

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	_____	(Y/N)
ADOPTED AS AMENDED	_____	(Y/N)
ADOPTED W/O OBJECTION	_____	(Y/N)
FAILED TO ADOPT	_____	(Y/N)
WITHDRAWN	_____	(Y/N)
OTHER		

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1 Committee/Subcommittee hearing bill: Commerce Committee  
 2 Representative Lee offered the following:

**Amendment (with title amendment)**

Remove lines 130-185 and insert:

6 October 1, 2019, the insurer may also establish and use such  
 7 rates in accordance with the rates, rating schedules, or rating  
 8 manuals filed by the insurer with the office which allow the  
 9 insurer a reasonable rate of return on flood coverage written in  
 10 this state. Flood coverage rates established pursuant to this  
 11 paragraph are not subject to s. 627.062(2)(a) and (f). An  
 12 insurer shall notify the office of any change to such rates  
 13 within 30 days after the effective date of the change. The  
 14 notice must include the name of the insurer and the average  
 15 statewide percentage change in rates. Actuarial data with regard  
 16 to such rates for flood coverage must be maintained by the

Amendment No. 1

17 insurer for 2 years after the effective date of such rate change  
18 and is subject to examination by the office. The office may  
19 require the insurer to incur the costs associated with an  
20 examination. Upon examination, the office, in accordance with  
21 generally accepted and reasonable actuarial techniques, shall  
22 consider the rate factors in s. 627.062(2)(b), (c), and (d), and  
23 the standards in s. 627.062(2)(e), to determine if the rate is  
24 excessive, inadequate, or unfairly discriminatory. If the office  
25 determines that a rate is excessive or unfairly discriminatory,  
26 the office shall require the insurer to provide appropriate  
27 credit to affected insureds or an appropriate refund to affected  
28 insureds who no longer receive coverage from the insurer.

29 (4) A surplus lines agent may export a contract or  
30 endorsement providing flood coverage to an eligible surplus  
31 lines insurer without making a diligent effort to seek such  
32 coverage from three or more authorized insurers under s.  
33 626.916(1)(a) if the surplus lines insurer maintains a financial  
34 strength rating of "superior" or "excellent" by A.M. Best Rating  
35 Services. This subsection expires July 1, 2019 or the date upon  
36 which the commissioner determines in writing that there is an  
37 adequate admitted market to provide coverage for the peril of  
38 flood consistent with this section, whichever is earlier. In  
39 the event there are less than three authorized insurers at such  
40 time that this subsection has expired, then the number of  
41 declinations necessary to meet the diligent effort requirement

Amendment No. 1

42 shall be no less than the number of authorized insurers  
43 providing flood coverage 2017.

44 (5) In addition to any other applicable requirements, an  
45 insurer providing flood coverage that is not excess coverage in  
46 this state must:

47 (a) Notify the office at least 30 days before writing  
48 flood insurance in this state; and

49 (b) File a plan of operation and financial projections or  
50 revisions to such plan, as applicable, with the office.

51 (6) Citizens Property Insurance Corporation may not  
52 provide insurance for the peril of flood.

53 (7) The Florida Hurricane Catastrophe Fund may not provide  
54 reimbursement for losses proximately caused by the peril of  
55 flood, including losses that occur during a covered event as  
56 defined in s. 215.555(2) (b).

57 (8) (a) When procuring a private flood insurance policy  
58 from an authorized insurer or a surplus lines insurer for a  
59 property currently insured under the National Flood Insurance  
60 Program, an agent must, at the time of expiration of the current  
61 policy, provide a written notice to be signed by the applicant,  
62 informing the applicant of the conditions under which the  
63 National Flood Insurance Program will apply:

64 1. The full risk rate to the property if flood insurance  
65 is later obtained under the National Flood Insurance Program; or

66 2. A subsidized rate to the property if flood insurance is

Amendment No. 1

67 later obtained under the National Flood Insurance Program.

68 (b) The private flood insurance policy must be canceled  
69 and the National Flood Insurance Program policy renewed unless  
70 the agent receives the signed notice from the applicant within  
71 the earlier of:

72 1. Twenty-one days after expiration of the policy under  
73 the National Flood Insurance Program; or

74 2. Seven days before the expiration of any timeframe  
75 during which the applicant may return to the National Flood  
76 Insurance Program under a subsidized rate.

77 (c) Paragraphs (a) and (b) do not apply if the National  
78 Flood Insurance Program allows the subsidized rate to apply at  
79 any time a previous policyholder returns ~~An agent must, upon~~  
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82 **T I T L E A M E N D M E N T**

83 Remove lines 7-26 and insert:

84 amending s. 627.715, F.S.; authorizing certain insurers to issue  
85 insurance policies, contracts, or endorsements providing certain  
86 excess coverage for the peril of flood; revising applicability;  
87 authorizing an insurer to issue flood insurance policies on a  
88 flexible basis; specifying a condition for an eligible surplus  
89 lines insurer before a surplus lines agent may be excepted from  
90 a diligent-effort requirement when exporting flood insurance  
91 contracts or endorsements to the insurer; extending the

Amendment No. 1

92 | expiration date of the exception with certain conditions;  
93 | revising applicability of certain notification and filing  
94 | requirements; revising a provision relating to a specified  
95 | notice required before the procurement of a private flood  
96 | insurance policy for property currently insured under the  
97 | National Flood Insurance Program; providing an expiration date  
98 | for the provision; providing an