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CS/CS/HB 805, Engrossed 1

2017 Legislature

1  
2 An act relating to insurance policy transfers;  
3 amending s. 627.4133, F.S.; authorizing an insurer to  
4 transfer a residential property insurance policy to  
5 another authorized insurer upon expiration of the  
6 policy term if specified conditions are met; providing  
7 an effective date.  
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9 Be It Enacted by the Legislature of the State of Florida:  
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11 Section 1. Subsection (8) of section 627.4133, Florida  
12 Statutes, is amended to read:

13 627.4133 Notice of cancellation, nonrenewal, or renewal  
14 premium.—

15 (8) Upon expiration of the policy term, an insurer may  
16 transfer a personal lines residential, commercial residential,  
17 or commercial lines policy to another authorized insurer that is  
18 a member of the same group or owned by the same holding company  
19 as the transferring insurer. The transfer constitutes a renewal  
20 of the policy and may not be treated as a cancellation or a  
21 nonrenewal of the policy. The insurer must provide notice of its  
22 intent to transfer the policy at least 45 days before the  
23 effective date of the transfer along with the financial rating  
24 of the authorized insurer to which the policy is being  
25 transferred. Such notice may be provided in the notice of

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26 | renewal premium. This subsection does not apply to a policy  
27 | providing personal lines residential or commercial residential  
28 | property insurance coverage, except for farmowners insurance,  
29 | unless:

30 |       (a) The authorized insurer to which the policy is being  
31 | transferred is admitted in this state and other states and  
32 | writing residential property insurance in multiple states, is  
33 | not converting the policy to a surplus lines policy, and has  
34 | been determined by the office to have the same or better  
35 | financial strength than the transferring insurer;

36 |       (b) The transfer results in substantially similar  
37 | coverage;

38 |       (c) The authorized insurer to which the policy is being  
39 | transferred provides a notice of change in policy terms to the  
40 | policyholder in compliance with s. 627.43141, which must also  
41 | include notice of the policy transfer and the authorized  
42 | insurer's financial rating. Such notice must be provided with  
43 | the notice of renewal premium. The notice and information  
44 | provided under this paragraph must be provided to the insured at  
45 | least 60 days before the effective date of the transfer and may  
46 | replace any other notice required by this subsection;

47 |       (d) The policyholder of the policy being transferred has  
48 | been selected on a nondiscriminatory basis; and

49 |       (e) The office has approved the transfer ~~and commercial~~  
50 | general liability policies providing farm coverage or commercial

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51 | ~~property policies providing farm coverage.~~

52 |       Section 2. This act shall take effect July 1, 2017.