the electronically delivered
 456 document has reasonably similar proportions or emphasis of the
 457 characters relative to the rest of the electronic document or is
 458 otherwise displayed in a reasonably conspicuous manner.

459 Section 13. Subsection (9) of section 627.7295, Florida
 460 Statutes, is amended to read:

461 627.7295 Motor vehicle insurance contracts.—

462 ~~(9)(a) In addition to the methods provided in s.~~
 463 ~~627.4035(1), premium for motor vehicle insurance contracts~~
 464 ~~issued in this state or covering risk located in this state may~~
 465 ~~be paid in cash in the form of a draft or drafts.~~

466 ~~(b) If, due to insufficient funds, payment of premium~~
 467 ~~under this subsection by debit card, credit card, electronic~~
 468 ~~funds transfer, or electronic check is returned, is declined, or~~
 469 ~~cannot be processed, the insurer may impose an insufficient~~
 470 ~~funds fee of up to \$15 per occurrence pursuant to the policy~~
 471 ~~terms.~~

472 Section 14. Section 627.7843, Florida Statutes, is amended
 473 to read:

474 627.7843 Property information reports ~~Ownership and~~
 475 ~~encumbrance reports.~~—

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476 (1) As used in this section, the term "property
 477 information report" means any report that contains the
 478 limitations of this section and discloses documents or
 479 information appearing in the Official Records as described in s.
 480 28.222, in the records of a county tax collector pertaining to
 481 ad valorem real property taxes and special assessments imposed
 482 by a governmental authority against real property, in the
 483 Secretary of State filing office, or in another governmental
 484 filing office pertaining to real or personal property. A
 485 property information report may be issued by any person,
 486 including a Florida-licensed title insurer, title agent, or
 487 title agency ~~"ownership and encumbrance report"~~ means a report
 488 ~~that discloses certain defined documents imparting constructive~~
 489 ~~notice and appearing in the official records relating to~~
 490 ~~specified real property.~~

491 (2) A property information ~~An ownership and encumbrance~~
 492 ~~report may not directly or indirectly set forth or imply any~~
 493 ~~opinion, warranty, guarantee, insurance, or other similar~~
 494 ~~assurance~~ and does not constitute title insurance as defined in
 495 s. 624.608 ~~as to the status of title to real property.~~

496 (3) The contractual liability of the issuer of a property
 497 information report is limited to the person or persons expressly
 498 identified by name in the property information report as the
 499 recipient or recipients of the property information report and
 500 may not exceed the amount paid for the property information

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501 report. Only contractual remedies are available for an error or
 502 omission that arises from a property information report. A
 503 property information report must contain the following language:

504
 505 "This report is not title insurance. Pursuant to s. 627.7843,
 506 Florida Statutes, the maximum liability of the issuer of this
 507 property information report for errors or omissions in this
 508 property information report is limited to the amount paid for
 509 this property information report, and is further limited to the
 510 person(s) expressly identified by name in the property
 511 information report." ~~Any ownership and encumbrance report or~~
 512 ~~similar report that is relied on or intended to be relied on by~~
 513 ~~a consumer must be on forms approved by the office, and must~~
 514 ~~provide for a maximum liability for incorrect information of not~~
 515 ~~more than \$1,000.~~

517 (4) This section is not applicable to an opinion of title
 518 issued by an attorney.

519 Section 15. This act shall take effect upon becoming a
 520 law.