The Florida Senate

BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Banking and Insurance

BILL:	CS/SB 1052
INTRODUCER:	Infrastructure and Security Committee and Senator Lee and others
SUBJECT:	Motor Vehicle Insurance
DATE:	March 29, 2019 REVISED:

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Price	Miller	IS	**Fav/CS**
2.	Knudson/Matiyow	Knudson	BI	**Pre-meeting**
3.			AP	

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 1052 repeals the Florida Motor Vehicle No-Fault Law (No-Fault Law), which requires every owner and registrant of a motor vehicle in this state to maintain Personal Injury Protection (PIP) coverage. Beginning January 1, 2020, the bill enacts financial responsibility requirements for liability for damages that result from accidents arising out of the ownership, maintenance, or use of a motor vehicle that is not a commercial motor vehicle, nonpublic sector bus, or for-hire passenger transportation vehicle, as follows:

- For bodily injury (BI) or death of one person in any one crash, $25,000, and
- Subject to that limit for one person, $50,000 for BI or death of two or more people in any one crash.

The bill retains the existing $10,000 financial responsibility requirement for property damage (PD).

The bill also revises required coverage amounts for garage liability and commercial motor vehicle insurance, and increases the cash deposit amount required for a certificate of self-insurance establishing financial responsibility for owners and operators of motor vehicles that are not for-hire vehicles.

The bill replaces the PIP coverage mandate with optional medical payments coverage which must provide coverage of at least $5,000 for medical expenses incurred due to bodily injury, sickness, or disease arising out of the ownership, maintenance, or use of a motor vehicle. The coverage also includes a death benefit of at least $5,000. Medical payments coverage protects the named insured, resident relatives, all passengers and operators of the insured vehicle, and all persons struck by the motor vehicle while not occupying a self-propelled motor vehicle.

The insurer must offer medical payments coverage at limits of $5,000 and $10,000, with an option for no deductible or a $500 deductible. Insurers may also offer other limits greater than $5,000, and other deductibles less than $500. Policies are presumed to include medical payments coverage with a limit of $10,000 with no deductible unless the insured declines medical payments coverage or selects coverage at a different limit or with a deductible.

The bill also requires the insurer to reserve $5,000 of benefits for payment to specified physicians or dentists who provide emergency services and care or who provide hospital inpatient care for 30 days after the date the insurer receives notice of the accident.

The repeal of the No-Fault Law eliminates the limitations on recovering pain and suffering damages from PIP insureds, which currently require bodily injury that causes death or significant and permanent injury.

Additionally, the bill authorizes the exclusion of a specifically named individual from specified insurance coverages under a private passenger motor vehicle policy, with the written consent of the policyholder.

The bill appropriates $83,651 in nonrecurring funds from the Insurance Regulatory Trust Fund to the Office of Insurance Regulation to implement the act.

The bill takes effect January 1, 2020, except as otherwise provided and except that provisions relating to application of the laws during the transition from PIP coverage to the new financial responsibility requirements and the effective date section, take effect upon becoming a law.

II. Present Situation:

Under the Florida Motor Vehicle No-Fault Law (No-Fault Law),[1] owners or registrants of motor vehicles are required to purchase personal injury protection (PIP) insurance which compensates persons injured in accidents regardless of fault.[2] Policyholders are indemnified by their own insurer. The intent of no-fault insurance is to provide prompt medical treatment without regard to fault.[3] This coverage also provides policyholders with immunity from liability for economic damages up to the policy limits and limits tort suits for non-economic damages (pain and suffering) below a specified injury threshold.[4] In contrast, under a tort liability system, the negligent party is responsible for damages caused and an accident victim can sue the at-fault driver to recover economic and non-economic damages.

[1] Sections 627.730-627.7405, F.S.
[2] Section 627.733, F.S.
[3] See s. 627.731, F.S.
[4] Section 627.737, F.S.

Florida drivers are required to purchase both PIP and property damage liability (PD) insurance.[5] The personal injury protection must provide a minimum benefit of $10,000 for bodily injury to any one person who sustains an emergency medical condition, which is reduced to a $2,500 limit for medical benefits if a treating medical provider does not determine an emergency medical condition existed.[6] PIP coverage provides reimbursement for 80 percent of reasonable medical expenses,[7] 60 percent of loss of income,[8] and 100 percent of replacement services,[9] for bodily injury sustained in a motor vehicle accident, without regard to fault. The property damage liability coverage must provide a $10,000 minimum benefit. A $5,000 death benefit is also provided.[10]

PIP Medical Benefits

The 2012 Legislature revised the provision of PIP medical benefits under the No-Fault Law, effective January 1, 2013.[11] To receive PIP medical benefits, insureds must receive initial services and care within 14 days after the motor vehicle accident.[12] Initial services and care are only reimbursable if lawfully provided, supervised, ordered or prescribed by a licensed physician, licensed osteopathic physician, licensed chiropractic physician, licensed dentist, or must be rendered in a hospital, a facility that owns or is owned by a hospital, or a licensed emergency transportation and treatment provider.[13] Follow-up services and care require a referral from such providers and must be consistent with the underlying medical diagnosis rendered when the individual received initial services and care.[14]

PIP medical benefits have two different coverage limits, based upon the severity of the medical condition of the individual. An insured may receive up to $10,000 in medical benefits for services and care if a physician, osteopathic physician, dentist, physician's assistant or advanced registered nurse practitioner has determined that the injured person had an emergency medical condition.[15] An emergency medical condition is defined as a medical condition manifesting itself by acute symptoms of sufficient severity that the absence of immediate medical attention could reasonably be expected to result in serious jeopardy to patient health, serious impairment to bodily functions, or serious dysfunction of a body organ or part.[16] If a provider who rendered treatment or services does not determine that the insured had an emergency medical condition, the PIP medical benefit limit is $2,500.[17] Massage and acupuncture are not reimbursable, regardless of the type of provider rendering such services.[18]

[5] See ss. 324.022, F.S. and 627.733, F.S.
[6] Section 627.736(1), F.S.
[7] Section 627.736(1)(a), F.S.
[8] Section 627.736(1)(b), F.S.
[9] *Id.*
[10] Section 627.736(1)(c), F.S.
[11] Chapter 2012-197, L.O.F. (CS/CS/HB 119)
[12] Section 627.736(1)(a), F.S.
[13] Section 627.736(1)(a)1., F.S.
[14] Section 627.736(1)(a)2., F.S.
[15] Section 627.736(1)(a)3., F.S.
[16] Section 627.732(16), F.S.
[17] Section 627.736(1)(a)4., F.S.
[18] Section 627.736(1)(a)5., F.S.

The $5,000 PIP death benefit is provided in addition to medical and disability benefits, effective January 1, 2013. Previously, the death benefit was the lesser of the unused PIP benefits, up to a limit of $5,000.

Medical Fee Limits for PIP Reimbursement

Section 627.736(5), F.S., authorizes insurers to limit reimbursement for benefits payable from PIP coverage to 80 percent of the following schedule of maximum charges:

- For emergency transport and treatment (ambulance and emergency medical technicians), 200 percent of Medicare;
- For emergency services and care provided by a hospital, 75 percent of the hospital's usual and customary charges;
- For emergency services and care and related hospital inpatient services rendered by a physician or dentist, the usual and customary charges in the community;
- For hospital inpatient services, 200 percent of Medicare Part A;
- For hospital outpatient services, 200 percent of Medicare Part A;
- For services supplies and care provided by ambulatory surgical centers and clinical laboratories, 200 percent of Medicare Part B;
- For durable medical equipment, 200 percent of the Durable Medical Equipment Prosthetics/Orthotics and Supplies fee schedule of Medicare Part B;
- For all other medical services, supplies, and care, 200 percent of the participating physicians fee schedule of Medicare Part B; and
- For medical care not reimbursable under Medicare, 80 percent of the workers' compensation fee schedule. If the medical care is not reimbursable under either Medicare or workers' compensation then the insurer is not required to provide reimbursement.

The insurer may not apply any utilization limits that apply under Medicare or workers' compensation.[19] In addition, the insurer must reimburse a health care provider rendering services under the scope of his or her license, regardless of any restriction under Medicare that restricts payments to certain types of health care providers for specified procedures. Medical providers are not allowed to bill the insured for any excess amount when an insurer limits payment as authorized in the fee schedule, except for amounts that are not covered due to the PIP coinsurance amount (the 20 percent copayment) or for amounts that exceed maximum policy limits.[20]

In 2012, the Legislature enacted chapter 2012-197, Laws of Florida, to revise the PIP medical fee schedule in an effort to resolve alleged ambiguities that led to conflicts and litigation between claimants and insurers. The law clarified the reimbursement levels for care provided by ambulatory surgical centers and clinical laboratories and for durable medical equipment. The law also provided that Medicare fee schedule in effect on March 1, is applicable for the remainder of that year.[21] Insurers were authorized to use Medicare coding policies and payment methodologies of the Centers for Medicare and Medicare Services, including applicable

[19] Section 627.736(5)(a)3., F.S.
[20] Section 627.736(5)(a)4., F.S.
[21] Section 627.736(5)(a)2., F.S.

modifiers, when applying the fee schedule if they do not constitute a utilization limit.[22] The law also required insurers to include notice of the fee schedule in their policies.[23]

Attorney Fees

Section 627.428, F.S., requires an insurer to pay the insured's or beneficiary's reasonable attorney fees upon a judgment against the insurer and in favor of the insured or named beneficiary under an insurance policy, and applies to disputes under the No-Fault Law.[24] Chapter 2012-197, L.O.F., amended provisions related to attorney fee awards in No-Fault disputes. The law prohibited the application of attorney fee multipliers.[25] The law also required that the attorney fees awarded must comply with prevailing professional standards, not overstate or inflate the number of hours reasonably necessary for a case of comparable skill or complexity, and represent legal services that are reasonable to achieve the result obtained.[26] The offer of judgment statute, s. 768.79, F.S., is applied to No-Fault cases, providing statutory authority for insurers to recover fees if the plaintiff's recovery does not exceed the insurer's settlement offer by a statutorily specified percentage.[27]

Mandatory Rate Filings and Data Call

Chapter 2012-197, L.O.F., required the Office of Insurance Regulation to contract with a consulting firm to calculate the expected savings from the act.[28] The OIR retained Pinnacle Actuarial Resources, Inc., which released an August 20, 2012, report estimating an indicated statewide average savings in PIP premiums of 14 percent to 24.6 percent and an average overall motor vehicle insurance premium reduction ranging from 2.8 percent to 4.9 percent.[29] The report noted that if insurers' current PIP rates were inadequate they would likely offset the savings from Chapter 2012-197, L.O.F., against their indicated PIP rates. By October 1, 2012, each insurer writing private passenger automobile PIP insurance was required to submit a rate filing providing at least a 10 percent reduction of its PIP rate or explain in detail its reasons for failing to achieve those savings. The Legislature required a second mandatory rate filing due January 1, 2014, that provided at least a 25 percent reduction of the insurer's July 1, 2012, PIP rate or explained in detail its reasons for failing to achieve those savings.

The Office of Insurance Regulation performed a comprehensive PIP data call on January 1, 2015, that analyzed the impact of the 2012 act's reforms on the PIP insurance market. The top 25 personal lines automobile insurers[30] generally failed to achieve a 25 percent rate reduction

[22] Section 627.736(5)(a)3., F.S.
[23] Section 627.736(5)(a)5., F.S.
[24] Section 627.736(8), F.S.
[25] See id.
[26] See id.
[27] See id.
[28] Section 15, Ch. 2012-197, L.O.F.
[29] Pinnacle Actuarial Resources, Inc., *Impact Analysis of HB 119*, (Aug. 20, 2012) available at https://www.floir.com/siteDocuments/HB119ImpactAnalystFINAL08202012.pdf (last viewed March 7, 2019).
[30] On an earned premium basis.

and instead reduced PIP rates an average of 13.6 percent.[31] Rates were only reduced an average of 0.1 percent for a full auto insurance premium consisting of PIP, property damage, bodily injury, uninsured motorists, collision and comprehensive coverages.[32] The OIR noted that though the required rate filings were on the low end of 2012 Pinnacle report, prior to the 2012 act, the statewide average approved rate changes were a 46.3 percent increase in PIP rates, and a 12.9 percent rate increase for full auto insurance.[33]

Rate filings by top 25 auto insurers from January 1, 2015, to January 18, 2017, reversed the entirety of the rate reductions achieved post the 2012 act, resulting in average premiums higher than those charged before that act became law.[34] Generally, motor vehicle insurance rates increased nationally.[35] Recent data from the United States Department of Labor indicates that the consumer price index for motor vehicle insurance (U.S. city average for urban consumers) increased 3.4 percent from January of 2018 to January of 2019.[36] The number of crashes and crashes involving injuries reported to the Florida Department of Highway Safety and Motor Vehicles in the most recent 3 years is shown in the table below. [37]

Florida Motor Vehicle Crashes			
Calendar Year	Total Crashes	Injury Crashes	Fatalities
2016	395,972	166,002	3,175
2017	402,499	166,666	3,116
2018	400,619	166,172	3,070

Motor Vehicle Insurance Fraud

Motor vehicle insurance fraud is a long-standing problem in Florida. In November 2005, the Senate Banking and Insurance Committee issued a report entitled "Florida's Motor Vehicle No-Fault Law", which was a comprehensive review of Florida's No-Fault system.[38] The report indicated that fraud was at an "all-time" high at the time, noting:

"Florida's no-fault laws are being exploited by sophisticated criminal organizations in schemes that involve health care clinic fraud, staging (faking) car crashes, manufacturing false crash

[31] Office of Insurance Regulation, *Report on Review of the Data Call Pursuant to HB 119 – Motor Vehicle Personal Injury Protection (PIP) Insurance*, Pg. 43 (January 1, 2015) available at https://www.floir.com/siteDocuments/HB119DataCallReport.pdf (last viewed March 7, 2019).
[32] *Id.*
[33] *Id. at* pg. 41.
[34] See Office of Insurance Regulation, *Florida Personal Auto Market Presented to The Florida Senate Committee on Banking and Insurance*, pg. 3 (January 24, 2017) available at https://www.floir.com/siteDocuments/SenateBIFLPersonalAutoMarketPresentation01242017.pdf (last viewed March 7, 2019)
[35] See National Association of Insurance Commissioners, *Auto Insurance Database Report 2015/2016*, pg. 26 (2018) https://naic.org/prod_serv/AUT-PB-15.pdf (last viewed March 29, 2019).
[36] United States Department of Labor, *Economic News Release Consumer Price Index Summary* (January 2019) available at https://www.bls.gov/news.release/cpi.t02.htm (last viewed March 10, 2019).
[37] See Florida Department of Highway Safety and Motor Vehicles, Florida Integrated Report Exchange System Quick Statistics at https://firesportal.com/Pages/Public/QuickStats.aspx (last viewed March 10, 2019).
[38] *See* Florida's Motor Vehicle No-Fault Law, *Report Number 2006-102*, available at http://archive.flsenate.gov/data/Publications/2006/Senate/reports/interim_reports/pdf/2006-102bilong.pdf (last viewed March 10, 2019).

reports, adding occupants to existing crash reports, filing PIP claims using contrived injuries, colluding with dishonest medical treatment providers to fraudulently bill insurance companies for medically unnecessary or non-existent treatments, and patient-brokering…"

Fraudulent claims are a major cost-driver and result in higher motor vehicle insurance premium costs for Florida policyholders. The 2012 act contained numerous provisions designed to curtail PIP fraud. A health care practitioner found guilty of insurance fraud under s. 817.234, F.S., loses his or her license for 5 years and may not receive PIP reimbursement for 10 years. Insurers are provided an additional 60 days (90 total) to investigate suspected fraudulent claims, however, an insurer that ultimately pays the claim must also pay an interest penalty.[39] All entities seeking reimbursement under the No-Fault Law must obtain health care clinic licensure except for hospitals, ambulatory surgical centers, entities owned or wholly owned by a hospital, clinical facilities affiliated with an accredited medical school and practices wholly owned by a physician, dentist, or chiropractic physician or by such physicians and specified family members.[40] The act also defined failure to pay PIP claims within the time limits of s. 627.736(4)(b), F.S., as an unfair and deceptive practice.

Financial Responsibility Law

Florida's financial responsibility law requires proof of ability to pay monetary damages for bodily injury and property damage liability arising out of a motor vehicle accident or serious traffic violation.[41] The owner and operator of a motor vehicle need not demonstrate financial responsibility, i.e., obtain BI and PD coverages, until *after the accident*.[42] At that time, a driver's financial responsibility is proved by the furnishing of an active motor vehicle liability policy. The minimum amounts of liability coverages required are $10,000 in the event of bodily injury to, or death of, one person, $20,000 in the event of injury to, or death of, two or more persons, and $10,000 in the event of damage to property of others, or $30,000 combined BI/PD policy.[43] The driver's license and registration of the driver who fails to comply with the security requirement to maintain PIP and PD insurance coverage is subject to suspension.[44] A driver's license and registration may be reinstated by obtaining a liability policy and by paying a fee to the Department of Highway Safety and Motor Vehicles.[45]

Review of Auto Insurance Systems

Two auto insurance systems are utilized throughout the country: the tort system and the no-fault system, with certain variations. Thirty-eight states utilize the tort system in which the at-fault party is liable for damages (medical, economic, property damage and pain and suffering) to other parties in an accident.[46] Parties seeking redress for their injuries do so from the at-fault driver,

[39] Section 627.736(4)(i), F.S.
[40] Section 627.736(5)(h), F.S.
[41] See ch. 324, F.S.
[42] Section 324.011, F.S.
[43] Section 324.022, F.S.
[44] Section 324.0221(2), F.S.
[45] Section 324.0221(3), F.S.
[46] Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Georgia, Idaho, Illinois, Indiana, Iowa, Louisiana, Maine, Maryland, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Mexico, North

and must prove negligence on the part of that individual. Nine of the 38 tort states, known as "add-on" states, require auto insurers to offer PIP coverage, but unlike no-fault states, do not restrict the right to pursue a liability claim or lawsuit.[47] Benefits are generally either offered in a PIP coverage form similar to that in no-fault states or as additional wage replacement benefits to medical payments coverage. Three tort add-on states require the purchase of PIP coverage; six do not, but require insurers to offer PIP coverage.

Twelve states (including Florida) have a no-fault system and mandate first-party PIP coverage for medical benefits, wage loss, and death benefits, with a limitation on pain and suffering lawsuits.[48] All 12 jurisdictions take different approaches to no-fault legislation in that coverage amounts, deductibles, mandated coverages, tort thresholds for pain and suffering claims, and the use of fee schedules or treatment protocols vary widely among these entities. Each state has either a "verbal" or "monetary" threshold regarding the seriousness of a person's injuries that must be met prior to the filing of a tort suit for noneconomic damages against an at-fault driver. Florida and the four most populous no-fault states use a verbal threshold, which is a statutory description of the severity of an injury. The seven remaining no-fault states have monetary thresholds ranging from $1,000 to $5,000. Three of the 12 no-fault states (Kentucky, New Jersey and Pennsylvania) are known as "choice" states and offer consumers a choice between purchasing PIP coverage and traditional tort liability coverage, which does not include PIP benefits.

Tort-Based Motor Vehicle Insurance Jurisdictions

In a tort-based liability system, auto injury claimants seek payment from the at-fault driver for both economic and non-economic damages from dollar one. A tort-based system represents a more traditional legal philosophy of holding persons responsible for injuries caused by their negligent operation of a vehicle. In theory, this encourages safer operation of automobiles and is generally viewed by the public as consistent with the concept of personal responsibility.

If Florida repeals PIP and mandates BI coverage, it will be important for drivers to appreciate coverage applications under the tort system. For the most common type of accident (with one party at-fault), the at-fault party's BI coverage would pay for injuries to the not at-fault driver, unless the at-fault party was uninsured. If the at-fault party is uninsured (or underinsured), the not at-fault party would utilize his/her Uninsured Motorist (UM) coverage, if purchased, to pay for injuries sustained in an accident. The at-fault party's PD coverage would compensate for physical damages to the not at-fault driver's vehicle. If the not-at-fault party has Med Pay coverage, it can be used to cover his or her own medical expenses, which could then be subrogated into the BI claim by the not at-fault driver's insurer.

With respect to the at-fault party, that driver's own health insurance, if available, would cover his or her own expenses. Med Pay coverage, if purchased, would pay for his/her medical expenses up to the Med Pay limits, at which point health insurance would apply. In the event the at-fault

Carolina, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Vermont, Virginia, Washington, West Virginia, Wisconsin, and Wyoming.

[47] Arkansas, Delaware, Maryland, Oregon, South Dakota, Texas, Virginia, Washington, and Wisconsin.

[48] Hawaii, Kansas, Kentucky, Massachusetts, Michigan, Minnesota, New Jersey, New York, North Dakota, Pennsylvania, and Utah are the other No-Fault states.

party did not have health insurance, then the medical costs would not be reimbursed and the individual would be responsible for these costs or such costs would be assumed by the health care provider.

For single car accidents, the driver of the vehicle is presumed to be the at-fault party and therefore will be essentially in the same situation as the at-fault party described above. Occupants in the vehicle can sue the driver of the vehicle for their injuries and are in a similar circumstance to the not at-fault party's situation, previously described. Family members are precluded from suing the driver because of the intra-family exclusion resulting in the fact that only non-family occupants can pursue a tort claim. Pedestrians who are injured in an accident are in a similar situation as the not at-fault party.

III. Effect of Proposed Changes:

Repeal of the Florida Motor Vehicle No-Fault Law

Section 1 repeals ss. 627.730-627.7405, F.S., which constitute the Florida Motor Vehicle No-Fault Law.

Two of the most significant provisions repealed are the requirement to maintain PIP coverage under s. 627.736, F.S., and the tort exemption in s. 627.737, F.S., which prohibits tort actions to recover pain and suffering damages from PIP insureds unless death or significant and permanent injury causes such damages, and coverage for disability and death benefits under PIP.

Section 2 repeals s. 627.7407, F.S., which explained how the Florida Motor Vehicle No-Fault Law was to be applied after being reinstated by ch. 2007-324, Laws of Florida.

Mandatory Bodily Injury Liability Coverage Requirements

Chapter 324, F.S., requires the owners and operators of motor vehicles to demonstrate the ability to respond to damages for liability because of crashes arising out of the use of a motor vehicle.[49] This requirement is usually met through the purchase of motor vehicle insurance.

Sections 12 and 13 amend ss. 324.021 and 324.022, F.S., respectively, to require beginning January 1, 2020, every owner or operator of a motor vehicle registered in this state to maintain the ability to respond to damages for liability that results from accidents arising out of the ownership, maintenance, or use of a motor vehicle that is not a commercial motor vehicle, nonpublic sector bus, or for-hire passenger transportation vehicle as follows:

- For BI or death of one person in any one crash, $25,000.
- Subject to that limit for one person, $50,000 for BI or death of two or more people in any one crash.

The bill retains current law that requires drivers to maintain the ability to respond to damages of $10,000 for damage to, or the destruction of, other's property in a crash.

[49] Owners and operators of motor vehicles may satisfy financial responsibility requirements by alternate means, such as depositing security with the Department of Highway Safety and Motor Vehicles pursuant to s. 324.161, F.S., or qualifying as a self-insurer pursuant to s. 324.171, F.S.

Financial responsibility may be met through motor vehicle insurance that provides BI and PD coverage in at least the minimum amounts required to meet responsibility or through insurance that provides BI and PD with a combined single coverage limit that equals the BI requirement for more than one person plus the PD requirement. Beginning January 1, 2020, the minimum combined single limit will be $60,000.

Required Provisions in Motor Vehicle Liability Policies

Section 21 amends s. 324.151, F.S., which requires motor vehicle liability insurance policies that serve as proof of financial responsibility to contain certain provisions. The bill requires policies issued to the owner of a motor vehicle registered in this state to insure all named insureds and any operator using the vehicle with the permission of the owner of the vehicle insured by the policy from liability resulting from the use of the motor vehicle referenced in the policy. The section of the bill also inserts a cross-reference to new provisions in the bill relating to excluding named drivers from certain coverage, discussed below.

Section 42 amends s. 627.7275, F.S., to require all motor vehicle insurance policies delivered or issued in Florida for a motor vehicle registered or principally garaged in this state to include BI liability coverage and PD liability coverage as required by s. 324.022, F.S.

Meeting Financial Responsibility through a Certificate of Self-Insurance

Section 16 amends s. 324.031, F.S., which allows owners and operators of motor vehicles that are not for-hire vehicles to prove financial responsibility by providing evidence of holding a motor vehicle liability policy. Two alternatives are also available under the statute. A person may prove financial responsibility by furnishing a certificate of self-insurance that shows a deposit of cash with a financial institution, or furnishing a certificate of self-insurance issued by the DHSMV based on demonstrating sufficient net unencumbered worth.

A person furnishing a certificate of self-insurance showing a deposit of cash must, beginning January 1, 2020, furnish a certificate of deposit equal to the number of vehicles owned times $60,000, to a maximum of $240,000. Current law requires a deposit equal to the number of vehicles times $30,000, to a maximum of $120,000. The bill retains current law that all persons using this method to maintain excess coverage of the amount deposited with limits of at least $125,000/$250,000/$50,000 BI/PD or a $300,000 BI/PD combined single limit.

Under **Section 23** of the bill amending s. 324.161, F.S., the proof of a certificate of deposit must be provided annually, and must be from a financial institution insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration.

The second alternative method is obtaining a certificate of self-insurance issued by the DHSMV. **Section 24** amends s. 324.171, F.S., effective January 1, 2020, to provide that a certificate of self-insurance from the DHSMV pursuant to this section may be obtained by a private individual with private passenger vehicles by demonstrating sufficient net unencumbered worth of at least $100,000. Current law requires a net unencumbered worth of at least $40,000. A person other than a natural person may obtain a certificate of self-insurance from the DHSMV by possessing a net unencumbered worth of at least $100,000 for the first motor vehicle and $50,000 for each additional vehicle. Current law requires a net unencumbered worth of $40,000 for the first motor

vehicle and $20,000 for each additional motor vehicle. The bill retains current law that authorizes the DHSMV to promulgate by rule an alternative net worth requirement for persons other than natural persons.

Garage Liability Insurance Requirement

Section 7 amends s. 320.27, F.S., which requires the licensure of motor vehicle dealers. The bill defines "garage liability insurance" to mean, beginning January 1, 2020, combined single-limit liability coverage, including property damage and BI liability coverage, of at least $60,000.

Current law only requires at least $25,000 in such coverage and requires $10,000 of PIP coverage.

Section 8 amends s. 320.771, F.S., and applies the same garage liability insurance requirement to recreational vehicle dealers.

Financial Responsibility Requirement for For-Hire Vehicles

Section 17 amends s. 324.032, F.S., which provides the financial responsibility requirements for for-hire passenger vehicles. The bill retains current law requiring the owner or lessee to meet the financial responsibility requirement and retains the minimum limits of coverage, which are $125,000/$250,000 of BI and $50,000 of PD. The bill amends current law by specifying the coverage must be purchased by an insurer that is a member of the Florida Insurance Guaranty Association.

Optional Medical Payments Coverage

Medical Payments Coverage Benefits

Section 40 creates s. 627.7265, F.S., which authorizes the inclusion of medical payments coverage of at least $5,000 in each motor vehicle liability insurance policy used to meet the financial responsibility requirements of s. 324.031, F.S. Medical payments coverage must provide coverage of at least $5,000 for medical expense incurred due to bodily injury, sickness, or disease arising out of the ownership, maintenance, or use of a motor vehicle. The coverage also includes a death benefit of at least $5,000. Medical payments coverage protects the named insured, resident relatives, all passengers and operators of the insured vehicle, and all persons struck by the motor vehicle while not occupying a self-propelled motor vehicle.

Before issuing a motor vehicle liability policy furnished as proof of financial responsibility, an insurer must offer medical payments coverage at limits of $5,000 and $10,000, with an option for no deductible or a $500 deductible. Insurers may also offer limits at greater than $5,000, and deductibles less than $500.

Each motor vehicle liability policy furnished as proof of financial responsibility is deemed to have:

- Medical payments coverage to a limit of $10,000, unless the policyholder, in writing on an approved form, refuses the coverage or selects coverage at a limit other than $10,000.
- No medical payments coverage deductible, unless the policyholder, in writing on an approved form, selects a deductible of up to $500.[50]

The forms must be approved by the OIR and fully advise the applicant of the nature of the coverage being rejected or the policy limit or deductible being selected. The named insured's signature on such form constitutes a conclusive presumption of an informed, knowing rejection or selection. If the policyholder does not request in writing the specified coverage, the coverage need not be provided in any other policy that renews, insures, extends, changes, supersedes, or replaces an existing policy if the policyholder has rejected the coverage or has selected an alternative coverage limit or deductible. An insurer must provide at least annually a notice of availability of coverage, which must be attached to the notice of premium and provide a means allowing the insured to request medical payments coverage at the limits and deductibles specified. Receipt of the notice does not constitute a waiver of an insured's right to medical payments coverage if the insured has not signed a selection or rejection form.

Upon receiving notice of an accident potentially covered by medical payments coverage benefits, the insurer must reserve $5,000 for payment to licensed physicians and licensed dentists who provide emergency services and care or who provide hospital indigent care. The reserve amount may be used only to pay claims from such physicians or dentists until 30 days after the date the insurer receives notice of the accident. After the 30-day period, any amount of the reserve for which the insurer has not received notice may be used by the insurer to pay other claims.

An insurer providing medical payments coverage benefits may not have a:

- Lien on any recovery in tort by judgment, settlement, or otherwise for medical payments coverage benefits, whether suit has been filed or settlement has been reached;
- Cause of action against an alleged tortfeasor for benefits paid under medical payments coverage; or
- Cause of action against a person to whom or for whom medical payments coverage benefits were paid, except when benefits are paid by reason of fraud by such person.

Section 26 amends s. 400.9905, F.S., providing that an entity is deemed a "clinic" and must be licensed in order to receive medical payments coverage reimbursement under s. 627.7265, F.S., unless the entity is:

- Wholly owned by a licensed physician, a licensed dentist, or a licensed chiropractic physician, or by the physician, dentist, or chiropractic physician and the spouse, parent, child, or sibling of the physician, dentist, or chiropractic physician;
- A licensed hospital or ambulatory surgical center;
- An entity that wholly owns or is wholly owned, directly or indirectly, by a licensed hospital or hospitals;

[50] These provisions are similar to current law applicable to selection or rejection of uninsured motorist vehicle coverage in s. 627.727, F.S., which provisions are retained.

- A clinical facility affiliated with an accredited medical school at which training is provided for medical students, residents, or fellows;
- A clinic certified under federal law to provide outpatient physical therapy and speech pathology services; or
- Owned by a publicly traded corporation which has $250 million or more in total annual sales of health care services provided by licensed health care practitioners, if one or more of the persons responsible for operations of the entity are licensed health care practitioners in this state and are responsible for supervising the business and the entity's compliance with state law.

This section of the bill also revises the definition of a "clinic" contained in s. 400.9905, F.S., of the Health Care Clinic Act, to replace references to PIP coverage and the Florida Motor Vehicle No-Fault Law with references to medical payments coverage.

Uninsured and Underinsured Motor Vehicle Insurance Coverage

Section 41 amends s. 627.727, F.S., which governs uninsured and underinsured motor vehicle insurance coverage. The bill deletes subsection (7), under which current law specifies that UM coverage does not include damages in tort for pain, suffering, mental anguish, and inconvenience unless the injury or disease is of sufficient severity under "verbal threshold" s. 627.737(2), F.S. Under PIP, a person cannot recover "pain and suffering" damages from the at-fault driver's bodily injury coverage unless the person's injuries exceed a certain severity threshold[51], commonly referred to as the "verbal threshold." Personal injury protection is considered a no-fault coverage because the injured person trades a limitation on the ability to recover pain and suffering damages for the ability to get PIP benefits even if the injured person is at fault in the accident. Uninsured motorist coverage generally provides the policyholder with benefits if the at-fault driver does not have sufficient bodily injury coverage. The bill repeals the "verbal threshold" contained in the No-Fault Law, thus this corresponding provision is also repealed.

Named Driver Exclusion

Section 22 creates s. 627.747, F.S., authorizing a private passenger motor vehicle policy to exclude an identified individual from coverages. Currently, the OIR requires insurers to provide exceptions to named driver exclusions up to statutorily required minimum limits for PIP coverage, BI liability coverage if the policy is used to meet financial responsibility requirements, UM coverage, and property damage liability coverage.[52]

Under the bill, if an identified individual is specifically excluded by name on the policy declarations page or by endorsement, and a policyholder consents to such exclusion in writing, a private passenger motor vehicle policy may exclude an identified individual from the following coverages:

- Property damage liability coverage.

[51] The injury or disease must consist in whole or in part of significant and permanent loss of an important bodily function; permanent injury within a reasonable degree of medical probability, other than scarring or disfigurement; significant and permanent scarring or disfigurement; or death. See s. 627.737(2), F.S.

[5252] See Office of Insurance Regulation, *2018 Agency Bill Analysis SB 518*, pg. 2 (Oct. 30, 2017). On file with the Senate Banking and Insurance Committee.

- Bodily injury liability coverage.
- Uninsured motorist coverage for any damages sustained by the identified excluded individual, if the policyholder has purchased such coverage.
- Any coverage the policyholder is not required by law to purchase.

However, a private passenger motor vehicle policy may not exclude coverage when:
- The identified excluded individual is injured while not operating a motor vehicle;
- The exclusion is unfairly discriminatory under the Florida Insurance Code, as determined by the Office of Insurance Regulation; or
- The exclusion is inconsistent with the underwriting rules filed by the insurer.

An individual would not be covered for damages that occur while operating a motor vehicle that is insured under a policy that excludes the individual, under the conditions specified, from any or all of the specified coverages, unless the individual is injured while not operating a motor vehicle, the exclusion is unfairly discrimination, or if the exclusion is inconsistent with the insurer's underwriting rules.

Commercial Motor Vehicle Coverage Requirements

Section 45 amends s. 627.7415, F.S., to increase the minimum levels of combined BI liability and PD liability coverage that commercial motor vehicles must have.

Beginning January 1, 2020, a commercial motor vehicle that weighs 26,000 pounds or more but less than 35,000 pounds must have coverage of no less than $60,000. Current law requires $50,000 of coverage.

A commercial motor vehicle that weighs 35,000 pounds or more but less than 44,000 pounds must have coverage of no less than $120,000 per occurrence beginning January 1, 2020. Current law requires $100,000 of coverage.

Technical and Conforming Changes

Section 3 amends s. 316.646, F.S., which requires drivers to maintain and be able to display proof of security demonstrating compliance with financial responsibility requirements. The bill specifies that any person required by s. 324.022, F.S., to maintain liability security for operating a motor vehicle must have proof of security in his or her immediate possession and deletes references to PIP and amended or repealed sections of law.

Section 4 amends s. 318.18(2), F.S., regarding nonmoving traffic violations, to remove a reference to PIP and conform cross references.

Section 5 amends s. 320.02, F.S., which contains the requirements to register a motor vehicle. The bill amends the section to require proof of motor vehicle insurance that meets the minimum limits of bodily injury liability and property damage liability.

Section 6 amends s. 320.0609, F.S., regarding transfer and exchange of registration license plates to eliminate a reference to PIP.

Section 9 amends s. 322.251, F.S., regarding notice of cancellation, suspension, or revocation of a driver's license to repeal references to the No-Fault Law.

Section 10 amends s. 322.34, F.S., regarding driving on a suspended, revoked, canceled, or disqualified driver's license, to delete a reference to the No-Fault Law.

Section 11 amends s. 324.011, F.S., which provides the purpose of ch. 324, F.S., to specify that under the chapter all owners or operators of a motor vehicle required to be registered in this state must establish, maintain and show proof of financial responsibility. Currently, financial responsibility requirements only apply after an operator is involved in a crash or convicted of certain traffic offenses.

Section 14 amends s. 324.0221, F.S., which requires insurers to report motor vehicle insurance cancellations to the DHSMV, to remove references to PIP and property damage coverage, insert references to BI liability coverage, and conform cross references.

Section 15 corrects cross references in s. 324.023, F.S., which requires drivers who plead guilty or nolo contendere to a charge of driving under the influence to meet additional liability insurance requirements.

Section 18 amends s. 324.051, F.S., regarding crash reports, to refer to motor vehicle liability policies rather than automobile liability policies.

Section 19 amends s. 324.071, F.S., to provide stylistic changes to provisions governing the reinstatement of a suspended license.

Section 20 amends s. 324.091, F.S., which requires owners and operators involved in a crash or conviction case to furnish evidence of liability insurance, by deleting references to automobile liability policy while retaining references to a motor vehicle liability policy.

Section 25 amends s. 324.251, F.S., to revise the short title of ch. 324, F.S., to the "Financial Responsibility Law of 2019" and state it will be effective at 12:01 a.m., on January 1, 2020. Currently the chapter is the "Financial Responsibility Law of 1955."

Sections 27 and 28 amend s. 400.991, F.S., and s. 400.9935, F.S., respectively, of the Health Care Clinic Act to remove references to PIP and the No-Fault Law and insert references to medical payments coverage.

Section 29 revises the definition of a "third party benefit" in s. 409.901, F.S., for purposes of Medicaid to refer to medical payments coverage rather than PIP coverage.

Section 30 amends s. 409.910(11), F.S., to specify that the Agency for Health Care Administration may recoup the total amount of medical assistance provided by Medicaid from motor vehicle insurance coverage benefits provided to a Medicaid beneficiary. Current law refers to PIP.

Section 31 amends s. 456.057, F.S., regarding patient records, to correct a cross-reference.

Section 32 amends s. 456.072, F.S., which allows the Department of Health to discipline licensees for submitting claims for PIP reimbursement when treatment was not rendered or that are intentionally upcoded, to relocate from the repealed s. 627.732, F.S., the existing definition of "upcoded" and refer instead to medical payments coverage.

Section 33 amends s. 626.9541(1)(i) and (o), F.S., regarding unfair insurance trade practices related to motor vehicle insurance. The bill deletes the unfair trade practice in paragraph (i) for failing to pay claims within statutory time periods required under the No-Fault Law to conform to the repeal of those time frames by the bill. The section makes a technical amendment to paragraph (o) to reference BI liability coverage, property damage liability coverage, and medical payments coverage, rather than PIP, in the prohibitions against the unfair insurance trade practice of increasing premium or cancelling a motor vehicle insurance policy solely because the insured was involved in a motor vehicle accident without having information the insured was substantially at fault.

Section 34 amends s. 626.989, F.S., to revise the "fraudulent insurance acts" detailed in the section to refer to medical payments coverage, rather than the No-Fault Law.

Section 35 amends s. 627.06501, F.S., regarding insurance discounts for completing a driver improvement course, to delete a reference to PIP and insert a reference to medical payments.

Sections 36 and 37 amend s. 627.0652, F.S., and s. 627.0653, F.S., respectively, relating to insurance discounts for motor vehicle coverage, by replacing references to PIP with references to medical payments coverage.

Section 38 amends s. 627.4132, F.S., regarding the general prohibition against stacking of motor vehicle coverages, to refer to BI and PD instead of PIP or other coverage.

Section 39 amends s. 627.7263, F.S., which generally makes the rental and leasing driver's insurance primary, to delete references to PIP and insert references to medical payments coverage.

Section 43 amends s. 627.728, F.S., which governs cancellations of motor vehicle insurance policies, to delete a reference to PIP in the definition of "policy."

Section 44 amends s. 627.7295, F.S., to revise definitions relating to motor vehicle insurance contracts by deleting references to PIP and inserting references to BI liability coverage.

Section 46 amends s. 627.748, F.S., relating to insurance requirements for transportation network companies, to remove references to PIP required under the repealed No-Fault law and insert a cross-reference to the revised financial responsibility requirements for for-hire passenger transportation vehicles in section 17 of the bill.

Section 47 amends s. 627.8405, F.S., regarding prohibited acts of premium finance companies, to replace a reference to a PIP/PD only policy with a reference to a policy that only provides BI/PD.

Section 48 amends s. 627.915, F.S., which requires private passenger automobile insurers to report annually information to the office, to remove references to PIP.

Section 49 amends s. 628.909, F.S., which applies certain provisions of the Insurance Code to captive insurance companies, to delete references to the No-Fault Law.

Section 50 amends s. 705.184, F.S., which governs derelict or abandoned motor vehicles on the premises of public-use airports, to delete references to s. 627.736, F.S., which is repealed by the bill.

Section 51 amends s. 713.78, F.S., regarding liens for recovering, towing, or storing vehicles and vessels, to delete references to s. 627.736, F.S., which is repealed by the bill.

Section 52 amends s. 817.234, F.S., regarding false and fraudulent insurance claims, to delete references to PIP and replace them with references to medical payments coverage.

Application of Bill and Effective Date

Section 53 creates s. 627.7278, F.S., applying financial responsibility requirements and optional medical payments coverage created by the bill as follows:

- Effective January 1, 2020:
  - All motor vehicle insurance policies issued or renewed may not include PIP.
  - All persons must maintain at least minimum security requirements, which is the ability to respond to damages for liability because of motor vehicle crashes in the amounts required in s. 324.021(7), F.S., for private use motor vehicles, for-hire passenger transportation vehicles, commercial motor vehicles, and nonpublic sector buses.
  - Any new or renewal motor vehicle insurance policy delivered or issued in this state must provide coverage that complies with minimum security requirements.
  - An existing motor vehicle insurance policy that provides PIP and property damage liability coverage but does not meet the new bodily injury liability requirements is deemed to meet the bodily injury requirements until the policy is renewed, non-renewed or cancelled on or after January 1, 2020, and the provisions of the No-Fault law and other related statutes remain in full force and effect for motor vehicle accidents covered under a policy issued under the No-Fault law before that date, until the policy is renewed, nonrenewed, or canceled.
- Insurers must allow each insured who has a policy providing PIP which is effective before January 1, 2020, and whose policy does not meet minimum security requirements, to eliminate PIP coverage and obtain coverage providing minimum security requirements effective on or after January 1, 2020. The insurer is also required to offer each insured the optional medical payments coverage required by the bill. Insurers may not impose additional fees solely to change coverage, but may charge an additional premium that is actuarially indicated.
- By September 1, 2019, each motor vehicle insurer shall provide notice that:
  - The Florida Motor Vehicle No-Fault Law is repealed effective January 1, 2020, and that PIP coverage is no longer required or available for purchase.

- Effective January 1, 2020, a person subject to the financial security requirements of s. 324.022, F.S., must maintain minimum security requirements for bodily injury liability and property damage liability in the following amounts:
  - $25,000 for BI or death of one person in any one crash and, subject to such limits, $50,000 for BI or death of two or more persons in any one crash, and
  - $10,000 for PD in any one crash.
- BI liability coverage protects the insured, up to the coverage limits, against loss if the insured is legally responsible for the death of or bodily injury to others in a motor vehicle accident.
- Effective January 1, 2020, each holder of a motor vehicle liability insurance policy purchased as proof of financial responsibility must be offered the optional medical payments coverage benefits at limits of $5,000 and $10,000 without a deductible, may be offered such coverage at limits greater than $5,000, and may be offered coverage with a deductible of up to $500. Medical payments coverage pays covered medical expenses, up to the limits, for injuries sustained in a motor vehicle crash by the named insured, resident relatives, persons operating the insured motor vehicle, passengers in the insured motor vehicle, and persons who are struck by the insured motor vehicle and suffer bodily injury while not an occupant of a self-propelled motor vehicle. Medical payments coverage also provides a death benefit of at least $5,000.
- A policyholder may obtain uninsured and underinsured motorist coverage, which provides benefits to a policyholder entitled to recover bodily injury damages resulting from a motor vehicle accident with an uninsured or underinsured owner or operator of a motor vehicle.
- A policy effective before January 1, 2020, is deemed to meet minimum security requirements until it is renewed, non-renewed, or canceled.
- A policyholder may change coverages to eliminate PIP protection and obtain coverage providing minimum security requirements.
- If the policyholder has any questions, he or she should contact the person named at the telephone number provided in the notice.

This section is effective upon the act becoming a law.

Section 54 creates s. 324.0222, F.S., requiring all driver license and motor vehicle registration suspensions for failure to maintain required security as required by law in effect before January 1, 2020, to remain in full force and effect after the effective date of this act. A driver may reinstate a suspended driver's license or registration as provided under s. 324.0221, F.S.

Section 55 appropriates $83,651 in nonrecurring funds from the Insurance Regulatory Trust Fund to the Office of Insurance Regulation for the purpose of implementing the act.

Section 56 provides that except as otherwise expressly provided in the act and this section, which take effect upon this act becoming a law, the act is effective January 1, 2020.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

Bodily injury coverage is not a required coverage under Florida law unless a person is involved in certain accidents causing bodily injury, convicted of certain offenses, or is otherwise required to maintain BI liability coverage in statute. Failure to maintain BI coverage, when required, can result in the suspension of a license or registration. The reinstatement fee under s. 324.071, F.S., for such suspension under current law is $15. The bill retains this reinstatement fee for a license suspension based upon a crash report under s. 324.051(2), F.S.; a registration suspension under s. 324.072, F.S., based on a license suspension pursuant to s. 322.26, F.S., or s. 322.27, F.S.; suspension of the operating privileges of a nonresident driver under s. 324.081, F.S.; or suspension of license and registration under s. 324.121, F.S., for failure to satisfy a judgment.

The bill retains the current reinstatement fees under s. 324.0221, F.S., for a suspended license or registration for failure to maintain required insurance based on a report by an insurer. The reinstatement fee for such suspensions under s. 324.0221, F.S., is $150 for a first reinstatement, while second and subsequent reinstatements within 3 years of the first reinstatement require fees of $250 and $500, respectively.

B. Private Sector Impact:

The fiscal impact to policyholders, health insurers, health care providers, and injured claimants is indeterminate. However, in a 2016 report, *Florida Office of Insurance Regulation: Review of Personal Injury Protection Legislation*, provided, among other information, actuarial estimates of the savings expected from repealing the No-Fault

Law.[53] The report concludes, based only on repeal of the No-Fault Law with financial responsibility limits of $25,000/$50,000, that a 5.6 percent savings would be realized in the statewide average premium charge.[54] The 2016 PIP Study estimated that health insurers would cover approximately $469.7 million of current PIP loss if No-Fault were repealed.[55] Health care providers would cover approximately $32.8 million of current PIP losses.[56] Injured claimants would cover approximately $82.9 million of current PIP losses.[57]

The actuarial consulting firm Milliman, Inc., estimated the impact of similar, but not identical, legislation in 2018, on behalf of the Property and Casualty Insurers Association of America. The Milliman report, dated January 25, 2018, estimated that repealing PIP and mandating BI coverage of at least $25,000/$50,000 would increase premiums on average by $67 (5.3 percent), increase premiums on average for drivers that currently purchase full coverage by $105 (7.2 percent), and increase premiums on average $230 (50.1 percent) for drivers who currently purchase only PIP and PD at the minimum mandatory limits.[58] The report estimates that *mandating* $5,000 of MedPay in addition to mandating BI coverage of at least $25,000/$50,000 would increase premiums on average by $115.85 (9.2 percent).[59] The report identifies as cost-drivers increasing premium the elimination of the No-Fault verbal threshold for noneconomic damages and the elimination of the PIP co-insurance provisions (20 percent for medical expenses and 40 percent for loss of income expenses).[60]

Policyholders who reside in the same household as a high-risk individual who is of driving age could see a decrease in their rates if they exclude such drivers from one or more of the specified coverages.

C. Government Sector Impact:

The bill appropriates $83,651 in nonrecurring funds from the Insurance Regulatory Trust Fund to the Office of Insurance Regulations to implement the act. The fiscal impact to state and local governments is otherwise indeterminate.

VI. Technical Deficiencies:

None.

[53] Office of Insurance Regulation, *Review of Personal Injury Protection Legislation*, (Sept. 13, 2016), Appendix 3, p. 1. Available at http://www.floir.com/siteDocuments/FLOIRReviewPIP20160913.pdf (last viewed March 6, 2019).
[54] That is the average premium savings for a driver purchasing BI, UM, PD, Comprehensive, and Collision coverages.
[55] *See* Office of Insurance Regulation fn. 52 at pg. 68.
[56] *See id.*
[57] *See id.*
[58] Milliman, Inc., *Florida Personal Auto Insurance Impact of Repealing No-Fault Coverage – Prepared for Property Casualty Insurers Association of America*, pg. 4 (Jan. 25, 2018). Available at http://floridapolitics.com/wp-content/uploads/2018/02/Impact-of-Repealing-No-Fault_Final.pdf (last viewed March 7, 2019).
[59] *See* Milliman at pg. 6.
[60] *See* Milliman at pgs. 9-10.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 316.646, 318.18, 320.02, 320.0609, 320.27, 320.771, 322.251, 322.34, 324.011, 324.021, 324.022, 324.0221, 324.023, 324.031, 324.032, 324.051, 324.071, 324.091, 324.151, 324.161, 324.171, 324.251, 400.9905, 400.991, 400.9935, 409.901, 409.910, 456.057, 456.072, 626.9541, 626.989, 627.06501, 627.0652, 627.0653, 627.4132, 627.7263, 627.727, 627.7275, 627.728, 627.7295, 627.7415, 627.8405, 627.915, 628.909, 705.184, 713.78, and 817.234.

This bill creates the following sections of the Florida Statutes: 324.0222, 627.7265, and 627.7278.

This bill repeals the following sections of the Florida Statutes: 627.730, 627.731, 627.7311, 627.732, 627.733, 627.734, 627.736, 627.737, 627.739, 627.7401, 627.7403, 627.7405, and 627.7407.

IX. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Infrastructure and Security on March 13, 2019:
The CS incorporates technical revisions to correct grammar, statutory cross-references, and references to "paragraph" that should read "subparagraph." In addition, the CS incorporates authorization for the exclusion of a specifically named individual from specified insurance coverages under a private passenger motor vehicle policy, under certain conditions.

B. Amendments:

None.