

By the Committee on Banking and Insurance; and Senator Taddeo

597-02620-18

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1 A bill to be entitled
 2 An act relating to residential property insurance;
 3 amending s. 627.7011, F.S.; revising a mandatory
 4 homeowner's insurance policy disclosure regarding the
 5 absence of law and ordinance and flood insurance
 6 coverage; requiring insurers issuing such policies to
 7 include the disclosure with the policy documents upon
 8 the initial issuance of the policy and each renewal;
 9 providing applicability; providing an effective date.

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

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 13 Section 1. Subsection (4) of section 627.7011, Florida
 14 Statutes, is amended to read:

15 627.7011 Homeowners' policies; offer of replacement cost
 16 coverage and law and ordinance coverage.—

17 (4) Upon the initial issuance and each renewal of a
 18 homeowner's insurance policy, the insurer shall ~~must~~ include
 19 with the policy documents, in bold type no smaller than 18
 20 points, the following statement:

21
 22 "LAW AND ORDINANCE: LAW AND ORDINANCE COVERAGE IS AN
 23 IMPORTANT COVERAGE THAT YOU MAY WISH TO PURCHASE.
 24 PLEASE DISCUSS WITH YOUR INSURANCE AGENT."

25
 26 "FLOOD INSURANCE: YOU MAY ALSO NEED TO CONSIDER THE
 27 PURCHASE OF FLOOD INSURANCE ~~FROM THE NATIONAL FLOOD~~
 28 ~~INSURANCE PROGRAM.~~ YOUR HOMEOWNER'S INSURANCE POLICY
 29 DOES NOT INCLUDE COVERAGE FOR DAMAGE RESULTING FROM

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30 FLOOD, EVEN IF HURRICANE WINDS AND RAIN CAUSED THE
31 FLOOD TO OCCUR. WITHOUT SEPARATE FLOOD INSURANCE THIS
32 COVERAGE, YOU MAY HAVE UNCOVERED LOSSES CAUSED BY
33 FLOOD. PLEASE DISCUSS THE NEED TO PURCHASE SEPARATE
34 FLOOD INSURANCE COVERAGE THESE COVERAGES WITH YOUR
35 INSURANCE AGENT."

36
37 The intent of this subsection is to encourage policyholders to
38 purchase sufficient coverage to protect them in case events
39 excluded from the standard homeowners policy, such as law and
40 ordinance enforcement and flood, combine with covered events to
41 produce damage or loss to the insured property. The intent is
42 also to encourage policyholders to discuss these issues with
43 their insurance agent.

44 Section 2. The amendment made by this act to s. 627.7011,
45 Florida Statutes, applies to policies issued or renewed on or
46 after July 1, 2019.

47 Section 3. This act shall take effect July 1, 2019.