

By Senator Perry

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1 A bill to be entitled
2 An act relating to insurance; amending s. 215.555,
3 F.S.; redefining the term "covered policy" under the
4 Florida Hurricane Catastrophe Fund in relation to
5 certain collateral protection insurance policies;
6 amending s. 624.423, F.S.; specifying when service of
7 process is valid and binding upon insurers; amending
8 s. 626.856, F.S.; revising the definition of the term
9 "company employee adjuster"; amending s. 626.9202,
10 F.S.; revising the definition of the term "loss run
11 statement"; specifying the entities that must receive
12 requests for loss run statements; specifying that
13 insurers must provide loss run statements under
14 certain circumstances; revising the required claims
15 history in loss run statements; providing
16 applicability; limiting loss run statement requests
17 with respect to group health insurance policies to
18 group policyholders; amending s. 627.062, F.S.;
19 authorizing a rate filing for homeowners' insurance to
20 use a specified modeling indication; amending s.
21 627.0629, F.S.; authorizing, rather than requiring,
22 rate filings for certain residential property
23 insurance to include certain rate factors; authorizing
24 insurers to file certain insurance rating plans based
25 on certain windstorm mitigation construction
26 standards; authorizing insurers to require
27 policyholders to provide evidence of compliance with
28 mitigation standards under certain conditions;
29 amending s. 627.072, F.S.; providing a ratemaking

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30 factor for workers' compensation and employer's
31 liability insurance; amending s. 627.351, F.S.;
32 revising conditions for determining the ineligibility
33 of condominiums for wind-only coverage; amending s.
34 627.444, F.S.; revising the definition of the term
35 "loss run statement"; specifying the entities that
36 must receive requests for loss run statements;
37 specifying that insurers must provide loss run
38 statements under certain circumstances; revising the
39 required claims history in loss run statements;
40 providing applicability; limiting loss run statement
41 requests with respect to group health insurance
42 policies to group policyholders; repealing s.
43 627.6647, F.S., relating to the release of information
44 required for bid to group health insurance
45 policyholders; amending s. 627.7011, F.S.; revising
46 conditions for inclusion of costs for law and
47 ordinance coverage in loss adjustments under certain
48 homeowners' policies; revising the timeframes of
49 repairs of dwellings and replacement of personal
50 property for which the insurer must pay when property
51 is insured on the basis of replacement costs; amending
52 s. 627.715, F.S.; providing an exemption from a
53 diligent effort requirement for agents exporting
54 contracts or endorsements providing flood coverage;
55 amending s. 627.7152, F.S.; revising the definition of
56 the term "assignment agreement"; specifying the
57 addresses to which a notice of intent must be served;
58 amending ss. 634.171, 634.317, and 634.419, F.S.;

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59 authorizing licensed personal lines or general lines
60 agents to solicit, negotiate, advertise, or sell motor
61 vehicle service agreements, home warranty contracts,
62 and service warranties, respectively, without a sales
63 representative license; reenacting s. 627.7153(1) and
64 (2) (d), F.S., relating to policies restricting
65 assignment of post-loss benefits under a property
66 insurance policy, to incorporate the amendment made by
67 the act to s. 627.7152, F.S., in references thereto;
68 providing effective dates.

69

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

71

72 Section 1. Effective June 1, 2021, paragraph (c) of
73 subsection (2) of section 215.555, Florida Statutes, is amended
74 to read:

75 215.555 Florida Hurricane Catastrophe Fund.—

76 (2) DEFINITIONS.—As used in this section:

77 (c) "Covered policy" means any insurance policy covering
78 residential property in this state, including, but not limited
79 to, any homeowner, mobile home owner, farm owner, condominium
80 association, condominium unit owner, tenant, or apartment
81 building policy, or any other policy covering a residential
82 structure or its contents issued by any authorized insurer,
83 including a commercial self-insurance fund holding a certificate
84 of authority issued by the Office of Insurance Regulation under
85 s. 624.462, the Citizens Property Insurance Corporation, and any
86 joint underwriting association or similar entity created under
87 law. The term "covered policy" includes any collateral

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88 protection insurance policy covering personal residences which
89 protects both the borrower's and the lender's financial
90 interests, in an amount at least equal to the coverage amount
91 for the dwelling in place under the lapsed homeowner's policy,
92 the coverage amount that the homeowner has been notified of, or
93 the coverage amount the homeowner requests from the collateral
94 protection insurer, if such collateral protection insurance
95 policy can be accurately reported as required in subsection (5).
96 Additionally, covered policies include policies covering the
97 peril of wind removed from the Florida Residential Property and
98 Casualty Joint Underwriting Association or from the Citizens
99 Property Insurance Corporation, created under s. 627.351(6), or
100 from the Florida Windstorm Underwriting Association, created
101 under s. 627.351(2), by an authorized insurer under the terms
102 and conditions of an executed assumption agreement between the
103 authorized insurer and such association or Citizens Property
104 Insurance Corporation. Each assumption agreement between the
105 association and such authorized insurer or Citizens Property
106 Insurance Corporation must be approved by the Office of
107 Insurance Regulation before the effective date of the
108 assumption, and the Office of Insurance Regulation must provide
109 written notification to the board within 15 working days after
110 such approval. "Covered policy" does not include any policy that
111 excludes wind coverage or hurricane coverage or any reinsurance
112 agreement and does not include any policy otherwise meeting this
113 definition which is issued by a surplus lines insurer or a
114 reinsurer. All commercial residential excess policies and all
115 deductible buy-back policies that, based on sound actuarial
116 principles, require individual ratemaking shall be excluded by

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117 rule if the actuarial soundness of the fund is not jeopardized.
118 For this purpose, the term "excess policy" means a policy that
119 provides insurance protection for large commercial property
120 risks and that provides a layer of coverage above a primary
121 layer insured by another insurer.

122 Section 2. Effective upon this act becoming a law,
123 subsection (3) of section 624.423, Florida Statutes, is amended
124 to read:

125 624.423 Serving process.—

126 (3) Service of process is valid and binding upon the
127 insurer on the date process served upon the Chief Financial
128 Officer is delivered to the insurer and sent or the insurer has
129 been notified such information has been made available on a
130 secured network in accordance with this section and s.
131 ~~624.307(9) shall for all purposes constitute valid and binding~~
132 ~~service thereof upon the insurer.~~

133 Section 3. Section 626.856, Florida Statutes, is amended to
134 read:

135 626.856 "Company employee adjuster" defined.—A "company
136 employee adjuster" means a person licensed as an all-lines
137 adjuster who is appointed and employed on an insurer's staff of
138 adjusters, by an affiliate, or by a wholly owned subsidiary of
139 the insurer, and who undertakes on behalf of such insurer or
140 other insurers under common control or ownership to ascertain
141 and determine the amount of any claim, loss, or damage payable
142 under a contract of insurance, or undertakes to effect
143 settlement of such claim, loss, or damage.

144 Section 4. Effective upon this act becoming a law,
145 subsections (1), (2), and (4) of section 626.9202, Florida

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146 Statutes, are amended, and subsections (7) and (8) are added to
147 that section, to read:

148 626.9202 Loss run statements for all lines of insurance.—

149 (1) As used in this section, the term:

150 (a) "Loss run statement" means a report that contains the
151 policy number, the period of coverage, the number of claims, the
152 paid losses on each claim ~~all claims~~, and the date of each loss.
153 The term does not include supporting claim file documentation,
154 including, but not limited to, copies of claim files,
155 investigation reports, evaluation statements, insureds'
156 statements, and documents protected by a common law or statutory
157 privilege. As applied to group health insurance, the term means
158 a report that also contains premiums paid, number of insureds on
159 a monthly basis, and dependent status.

160 (b) "Provide" means to electronically send a document or to
161 allow access through an electronic portal to view or generate a
162 document.

163 (2) Notwithstanding any other law, an insurer shall provide
164 to an insured within 15 calendar days after an individual or
165 entity designated by the insurer receives ~~receipt of the~~
166 insured's written request, either:

167 (a) A loss run statement; or

168 (b) For personal lines of insurance, information on how to
169 obtain a loss run statement at no charge through a consumer
170 reporting agency. However, this section does not prohibit an
171 insured from requesting a loss run statement after receiving
172 information from a consumer reporting agency, in which case the
173 insurer must then provide such loss run statement within 15
174 calendar days after the individual or entity designated by the

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175 insurer receives the insured's subsequent written request.

176 (4) A loss run statement provided pursuant to this section
177 must contain a claims history with the insurer for the preceding
178 3 5 years or, if the claims history is less than 3 5 years, a
179 complete claims history with the insurer.

180 (7) This section does not apply to a life insurer as
181 defined in s. 624.602.

182 (8) For group health insurance, only the group policyholder
183 may request and be provided a loss run statement pursuant to
184 this section.

185 Section 5. Paragraph (j) of subsection (2) of section
186 627.062, Florida Statutes, is amended to read:

187 627.062 Rate standards.—

188 (2) As to all such classes of insurance:

189 (j) With respect to residential property insurance rate
190 filings, the rate filing:

191 1. Must account for mitigation measures undertaken by
192 policyholders to reduce hurricane losses.

193 2. May use a modeling indication that is the weighted or
194 straight average of two or more models found by the commission
195 to be accurate or reliable pursuant to s. 627.0628.

196
197 The provisions of this subsection do not apply to workers'
198 compensation, employer's liability insurance, and motor vehicle
199 insurance.

200 Section 6. Paragraph (b) of subsection (2) of section
201 627.0629, Florida Statutes, is amended, and subsection (9) is
202 added to that section, to read:

203 627.0629 Residential property insurance; rate filings.—

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(2)

(b) A rate filing for residential property insurance made more than 150 days after approval by the office of a building code rating factor plan submitted by a statewide rating organization may ~~shall~~ include positive and negative rate factors that reflect the manner in which building code enforcement in a particular jurisdiction addresses risk of wind damage. The rate filing must ~~shall~~ include variations from standard rate factors on an individual basis based on inspection of a particular structure by a licensed home inspector. If an inspection is requested by the insured, the insurer may require the insured to pay the reasonable cost of the inspection. This paragraph applies to structures constructed or renovated after the implementation of this paragraph.

(9) An insurer may file with the office a personal lines residential property insurance rating plan that provides justified premium discounts, credits, or other rate differentials based on windstorm mitigation construction standards developed by an independent, not-for-profit, scientific research organization. The insurer may require a policyholder who elects to construct or retrofit the structure, in whole or in part, for windstorm mitigation purposes to present to the insurer evidence of compliance with the mitigation standards before receiving any premium discount, credit, or rate reduction allowed under the rating plan.

Section 7. Subsection (1) of section 627.072, Florida Statutes, is amended to read:

627.072 Making and use of rates.—

(1) As to workers' compensation and employer's liability

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233 insurance, the following factors shall be used in the
234 determination and fixing of rates:

235 (a) The past loss experience and prospective loss
236 experience within and outside this state;

237 (b) The impact resulting from the past loss experience and
238 prospective loss experience for insurers whose data are missing
239 from statewide experience due to insolvency. Prior reported data
240 for such insurers and all other relevant information may be used
241 to assess the impact on rates;

242 (c)~~(b)~~ The conflagration and catastrophe hazards;

243 (d)~~(e)~~ A reasonable margin for underwriting profit and
244 contingencies;

245 (e)~~(d)~~ Dividends, savings, or unabsorbed premium deposits
246 allowed or returned by insurers to their policyholders, members,
247 or subscribers;

248 (f)~~(e)~~ Investment income on unearned premium reserves and
249 loss reserves;

250 (g)~~(f)~~ Past expenses and prospective expenses, both those
251 countrywide and those specifically applicable to this state; and

252 (h)~~(g)~~ All other relevant factors, including judgment
253 factors, within and outside this state.

254 Section 8. Paragraph (a) of subsection (6) of section
255 627.351, Florida Statutes, is amended to read:

256 627.351 Insurance risk apportionment plans.—

257 (6) CITIZENS PROPERTY INSURANCE CORPORATION.—

258 (a) The public purpose of this subsection is to ensure that
259 there is an orderly market for property insurance for residents
260 and businesses of this state.

261 1. The Legislature finds that private insurers are

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262 unwilling or unable to provide affordable property insurance
263 coverage in this state to the extent sought and needed. The
264 absence of affordable property insurance threatens the public
265 health, safety, and welfare and likewise threatens the economic
266 health of the state. The state therefore has a compelling public
267 interest and a public purpose to assist in assuring that
268 property in the state is insured and that it is insured at
269 affordable rates so as to facilitate the remediation,
270 reconstruction, and replacement of damaged or destroyed property
271 in order to reduce or avoid the negative effects otherwise
272 resulting to the public health, safety, and welfare, to the
273 economy of the state, and to the revenues of the state and local
274 governments which are needed to provide for the public welfare.
275 It is necessary, therefore, to provide affordable property
276 insurance to applicants who are in good faith entitled to
277 procure insurance through the voluntary market but are unable to
278 do so. The Legislature intends, therefore, that affordable
279 property insurance be provided and that it continue to be
280 provided, as long as necessary, through Citizens Property
281 Insurance Corporation, a government entity that is an integral
282 part of the state, and that is not a private insurance company.
283 To that end, the corporation shall strive to increase the
284 availability of affordable property insurance in this state,
285 while achieving efficiencies and economies, and while providing
286 service to policyholders, applicants, and agents which is no
287 less than the quality generally provided in the voluntary
288 market, for the achievement of the foregoing public purposes.
289 Because it is essential for this government entity to have the
290 maximum financial resources to pay claims following a

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291 catastrophic hurricane, it is the intent of the Legislature that
292 the corporation continue to be an integral part of the state and
293 that the income of the corporation be exempt from federal income
294 taxation and that interest on the debt obligations issued by the
295 corporation be exempt from federal income taxation.

296 2. The Residential Property and Casualty Joint Underwriting
297 Association originally created by this statute shall be known as
298 the Citizens Property Insurance Corporation. The corporation
299 shall provide insurance for residential and commercial property,
300 for applicants who are entitled, but, in good faith, are unable
301 to procure insurance through the voluntary market. The
302 corporation shall operate pursuant to a plan of operation
303 approved by order of the Financial Services Commission. The plan
304 is subject to continuous review by the commission. The
305 commission may, by order, withdraw approval of all or part of a
306 plan if the commission determines that conditions have changed
307 since approval was granted and that the purposes of the plan
308 require changes in the plan. For the purposes of this
309 subsection, residential coverage includes both personal lines
310 residential coverage, which consists of the type of coverage
311 provided by homeowner, mobile home owner, dwelling, tenant,
312 condominium unit owner, and similar policies; and commercial
313 lines residential coverage, which consists of the type of
314 coverage provided by condominium association, apartment
315 building, and similar policies.

316 3. With respect to coverage for personal lines residential
317 structures:

318 a. Effective January 1, 2014, a structure that has a
319 dwelling replacement cost of \$1 million or more, or a single

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320 condominium unit that has a combined dwelling and contents
321 replacement cost of \$1 million or more, is not eligible for
322 coverage by the corporation. Such dwellings insured by the
323 corporation on December 31, 2013, may continue to be covered by
324 the corporation until the end of the policy term. The office
325 shall approve the method used by the corporation for valuing the
326 dwelling replacement cost for the purposes of this subparagraph.
327 If a policyholder is insured by the corporation before being
328 determined to be ineligible pursuant to this subparagraph and
329 such policyholder files a lawsuit challenging the determination,
330 the policyholder may remain insured by the corporation until the
331 conclusion of the litigation.

332 b. Effective January 1, 2015, a structure that has a
333 dwelling replacement cost of \$900,000 or more, or a single
334 condominium unit that has a combined dwelling and contents
335 replacement cost of \$900,000 or more, is not eligible for
336 coverage by the corporation. Such dwellings insured by the
337 corporation on December 31, 2014, may continue to be covered by
338 the corporation only until the end of the policy term.

339 c. Effective January 1, 2016, a structure that has a
340 dwelling replacement cost of \$800,000 or more, or a single
341 condominium unit that has a combined dwelling and contents
342 replacement cost of \$800,000 or more, is not eligible for
343 coverage by the corporation. Such dwellings insured by the
344 corporation on December 31, 2015, may continue to be covered by
345 the corporation until the end of the policy term.

346 d. Effective January 1, 2017, a structure that has a
347 dwelling replacement cost of \$700,000 or more, or a single
348 condominium unit that has a combined dwelling and contents

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349 replacement cost of \$700,000 or more, is not eligible for
350 coverage by the corporation. Such dwellings insured by the
351 corporation on December 31, 2016, may continue to be covered by
352 the corporation until the end of the policy term.

353

354 The requirements of sub-subparagraphs b.-d. do not apply in
355 counties where the office determines there is not a reasonable
356 degree of competition. In such counties a personal lines
357 residential structure that has a dwelling replacement cost of
358 less than \$1 million, or a single condominium unit that has a
359 combined dwelling and contents replacement cost of less than \$1
360 million, is eligible for coverage by the corporation.

361 4. It is the intent of the Legislature that policyholders,
362 applicants, and agents of the corporation receive service and
363 treatment of the highest possible level but never less than that
364 generally provided in the voluntary market. It is also intended
365 that the corporation be held to service standards no less than
366 those applied to insurers in the voluntary market by the office
367 with respect to responsiveness, timeliness, customer courtesy,
368 and overall dealings with policyholders, applicants, or agents
369 of the corporation.

370 5.a. Effective January 1, 2009, a personal lines
371 residential structure that is located in the "wind-borne debris
372 region," as defined in s. 1609.2, International Building Code
373 (2006), and that has an insured value on the structure of
374 \$750,000 or more is not eligible for coverage by the corporation
375 unless the structure has opening protections as required under
376 the Florida Building Code for a newly constructed residential
377 structure in that area. A residential structure is deemed to

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378 comply with this sub-subparagraph if it has shutters or opening
379 protections on all openings and if such opening protections
380 complied with the Florida Building Code at the time they were
381 installed.

382 b. Any major structure, as defined in s. 161.54(6)(a), that
383 is newly constructed, or rebuilt, repaired, restored, or
384 remodeled to increase the total square footage of finished area
385 by more than 25 percent, pursuant to a permit applied for after
386 July 1, 2015, is not eligible for coverage by the corporation if
387 the structure is seaward of the coastal construction control
388 line established pursuant to s. 161.053 or is within the Coastal
389 Barrier Resources System as designated by 16 U.S.C. ss. 3501-
390 3510.

391 6. With respect to wind-only coverage for commercial lines
392 residential condominiums, ~~effective July 1, 2014,~~ a condominium
393 may shall be deemed ineligible for coverage when if 50 percent
394 or more of the units are rented more than eight times in a
395 calendar year for a rental agreement period of less than 30
396 days.

397 Section 9. Effective upon this act becoming a law,
398 subsections (1), (2), and (4) of section 627.444, Florida
399 Statutes, are amended, and subsections (7) and (8) are added to
400 that section, to read:

401 627.444 Loss run statements for all lines of insurance.—

402 (1) As used in this section, the term:

403 (a) "Loss run statement" means a report that contains the
404 policy number, the period of coverage, the number of claims, the
405 paid losses on each claim ~~all claims~~, and the date of each loss.
406 The term does not include supporting claim file documentation,

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407 including, but not limited to, copies of claim files,
408 investigation reports, evaluation statements, insureds'
409 statements, and documents protected by a common law or statutory
410 privilege. As applied to group health insurance, the term means
411 a report that also contains premiums paid, number of insureds on
412 a monthly basis, and dependent status.

413 (b) "Provide" means to electronically send a document or to
414 allow access through an electronic portal to view or generate a
415 document.

416 (2) Notwithstanding any other law, an insurer shall provide
417 to an insured within 15 calendar days after an individual or
418 entity designated by the insurer receives ~~receipt of~~ the
419 insured's written request, either:

420 (a) A loss run statement; or

421 (b) For personal lines of insurance, information on how to
422 obtain a loss run statement at no charge through a consumer
423 reporting agency. However, this section does not prohibit an
424 insured from requesting a loss run statement after receiving
425 information from a consumer reporting agency, in which case the
426 insurer must then provide such loss run statement within 15
427 calendar days after the individual or entity designated by the
428 insurer receives the insured's subsequent written request.

429 (4) A loss run statement provided pursuant to this section
430 must contain a claims history with the insurer for the preceding
431 3 5 years or, if the claims history is less than 3 5 years, a
432 complete claims history with the insurer.

433 (7) This section does not apply to a life insurer as
434 defined in s. 624.602.

435 (8) For group health insurance, only the group policyholder

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436 may request and be provided a loss run statement pursuant to
437 this section.

438 Section 10. Section 627.6647, Florida Statutes, is
439 repealed.

440 Section 11. Paragraph (b) of subsection (1) and subsection
441 (3) of section 627.7011, Florida Statutes, are amended to read:

442 627.7011 Homeowners' policies; offer of replacement cost
443 coverage and law and ordinance coverage.—

444 (1) Prior to issuing a homeowner's insurance policy, the
445 insurer must offer each of the following:

446 (b) A policy or endorsement providing that, subject to
447 other policy provisions, any loss that is repaired or replaced
448 at any location will be adjusted on the basis of replacement
449 costs to the dwelling not exceeding policy limits, rather than
450 actual cash value, and also including costs necessary to meet
451 applicable laws and ordinances enacted on or before the time of
452 loss which regulate ~~regulating~~ the construction, use, or repair
453 of any property or require ~~requiring~~ the tearing down of any
454 property, including the costs of removing debris. However,
455 additional costs necessary to meet applicable laws and
456 ordinances may be limited to 25 percent or 50 percent of the
457 dwelling limit, as selected by the policyholder, and such
458 coverage applies only to repairs of the damaged portion of the
459 structure unless the total damage to the structure exceeds 50
460 percent of the replacement cost of the structure.

461
462 An insurer is not required to make the offers required by this
463 subsection with respect to the issuance or renewal of a
464 homeowner's policy that contains the provisions specified in

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465 paragraph (b) for law and ordinance coverage limited to 25
466 percent of the dwelling limit, except that the insurer must
467 offer the law and ordinance coverage limited to 50 percent of
468 the dwelling limit. This subsection does not prohibit the offer
469 of a guaranteed replacement cost policy.

470 (3) In the event of a loss for which a dwelling or personal
471 property is insured on the basis of replacement costs:

472 (a) For a dwelling, the insurer must initially pay at least
473 the actual cash value of the insured loss, less any applicable
474 deductible. The insurer shall pay any remaining amounts
475 necessary to perform such repairs as work is performed and
476 expenses are incurred. The insured has not less than 2 years
477 from the date of loss or 1 year from the notice of the claim,
478 whichever occurs later, to request reimbursement from the
479 insurer for work to be performed and expenses incurred. If a
480 total loss of a dwelling occurs, the insurer shall pay the
481 replacement cost coverage without reservation or holdback of any
482 depreciation in value, pursuant to s. 627.702.

483 (b) For personal property:

484 1. The insurer must offer coverage under which the insurer
485 is obligated to pay the replacement cost without reservation or
486 holdback for any depreciation in value, whether or not the
487 insured replaces the property.

488 2. The insurer may also offer coverage under which the
489 insurer may limit the initial payment to the actual cash value
490 of the personal property to be replaced, require the insured to
491 provide receipts for the purchase of the property financed by
492 the initial payment, use such receipts to make the next payment
493 requested by the insured for the replacement of insured

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494 property, and continue this process until the insured remits all
495 receipts up to the policy limits for replacement costs. The
496 insured has not less than 2 years from the date of loss or 1
497 year from the notice of the claim, whichever occurs later, to
498 request reimbursement from the insurer for expenses incurred.
499 The insurer must provide clear notice of this process before the
500 policy is bound. A policyholder must be provided an actuarially
501 reasonable premium credit or discount for this coverage. The
502 insurer may not require the policyholder to advance payment for
503 the replaced property.

504 Section 12. Effective upon this act becoming a law, present
505 subsections (4) through (10) of section 627.715, Florida
506 Statutes, are redesignated as subsections (5) through (11),
507 respectively, and a new subsection (4) is added to that section,
508 to read:

509 627.715 Flood insurance.—An authorized insurer may issue an
510 insurance policy, contract, or endorsement providing personal
511 lines residential coverage for the peril of flood or excess
512 coverage for the peril of flood on any structure or the contents
513 of personal property contained therein, subject to this section.
514 This section does not apply to commercial lines residential or
515 commercial lines nonresidential coverage for the peril of flood.
516 An insurer may issue flood insurance policies, contracts,
517 endorsements, or excess coverage on a standard, preferred,
518 customized, flexible, or supplemental basis.

519 (4) An agent may export a contract or an endorsement
520 providing flood coverage to an eligible surplus lines insurer
521 without making a diligent effort to seek such coverage from
522 three or more authorized insurers under s. 626.916(1)(a).

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523 Section 13. Effective upon this act becoming a law,
524 paragraph (b) of subsection (1) and paragraph (a) of subsection
525 (9) of section 627.7152, Florida Statutes, are amended to read:

526 627.7152 Assignment agreements.—

527 (1) As used in this section, the term:

528 (b) "Assignment agreement" means any instrument by which
529 post-loss benefits under a residential property insurance policy
530 or commercial property insurance policy, as that term is defined
531 in s. 627.0625(1), are assigned or transferred, or acquired in
532 any manner, in whole or in part, to or from a person providing
533 services, including, but not limited to, scopes of service, to
534 inspect, protect, repair, restore, or replace property or to
535 mitigate against further damage to the property.

536 (9) (a) An assignee must provide the named insured, insurer,
537 and the assignor, if not the named insured, with a written
538 notice of intent to initiate litigation before filing suit under
539 the policy. Such notice must be served by certified mail, return
540 receipt requested, to the name and mailing address designated by
541 the insurer in the policy forms, or by electronic delivery at
542 the e-mail address designated by the insurer in the policy forms
543 at least 10 business days before filing suit, but may not be
544 served before the insurer has made a determination of coverage
545 under s. 627.70131. The notice must specify the damages in
546 dispute, the amount claimed, and a presuit settlement demand.
547 Concurrent with the notice, and as a precondition to filing
548 suit, the assignee must provide the named insured, insurer, and
549 the assignor, if not the named insured, a detailed written
550 invoice or estimate of services, including itemized information
551 on equipment, materials, and supplies; the number of labor

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552 hours; and, in the case of work performed, proof that the work
553 has been performed in accordance with accepted industry
554 standards.

555 Section 14. Section 634.171, Florida Statutes, is amended
556 to read:

557 634.171 Salesperson to be licensed and appointed;
558 exemptions.—Salespersons for motor vehicle service agreement
559 companies and insurers shall be licensed, appointed, renewed,
560 continued, reinstated, or terminated as prescribed in chapter
561 626 for insurance representatives in general. However, they
562 shall be exempt from all other provisions of chapter 626
563 including fingerprinting, photo identification, education, and
564 examination provisions. License, appointment, and other fees
565 shall be those prescribed in s. 624.501. A licensed and
566 appointed salesperson shall be directly responsible and
567 accountable for all acts of her or his employees and other
568 representatives. Each service agreement company or insurer
569 shall, on forms prescribed by the department, within 30 days
570 after termination of the appointment, notify the department of
571 such termination. An ~~Ne~~ employee or salesperson of a motor
572 vehicle service agreement company or insurer may not directly or
573 indirectly solicit or negotiate insurance contracts, or hold
574 herself or himself out in any manner to be an insurance agent,
575 unless so qualified, licensed, and appointed therefor under the
576 Florida Insurance Code. A licensed personal lines or general
577 lines agent is not required to be licensed as a salesperson
578 under this section to solicit, negotiate, advertise, or sell
579 motor vehicle service agreements. A motor vehicle service
580 agreement company is not required to be licensed as a

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581 salesperson to solicit, sell, issue, or otherwise transact the
582 motor vehicle service agreements issued by the motor vehicle
583 service agreement company.

584 Section 15. Section 634.317, Florida Statutes, is amended
585 to read:

586 634.317 License and appointment required; exemptions.—~~A No~~
587 person may not solicit, negotiate, or effectuate home warranty
588 contracts for remuneration in this state unless such person is
589 licensed and appointed as a sales representative. A licensed and
590 appointed sales representative shall be directly responsible and
591 accountable for all acts of the licensee's employees. A licensed
592 personal lines or general lines agent is not required to be
593 licensed as a sales representative under this section to
594 solicit, negotiate, advertise, or sell home warranty contracts.

595 Section 16. Section 634.419, Florida Statutes, is amended
596 to read:

597 634.419 License and appointment required; exemptions.—~~A No~~
598 person or entity may not ~~shall~~ solicit, negotiate, advertise, or
599 effectuate service warranty contracts in this state unless such
600 person or entity is licensed and appointed as a sales
601 representative. Sales representatives shall be responsible for
602 the actions of persons under their supervision. However, a
603 service warranty association licensed as such under this part is
604 ~~shall not be~~ required to be licensed and appointed as a sales
605 representative to solicit, negotiate, advertise, or effectuate
606 its products. A licensed personal lines or general lines agent
607 is not required to be licensed as a sales representative under
608 this section to solicit, negotiate, advertise, or sell service
609 warranties.

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610 Section 17. Effective upon this act becoming a law, for the
611 purpose of incorporating the amendment made by this act to
612 section 627.7152, Florida Statutes, in references thereto,
613 subsection (1) and paragraph (d) of subsection (2) of section
614 627.7153, Florida Statutes, are reenacted to read:

615 627.7153 Policies restricting assignment of post-loss
616 benefits under a property insurance policy.—

617 (1) As used in this section, the term "assignment
618 agreement" has the same meaning as provided in s. 627.7152.

619 (2) An insurer may make available a policy that restricts
620 in whole or in part an insured's right to execute an assignment
621 agreement only if all of the following conditions are met:

622 (d) Each restricted policy include on its face the
623 following notice in 18-point uppercase and boldfaced type:

624

625 THIS POLICY DOES NOT ALLOW THE UNRESTRICTED ASSIGNMENT
626 OF POST-LOSS INSURANCE BENEFITS. BY SELECTING THIS
627 POLICY, YOU WAIVE YOUR RIGHT TO FREELY ASSIGN OR
628 TRANSFER THE POST-LOSS PROPERTY INSURANCE BENEFITS
629 AVAILABLE UNDER THIS POLICY TO A THIRD PARTY OR TO
630 OTHERWISE FREELY ENTER INTO AN ASSIGNMENT AGREEMENT AS
631 THE TERM IS DEFINED IN SECTION 627.7152 OF THE FLORIDA
632 STATUTES.

633 Section 18. Except as otherwise expressly provided in this
634 act, and except for this section, which shall take effect upon
635 this act becoming a law, this act shall take effect July 1,
636 2021.