

26 | 627.062, Florida Statutes, is amended to read:

27 | 627.062 Rate standards.—

28 | (2) As to all such classes of insurance:

29 | (j) With respect to residential property insurance rate
30 | filings, the rate filing must account for mitigation measures
31 | undertaken by policyholders to reduce hurricane losses and
32 | windstorm losses.

33 |

34 | The provisions of this subsection do not apply to workers'
35 | compensation, employer's liability insurance, and motor vehicle
36 | insurance.

37 | Section 2. Subsection (1) of section 627.0629, Florida
38 | Statutes, is amended to read:

39 | 627.0629 Residential property insurance; rate filings.—

40 | (1) It is the intent of the Legislature that insurers
41 | provide savings to consumers who install or implement windstorm
42 | damage mitigation techniques, alterations, or solutions to their
43 | properties to prevent windstorm losses. A rate filing for
44 | residential property insurance must include actuarially
45 | reasonable discounts, credits, or other rate differentials, or
46 | appropriate reductions in deductibles, for properties on which
47 | fixtures or construction techniques demonstrated to reduce the
48 | amount of loss in a windstorm have been installed or
49 | implemented. The fixtures or construction techniques must
50 | include, but are not limited to, fixtures or construction

51 techniques that enhance wind uplift prevention, roof strength,
 52 roof covering performance, roof-to-wall strength, wall-to-floor-
 53 to-foundation strength, opening protection, and window, door,
 54 and skylight strength. Credits, discounts, or other rate
 55 differentials, or appropriate reductions in deductibles, for
 56 fixtures and construction techniques that meet the minimum
 57 requirements of the Florida Building Code must be included in
 58 the rate filing. The office shall determine the discounts,
 59 credits, other rate differentials, and appropriate reductions in
 60 deductibles that reflect the full actuarial value of such
 61 revaluation, which may be used by insurers in rate filings.

62 Section 3. Effective upon becoming a law, paragraph (aa)
 63 of subsection (6) of section 627.351, Florida Statutes, is
 64 amended to read:

65 627.351 Insurance risk apportionment plans.—

66 (6) CITIZENS PROPERTY INSURANCE CORPORATION.—

67 (aa) Except as otherwise provided in this paragraph, the
 68 corporation shall require the securing and maintaining of flood
 69 insurance as a condition of coverage of a personal lines
 70 residential risk. The insured or applicant must execute a form
 71 approved by the office affirming that flood insurance is not
 72 provided by the corporation and that if flood insurance is not
 73 secured by the applicant or insured from an insurer other than
 74 the corporation and in addition to coverage by the corporation,
 75 the risk will not be eligible for coverage by the corporation.

76 The corporation may deny coverage of a personal lines
 77 residential risk to an applicant or insured who refuses to
 78 secure and maintain flood insurance. The requirement to purchase
 79 flood insurance shall be implemented as follows:

80 1. Except as provided in subparagraphs 2. and 3., all
 81 personal lines residential policyholders must have flood
 82 coverage in place for policies effective on or after:

83 a. January 1, 2024, for a structure or unit that has a
 84 dwelling replacement cost of ~~property valued at~~ \$600,000 or
 85 more.

86 b. January 1, 2025, for a structure or unit that has a
 87 dwelling replacement cost of ~~property valued at~~ \$500,000 or
 88 more.

89 c. January 1, 2026, for a structure or unit that has a
 90 dwelling replacement cost of ~~property valued at~~ \$400,000 or
 91 more.

92 d. January 1, 2027, for all other personal lines
 93 residential property insured by the corporation.

94 2. All personal lines residential policyholders whose
 95 property insured by the corporation is located within the
 96 special flood hazard area defined by the Federal Emergency
 97 Management Agency must have flood coverage in place:

98 a. At the time of initial policy issuance for all new
 99 personal lines residential policies issued by the corporation on
 100 or after April 1, 2023.

101 b. By the time of the policy renewal for all personal
102 lines residential policies renewing on or after July 1, 2023.

103 3. Policyholders whose policies issued by the corporation
104 do not provide coverage for the peril of wind are not required
105 to purchase flood insurance as a condition for maintaining their
106 policies with the corporation.

107
108 The flood insurance required under this paragraph must meet, at
109 a minimum, the coverage available from the National Flood
110 Insurance Program or the requirements of subparagraphs s.
111 627.715(1) (a)1., 2., and 3.

112 Section 4. Effective October 1, 2023, section 627.7155,
113 Florida Statutes, is created to read:

114 627.7155 Wind and flood coverage in residential and
115 commercial property insurance policies.—For residential and
116 commercial property insurance policies issued or renewed on or
117 after October 1, 2023:

118 (1) If a residential or commercial property insurer
119 requires that an insured or applicant have coverage for the
120 peril of flood when the insurer issues a policy covering the
121 peril of wind, the insurer must verify that the insured or
122 applicant has coverage for the peril of flood at the time the
123 policy is issued or renewed. If the insurer fails to verify that
124 the insured or applicant has coverage for the peril of flood,
125 the insurer may not issue or renew a policy containing coverage

126 for the peril of wind. Before issuance of coverage for the peril
127 of wind under this subsection and upon verification of coverage
128 for the peril of flood, the insurer must obtain a written
129 acknowledgment from the insured or applicant that the insured or
130 applicant understands that the policy covering the peril of wind
131 requires that coverage for the peril of flood must be maintained
132 by the insured or applicant.

133 (2) In addition to coverage for the peril of flood
134 directly secured by the insured or applicant, a master flood
135 policy that is issued to someone other than the insured or
136 applicant and that includes the insured or applicant as an
137 intended or third-party beneficiary under the master flood
138 policy is acceptable proof of coverage for the peril of flood
139 for the purposes of this section.

140 Section 5. For the 2023-2024 fiscal year, the nonrecurring
141 sum of \$750,000 from the Insurance Regulatory Trust Fund is
142 appropriated to the Office of Insurance Regulation to
143 competitively procure a wind-loss mitigation study. The office,
144 in consultation with the Department of Business and Professional
145 Regulation and the Florida Building Commission, shall conduct a
146 residential wind-loss mitigation study to evaluate the windstorm
147 loss relativities for construction features, including, but not
148 limited to, those that enhance roof strength; roof covering
149 performance; roof-to-wall strength; wall-to-floor-to-foundation
150 strength; opening protections; and window, door, and skylight

151 strength. The study must include single-family and multifamily
152 homes, mobile homes, and manufactured housing. In addition, the
153 study must include, but need not be limited to, an analysis of
154 developed hurricane loss data for hurricanes since June 1, 2018.
155 The office may use a portion of the funds appropriated to
156 contract separately with building code experts in order to
157 implement this act and adopt rules. The findings of the study
158 shall be reported to the Governor, the President of the Senate,
159 the Speaker of the House of Representatives, the Chief Financial
160 Officer, and the Commissioner of Insurance Regulation no later
161 than July 1, 2024.

162 Section 6. Except as otherwise expressly provided in this
163 act and except for this section, which shall take effect upon
164 this act becoming a law, this act shall take effect July 1,
165 2023.