



977334

LEGISLATIVE ACTION

Senate

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House

The Committee on Banking and Insurance (Boyd) recommended the following:

1 **Senate Substitute for Amendment (232144) (with title**
2 **amendment)**

3
4 Delete lines 70 - 112
5 and insert:

6 Section 2. Paragraph (f) is added to subsection (5) of
7 section 627.7011, Florida Statutes, to read:

8 627.7011 Homeowners' policies; offer of replacement cost
9 coverage and law and ordinance coverage.—

10 (5) This section does not:



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11 (f) Prohibit an insurer, notwithstanding paragraph (1)(a),
12 from providing limited coverage on a personal lines residential
13 property insurance policy by including a roof surface
14 reimbursement schedule. If included in the policy, a roof
15 surface reimbursement schedule must do all of the following:
16 1. Provide reimbursement for repair, replacement, and
17 installation based on the annual age of a roof surface type.
18 2. Provide full replacement coverage for any roof surface
19 type less than 10 years old.
20 3. Unless otherwise demonstrated to the office to be
21 actuarially justified, provide for reimbursement amounts of no
22 less than:
23 a. Seventy percent for a metal roof type.
24 b. Forty percent for a concrete tile and clay tile roof
25 type.
26 c. Forty percent for a wood shake and wood shingle roof
27 type.
28 d. Twenty-five percent for all other roof types.
29 4. Include at the top of the schedule, in bold type no
30 smaller than 12 points, the following statement:
31
32 "PLEASE DISCUSS WITH YOUR INSURANCE AGENT. YOU ARE ELECTING TO
33 PURCHASE COVERAGE ON YOUR ROOF ACCORDING TO A ROOF SURFACE
34 REIMBURSEMENT SCHEDULE. IF YOUR ROOF IS DAMAGED BY A COVERED
35 PERIL, YOU WILL RECEIVE A PAYMENT AMOUNT FOR YOUR ROOF ACCORDING
36 TO THE SCHEDULE BELOW. BE ADVISED THAT THIS MAY RESULT IN YOU
37 HAVING TO PAY SIGNIFICANT COSTS TO REPAIR OR REPLACE YOUR ROOF.
38 PLEASE DISCUSS WITH YOUR INSURANCE AGENT."
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40 5. Allow for all actuarially sound methods of s. 627.062 to
41 apply.

42 6. Be approved by the office.

43 7. Be provided to the insured with the policy documents at
44 issuance and renewal.

45
46 A roof surface reimbursement schedule may not be applied to a
47 roof if there is a total loss to a primary structure in
48 accordance with the valued policy law under s. 627.702 which is
49 caused by a covered peril.

50
51 ===== T I T L E A M E N D M E N T =====

52 And the title is amended as follows:

53 Delete line 16

54 and insert:

55 schedules; prohibiting application of a roof surface
56 reimbursement schedule