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LEGISLATIVE ACTION

Senate

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House

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Floor: WD

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03/12/2026 10:37 AM

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Senator Gruters moved the following:

1 **Senate Amendment to House Amendment (573943) (with title**
2 **amendment)**

3
4 After line 4

5 insert:

6 Section 6. Paragraph (c) of subsection (6) of section
7 627.351, Florida Statutes, is amended to read:

8 627.351 Insurance risk apportionment plans.—

9 (6) CITIZENS PROPERTY INSURANCE CORPORATION.—

10 (c) The corporation's plan of operation:

11 1. Must provide for adoption of residential property and



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12 casualty insurance policy forms and commercial residential and
13 nonresidential property insurance forms, which must be approved
14 by the office before use. The corporation shall adopt the
15 following policy forms:

16 a. Standard personal lines policy forms that are
17 comprehensive multiperil policies providing full coverage of a
18 residential property equivalent to the coverage provided in the
19 private insurance market under an HO-3, HO-4, or HO-6 policy.

20 b. Basic personal lines policy forms that are policies
21 similar to an HO-8 policy or a dwelling fire policy that provide
22 coverage meeting the requirements of the secondary mortgage
23 market, but which is more limited than the coverage under a
24 standard policy.

25 c. Commercial lines residential and nonresidential policy
26 forms that are generally similar to the basic perils of full
27 coverage obtainable for commercial residential structures and
28 commercial nonresidential structures in the admitted voluntary
29 market.

30 d. Personal lines and commercial lines residential property
31 insurance forms that cover the peril of wind only. The forms are
32 applicable only to residential properties located in areas
33 eligible for coverage by the Florida Windstorm Underwriting
34 Association, as those areas were defined on January 1, 2002.

35 e. Commercial lines nonresidential property insurance forms
36 that cover the peril of wind only. The forms are applicable only
37 to nonresidential properties located in areas eligible for
38 coverage by the Florida Windstorm Underwriting Association, as
39 those areas were defined on January 1, 2002.

40 f. The corporation may adopt variations of the policy forms



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41 listed in sub-subparagraphs a.-e. which contain more restrictive
42 coverage.

43 g. The corporation shall offer a basic personal lines
44 policy similar to an HO-8 policy with dwelling repair based on
45 common construction materials and methods.

46 2. Must provide that the corporation adopt a program in
47 which the corporation and authorized insurers enter into quota
48 share primary insurance agreements for hurricane coverage, as
49 defined in s. 627.4025(2) (a), for eligible risks, and adopt
50 property insurance forms for eligible risks which cover the
51 peril of wind only.

52 a. As used in this subsection, the term:

53 (I) "Approved surplus lines insurer" means an eligible
54 surplus lines insurer that:

55 (A) Has a financial strength rating of "A-" or higher from
56 A.M. Best Company;

57 (B) Has a personal lines residential risk program that is
58 managed by a Florida resident surplus lines broker;

59 (C) Applies to the office to participate in the take-out
60 process to offer coverage to applicants for new coverage from
61 the corporation or current policyholders of the corporation
62 through a take-out plan approved by the office;

63 (D) Does not, as part of any take-out plan approved by the
64 office, offer coverage on any personal lines residential risk
65 that is a primary residence or has a homestead exemption under
66 chapter 196;

67 (E) Files rates for review as part of a take-out plan with
68 the office. The office shall review whether the premium is more
69 than 20 percent greater than the premium for comparable coverage



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70 from the corporation; and

71 (F) Provides data to the office related to coverage and
72 rates in a format promulgated by the commission.

73 (II) "Eligible risks" means personal lines residential and
74 commercial lines residential risks that meet the underwriting
75 criteria of the corporation and are located in areas that were
76 eligible for coverage by the Florida Windstorm Underwriting
77 Association on January 1, 2002.

78 (III) "Primary residence" means the dwelling that is the
79 policyholder's primary home or is a rental property that is the
80 primary home of the tenant, and which the policyholder or tenant
81 occupies for more than 9 months of each year.

82 (IV) "Quota share primary insurance" means an arrangement
83 in which the primary hurricane coverage of an eligible risk is
84 provided in specified percentages by the corporation and an
85 authorized insurer. The corporation and authorized insurer are
86 each solely responsible for a specified percentage of hurricane
87 coverage of an eligible risk as set forth in a quota share
88 primary insurance agreement between the corporation and an
89 authorized insurer and the insurance contract. The
90 responsibility of the corporation or authorized insurer to pay
91 its specified percentage of hurricane losses of an eligible
92 risk, as set forth in the agreement, may not be altered by the
93 inability of the other party to pay its specified percentage of
94 losses. Eligible risks that are provided hurricane coverage
95 through a quota share primary insurance arrangement must be
96 provided policy forms that set forth the obligations of the
97 corporation and authorized insurer under the arrangement,
98 clearly specify the percentages of quota share primary insurance



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99 provided by the corporation and authorized insurer, and
100 conspicuously and clearly state that the authorized insurer and
101 the corporation may not be held responsible beyond their
102 specified percentage of coverage of hurricane losses.

103 b. The corporation may enter into quota share primary
104 insurance agreements with authorized insurers at corporation
105 coverage levels of 90 percent and 50 percent.

106 c. If the corporation determines that additional coverage
107 levels are necessary to maximize participation in quota share
108 primary insurance agreements by authorized insurers, the
109 corporation may establish additional coverage levels. However,
110 the corporation's quota share primary insurance coverage level
111 may not exceed 90 percent.

112 d. Any quota share primary insurance agreement entered into
113 between an authorized insurer and the corporation must provide
114 for a uniform specified percentage of coverage of hurricane
115 losses, by county or territory as set forth by the corporation
116 board, for all eligible risks of the authorized insurer covered
117 under the agreement.

118 e. Any quota share primary insurance agreement entered into
119 between an authorized insurer and the corporation is subject to
120 review and approval by the office. However, such agreement shall
121 be authorized only as to insurance contracts entered into
122 between an authorized insurer and an insured who is already
123 insured by the corporation for wind coverage.

124 f. For all eligible risks covered under quota share primary
125 insurance agreements, the exposure and coverage levels for both
126 the corporation and authorized insurers shall be reported by the
127 corporation to the Florida Hurricane Catastrophe Fund. For all



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128 policies of eligible risks covered under such agreements, the
129 corporation and the authorized insurer must maintain complete
130 and accurate records for the purpose of exposure and loss
131 reimbursement audits as required by fund rules. The corporation
132 and the authorized insurer shall each maintain duplicate copies
133 of policy declaration pages and supporting claims documents.

134 g. The corporation board shall establish in its plan of
135 operation standards for quota share agreements which ensure that
136 there is no discriminatory application among insurers as to the
137 terms of the agreements, pricing of the agreements, incentive
138 provisions if any, and consideration paid for servicing policies
139 or adjusting claims.

140 h. The quota share primary insurance agreement between the
141 corporation and an authorized insurer must set forth the
142 specific terms under which coverage is provided, including, but
143 not limited to, the sale and servicing of policies issued under
144 the agreement by the insurance agent of the authorized insurer
145 producing the business, the reporting of information concerning
146 eligible risks, the payment of premium to the corporation, and
147 arrangements for the adjustment and payment of hurricane claims
148 incurred on eligible risks by the claims adjuster and personnel
149 of the authorized insurer. Entering into a quota sharing
150 insurance agreement between the corporation and an authorized
151 insurer is voluntary and at the discretion of the authorized
152 insurer.

153 3. May provide that the corporation may employ or otherwise
154 contract with individuals or other entities to provide
155 administrative or professional services that may be appropriate
156 to effectuate the plan. The corporation may borrow funds by



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157 issuing bonds or by incurring other indebtedness, and shall have
158 other powers reasonably necessary to effectuate the requirements
159 of this subsection, including, without limitation, the power to
160 issue bonds and incur other indebtedness in order to refinance
161 outstanding bonds or other indebtedness. The corporation may
162 seek judicial validation of its bonds or other indebtedness
163 under chapter 75. The corporation may issue bonds or incur other
164 indebtedness, or have bonds issued on its behalf by a unit of
165 local government pursuant to subparagraph (q)2. in the absence
166 of a hurricane or other weather-related event, upon a
167 determination by the corporation, subject to approval by the
168 office, that such action would enable it to efficiently meet the
169 financial obligations of the corporation and that such
170 financings are reasonably necessary to effectuate the
171 requirements of this subsection. The corporation may take all
172 actions needed to facilitate tax-free status for such bonds or
173 indebtedness, including formation of trusts or other affiliated
174 entities. The corporation may pledge assessments, projected
175 recoveries from the Florida Hurricane Catastrophe Fund, other
176 reinsurance recoverables, policyholder surcharges and other
177 surcharges, and other funds available to the corporation as
178 security for bonds or other indebtedness. In recognition of s.
179 10, Art. I of the State Constitution, prohibiting the impairment
180 of obligations of contracts, it is the intent of the Legislature
181 that no action be taken whose purpose is to impair any bond
182 indenture or financing agreement or any revenue source committed
183 by contract to such bond or other indebtedness.

184 4. Must require that the corporation operate subject to the
185 supervision and approval of a board of governors consisting of



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186 nine individuals who are residents of this state and who are
187 from different geographical areas of the state, one of whom is
188 appointed by the Governor and serves solely to advocate on
189 behalf of the consumer. The appointment of a consumer
190 representative by the Governor is deemed to be within the scope
191 of the exemption provided in s. 112.313(7) (b) and is in addition
192 to the appointments authorized under sub-subparagraph a.

193 a. The Governor, the Chief Financial Officer, the President
194 of the Senate, and the Speaker of the House of Representatives
195 shall each appoint two members of the board. At least one of the
196 two members appointed by each appointing officer must have
197 demonstrated expertise in insurance and be deemed to be within
198 the scope of the exemption provided in s. 112.313(7) (b). The
199 Chief Financial Officer shall designate one of the appointees as
200 chair. All board members serve at the pleasure of the appointing
201 officer. All members of the board are subject to removal at will
202 by the officers who appointed them. All board members, including
203 the chair, must be appointed to serve for 3-year terms beginning
204 annually on a date designated by the plan. However, for the
205 first term beginning on or after July 1, 2009, each appointing
206 officer shall appoint one member of the board for a 2-year term
207 and one member for a 3-year term. A board vacancy shall be
208 filled for the unexpired term by the appointing officer. The
209 Chief Financial Officer shall appoint a technical advisory group
210 to provide information and advice to the board in connection
211 with the board's duties under this subsection. The executive
212 director and senior managers of the corporation shall be engaged
213 by the board and serve at the pleasure of the board. Any
214 executive director appointed on or after July 1, 2006, is



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215 subject to confirmation by the Senate. The executive director is
216 responsible for employing other staff as the corporation may
217 require, subject to review and concurrence by the board.

218 b. The board shall create a Market Accountability Advisory
219 Committee to assist the corporation in developing awareness of
220 its rates and its customer and agent service levels in
221 relationship to the voluntary market insurers writing similar
222 coverage.

223 (I) The members of the advisory committee consist of the
224 following 11 persons, one of whom must be elected chair by the
225 members of the committee: four representatives, one appointed by
226 the Florida Association of Insurance Agents, one by the Florida
227 Association of Insurance and Financial Advisors, one by the
228 Professional Insurance Agents of Florida, and one by the Latin
229 American Association of Insurance Agencies; three
230 representatives appointed by the insurers with the three highest
231 voluntary market share of residential property insurance
232 business in the state; one representative from the Office of
233 Insurance Regulation; one consumer appointed by the board who is
234 insured by the corporation at the time of appointment to the
235 committee; one representative appointed by the Florida
236 Association of Realtors; and one representative appointed by the
237 Florida Bankers Association. All members shall be appointed to
238 3-year terms and may serve for consecutive terms.

239 (II) The committee shall report to the corporation at each
240 board meeting on insurance market issues which may include rates
241 and rate competition with the voluntary market; service,
242 including policy issuance, claims processing, and general
243 responsiveness to policyholders, applicants, and agents; and



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244 matters relating to depopulation.

245 5. Must provide a procedure for determining the eligibility
246 of a risk for coverage, as follows:

247 a. Subject to s. 627.3517, with respect to personal lines
248 residential risks that are primary residences, if the risk is
249 offered coverage from an authorized insurer at the insurer's
250 approved rate under a standard policy including wind coverage
251 or, if consistent with the insurer's underwriting rules as filed
252 with the office, a basic policy including wind coverage, for a
253 new application to the corporation for coverage, the risk is not
254 eligible for any policy issued by the corporation unless the
255 premium for coverage from the authorized insurer is more than 20
256 percent greater than the premium for comparable coverage from
257 the corporation. Whenever an offer of coverage for a personal
258 lines residential risk that is a primary residence is received
259 for a policyholder of the corporation at renewal from an
260 authorized insurer, if the offer is equal to or less than the
261 corporation's renewal premium for comparable coverage, the risk
262 is not eligible for coverage with the corporation for policies
263 that renew before April 1, 2023; for policies that renew on or
264 after that date, the risk is not eligible for coverage with the
265 corporation unless the premium for coverage from the authorized
266 insurer is more than 20 percent greater than the corporation's
267 renewal premium for comparable coverage. If the risk is not able
268 to obtain such offer, the risk is eligible for a standard policy
269 including wind coverage or a basic policy including wind
270 coverage issued by the corporation; however, if the risk could
271 not be insured under a standard policy including wind coverage
272 regardless of market conditions, the risk is eligible for a



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273 basic policy including wind coverage unless rejected under
274 subparagraph 8. The corporation shall determine the type of
275 policy to be provided on the basis of objective standards
276 specified in the underwriting manual and based on generally
277 accepted underwriting practices. A policyholder removed from the
278 corporation through an assumption agreement does not remain
279 eligible for coverage from the corporation after the end of the
280 policy term. However, any policy removed from the corporation
281 through an assumption agreement remains on the corporation's
282 policy forms through the end of the policy term. This sub-
283 subparagraph applies only to risks that are primary residences.

284 (I) If the risk accepts an offer of coverage through the
285 market assistance plan or through a mechanism established by the
286 corporation other than a plan established by s. 627.3518, before
287 a policy is issued to the risk by the corporation or during the
288 first 30 days of coverage by the corporation, and the producing
289 agent who submitted the application to the plan or to the
290 corporation is not currently appointed by the insurer, the
291 insurer shall:

292 (A) Pay to the producing agent of record of the policy for
293 the first year, an amount that is the greater of the insurer's
294 usual and customary commission for the type of policy written or
295 a fee equal to the usual and customary commission of the
296 corporation; or

297 (B) Offer to allow the producing agent of record of the
298 policy to continue servicing the policy for at least 1 year and
299 offer to pay the agent the greater of the insurer's or the
300 corporation's usual and customary commission for the type of
301 policy written.



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If the producing agent is unwilling or unable to accept appointment, the new insurer shall pay the agent in accordance with sub-sub-sub-subparagraph (A).

(II) If the corporation enters into a contractual agreement for a take-out plan, the producing agent of record of the corporation policy is entitled to retain any unearned commission on the policy, and the insurer shall:

(A) Pay to the producing agent of record, for the first year, an amount that is the greater of the insurer's usual and customary commission for the type of policy written or a fee equal to the usual and customary commission of the corporation; or

(B) Offer to allow the producing agent of record to continue servicing the policy for at least 1 year and offer to pay the agent the greater of the insurer's or the corporation's usual and customary commission for the type of policy written.

If the producing agent is unwilling or unable to accept appointment, the new insurer shall pay the agent in accordance with sub-sub-sub-subparagraph (A).

b. Subject to s. 627.3517, with respect to personal lines residential risks that are not primary residences, if the risk is offered coverage from an authorized insurer at the insurer's approved rate or from an approved surplus lines insurer at the rate approved by the office as part of such surplus lines insurer's take-out plan for a new application to the corporation for coverage, the risk is not eligible for any policy issued by the corporation unless the premium for coverage from the



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331 authorized insurer or approved surplus lines insurer is more
332 than 20 percent greater than the premium for comparable coverage
333 from the corporation. Whenever an offer of coverage for a
334 personal lines residential risk that is not a primary residence
335 is received for a policyholder of the corporation at renewal
336 from an authorized insurer at the insurer's approved rate or an
337 approved surplus lines insurer at the rate approved by the
338 office as part of such insurer's take-out plan, the risk is not
339 eligible for coverage with the corporation unless the premium
340 for coverage from the authorized insurer or approved surplus
341 lines insurer is more than 20 percent greater than the
342 corporation's renewal premium for comparable coverage for
343 policies that renew on or after July 1, 2024. If the risk is not
344 able to obtain such offer, the risk is eligible for a standard
345 policy including wind coverage or a basic policy including wind
346 coverage issued by the corporation. If the risk could not be
347 insured under a standard policy including wind coverage
348 regardless of market conditions, the risk is eligible for a
349 basic policy including wind coverage unless rejected under
350 subparagraph 8. The corporation shall determine the type of
351 policy to be provided on the basis of objective standards
352 specified in the underwriting manual and based on generally
353 accepted underwriting practices. A policyholder removed from the
354 corporation through an assumption agreement does not remain
355 eligible for coverage from the corporation after the end of the
356 policy term. However, any policy removed from the corporation
357 through an assumption agreement remains on the corporation's
358 policy forms through the end of the policy term.

359 (I) If the risk accepts an offer of coverage through the



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360 market assistance plan or through a mechanism established by the
361 corporation other than a plan established by s. 627.3518, before
362 a policy is issued to the risk by the corporation or during the
363 first 30 days of coverage by the corporation, and the producing
364 agent who submitted the application to the plan or to the
365 corporation is not currently appointed by the insurer, the
366 insurer must:

367 (A) Pay to the producing agent of record of the policy, for
368 the first year, an amount that is the greater of the insurer's
369 usual and customary commission for the type of policy written or
370 a fee equal to the usual and customary commission of the
371 corporation; or

372 (B) Offer to allow the producing agent of record of the
373 policy to continue servicing the policy for at least 1 year and
374 offer to pay the agent the greater of the insurer's or the
375 corporation's usual and customary commission for the type of
376 policy written.

377
378 If the producing agent is unwilling or unable to accept
379 appointment, the new insurer must pay the agent in accordance
380 with sub-sub-sub-subparagraph (A).

381 (II) If the corporation enters into a contractual agreement
382 for a take-out plan, the producing agent of record of the
383 corporation policy is entitled to retain any unearned commission
384 on the policy, and the insurer must:

385 (A) Pay to the producing agent of record, for the first
386 year, an amount that is the greater of the insurer's usual and
387 customary commission for the type of policy written or a fee
388 equal to the usual and customary commission of the corporation;



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389 or

390 (B) Offer to allow the producing agent of record to
391 continue servicing the policy for at least 1 year and offer to
392 pay the agent the greater of the insurer's or the corporation's
393 usual and customary commission for the type of policy written.

394
395 If the producing agent is unwilling or unable to accept
396 appointment, the new insurer shall pay the agent in accordance
397 with sub-sub-sub-paragraph (A).

398 c. With respect to commercial lines residential risks, for
399 a new application to the corporation for coverage, if the risk
400 is offered coverage under a policy including wind coverage from
401 an authorized insurer at its approved rate, the risk is not
402 eligible for a policy issued by the corporation unless the
403 premium for coverage from the authorized insurer is more than 20
404 percent greater than the premium for comparable coverage from
405 the corporation. Whenever an offer of coverage for a commercial
406 lines residential risk is received for a policyholder of the
407 corporation at renewal from an authorized insurer, the risk is
408 not eligible for coverage with the corporation unless the
409 premium for coverage from the authorized insurer is more than 20
410 percent greater than the corporation's renewal premium for
411 comparable coverage. If the risk is not able to obtain any such
412 offer, the risk is eligible for a policy including wind coverage
413 issued by the corporation. A policyholder removed from the
414 corporation through an assumption agreement remains eligible for
415 coverage from the corporation until the end of the policy term.
416 However, any policy removed from the corporation through an
417 assumption agreement remains on the corporation's policy forms



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418 through the end of the policy term.

419 (I) If the risk accepts an offer of coverage through the
420 market assistance plan or through a mechanism established by the
421 corporation other than a plan established by s. 627.3518, before
422 a policy is issued to the risk by the corporation or during the
423 first 30 days of coverage by the corporation, and the producing
424 agent who submitted the application to the plan or the
425 corporation is not currently appointed by the insurer, the
426 insurer shall:

427 (A) Pay to the producing agent of record of the policy, for
428 the first year, an amount that is the greater of the insurer's
429 usual and customary commission for the type of policy written or
430 a fee equal to the usual and customary commission of the
431 corporation; or

432 (B) Offer to allow the producing agent of record of the
433 policy to continue servicing the policy for at least 1 year and
434 offer to pay the agent the greater of the insurer's or the
435 corporation's usual and customary commission for the type of
436 policy written.

437
438 If the producing agent is unwilling or unable to accept
439 appointment, the new insurer shall pay the agent in accordance
440 with sub-sub-sub-subparagraph (A).

441 (II) If the corporation enters into a contractual agreement
442 for a take-out plan, the producing agent of record of the
443 corporation policy is entitled to retain any unearned commission
444 on the policy, and the insurer shall:

445 (A) Pay to the producing agent of record, for the first
446 year, an amount that is the greater of the insurer's usual and



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447 customary commission for the type of policy written or a fee
448 equal to the usual and customary commission of the corporation;
449 or

450 (B) Offer to allow the producing agent of record to
451 continue servicing the policy for at least 1 year and offer to
452 pay the agent the greater of the insurer's or the corporation's
453 usual and customary commission for the type of policy written.
454

455 If the producing agent is unwilling or unable to accept
456 appointment, the new insurer shall pay the agent in accordance
457 with sub-sub-sub-subparagraph (A).

458 d. For purposes of determining comparable coverage under
459 sub-subparagraphs a., b., and c., the comparison must be based
460 on those forms and coverages that are reasonably comparable. The
461 corporation may rely on a determination of comparable coverage
462 and premium made by the producing agent who submits the
463 application to the corporation, made in the agent's capacity as
464 the corporation's agent. For purposes of comparing the premium
465 for comparable coverage under sub-subparagraphs a., b., and c.,
466 premium includes any surcharge or assessment that is actually
467 applied to such policy. A comparison may be made solely of the
468 premium with respect to the main building or structure only on
469 the following basis: the same Coverage A or other building
470 limits; the same percentage hurricane deductible that applies on
471 an annual basis or that applies to each hurricane for commercial
472 residential property; the same percentage of ordinance and law
473 coverage, if the same limit is offered by both the corporation
474 and the authorized insurer or the approved surplus lines
475 insurer; the same mitigation credits, to the extent the same



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476 types of credits are offered both by the corporation and the
477 authorized insurer or the approved surplus lines insurer; the
478 same method for loss payment, such as replacement cost or actual
479 cash value, if the same method is offered both by the
480 corporation and the authorized insurer in accordance with
481 underwriting rules; and any other form or coverage that is
482 reasonably comparable as determined by the board. If an
483 application is submitted to the corporation for wind-only
484 coverage on a risk that is located in an area eligible for
485 coverage by the Florida Windstorm Underwriting Association, as
486 that area was defined on January 1, 2002, the premium for the
487 corporation's wind-only policy plus the premium for the ex-wind
488 policy that is offered by an authorized insurer to the applicant
489 must be compared to the premium for multiperil coverage offered
490 by an authorized insurer, subject to the standards for
491 comparison specified in this subparagraph. If the corporation or
492 the applicant requests from the authorized insurer or the
493 approved surplus lines insurer a breakdown of the premium of the
494 offer by types of coverage so that a comparison may be made by
495 the corporation or its agent and the authorized insurer or the
496 approved surplus lines insurer refuses or is unable to provide
497 such information, the corporation may treat the offer as not
498 being an offer of coverage from an authorized insurer at the
499 insurer's approved rate.

500 6. Must include rules for classifications of risks and
501 rates.

502 7. Must provide that if premium and investment income for
503 the Citizens account, which are attributable to a particular
504 calendar year, are in excess of projected losses and expenses



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505 for the Citizens account attributable to that year, such excess
506 shall be held in surplus in the Citizens account. Such surplus
507 must be available to defray deficits in the Citizens account as
508 to future years and used for that purpose before assessing
509 assessable insurers and assessable insureds as to any calendar
510 year.

511 8. Must provide objective criteria and procedures to be
512 uniformly applied to all applicants in determining whether an
513 individual risk is so hazardous as to be uninsurable. In making
514 this determination and in establishing the criteria and
515 procedures, the following must be considered:

516 a. Whether the likelihood of a loss for the individual risk
517 is substantially higher than for other risks of the same class;
518 and

519 b. Whether the uncertainty associated with the individual
520 risk is such that an appropriate premium cannot be determined.

521

522 The acceptance or rejection of a risk by the corporation shall
523 be construed as the private placement of insurance, and the
524 provisions of chapter 120 do not apply.

525 9. Must provide that the corporation make its best efforts
526 to procure catastrophe reinsurance at reasonable rates, to cover
527 its projected 100-year probable maximum loss as determined by
528 the board of governors. If catastrophe reinsurance is not
529 available at reasonable rates, the corporation need not purchase
530 it, but the corporation shall include the costs of reinsurance
531 to cover its projected 100-year probable maximum loss in its
532 rate calculations even if it does not purchase catastrophe
533 reinsurance.



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534 10. The policies issued by the corporation must provide
535 that if the corporation or the market assistance plan obtains an
536 offer from an authorized insurer to cover the risk at its
537 approved rates, the risk is no longer eligible for renewal
538 through the corporation, except as otherwise provided in this
539 subsection.

540 11. Corporation policies and applications must include a
541 notice that the corporation policy could, under this section, be
542 replaced with a policy issued by an authorized insurer which
543 does not provide coverage identical to the coverage provided by
544 the corporation. The notice must also specify that acceptance of
545 corporation coverage creates a conclusive presumption that the
546 applicant or policyholder is aware of this potential.

547 12. May establish, subject to approval by the office,
548 different eligibility requirements and operational procedures
549 for any line or type of coverage for any specified county or
550 area if the board determines that such changes are justified due
551 to the voluntary market being sufficiently stable and
552 competitive in such area or for such line or type of coverage
553 and that consumers who, in good faith, are unable to obtain
554 insurance through the voluntary market through ordinary methods
555 continue to have access to coverage from the corporation. If
556 coverage is sought in connection with a real property transfer,
557 the requirements and procedures may not provide an effective
558 date of coverage later than the date of the closing of the
559 transfer as established by the transferor, the transferee, and,
560 if applicable, the lender.

561 13. Must provide that the corporation appoint as its
562 licensed agents only those agents who throughout such



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563 appointments also hold an appointment as defined in s. 626.015
564 by at least three insurers who are authorized to write and are
565 actually writing or renewing personal lines residential property
566 coverage, commercial residential property coverage, or
567 commercial nonresidential property coverage within the state.

568 14. Must provide a premium payment plan option to its
569 policyholders which, at a minimum, allows for quarterly and
570 semiannual payment of premiums. A monthly payment plan may, but
571 is not required to, be offered.

572 15. Must limit coverage on mobile homes or manufactured
573 homes built before 1994 to actual cash value of the dwelling
574 rather than replacement costs of the dwelling.

575 16. Must provide coverage for manufactured or mobile home
576 dwellings. Such coverage must also include the following
577 attached structures:

578 a. Screened enclosures that are aluminum framed or screened
579 enclosures that are not covered by the same or substantially the
580 same materials as those of the primary dwelling;

581 b. Carports that are aluminum or carports that are not
582 covered by the same or substantially the same materials as those
583 of the primary dwelling; and

584 c. Patios that have a roof covering that is constructed of
585 materials that are not the same or substantially the same
586 materials as those of the primary dwelling.

587
588 The corporation shall make available a policy for mobile homes
589 or manufactured homes for a minimum insured value of at least
590 \$3,000.

591 17. May provide such limits of coverage as the board



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592 determines, consistent with the requirements of this subsection.

593 18. May require commercial property to meet specified
594 hurricane mitigation construction features as a condition of
595 eligibility for coverage.

596 19. Must provide that new or renewal policies issued by the
597 corporation on or after January 1, 2012, which cover sinkhole
598 loss do not include coverage for any loss to appurtenant
599 structures, driveways, sidewalks, decks, or patios that are
600 directly or indirectly caused by sinkhole activity. The
601 corporation shall exclude such coverage using a notice of
602 coverage change, which may be included with the policy renewal,
603 and not by issuance of a notice of nonrenewal of the excluded
604 coverage upon renewal of the current policy.

605 20.a. Must require that the agent obtain from an applicant
606 for coverage from the corporation an acknowledgment signed by
607 the applicant, which includes, at a minimum, the following
608 statement:

609
610 ACKNOWLEDGMENT OF POTENTIAL SURCHARGE

611 AND ASSESSMENT LIABILITY:

612
613 1. AS A POLICYHOLDER OF CITIZENS PROPERTY
614 INSURANCE CORPORATION, I UNDERSTAND THAT IF THE
615 CORPORATION SUSTAINS A DEFICIT AS A RESULT OF
616 HURRICANE LOSSES OR FOR ANY OTHER REASON, MY POLICY
617 COULD BE SUBJECT TO SURCHARGES AND ASSESSMENTS, WHICH
618 WILL BE DUE AND PAYABLE UPON RENEWAL, CANCELLATION, OR
619 TERMINATION OF THE POLICY, AND THAT THE SURCHARGES AND
620 ASSESSMENTS COULD BE AS HIGH AS 25 PERCENT OF MY



137500

621 PREMIUM, OR A DIFFERENT AMOUNT AS IMPOSED BY THE
622 FLORIDA LEGISLATURE.

623 2. I UNDERSTAND THAT I CAN AVOID THE CITIZENS
624 POLICYHOLDER SURCHARGE, WHICH COULD BE AS HIGH AS 15
625 PERCENT OF MY PREMIUM, BY OBTAINING COVERAGE FROM A
626 PRIVATE MARKET INSURER AND THAT TO BE ELIGIBLE FOR
627 COVERAGE BY CITIZENS, I MUST FIRST TRY TO OBTAIN
628 PRIVATE MARKET COVERAGE BEFORE APPLYING FOR OR
629 RENEWING COVERAGE WITH CITIZENS. I UNDERSTAND THAT
630 PRIVATE MARKET INSURANCE RATES ARE REGULATED AND
631 APPROVED BY THE STATE.

632 3. I UNDERSTAND THAT I MAY BE SUBJECT TO
633 EMERGENCY ASSESSMENTS TO THE SAME EXTENT AS
634 POLICYHOLDERS OF OTHER INSURANCE COMPANIES, OR A
635 DIFFERENT AMOUNT AS IMPOSED BY THE FLORIDA
636 LEGISLATURE.

637 4. I ALSO UNDERSTAND THAT CITIZENS PROPERTY
638 INSURANCE CORPORATION IS NOT SUPPORTED BY THE FULL
639 FAITH AND CREDIT OF THE STATE OF FLORIDA.

640
641 b. The corporation shall maintain, in electronic format or
642 otherwise, a copy of the applicant's signed acknowledgment and
643 provide a copy of the statement to the policyholder as part of
644 the first renewal after the effective date of sub-subparagraph
645 a.

646 c. The signed acknowledgment form creates a conclusive
647 presumption that the policyholder understood and accepted his or
648 her potential surcharge and assessment liability as a
649 policyholder of the corporation.



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650 21. Must provide that the income of the corporation may not
651 inure to the benefit of any private person.

652 22. Must, for all policyholders, require that the following
653 disclosure appear on the declarations page or as a separate
654 notice prominently attached:

655
656 IMPORTANT DISCLOSURE: WIND-DRIVEN RAIN DAMAGE
657 EXCLUSION. Citizens Property Insurance Corporation
658 does not insure against loss or damage caused by wind-
659 driven rain entering through the tracks of sliding
660 glass doors. Such damage is expressly excluded from
661 coverage, including any resulting, secondary,
662 incidental, or cascading damage to the policyholder's
663 unit(s), other units, lower levels, the building
664 envelope, adjoining property, or other property.

665
666 23. Must prohibit the corporation from issuing or renewing
667 coverage for residential condominium, cooperative, or apartment
668 buildings that are three or more stories in height and
669 constructed on or after January 1, 2028, that contain sliding
670 glass doors, unless such doors incorporate a physical sill riser
671 of at least 5 inches or the condominium, cooperative, or
672 apartment building owner obtains a tested and approved wind-
673 driven rain water intrusion mitigation device that has obtained
674 a Miami-Dade County Notice of Acceptance or Florida Building
675 Code product approval.

676
677 ===== T I T L E A M E N D M E N T =====

678 And the title is amended as follows:



137500

679 Delete line 9
680 and insert:
681 certain circumstances; amending s. 627.351, F.S.;
682 revising the Citizens Property Insurance Corporation
683 plan of operation; amending s. 215.89, F.S.;