



26 Citizens Property Insurance Corporation accepts  
27 assignments of unsound insurers; providing that  
28 certain violations are violations of the insurance  
29 code; authorizing the board to enforce certain  
30 requirements; authorizing the board to adopt  
31 nonemergency rules and emergency rules; providing  
32 legislative findings; specifying conditions and  
33 limitations for any emergency rules adopted; requiring  
34 the board to submit a written notice within a certain  
35 timeframe to the Executive Office of the Governor  
36 relating to the program funds, under certain  
37 circumstances; providing a requirement for the notice  
38 and subsequent requests; requiring the Executive  
39 Office of the Governor to instruct the Chief Financial  
40 Officer to draw a warrant for a transfer to the board  
41 for the program under certain circumstances and to  
42 provide notification to specified persons within a  
43 certain timeframe; prohibiting cumulative transfers  
44 from exceeding a specified amount; providing reporting  
45 requirements; providing for expiration and transfer of  
46 unencumbered funds; requiring certain property  
47 insurers to reduce rates to reflect certain cost  
48 savings through rate filings by a specified date;  
49 prohibiting such insurers from making other rate  
50 changes; requiring the Office of Insurance Regulation

51 to expedite the review of certain filings; amending s.  
52 215.5586, F.S.; revising homeowner eligibility  
53 criteria for mitigation grants; specifying matching  
54 requirements for grants; revising reporting  
55 requirements; providing an appropriation; requiring  
56 the Department of Financial Services to submit budget  
57 amendments; specifying requirements for budget  
58 amendments; providing for reversion and appropriation  
59 of any unexpended balance; authorizing the department  
60 to adopt emergency rules; providing legislative  
61 findings; providing for expiration; amending s.  
62 489.147, F.S.; revising the definition of the term  
63 "prohibited advertisement"; creating s. 624.1551,  
64 F.S.; requiring claimants to establish that property  
65 insurers have breached the insurance contract to  
66 prevail in certain claims for damages; amending s.  
67 624.307, F.S.; requiring the office to publish certain  
68 information on its website; amending s. 624.313, F.S.;  
69 revising the information the office must include in a  
70 specified report; amending s. 624.315, F.S.; revising  
71 the information the office must include in certain  
72 reports; amending s. 624.424, F.S.; requiring the  
73 office to aggregate on a statewide basis and make  
74 publicly available certain data submitted by insurers  
75 and insurer groups; specifying requirements for

76 publishing such data; providing that such information  
77 is not a trade secret and is not subject to a certain  
78 public records exemption; amending s. 626.9373, F.S.;  
79 revising conditions for the award of reasonable  
80 attorney fees to apply to all suits brought under  
81 residential or commercial property insurance policies,  
82 rather than those not brought by assignees; limiting  
83 the transfer, assignment, or acquisition of rights to  
84 attorney fees in certain property insurance suits;  
85 amending s. 627.428, F.S.; revising conditions for the  
86 award of reasonable attorney fees to apply to all  
87 suits brought under residential or commercial property  
88 insurance policies, rather than those not brought by  
89 assignees; limiting the transfer, assignment, or  
90 acquisition of rights to attorney fees in certain  
91 property insurance suits; amending s. 627.701, F.S.;  
92 revising a prohibition against the issuance of  
93 insurance policies containing certain deductible  
94 provisions; revising the conditions a personal lines  
95 residential property insurance policy covering certain  
96 risks must meet under certain circumstances; requiring  
97 personal lines residential property insurance policies  
98 containing separate roof deductibles to include  
99 specified information; authorizing property insurers  
100 to include separate roof deductibles if certain

101 requirements are met; providing requirements for  
 102 policyholders in rejecting such deductibles under  
 103 certain circumstances; requiring the office to  
 104 expedite the review of filing of certain forms;  
 105 authorizing the commission to adopt certain model  
 106 forms or guidelines; requiring the office to review  
 107 certain filings within a specified timeframe;  
 108 providing that roof deductible portions of the filing  
 109 are not subject to a specified extension for review;  
 110 amending s. 627.7011, F.S.; authorizing property  
 111 insurers to limit certain roof claim payments under  
 112 certain circumstances; defining the term "authorized  
 113 inspector"; prohibiting insurers from refusing to  
 114 issue or renew homeowners' policies insuring certain  
 115 structures; requiring insurers to allow homeowners to  
 116 have roof inspections performed before requiring roof  
 117 replacement; providing for the calculation of the age  
 118 of certain roofs; providing applicability; amending s.  
 119 627.70131, F.S.; requiring property insurers to  
 120 conduct physical inspections for certain claims within  
 121 a specified timeframe; requiring property insurers to  
 122 notify and provide certain detailed estimates to  
 123 policyholders; providing construction; requiring  
 124 property insurers to provide reasonable explanations  
 125 related to claims under certain circumstances;

126 amending s. 627.70152, F.S.; making a technical  
127 change; authorizing property insurers to be awarded  
128 attorney fees and costs in certain suit dismissals;  
129 providing that a strong presumption is created that a  
130 lodestar fee is sufficient and reasonable; providing  
131 that such presumption may be rebutted only under  
132 certain circumstances; amending s. 627.7142, F.S.;  
133 conforming a cross-reference; amending s. 627.7152,  
134 F.S.; revising the definition of the term "assignment  
135 agreement"; deleting the definitions of the terms  
136 "disputed amount" and "judgment obtained"; revising a  
137 requirement for assignment agreements; revising the  
138 requirement for assignees to indemnify and hold  
139 harmless assignors; specifying the addresses to which  
140 a notice of intent must be served; deleting certain  
141 limitations on the recovery and award of attorney fees  
142 in suits related to assignment agreements; creating s.  
143 627.7154, F.S.; creating a property insurer stability  
144 unit within the office for a specified purpose;  
145 specifying the duties of the unit; requiring the unit  
146 to provide a specified report biannually; specifying  
147 requirements for such report; specifying events that  
148 trigger referrals to the unit; requiring the unit's  
149 supervisors to review such referrals for a certain  
150 determination; requiring unit expenses to be paid from

151 a specified fund; requiring costs of examinations to  
 152 be paid by examined persons in a specified  
 153 circumstance; amending s. 631.031, F.S.; requiring  
 154 certain notifications by the office to the department  
 155 of grounds for delinquency proceedings to include an  
 156 affidavit; specifying contents of such affidavit;  
 157 amending s. 631.398, F.S.; specifying duties of the  
 158 department for insurer insolvency proceedings;  
 159 providing for construction of the act in pari materia  
 160 with laws enacted during the 2022 Regular Session of  
 161 the Legislature; providing effective dates.

162

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

164

165 Section 1. Section 215.5551, Florida Statutes, is created  
 166 to read:

167 215.5551 Reinsurance to Assist Policyholders program.—

168 (1) CREATION OF THE REINSURANCE TO ASSIST POLICYHOLDERS

169 PROGRAM.—There is created the Reinsurance to Assist

170 Policyholders program to be administered by the State Board of

171 Administration.

172 (2) DEFINITIONS.—As used in this section, the term:

173 (a) "Board" means the State Board of Administration.

174 (b) "Contract year" means the period beginning on June 1

175 of a specified calendar year and ending on May 31 of the

176 following calendar year.

177 (c) "Covered event" means any one storm declared to be a  
 178 hurricane by the National Hurricane Center, which storm causes  
 179 insured losses in this state.

180 (d) "Covered policy" has the same meaning as in s.  
 181 215.555(2)(c).

182 (e) "FHCF" means the Florida Hurricane Catastrophe Fund  
 183 created under s. 215.555.

184 (f) "Losses" has the same meaning as in s. 215.555(2)(d).

185 (g) "RAP" means the Reinsurance to Assist Policyholders  
 186 program created by this section.

187 (h) "RAP insurer" means an insurer that is a participating  
 188 insurer in the FHCF on June 1, 2022, which must obtain coverage  
 189 under the RAP program and qualifies under subsection (5).

190 However, any joint underwriting association, risk apportionment  
 191 plan, or other entity created under s. 627.351 is not considered  
 192 a RAP insurer and is prohibited from obtaining coverage under  
 193 the RAP program.

194 (i) "RAP limit" means, for the 2022-2023 contract year,  
 195 the RAP insurer's maximum payout, which is its share of the \$2  
 196 billion RAP layer aggregate limit. For the 2023-2024 contract  
 197 year, for RAP insurers that are subject to participation  
 198 deferral under subsection (6) and participate during the 2023-  
 199 2024 contract year, the RAP limit means the RAP insurer's  
 200 maximum payout, which is its share of the total amount of the



201 RAP program layer aggregate limit deferred from 2022-2023.

202 (j) "RAP qualification ratio" means:

203 1. For the 2022-2023 contract year, the ratio of FHCF  
204 mandatory premium adjusted to 90 percent for RAP insurers  
205 divided by the FHCF mandatory premium adjusted to 90 percent for  
206 all insurers. The preliminary RAP qualification ratio shall be  
207 based on the 2021-2022 contract year's company premiums as of  
208 December 31, 2021, adjusted to 90 percent based on the 2022-2023  
209 contract year coverage selections. The RAP qualification ratio  
210 shall be based on the reported 2022-2023 contract year company  
211 premiums as of December 31, 2022, adjusted to 90 percent.

212 2. For the 2023-2024 contract year, the ratio of FHCF  
213 mandatory premium adjusted to 90 percent for the qualified RAP  
214 insurers that have deferred RAP coverage to 2023-2024 divided by  
215 the FHCF mandatory premium adjusted to 90 percent for all  
216 insurers. The preliminary RAP qualification ratio shall be based  
217 on the 2022-2023 contract year's company premiums as of December  
218 31, 2022, adjusted to 90 percent based on the 2023-2024 contract  
219 year coverage selections. The RAP qualification ratio shall be  
220 based on the reported 2023-2024 contract year company premiums  
221 as of December 31, 2023, adjusted to 90 percent.

222 (k) "RAP reimbursement contract" means the reimbursement  
223 contract reflecting the obligations of the RAP program to  
224 insurers.

225 (l) "RAP retention" means the amount of losses below which

226 a RAP insurer is not entitled to reimbursement under the RAP  
 227 program.

228 (m) "Unsound insurer" means a RAP insurer determined by  
 229 the Office of Insurance Regulation to be in unsound condition as  
 230 defined in s. 624.80(2) or a RAP insurer placed in receivership  
 231 under chapter 631.

232 (3) COVERAGE.—

233 (a) As a condition of doing business in this state, each  
 234 RAP insurer shall obtain coverage under the RAP program.

235 (b) The board shall provide a reimbursement layer of \$2  
 236 billion below the FHCF retention prior to the third event  
 237 dropdown of the FHCF retention set forth in s. 215.555(2)(e).  
 238 Subject to the mandatory notice provisions in subsection (5),  
 239 the board shall enter into a RAP reimbursement contract with  
 240 each eligible RAP insurer writing covered policies in this state  
 241 to provide to the insurer the reimbursement described in this  
 242 section.

243 (4) RAP REIMBURSEMENT CONTRACTS.—

244 (a)1. The board shall issue a RAP reimbursement contract  
 245 to each eligible RAP insurer which is effective:

246 a. June 1, 2022, for RAP insurers that participate in the  
 247 RAP program during the 2022-2023 contract year; or

248 b. June 1, 2023, for RAP insurers that are subject to  
 249 participation deferral under subsection (6) and participate in  
 250 the RAP program during the 2023-2024 contract year.

251       2. The RAP reimbursement contract shall be executed no  
252 later than:

253       a. July 15, 2022, for RAP insurers that participate in the  
254 RAP program during the 2022-2023 contract year; or

255       b. March 1, 2023, for RAP insurers that are subject to  
256 participation deferral under subsection (6) and participate in  
257 the RAP program during the 2023-2024 contract year.

258       3. If a RAP insurer fails to execute the RAP reimbursement  
259 contract by the dates required in this paragraph, the RAP  
260 insurance contract is deemed to have been executed by the RAP  
261 insurer.

262       (b) For the two covered events with the largest losses,  
263 the RAP reimbursement contract must contain a promise by the  
264 board to reimburse the RAP insurer for 90 percent of its losses  
265 from each covered event in excess of the insurer's RAP  
266 retention, plus 10 percent of the reimbursed losses to cover  
267 loss adjustment expenses. The sum of the losses and 10 percent  
268 loss adjustment expense allocation from the RAP layer may not  
269 exceed the RAP limit. Recoveries on losses in the FHCF mandatory  
270 layer shall inure to the benefit of the RAP contract layer.

271       (c) The RAP reimbursement contract must provide that  
272 reimbursement amounts are not reduced by reinsurance paid or  
273 payable to the insurer from other sources excluding the FHCF.

274       (d) The board shall calculate and report to each RAP  
275 insurer the RAP payout multiples as the ratio of the RAP

276 industry limit of \$2 billion for the 2022-2023 contract year, or  
277 the deferred limit for the 2022-2023 contract year, to the  
278 mandatory FHCF retention multiplied by the mandatory FHCF  
279 retention multiples divided by the RAP qualification ratio. The  
280 RAP payout multiple for an insurer is multiplied by the RAP  
281 insurer's FHCF premium to calculate its RAP maximum payout. RAP  
282 payout multiples are calculated for 45 percent, 75 percent, and  
283 90 percent FHCF mandatory coverage selections.

284 (e) A RAP insurer's RAP retention is calculated as  
285 follows:

286 1. The board shall calculate and report to each RAP  
287 insurer the RAP retention multiples for each FHCF coverage  
288 selection as the FHCF retention multiple minus the RAP payout  
289 multiple. The RAP retention multiple for an insurer is  
290 multiplied by the RAP insurer's FHCF premium to calculate its  
291 RAP retention. RAP retention multiples are calculated for 45  
292 percent, 75 percent, and 90 percent FHCF mandatory coverage  
293 selections.

294 2. The RAP industry retention for the 2022-2023 contract  
295 year is the FHCF's industry retention minus \$2 billion, prior to  
296 allocation to qualifying RAP insurers. The RAP industry  
297 retention for the 2023-2024 contract year is the FHCF's industry  
298 retention for the 2023-2024 contract year minus the total  
299 deferred RAP limit, prior to allocation to qualifying RAP  
300 insurers.

301 3. A RAP insurer determines its actual RAP retention by  
 302 multiplying its actual mandatory reimbursement FHCF premium by  
 303 the RAP retention multiple.

304 (f) To ensure that insurers have properly reported the  
 305 losses for which RAP reimbursements have been made, the board  
 306 may inspect, examine, and verify the records of each RAP  
 307 insurer's covered policies at such times as the board deems  
 308 appropriate for the specific purpose of validating the accuracy  
 309 of losses required to be reported under the terms and conditions  
 310 of the RAP reimbursement contract.

311 (5) INSURER QUALIFICATION.—

312 (a) An insurer is not eligible to participate in the RAP  
 313 program if the board receives a notice from the Commissioner of  
 314 Insurance Regulation which certifies that the insurer is in an  
 315 unsound financial condition no later than:

- 316 1. June 15, 2022, for RAP insurers that participate during  
 317 the 2022-2023 contract year; or  
 318 2. February 1, 2023, for RAP insurers subject to  
 319 participation deferral under subsection (6) and participate  
 320 during the 2023-2024 contract year.

321 (b) The office must make this determination based on the  
 322 following factors:

- 323 1. The insurer's compliance with the requirements to  
 324 qualify for and hold a certificate of authority under s.  
 325 624.404;

326       2. The insurer's compliance with the applicable surplus  
327 requirements of s. 624.408;

328       3. The insurer's compliance with the applicable risk-based  
329 capital requirements under s. 624.4085;

330       4. The insurer's compliance with the applicable premium to  
331 surplus requirements under s. 624.4095; and

332       5. An analysis of quarterly and annual statements,  
333 including an actuarial opinion summary, and other information  
334 submitted to the office pursuant to s. 624.424.

335       (c) If the board receives timely notice pursuant to  
336 paragraph (a) regarding an insurer, such insurer is disqualified  
337 from participating in the RAP program.

338       (6) PARTICIPATION DEFERRAL.—

339       (a) A RAP insurer that has any private reinsurance that  
340 duplicates RAP coverage such insurer would receive for the 2022-  
341 2023 contract year shall notify the board in writing of such  
342 duplicative coverage no later than June 30, 2022. Participation  
343 in the RAP program for such RAP insurers shall be deferred until  
344 the 2023-2024 contract year.

345       (b) A new participating insurer that begins writing  
346 covered policies in this state after June 1, 2022, is deemed to  
347 defer its RAP coverage to the 2023-2024 contract year.

348       (7) RAP PREMIUMS.—Premiums may not be charged for  
349 participation in the RAP program.

350       (8) CLAIMS-PAYING CAPACITY.—The RAP program shall not

351 affect the claims-paying capacity of the FHCF as provided in s.  
 352 215.555 (4) (c) 1.

353 (9) INSOLVENCY OF RAP INSURER.—

354 (a) The RAP reimbursement contract shall provide that in  
 355 the event of an insolvency of a RAP insurer, the RAP program  
 356 shall pay reimbursements directly to the applicable state  
 357 guaranty fund for the benefit of policyholders in this state of  
 358 the RAP insurer.

359 (b) If an authorized insurer or the Citizens Property  
 360 Insurance Corporation accepts an assignment of an unsound RAP  
 361 insurer's RAP contract, the FHCF shall apply the unsound RAP  
 362 insurer's RAP contract to such policies and treat the authorized  
 363 insurer or the Citizens Property Insurance Corporation as if it  
 364 were the unsound RAP insurer for the remaining term of the RAP  
 365 contract, with all rights and duties of the unsound RAP insurer  
 366 beginning on the date it provides coverage for such policies.

367 (10) VIOLATIONS.—Any violation of this section or of rules  
 368 adopted under this section constitutes a violation of the  
 369 insurance code.

370 (11) LEGAL PROCEEDINGS.—The board is authorized to take  
 371 any action necessary to enforce the rules, provisions, and  
 372 requirements of the RAP reimbursement contract, required by and  
 373 adopted pursuant to this section.

374 (12) RULEMAKING.—The board may adopt rules to implement  
 375 this section. In addition, the board may adopt emergency rules,

376 pursuant to s. 120.54, at any time, as are necessary to  
377 implement this section for the 2022-2023 fiscal year. The  
378 Legislature finds that such emergency rulemaking power is  
379 necessary in order to address a critical need in the state's  
380 problematic property insurance market. The Legislature further  
381 finds that the uniquely short timeframe needed to effectively  
382 implement this section for the 2022-2023 fiscal year requires  
383 that the board adopt rules as quickly as practicable. Therefore,  
384 in adopting such emergency rules, the board need not make the  
385 findings required by s. 120.54(4) (a). Emergency rules adopted  
386 under this section are exempt from s. 120.54(4) (c) and shall  
387 remain in effect until replaced by rules adopted under the  
388 nonemergency rulemaking procedures of chapter 120, which must  
389 occur no later than July 1, 2023.

390 (13) APPROPRIATION.—

391 (a) Within 60 days after a covered event, the board shall  
392 submit written notice to the Executive Office of the Governor if  
393 the board determines that funds from the RAP program coverage  
394 established by this section will be necessary to reimburse RAP  
395 insurers for losses associated with the covered event. The  
396 initial notice, and any subsequent requests, must specify the  
397 amount necessary to provide RAP reimbursements. Upon receiving  
398 such notice, the Executive Office of the Governor shall instruct  
399 the Chief Financial Officer to draw a warrant from the General  
400 Revenue Fund for a transfer to the board for the RAP program in



401 the amount requested. The Executive Office of the Governor shall  
402 provide written notification to the chair and vice chair of the  
403 Legislative Budget Commission at least 3 days before the  
404 effective date of the warrant. Cumulative transfers authorized  
405 under this paragraph may not exceed \$2 billion.

406 (b) If general revenue funds are transferred to the board  
407 for the RAP program under paragraph (a), the board shall submit  
408 written notice to the Executive Office of the Governor that  
409 funds will be necessary for the administration of the RAP  
410 program and post-event examinations for covered events that  
411 require RAP coverage. The initial notice, and any subsequent  
412 requests, must specify the amount necessary for administration  
413 of the RAP program and post-event examinations. Upon receiving  
414 such notice, the Executive Office of the Governor shall instruct  
415 the Chief Financial Officer to draw a warrant from the General  
416 Revenue Fund for a transfer to the board for the RAP program in  
417 the amount requested. The Executive Office of the Governor shall  
418 provide written notification to the chair and vice chair of the  
419 Legislative Budget Commission at least 3 days before the  
420 effective date of the warrant. Cumulative transfers authorized  
421 under this paragraph may not exceed \$5 million.

422 (c) No later than January 31, 2023, and quarterly  
423 thereafter, the board shall submit a report to the Executive  
424 Office of the Governor, the President of the Senate, and the  
425 Speaker of the House of Representatives detailing any

426 reimbursements of the RAP program, all loss development  
427 projections, the amount of RAP reimbursement coverage deferred  
428 until the 2023-2024 contract year, and detailed information  
429 about administrative and post-event examination expenditures.

430 (14) EXPIRATION DATE.—If no general revenue funds have  
431 been transferred to the board for the RAP program under  
432 subsection (13) by June 30, 2025, this section expires on July  
433 1, 2025. If general revenue funds have been transferred to the  
434 board for the RAP program under subsection (13) by June 30,  
435 2025, this section expires on July 1, 2029, and all unencumbered  
436 RAP program funds shall be transferred by the board back to the  
437 General Revenue Fund unallocated.

438 Section 2. (1) No later than June 30, 2022, each insurer  
439 that participates during the 2022-2023 contract year in the  
440 Reinsurance to Assist Policyholders program under s. 215.5551,  
441 Florida Statutes, shall reduce its rates to reflect the cost  
442 savings realized by participating in the program through a rate  
443 filing with the Office of Insurance Regulation or by amending a  
444 pending rate filing. The insurer shall make no other changes to  
445 its rates in the filing.

446 (2) No later than May 1, 2023, each insurer that defers  
447 participation in the Reinsurance to Assist Policyholders program  
448 until the 2023-2024 year under s. 215.5551, Florida Statutes,  
449 shall reduce its rates to reflect the cost savings realized by  
450 participating in the program through a rate filing with the

451 Office of Insurance Regulation or by amending a pending rate  
452 filing. The insurer shall make no other changes to its rates in  
453 the filing.

454 (3) The Office of Insurance Regulation shall expedite the  
455 review of the filings made under this section.

456 Section 3. Effective July 1, 2022, paragraphs (a) and (b)  
457 of subsection (2) and subsection (10) of section 215.5586,  
458 Florida Statutes, are amended to read:

459 215.5586 My Safe Florida Home Program.—There is  
460 established within the Department of Financial Services the My  
461 Safe Florida Home Program. The department shall provide fiscal  
462 accountability, contract management, and strategic leadership  
463 for the program, consistent with this section. This section does  
464 not create an entitlement for property owners or obligate the  
465 state in any way to fund the inspection or retrofitting of  
466 residential property in this state. Implementation of this  
467 program is subject to annual legislative appropriations. It is  
468 the intent of the Legislature that the My Safe Florida Home  
469 Program provide trained and certified inspectors to perform  
470 inspections for owners of site-built, single-family, residential  
471 properties and grants to eligible applicants as funding allows.  
472 The program shall develop and implement a comprehensive and  
473 coordinated approach for hurricane damage mitigation that may  
474 include the following:

475 (2) MITIGATION GRANTS.—Financial grants shall be used to

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476 encourage single-family, site-built, owner-occupied, residential  
 477 property owners to retrofit their properties to make them less  
 478 vulnerable to hurricane damage.

479 (a) For a homeowner to be eligible for a grant, the  
 480 following criteria must be met:

481 1. The homeowner must have been granted a homestead  
 482 exemption on the home under chapter 196.

483 2. The home must be a dwelling with an insured value of  
 484 \$500,000 ~~\$300,000~~ or less. Homeowners who are low-income  
 485 persons, as defined in s. 420.0004(11), are exempt from this  
 486 requirement.

487 3. The home must have undergone an acceptable hurricane  
 488 mitigation inspection after July 1, 2008 ~~May 1, 2007~~.

489 4. The home must be located in the "wind-borne debris  
 490 region" as that term is defined in the Florida Building Code s.  
 491 ~~1609.2, International Building Code (2006), or as subsequently~~  
 492 ~~amended.~~

493 5. The building permit application for initial  
 494 construction of the home must have been made before January 1,  
 495 2008 ~~March 1, 2002~~.

496 6. The homeowner must agree to make his or her home  
 497 available for inspection once a mitigation project is completed.

498  
 499 An application for a grant must contain a signed or  
 500 electronically verified statement made under penalty of perjury

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501 that the applicant has submitted only a single application and  
502 must have attached documents demonstrating the applicant meets  
503 the requirements of this paragraph.

504 (b) All grants must be matched on the basis of \$1 provided  
505 by the applicant for \$2 provided by the state ~~a dollar for-~~  
506 ~~dollar basis~~ up to a maximum state contribution total of \$10,000  
507 toward ~~for~~ the actual cost of the mitigation project ~~with the~~  
508 ~~state's contribution not to exceed \$5,000.~~

509 (10) REPORTS.—The department shall make an annual report  
510 on the activities of the program that shall account for the use  
511 of state funds and indicate the number of inspections requested,  
512 the number of inspections performed, the number of grant  
513 applications received, ~~and~~ the number and value of grants  
514 approved, and the average annual amount of insurance premium  
515 discounts and total annual amount of insurance premium discounts  
516 homeowners received from insurers as a result of mitigation  
517 funded through the program. The report shall be delivered to the  
518 President of the Senate and the Speaker of the House of  
519 Representatives by February 1 of each year.

520 Section 4. (1) For the 2022-2023 fiscal year, the sum of  
521 \$150 million in nonrecurring funds is appropriated from the  
522 General Revenue Fund to the Department of Financial Services for  
523 the My Safe Florida Home Program. The funds shall be placed in  
524 reserve. The department shall submit budget amendments  
525 requesting release of the funds held in reserve pursuant to

526 chapter 216, Florida Statutes. The budget amendments shall  
527 include a detailed spending plan.

528 (2) The funds shall be allocated as follows:

529 (a) Twenty-five million dollars for hurricane mitigation  
530 inspections.

531 (b) One hundred fifteen million dollars for mitigation  
532 grants.

533 (c) Four million dollars for education and consumer  
534 awareness.

535 (d) One million dollars for public outreach for  
536 contractors and real estate brokers and sales associates.

537 (e) Five million dollars for administrative costs.

538 (3) Any unexpended balance of funds from this  
539 appropriation remaining on June 30, 2023, shall revert and is  
540 appropriated to the Department of Financial Services for the  
541 2023-2024 fiscal year for the same purpose.

542 (4) The department may adopt emergency rules pursuant to  
543 s. 120.54, Florida Statutes, at any time, as are necessary to  
544 implement this section and s. 215.5586, Florida Statutes, as  
545 amended by this act. The Legislature finds that such emergency  
546 rulemaking authority is necessary to address a critical need in  
547 the state's problematic property insurance market. The  
548 Legislature further finds that the uniquely short timeframe  
549 needed to effectively implement this section for the 2022-2023  
550 fiscal year requires that the department adopt rules as quickly

551 as practicable. Therefore, in adopting such emergency rules, the  
 552 department need not make the findings required by s.  
 553 120.54(4) (a), Florida Statutes. Emergency rules adopted under  
 554 this section are exempt from s. 120.54(4)(c), Florida Statutes,  
 555 and shall remain in effect until replaced by rules adopted under  
 556 the nonemergency rulemaking procedures of chapter 120, Florida  
 557 Statutes, which must occur no later than July 1, 2023.

558 (5) This section shall expire October 1, 2024.

559 Section 5. Paragraph (a) of subsection (1) of section  
 560 489.147, Florida Statutes, is amended to read:

561 489.147 Prohibited property insurance practices.—

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

563 (a) "Prohibited advertisement" means any written or  
 564 electronic communication by a contractor which ~~that~~ encourages,  
 565 instructs, or induces a consumer to contact a contractor or  
 566 public adjuster for the purpose of making an insurance claim for  
 567 roof damage, if such communication does not state in a font size  
 568 of at least 12 points and at least half as large as the largest  
 569 font size used in the communication that:

570 1. The consumer is responsible for payment of any  
 571 insurance deductible;

572 2. It is insurance fraud punishable as a felony of the  
 573 third degree for a contractor to knowingly or willfully, and  
 574 with intent to injure, defraud, or deceive, pay, waive, or  
 575 rebate all or part of an insurance deductible applicable to

576 payment to the contractor for repairs to a property covered by a  
 577 property insurance policy; and

578 3. It is insurance fraud punishable as a felony of the  
 579 third degree to intentionally file an insurance claim containing  
 580 any false, incomplete, or misleading information.

581  
 582 The term includes, but is not limited to, door hangers, business  
 583 cards, magnets, flyers, pamphlets, and e-mails.

584 Section 6. Section 624.1551, Florida Statutes, is created  
 585 to read:

586 624.1551 Civil remedy actions against property insurers.-  
 587 Notwithstanding any provision of s. 624.155, a claimant must  
 588 establish that the property insurer breached the insurance  
 589 contract to prevail in a claim for extracontractual damages  
 590 under s. 624.155(1)(b).

591 Section 7. Subsection (4) of section 624.307, Florida  
 592 Statutes, is amended to read:

593 624.307 General powers; duties.-

594 (4) The department and office may each collect, propose,  
 595 publish, and disseminate information relating to the subject  
 596 matter of any duties imposed upon it by law.

597 (a) Aggregate information may include information asserted  
 598 as trade secret information unless the trade secret information  
 599 can be individually extrapolated, in which case the trade secret  
 600 information remains protected as provided under s. 624.4213.



601        (b) The office shall publish all orders, data required by  
602 s. 627.915(2), reports required by s. 627.7154(3), and all  
603 reports that are not confidential and exempt on its website in a  
604 timely fashion.

605        Section 8. Subsection (1) of section 624.313, Florida  
606 Statutes, is amended to read:

607        624.313 Publications.—

608        (1) As early as reasonably possible, the office shall  
609 annually have printed and made available a statistical report  
610 which must include all of the following information on either a  
611 calendar year or fiscal year basis:

612        (a) A summary of all information reported to the office  
613 under s. 627.915(1).

614        (b) The total amount of premiums written and earned by  
615 line of insurance.

616        (c) The total amount of losses paid and losses incurred by  
617 line of insurance.

618        (d) The ratio of premiums written to losses paid by line  
619 of insurance.

620        (e) The ratio of premiums earned to losses incurred by  
621 line of insurance.

622        (f) The market share of the 10 largest insurers or insurer  
623 groups by line of insurance and of each insurer or insurer group  
624 that has a market share of at least 1 percent of a line of  
625 insurance in this state.

- 626 (g) The profitability of each major line of insurance.
- 627 (h) An analysis of the impact of the insurance industry on  
628 the economy of the state.
- 629 (i) A complaint ratio by line of insurance for the  
630 insurers referred to in paragraph (f), based upon information  
631 provided to the office by the department. The office shall  
632 determine the most appropriate ratio or ratios for quantifying  
633 complaints.
- 634 (j) An analysis of such lines or kinds of insurance for  
635 which the office determines that an availability problem exists  
636 in this state, and an analysis of the availability of  
637 reinsurance to domestic insurers selling homeowners' and  
638 condominium unit owners' insurance in this state.
- 639 (k) A summary of the findings of market examinations  
640 performed by the office under s. 624.3161 during the preceding  
641 year.
- 642 (l) Such other information as the office deems relevant.
- 643 Section 9. Paragraph (c) of subsection (1) and paragraph  
644 (n) of subsection (2) of section 624.315, Florida Statutes, are  
645 amended to read:
- 646 624.315 Department; annual report.—
- 647 (1) As early as reasonably possible, the office, with such  
648 assistance from the department as requested, shall annually  
649 prepare a report to the Speaker and Minority Leader of the House  
650 of Representatives, the President and Minority Leader of the

651 Senate, the chairs of the legislative committees with  
 652 jurisdiction over matters of insurance, and the Governor  
 653 showing, with respect to the preceding calendar year:

654 (c) Names of insurers against which delinquency or similar  
 655 proceedings were instituted. For property insurers for which  
 656 delinquency or similar proceedings were instituted, the annual  
 657 report must also include the date that each insurer was deemed  
 658 impaired of capital or surplus, as the terms "impairment of  
 659 capital" and "impairment of surplus" are defined in s. 631.011,  
 660 or insolvent, as the term "insolvency" is defined in s.  
 661 631.011;~~and~~ a concise statement of the circumstances that led  
 662 to each insurer's delinquency; a summary of the actions taken by  
 663 the insurer and the office to avoid delinquency; and the results  
 664 or status of each such proceeding.

665 (2) The office shall maintain the following information  
 666 and make such information available upon request:

667 (n) Trends; emerging trends as exemplified by the  
 668 percentage change in frequency and severity of both paid and  
 669 incurred claims, and pure premium (Florida and countrywide).  
 670 Reports relating to the health of the homeowners' and  
 671 condominium unit owners' insurance market must include the  
 672 percentage of policies written by voluntary carriers, the  
 673 percentage of policies written by the Citizens Property  
 674 Insurance Corporation, and any trends related to the relative  
 675 shares of the voluntary and residual markets.

676 Section 10. Subsection (10) of section 624.424, Florida  
 677 Statutes, is amended to read:

678 624.424 Annual statement and other information.—

679 (10) (a) Each insurer or insurer group doing business in  
 680 this state shall file on a quarterly basis in conjunction with  
 681 financial reports required by paragraph (1) (a) a supplemental  
 682 report on an individual and group basis on a form prescribed by  
 683 the commission with information on personal lines and commercial  
 684 lines residential property insurance policies in this state. The  
 685 supplemental report shall include separate information for  
 686 personal lines property policies and for commercial lines  
 687 property policies and totals for each item specified, including  
 688 premiums written for each of the property lines of business as  
 689 described in ss. 215.555(2) (c) and 627.351(6) (a). The report  
 690 shall include the following information for each county on a  
 691 monthly basis:

692 1. ~~(a)~~ Total number of policies in force at the end of each  
 693 month.

694 2. ~~(b)~~ Total number of policies canceled.

695 3. ~~(c)~~ Total number of policies nonrenewed.

696 4. ~~(d)~~ Number of policies canceled due to hurricane risk.

697 5. ~~(e)~~ Number of policies nonrenewed due to hurricane risk.

698 6. ~~(f)~~ Number of new policies written.

699 7. ~~(g)~~ Total dollar value of structure exposure under  
 700 policies that include wind coverage.

701           ~~8.(h)~~ Number of policies that exclude wind coverage.  
 702           (b) The office shall aggregate on a statewide basis the  
 703 data submitted by each insurer or insurer group under paragraph  
 704 (a) and make such data publicly available by publishing such  
 705 data on the office's website within 1 month after each quarterly  
 706 and annual filing. Such information, when aggregated on a  
 707 statewide basis as to an individual insurer or insurer group, is  
 708 not a trade secret as defined in s. 688.002(4) or s. 812.081 and  
 709 is not subject to the public records exemption for trade secrets  
 710 provided in s. 119.0715.

711           Section 11. Section 626.9373, Florida Statutes, is amended  
 712 to read:

713           626.9373 Attorney fees.—

714           (1) Upon the rendition of a judgment or decree by any  
 715 court of this state against a surplus lines insurer in favor of  
 716 any named or omnibus insured or the named beneficiary under a  
 717 policy or contract executed by the insurer on or after the  
 718 effective date of this act, the trial court or, if the insured  
 719 or beneficiary prevails on appeal, the appellate court, shall  
 720 adjudge or decree against the insurer in favor of the insured or  
 721 beneficiary a reasonable sum as fees or compensation for the  
 722 insured's or beneficiary's attorney prosecuting the lawsuit for  
 723 which recovery is awarded. In a suit arising under a residential  
 724 or commercial property insurance policy ~~not brought by an~~  
 725 ~~assignee~~, the amount of reasonable attorney fees shall be

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726 awarded only as provided in s. 57.105 or s. 627.70152, as  
727 applicable.

728 (2) If awarded, attorney fees or compensation shall be  
729 included in the judgment or decree rendered in the case.

730 (3) In a suit arising under a residential or commercial  
731 property insurance policy, the right to attorney fees under this  
732 section may not be transferred to, assigned to, or acquired in  
733 any other manner by anyone other than a named or omnibus insured  
734 or a named beneficiary.

735 Section 12. Section 627.428, Florida Statutes, is amended  
736 to read:

737 627.428 Attorney fees.—

738 (1) Upon the rendition of a judgment or decree by any of  
739 the courts of this state against an insurer and in favor of any  
740 named or omnibus insured or the named beneficiary under a policy  
741 or contract executed by the insurer, the trial court or, in the  
742 event of an appeal in which the insured or beneficiary prevails,  
743 the appellate court shall adjudge or decree against the insurer  
744 and in favor of the insured or beneficiary a reasonable sum as  
745 fees or compensation for the insured's or beneficiary's attorney  
746 prosecuting the suit in which the recovery is had. In a suit  
747 arising under a residential or commercial property insurance  
748 policy ~~not brought by an assignee~~, the amount of reasonable  
749 attorney fees shall be awarded only as provided in s. 57.105 or  
750 s. 627.70152, as applicable.

751 (2) As to suits based on claims arising under life  
 752 insurance policies or annuity contracts, no such attorney fees  
 753 shall be allowed if such suit was commenced prior to expiration  
 754 of 60 days after proof of the claim was duly filed with the  
 755 insurer.

756 (3) When so awarded, compensation or fees of the attorney  
 757 shall be included in the judgment or decree rendered in the  
 758 case.

759 (4) In a suit arising under a residential or commercial  
 760 property insurance policy, the right to attorney fees under this  
 761 section may not be transferred to, assigned to, or acquired in  
 762 any other manner by anyone other than a named or omnibus insured  
 763 or a named beneficiary.

764 Section 13. Paragraph (d) of subsection (4) of section  
 765 627.701, Florida Statutes, is amended, paragraph (c) of  
 766 subsection (2), paragraph (e) of subsection (4), and subsection  
 767 (10) are added to that section, and subsection (7) of that  
 768 section is republished, to read:

769 627.701 Liability of insureds; coinsurance; deductibles.—

770 (2) Unless the office determines that the deductible  
 771 provision is clear and unambiguous, a property insurer may not  
 772 issue an insurance policy or contract covering real property in  
 773 this state which contains a deductible provision that:

774 (c) Applies solely to a roof loss as provided in  
 775 subsection (10).

776 (4)

777 (d)1. A personal lines residential property insurance

778 policy covering a risk valued at less than \$500,000 may not have

779 a hurricane deductible in excess of 10 percent of the policy

780 dwelling limits, unless the following conditions are met:

781 a. The policyholder must personally write or type and

782 provide to the insurer the following statement ~~in his or her own~~

783 ~~handwriting~~ and sign his or her name, which must also be signed

784 by every other named insured on the policy, and dated: "I do not

785 want the insurance on my home to pay for the first (specify

786 dollar value) of damage from hurricanes. I will pay those costs.

787 My insurance will not."

788 b. If the structure insured by the policy is subject to a

789 mortgage or lien, the policyholder must provide the insurer with

790 a written statement from the mortgageholder or lienholder

791 indicating that the mortgageholder or lienholder approves the

792 policyholder electing to have the specified deductible.

793 2. A deductible subject to the requirements of this

794 paragraph applies for the term of the policy and for each

795 renewal thereafter. Changes to the deductible percentage may be

796 implemented only as of the date of renewal.

797 3. An insurer shall keep the original copy of the signed

798 statement required by this paragraph, electronically or

799 otherwise, and provide a copy to the policyholder providing the

800 signed statement. A signed statement meeting the requirements of



801 this paragraph creates a presumption that there was an informed,  
 802 knowing election of coverage.

803 4. The commission shall adopt rules providing appropriate  
 804 alternative methods for providing the statements required by  
 805 this section for policyholders who have a handicapping or  
 806 disabling condition that prevents them from providing a  
 807 handwritten statement.

808 (e)1. A personal lines residential property insurance  
 809 policy that contains a separate roof deductible must include, on  
 810 the page immediately behind the declarations page, with no other  
 811 policy language on the page, in boldfaced type no smaller than  
 812 18 point, the following statement: "YOU ARE ELECTING TO PURCHASE  
 813 COVERAGE ON YOUR HOME WHICH CONTAINS A SEPARATE DEDUCTIBLE FOR  
 814 ROOF LOSSES. BE ADVISED THAT THIS MAY RESULT IN HIGH OUT-OF-  
 815 POCKET EXPENSES TO YOU. PLEASE DISCUSS WITH YOUR INSURANCE  
 816 AGENT."

817 2. For any personal lines residential property insurance  
 818 policy containing a separate roof deductible, the insurer shall  
 819 compute and prominently display on the declarations page of the  
 820 policy or on the premium renewal notice the actual dollar value  
 821 of the roof deductible of the policy at issuance and renewal.

822 (7) Prior to issuing a personal lines residential property  
 823 insurance policy on or after April 1, 1997, or prior to the  
 824 first renewal of a residential property insurance policy on or  
 825 after April 1, 1997, the insurer must offer a deductible equal

826 to \$500 applicable to losses from perils other than hurricane.  
827 The insurer must provide the policyholder with notice of the  
828 availability of the deductible specified in this subsection in a  
829 form approved by the office at least once every 3 years. The  
830 failure to provide such notice constitutes a violation of this  
831 code but does not affect the coverage provided under the policy.  
832 An insurer may require a higher deductible only as part of a  
833 deductible program lawfully in effect on June 1, 1996, or as  
834 part of a similar deductible program.

835 (10) (a) Notwithstanding any other provision of law, an  
836 insurer issuing a personal lines residential property insurance  
837 policy may include in such policy a separate roof deductible  
838 that meets all of the following requirements:

839 1. The insurer has complied with the offer requirements  
840 under subsection (7) regarding a deductible applicable to losses  
841 from perils other than a hurricane.

842 2. The roof deductible may not exceed the lesser of 2  
843 percent of the coverage A limit of the policy or 50 percent of  
844 the cost to replace the roof.

845 3. The premium that a policyholder is charged for the  
846 policy includes an actuarially sound credit or premium discount  
847 for the roof deductible.

848 4. The roof deductible applies only to a claim adjusted on  
849 a replacement cost basis.

850 5. The roof deductible does not apply to any of the

851 following events:

852 a. A total loss to a primary structure in accordance with  
853 the valued policy law under s. 627.702 which is caused by a  
854 covered peril.

855 b. A roof loss resulting from a hurricane as defined in s.  
856 627.4025(2)(c).

857 c. A roof loss resulting from a tree fall or other hazard  
858 that damages the roof and punctures the roof deck.

859 d. A roof loss requiring the repair of less than 50  
860 percent of the roof.

861  
862 If a roof deductible is applied, no other deductible under the  
863 policy may be applied to the loss.

864 (b) At the time of initial issuance of a personal lines  
865 residential property insurance policy, an insurer may offer the  
866 policyholder a separate roof deductible with the ability to opt-  
867 out and reject the separate roof deductible. To reject a  
868 separate roof deductible, the policyholder shall sign a form  
869 approved by the office.

870 (c) At the time of renewal, an insurer may add a separate  
871 roof deductible to a personal lines residential property  
872 insurance policy if the insurer provides a notice of change in  
873 policy terms pursuant to s. 627.43141. The insurer must also  
874 offer the policyholder the ability to opt-out and reject the  
875 separate roof deductible. To reject a separate roof deductible,

876 the policyholder shall sign a form approved by the office.

877 (d) The office shall expedite the review of any filing of  
878 insurance forms that only contain a separate roof deductible  
879 pursuant to this subsection. The commission may adopt model  
880 forms or guidelines that provide options for roof deductible  
881 language which may be used for filing by insurers. If an insurer  
882 makes a filing pursuant to a model form or guideline issued by  
883 the office, the office must review the filing within the initial  
884 30-day review period authorized by s. 627.410(2), and the roof  
885 deductible portion of the filing is not subject to the 15-day  
886 extension for review under that subsection.

887 Section 14. Present subsection (5) of section 627.7011,  
888 Florida Statutes is redesignated as subsection (6), a new  
889 subsection (5) is added to that subsection, and paragraph (a) of  
890 subsection (3) of that section is amended, to read:

891 627.7011 Homeowners' policies; offer of replacement cost  
892 coverage and law and ordinance coverage.—

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

895 (a) For a dwelling, the insurer must initially pay at  
896 least the actual cash value of the insured loss, less any  
897 applicable deductible. The insurer shall pay any remaining  
898 amounts necessary to perform such repairs as work is performed  
899 and expenses are incurred. However, if a roof deductible under  
900 s. 627.701(10) is applied to the insured loss, the insurer may

901 limit the claim payment as to the roof to the actual cash value  
902 of the loss to the roof until the insurer receives reasonable  
903 proof of payment by the policyholder of the roof deductible.  
904 Reasonable proof of payment includes a canceled check, money  
905 order receipt, credit card statement, or copy of an executed  
906 installment plan contract or other financing arrangement that  
907 requires full payment of the deductible over time. If a total  
908 loss of a dwelling occurs, the insurer must ~~shall~~ pay the  
909 replacement cost coverage without reservation or holdback of any  
910 depreciation in value, pursuant to s. 627.702.

911 (5) (a) As used in this subsection, the term "authorized  
912 inspector" means an inspector who is approved by the insurer and  
913 who is:

- 914 1. A home inspector licensed under s. 468.8314;
- 915 2. A building code inspector certified under s. 468.607;
- 916 3. A general, building, or residential contractor licensed  
917 under s. 489.111;
- 918 4. A professional engineer licensed under s. 471.015;
- 919 5. A professional architect licensed under s. 481.213; or
- 920 6. Any other individual or entity recognized by the  
921 insurer as possessing the necessary qualifications to properly  
922 complete a general inspection of a residential structure insured  
923 with a homeowner's insurance policy.

924 (b) An insurer may not refuse to issue or refuse to renew  
925 a homeowner's policy insuring a residential structure with a

926 roof that is less than 15 years old solely because of the age of  
 927 the roof.

928 (c) For a roof that is at least 15 years old, an insurer  
 929 must allow a homeowner to have a roof inspection performed by an  
 930 authorized inspector at the homeowner's expense before requiring  
 931 the replacement of the roof of a residential structure as a  
 932 condition of issuing or renewing a homeowner's insurance policy.  
 933 The insurer may not refuse to issue or refuse to renew a  
 934 homeowner's insurance policy solely because of roof age if an  
 935 inspection of the roof of the residential structure performed by  
 936 an authorized inspector indicates that the roof has 5 years or  
 937 more of useful life remaining.

938 (d) For purposes of this subsection, a roof's age shall be  
 939 calculated using the last date for which 100 percent of the  
 940 roof's surface area was built or replaced in accordance with the  
 941 building code in effect at that time or the initial date of a  
 942 partial roof replacement when subsequent partial roof builds or  
 943 replacements were completed that resulted in 100 percent of the  
 944 roof's surface area being built or replaced.

945 (e) This subsection applies to homeowners' insurance  
 946 policies issued or renewed on or after July 1, 2022.

947 Section 15. Effective January 1, 2023, subsection (3) and  
 948 paragraph (a) of subsection (7) of section 627.70131, Florida  
 949 Statutes, are amended to read:

950 627.70131 Insurer's duty to acknowledge communications

951 regarding claims; investigation.—

952 (3)(a) Unless otherwise provided by the policy of  
 953 insurance or by law, within 14 days after an insurer receives  
 954 proof of loss statements, the insurer shall begin such  
 955 investigation as is reasonably necessary unless the failure to  
 956 begin such investigation is caused by factors beyond the control  
 957 of the insurer which reasonably prevent the commencement of such  
 958 investigation.

959 (b) If such investigation involves a physical inspection  
 960 of the property, the licensed adjuster assigned by the insurer  
 961 must provide the policyholder with a printed or electronic  
 962 document containing his or her name and state adjuster license  
 963 number. For claims other than those subject to a hurricane  
 964 deductible, an insurer must conduct any such physical inspection  
 965 within 45 days after its receipt of the proof of loss  
 966 statements.

967 (c) Any subsequent communication with the policyholder  
 968 regarding the claim must also include the name and license  
 969 number of the adjuster communicating about the claim.  
 970 Communication of the adjuster's name and license number may be  
 971 included with other information provided to the policyholder.

972 (d) Within 7 days after the insurer's assignment of an  
 973 adjuster to the claim, the insurer must notify the policyholder  
 974 that he or she may request a copy of any detailed estimate of  
 975 the amount of the loss generated by an insurer's adjuster. After

976 receiving such a request from the policyholder, the insurer must  
 977 send any such detailed estimate to the policyholder within the  
 978 later of 7 days after the insurer received the request or 7 days  
 979 after the detailed estimate of the amount of the loss is  
 980 completed. This paragraph does not require that an insurer  
 981 create a detailed estimate of the amount of the loss if such  
 982 estimate is not reasonably necessary as part of the claim  
 983 investigation.

984 (7)(a) Within 90 days after an insurer receives notice of  
 985 an initial, reopened, or supplemental property insurance claim  
 986 from a policyholder, the insurer shall pay or deny such claim or  
 987 a portion of the claim unless the failure to pay is caused by  
 988 factors beyond the control of the insurer which reasonably  
 989 prevent such payment. The insurer shall provide a reasonable  
 990 explanation in writing to the policyholder of the basis in the  
 991 insurance policy, in relation to the facts or applicable law,  
 992 for the payment, denial, or partial denial of a claim. If the  
 993 insurer's claim payment is less than specified in any insurer's  
 994 detailed estimate of the amount of the loss, the insurer must  
 995 provide a reasonable explanation in writing of the difference to  
 996 the policyholder. Any payment of an initial or supplemental  
 997 claim or portion of such claim made 90 days after the insurer  
 998 receives notice of the claim, or made more than 15 days after  
 999 there are no longer factors beyond the control of the insurer  
 1000 which reasonably prevented such payment, whichever is later,



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1001 bears interest at the rate set forth in s. 55.03. Interest  
 1002 begins to accrue from the date the insurer receives notice of  
 1003 the claim. The provisions of this subsection may not be waived,  
 1004 voided, or nullified by the terms of the insurance policy. If  
 1005 there is a right to prejudgment interest, the insured must ~~shall~~  
 1006 select whether to receive prejudgment interest or interest under  
 1007 this subsection. Interest is payable when the claim or portion  
 1008 of the claim is paid. Failure to comply with this subsection  
 1009 constitutes a violation of this code. However, failure to comply  
 1010 with this subsection does not form the sole basis for a private  
 1011 cause of action.

1012 Section 16. Paragraph (d) of subsection (2) and subsection  
 1013 (8) of section 627.70152, Florida Statutes, are amended to read:

1014 627.70152 Suits arising under a property insurance  
 1015 policy.—

1016 (2) DEFINITIONS.—As used in this section, the term:

1017 (d) "Presuit settlement demand" means the demand made by  
 1018 the claimant in the written notice of intent to initiate  
 1019 litigation as required by paragraph (3)(a) ~~(3)(e)~~. The demand  
 1020 must include the amount of reasonable and necessary attorney  
 1021 fees and costs incurred by the claimant, to be calculated by  
 1022 multiplying the number of hours actually worked on the claim by  
 1023 the claimant's attorney as of the date of the notice by a  
 1024 reasonable hourly rate.

1025 (8) ATTORNEY FEES.—

1026 (a) In a suit arising under a residential or commercial  
 1027 property insurance policy not brought by an assignee, the amount  
 1028 of reasonable attorney fees and costs under s. 626.9373(1) or s.  
 1029 627.428(1) shall be calculated and awarded as follows:

1030 1. If the difference between the amount obtained by the  
 1031 claimant and the presuit settlement offer, excluding reasonable  
 1032 attorney fees and costs, is less than 20 percent of the disputed  
 1033 amount, each party pays its own attorney fees and costs and a  
 1034 claimant may not be awarded attorney fees under s. 626.9373(1)  
 1035 or s. 627.428(1).

1036 2. If the difference between the amount obtained by the  
 1037 claimant and the presuit settlement offer, excluding reasonable  
 1038 attorney fees and costs, is at least 20 percent but less than 50  
 1039 percent of the disputed amount, the insurer pays the claimant's  
 1040 attorney fees and costs under s. 626.9373(1) or s. 627.428(1)  
 1041 equal to the percentage of the disputed amount obtained times  
 1042 the total attorney fees and costs.

1043 3. If the difference between the amount obtained by the  
 1044 claimant and the presuit settlement offer, excluding reasonable  
 1045 attorney fees and costs, is at least 50 percent of the disputed  
 1046 amount, the insurer pays the claimant's full attorney fees and  
 1047 costs under s. 626.9373(1) or s. 627.428(1).

1048 (b) In a suit arising under a residential or commercial  
 1049 property insurance policy not brought by an assignee, if a court  
 1050 dismisses a claimant's suit pursuant to subsection (5), the

1051 court may not award to the claimant any incurred attorney fees  
 1052 for services rendered before the dismissal of the suit. When a  
 1053 claimant's suit is dismissed pursuant to subsection (5), the  
 1054 court may award to the insurer reasonable attorney fees and  
 1055 costs associated with securing the dismissal.

1056 (c) In awarding attorney fees under this subsection, a  
 1057 strong presumption is created that a lodestar fee is sufficient  
 1058 and reasonable. Such presumption may be rebutted only in a rare  
 1059 and exceptional circumstance with evidence that competent  
 1060 counsel could not be retained in a reasonable manner.

1061 Section 17. Section 627.7142, Florida Statutes, is amended  
 1062 to read:

1063 627.7142 Homeowner Claims Bill of Rights.—An insurer  
 1064 issuing a personal lines residential property insurance policy  
 1065 in this state must provide a Homeowner Claims Bill of Rights to  
 1066 a policyholder within 14 days after receiving an initial  
 1067 communication with respect to a claim. The purpose of the bill  
 1068 of rights is to summarize, in simple, nontechnical terms,  
 1069 existing Florida law regarding the rights of a personal lines  
 1070 residential property insurance policyholder who files a claim of  
 1071 loss. The Homeowner Claims Bill of Rights is specific to the  
 1072 claims process and does not represent all of a policyholder's  
 1073 rights under Florida law regarding the insurance policy. The  
 1074 Homeowner Claims Bill of Rights does not create a civil cause of  
 1075 action by any individual policyholder or class of policyholders

1076 | against an insurer or insurers. The failure of an insurer to  
 1077 | properly deliver the Homeowner Claims Bill of Rights is subject  
 1078 | to administrative enforcement by the office but is not  
 1079 | admissible as evidence in a civil action against an insurer. The  
 1080 | Homeowner Claims Bill of Rights does not enlarge, modify, or  
 1081 | contravene statutory requirements, including, but not limited  
 1082 | to, ss. 626.854, 626.9541, 627.70131, 627.7015, and 627.7074,  
 1083 | and does not prohibit an insurer from exercising its right to  
 1084 | repair damaged property in compliance with the terms of an  
 1085 | applicable policy or ss. 627.7011(6)(e) ~~627.7011(5)(e)~~ and  
 1086 | 627.702(7). The Homeowner Claims Bill of Rights must state:

1087 |

1088 | HOMEOWNER CLAIMS

1089 | BILL OF RIGHTS

1090 | This Bill of Rights is specific to the claims process  
 1091 | and does not represent all of your rights under  
 1092 | Florida law regarding your policy. There are also  
 1093 | exceptions to the stated timelines when conditions are  
 1094 | beyond your insurance company's control. This document  
 1095 | does not create a civil cause of action by an  
 1096 | individual policyholder, or a class of policyholders,  
 1097 | against an insurer or insurers and does not prohibit  
 1098 | an insurer from exercising its right to repair damaged  
 1099 | property in compliance with the terms of an applicable  
 1100 | policy.

1101  
1102 YOU HAVE THE RIGHT TO:  
1103 1. Receive from your insurance company an  
1104 acknowledgment of your reported claim within 14 days  
1105 after the time you communicated the claim.  
1106 2. Upon written request, receive from your insurance  
1107 company within 30 days after you have submitted a  
1108 complete proof-of-loss statement to your insurance  
1109 company, confirmation that your claim is covered in  
1110 full, partially covered, or denied, or receive a  
1111 written statement that your claim is being  
1112 investigated.  
1113 3. Within 90 days, subject to any dual interest noted  
1114 in the policy, receive full settlement payment for  
1115 your claim or payment of the undisputed portion of  
1116 your claim, or your insurance company's denial of your  
1117 claim.  
1118 4. Receive payment of interest, as provided in s.  
1119 627.70131, Florida Statutes, from your insurance  
1120 company, which begins accruing from the date your  
1121 claim is filed if your insurance company does not pay  
1122 full settlement of your initial, reopened, or  
1123 supplemental claim or the undisputed portion of your  
1124 claim or does not deny your claim within 90 days after  
1125 your claim is filed. The interest, if applicable, must

1126 | be paid when your claim or the undisputed portion of  
 1127 | your claim is paid.  
 1128 | 5. Free mediation of your disputed claim by the  
 1129 | Florida Department of Financial Services, Division of  
 1130 | Consumer Services, under most circumstances and  
 1131 | subject to certain restrictions.  
 1132 | 6. Neutral evaluation of your disputed claim, if your  
 1133 | claim is for damage caused by a sinkhole and is  
 1134 | covered by your policy.  
 1135 | 7. Contact the Florida Department of Financial  
 1136 | Services, Division of Consumer Services' toll-free  
 1137 | helpline for assistance with any insurance claim or  
 1138 | questions pertaining to the handling of your claim.  
 1139 | You can reach the Helpline by phone at ...(toll-free  
 1140 | phone number)..., or you can seek assistance online at  
 1141 | the Florida Department of Financial Services, Division  
 1142 | of Consumer Services' website at ...(website  
 1143 | address)....  
 1144 |  
 1145 | YOU ARE ADVISED TO:  
 1146 | 1. File all claims directly with your insurance  
 1147 | company.  
 1148 | 2. Contact your insurance company before entering  
 1149 | into any contract for repairs to confirm any managed  
 1150 | repair policy provisions or optional preferred

1151 vendors.

1152 3. Make and document emergency repairs that are

1153 necessary to prevent further damage. Keep the damaged

1154 property, if feasible, keep all receipts, and take

1155 photographs or video of damage before and after any

1156 repairs to provide to your insurer.

1157 4. Carefully read any contract that requires you to

1158 pay out-of-pocket expenses or a fee that is based on a

1159 percentage of the insurance proceeds that you will

1160 receive for repairing or replacing your property.

1161 5. Confirm that the contractor you choose is licensed

1162 to do business in Florida. You can verify a

1163 contractor's license and check to see if there are any

1164 complaints against him or her by calling the Florida

1165 Department of Business and Professional Regulation.

1166 You should also ask the contractor for references from

1167 previous work.

1168 6. Require all contractors to provide proof of

1169 insurance before beginning repairs.

1170 7. Take precautions if the damage requires you to leave

1171 your home, including securing your property and turning off your

1172 gas, water, and electricity, and contacting your insurance

1173 company and provide a phone number where you can be reached.

1174 Section 18. Subsection (1), paragraph (a) of subsection

1175 (2), subsection (8), paragraph (a) of subsection (9), and

1176 subsection (10) of section 627.7152, Florida Statutes, are  
 1177 amended to read:

1178 627.7152 Assignment agreements.—

1179 (1) As used in this section, the term:

1180 (a) "Assignee" means a person who is assigned post-loss  
 1181 benefits through an assignment agreement.

1182 (b) "Assignment agreement" means any instrument by which  
 1183 post-loss benefits under a residential property insurance policy  
 1184 or commercial property insurance policy, as that term is defined  
 1185 in s. 627.0625(1), are assigned or transferred, or acquired in  
 1186 any manner, in whole or in part, to or from a person providing  
 1187 services, including, but not limited to, inspecting, protecting,  
 1188 repairing, restoring, or replacing the ~~to protect, repair,~~  
 1189 ~~restore, or replace~~ property or mitigating ~~to mitigate~~ against  
 1190 further damage to the property. The term does not include fees  
 1191 collected by a public adjuster as defined in s. 626.854(1).

1192 (c) "Assignor" means a person who assigns post-loss  
 1193 benefits under a residential property insurance policy or  
 1194 commercial property insurance policy to another person through  
 1195 an assignment agreement.

1196 (d) ~~"Disputed amount" means the difference between the~~  
 1197 ~~assignee's presuit settlement demand and the insurer's presuit~~  
 1198 ~~settlement offer.~~

1199 ~~(e) "Judgment obtained" means damages recovered, if any,~~  
 1200 ~~but does not include any amount awarded for attorney fees,~~



1201 ~~costs, or interest.~~

1202 ~~(f)~~ "Presuit settlement demand" means the demand made by  
 1203 the assignee in the written notice of intent to initiate  
 1204 litigation as required by paragraph (9)(a).

1205 (e)~~(g)~~ "Presuit settlement offer" means the offer made by  
 1206 the insurer in its written response to the notice of intent to  
 1207 initiate litigation as required by paragraph (9)(b).

1208 (2)(a) An assignment agreement must:

1209 1. Be in writing and executed by and between the assignor  
 1210 and the assignee.

1211 2. Contain a provision that allows the assignor to rescind  
 1212 the assignment agreement without a penalty or fee by submitting  
 1213 a written notice of rescission signed by the assignor to the  
 1214 assignee within 14 days after the execution of the agreement, at  
 1215 least 30 days after the date work on the property is scheduled  
 1216 to commence if the assignee has not substantially performed, or  
 1217 at least 30 days after the execution of the agreement if the  
 1218 agreement does not contain a commencement date and the assignee  
 1219 has not begun substantial work on the property.

1220 3. Contain a provision requiring the assignee to provide a  
 1221 copy of the executed assignment agreement to the insurer within  
 1222 3 business days after the date on which the assignment agreement  
 1223 is executed or the date on which work begins, whichever is  
 1224 earlier. Delivery of the copy of the assignment agreement to the  
 1225 insurer may be made:

1226 a. By personal service, overnight delivery, or electronic  
 1227 transmission, with evidence of delivery in the form of a receipt  
 1228 or other paper or electronic acknowledgment by the insurer; or

1229 b. To the location designated for receipt of such  
 1230 agreements as specified in the policy.

1231 4. Contain a written, itemized, per-unit cost estimate of  
 1232 the services to be performed by the assignee.

1233 5. Relate only to work to be performed by the assignee for  
 1234 services to protect, repair, restore, or replace a dwelling or  
 1235 structure or to mitigate against further damage to such  
 1236 property.

1237 6. Contain the following notice in 18-point uppercase and  
 1238 boldfaced type:

1239  
 1240 YOU ARE AGREEING TO GIVE UP CERTAIN RIGHTS YOU HAVE  
 1241 UNDER YOUR INSURANCE POLICY TO A THIRD PARTY, WHICH  
 1242 MAY RESULT IN LITIGATION AGAINST YOUR INSURER. PLEASE  
 1243 READ AND UNDERSTAND THIS DOCUMENT BEFORE SIGNING IT.  
 1244 YOU HAVE THE RIGHT TO CANCEL THIS AGREEMENT WITHOUT  
 1245 PENALTY WITHIN 14 DAYS AFTER THE DATE THIS AGREEMENT  
 1246 IS EXECUTED, AT LEAST 30 DAYS AFTER THE DATE WORK ON  
 1247 THE PROPERTY IS SCHEDULED TO COMMENCE IF THE ASSIGNEE  
 1248 HAS NOT SUBSTANTIALLY PERFORMED, OR AT LEAST 30 DAYS  
 1249 AFTER THE EXECUTION OF THE AGREEMENT IF THE AGREEMENT  
 1250 DOES NOT CONTAIN A COMMENCEMENT DATE AND THE ASSIGNEE

1251 HAS NOT BEGUN SUBSTANTIAL WORK ON THE PROPERTY.  
 1252 HOWEVER, YOU ARE OBLIGATED FOR PAYMENT OF ANY  
 1253 CONTRACTED WORK PERFORMED BEFORE THE AGREEMENT IS  
 1254 RESCINDED. THIS AGREEMENT DOES NOT CHANGE YOUR  
 1255 OBLIGATION TO PERFORM THE DUTIES REQUIRED UNDER YOUR  
 1256 PROPERTY INSURANCE POLICY.

1257  
 1258 7. Contain a provision requiring the assignee to indemnify  
 1259 and hold harmless the assignor from all liabilities, damages,  
 1260 losses, and costs, including, but not limited to, attorney fees,  
 1261 ~~should the policy subject to the assignment agreement prohibit,~~  
 1262 ~~in whole or in part, the assignment of benefits.~~

1263 (8) The assignee shall indemnify and hold harmless the  
 1264 assignor from all liabilities, damages, losses, and costs,  
 1265 including, but not limited to, attorney fees, ~~should the policy~~  
 1266 ~~subject to the assignment agreement prohibit, in whole or in~~  
 1267 ~~part, the assignment of benefits.~~

1268 (9) (a) An assignee must provide the named insured,  
 1269 insurer, and the assignor, if not the named insured, with a  
 1270 written notice of intent to initiate litigation before filing  
 1271 suit under the policy. Such notice must be served at least 10  
 1272 business days before filing suit, but not before the insurer has  
 1273 made a determination of coverage under s. 627.70131. The notice  
 1274 must be served by certified mail, return receipt requested, to  
 1275 the name and mailing address designated by the insurer in the

1276 policy forms or by electronic delivery to the e-mail address  
 1277 designated by the insurer in the policy forms ~~at least 10~~  
 1278 ~~business days before filing suit, but may not be served before~~  
 1279 ~~the insurer has made a determination of coverage under s.~~  
 1280 ~~627.70131.~~ The notice must specify the damages in dispute, the  
 1281 amount claimed, and a presuit settlement demand. Concurrent with  
 1282 the notice, and as a precondition to filing suit, the assignee  
 1283 must provide the named insured, insurer, and the assignor, if  
 1284 not the named insured, a detailed written invoice or estimate of  
 1285 services, including itemized information on equipment,  
 1286 materials, and supplies; the number of labor hours; and, in the  
 1287 case of work performed, proof that the work has been performed  
 1288 in accordance with accepted industry standards.

1289 (10) Notwithstanding any other provision of law, in a suit  
 1290 related to an assignment agreement for post-loss claims arising  
 1291 under a residential or commercial property insurance policy,  
 1292 attorney fees and costs may be recovered by an assignee only  
 1293 under s. 57.105 ~~and this subsection.~~

1294 ~~(a) If the difference between the judgment obtained by the~~  
 1295 ~~assignee and the presuit settlement offer is:~~

1296 1. ~~Less than 25 percent of the disputed amount, the~~  
 1297 ~~insurer is entitled to an award of reasonable attorney fees.~~

1298 2. ~~At least 25 percent but less than 50 percent of the~~  
 1299 ~~disputed amount, no party is entitled to an award of attorney~~  
 1300 ~~fees.~~

1301 ~~3. At least 50 percent of the disputed amount, the~~  
 1302 ~~assignee is entitled to an award of reasonable attorney fees.~~

1303 ~~(b) If the insurer fails to inspect the property or~~  
 1304 ~~provide written or oral authorization for repairs within 7~~  
 1305 ~~calendar days after the first notice of loss, the insurer waives~~  
 1306 ~~its right to an award of attorney fees under this subsection. If~~  
 1307 ~~the failure to inspect the property or provide written or oral~~  
 1308 ~~authorization for repairs is the result of an event for which~~  
 1309 ~~the Governor had declared a state of emergency under s. 252.36,~~  
 1310 ~~factors beyond the control of the insurer which reasonably~~  
 1311 ~~prevented an inspection or written or oral authorization for~~  
 1312 ~~repairs, or the named insured's failure or inability to allow an~~  
 1313 ~~inspection of the property after a request by the insurer, the~~  
 1314 ~~insurer does not waive its right to an award of attorney fees~~  
 1315 ~~under this subsection.~~

1316 ~~(c)~~ If an assignee commences an action in any court of  
 1317 this state based upon or including the same claim against the  
 1318 same adverse party that such assignee has previously voluntarily  
 1319 dismissed in a court of this state, the court may order the  
 1320 assignee to pay the attorney fees and costs of the adverse party  
 1321 resulting from the action previously voluntarily dismissed. The  
 1322 court shall stay the proceedings in the subsequent action until  
 1323 the assignee has complied with the order.

1324 Section 19. Section 627.7154, Florida Statutes, is created  
 1325 to read:

1326 627.7154 Property insurer stability unit; duties and  
1327 required reports.-

1328 (1) A property insurer stability unit is created within  
1329 the office to aid in the detection and prevention of insurer  
1330 insolvencies in the homeowners' and condominium unit owners'  
1331 insurance market. The following responsibilities are limited  
1332 only to matters related to homeowners' and condominium unit  
1333 owners' insurance.

1334 (2) The insurer stability unit shall provide enhanced  
1335 monitoring whenever the office identifies significant concerns  
1336 about an insurer's solvency, rates, proposed contracts,  
1337 underwriting rules, market practices, claims handling, consumer  
1338 complaints, litigation practices and outcomes, and any other  
1339 issue related to compliance with the insurance code.

1340 (3) The insurer stability unit shall, at a minimum:

1341 (a) Conduct a target market exam when there is reason to  
1342 believe that an insurer's claims practices, rate requirements,  
1343 investment activities, or financial statements suggest that the  
1344 insurer may be in an unsound financial condition.

1345 (b) Closely monitor all risk-based capital reports, own-  
1346 risk solvency assessments, reinsurance agreements, and financial  
1347 statements filed by insurers selling homeowners' and condominium  
1348 unit owners' insurance policies in this state.

1349 (c) Have primary responsibility to conduct annual  
1350 catastrophe stress tests of all domestic insurers and insurers

1351 that are commercially domiciled in this state.

1352 1. The insurer stability unit shall cooperate with the  
1353 Florida Commission on Hurricane Loss Projection Methodology to  
1354 select the hurricane scenarios that are used in the annual  
1355 catastrophe stress test.

1356 2. Catastrophe stress testing must determine:

1357 a. Whether an individual insurer can survive a one in 130-  
1358 year probable maximum loss (PML), and a second event 50-year  
1359 return PML following a first event that exceeds a 100-year  
1360 return PML; and

1361 b. The impact of the selected hurricane scenarios on the  
1362 Citizens Property Insurance Corporation, the Florida Hurricane  
1363 Catastrophe Fund, the Florida Insurance Guaranty Association,  
1364 and taxpayers.

1365 (d) Update wind mitigation credits required by s. 627.711  
1366 and associated rules.

1367 (e) Review the causes of insolvency and business practices  
1368 of insurers that have been referred to the department's Division  
1369 of Rehabilitation and Liquidation and make recommendations to  
1370 prevent similar failures in the future.

1371 (f) On January 1 and July 1 of each year, provide a report  
1372 on the status of the homeowners' and condominium unit owners'  
1373 insurance market to the Governor, the President of the Senate,  
1374 the Speaker of the House of Representatives, the Minority Leader  
1375 of the Senate, the Minority Leader of the House of

1376 Representatives, and the chairs of the legislative committees  
 1377 with jurisdiction over matters of insurance showing:  
 1378 1. Litigation practices and outcomes of insurance  
 1379 companies.  
 1380 2. Percentage of homeowners and condominium unit owners  
 1381 who obtain insurance in the voluntary market.  
 1382 3. Percentage of homeowners and condominium unit owners  
 1383 who obtain insurance from the Citizens Property Insurance  
 1384 Corporation.  
 1385 4. Profitability of the homeowners' and condominium unit  
 1386 owners' lines of insurance in this state, including a comparison  
 1387 with similar lines of insurance in other hurricane-prone states  
 1388 and with the national average.  
 1389 5. Average premiums charged for homeowners' and  
 1390 condominium unit owners' insurance in each of the 67 counties in  
 1391 this state.  
 1392 6. Results of the latest annual catastrophe stress tests  
 1393 of all domestic insurers and insurers that are commercially  
 1394 domiciled in this state.  
 1395 7. The availability of reinsurance in the personal lines  
 1396 insurance market.  
 1397 8. The number of property and casualty insurance carriers  
 1398 referred to the insurer stability unit for enhanced monitoring,  
 1399 including the reason for the referral.  
 1400 9. The number of referrals to the insurer stability unit



1401 which were deemed appropriate for enhanced monitoring, including  
 1402 the reason for the monitoring.

1403 10. The name of any insurer against which delinquency  
 1404 proceedings were instituted, including the grounds for  
 1405 rehabilitation pursuant to s. 631.051 and the date that each  
 1406 insurer was deemed impaired of capital or surplus, as the terms  
 1407 "impairment of capital" and "impairment of surplus" are defined  
 1408 in s. 631.011, or insolvent, as the term "insolvency" is defined  
 1409 in s. 631.011; a concise statement of the circumstances that led  
 1410 to the insurer's delinquency; and a summary of the actions taken  
 1411 by the insurer and the office to avoid delinquency.

1412 11. Recommendations for improvements to the regulation of  
 1413 homeowners' and condominium unit owners' insurance market and an  
 1414 indication of whether such improvements require any change to  
 1415 existing laws or rules.

1416 12. Identification of any trends that may warrant  
 1417 attention in the future.

1418 (4) Any of the following events must trigger a referral to  
 1419 the insurer stability unit:

1420 (a) Consumer complaints related to homeowners' insurance  
 1421 or condominium unit owners' insurance under s. 624.307(10), if  
 1422 the complaints, in the aggregate, suggest a trend within the  
 1423 marketplace and are not an isolated incident.

1424 (b) There is reason to believe that an insurer who is  
 1425 authorized to sell homeowners' or condominium unit owners'

1426 insurance in this state has engaged in an unfair trade practice  
1427 under part IX of chapter 626.

1428 (c) A market conduct examination determines that an  
1429 insurer has exhibited a pattern or practice of willful  
1430 violations of an unfair insurance trade practice related to  
1431 claims-handling which caused harm to policyholders, as  
1432 prohibited by s. 626.9541(1)(i).

1433 (d) An insurer authorized to sell homeowners' or  
1434 condominium unit owners' insurance in this state requests a rate  
1435 increase that exceeds 15 percent, in accordance with s.  
1436 627.0629(6).

1437 (e) An insurer authorized to sell homeowners' or  
1438 condominium unit owners' insurance in this state violates the  
1439 ratio of actual or projected annual written premiums required by  
1440 s. 624.4095(4)(a).

1441 (f) An insurer authorized to sell homeowners' or  
1442 condominium unit owners' insurance in this state files a notice  
1443 pursuant to s. 624.4305 advising the office that it intends to  
1444 nonrenew more than 10,000 residential property insurance  
1445 policies in this state within a 12-month period.

1446 (g) A quarterly or annual financial statement required by  
1447 ss. 624.424 and 627.915 demonstrates that an insurer authorized  
1448 to sell homeowners' or condominium unit owners' insurance in  
1449 this state is in an unsound condition, as defined in s.  
1450 624.80(2); has exceeded its powers in a manner as described in

1451 s. 624.80(3); is impaired, as defined in s. 631.011(12) or (13);  
1452 or is insolvent, as defined in s. 631.011.

1453 (h) An insurer authorized to sell homeowners' or  
1454 condominium unit owners' insurance in this state files a  
1455 quarterly or annual financial statement required by ss. 624.424  
1456 and 627.915 which is misleading or contains material errors.

1457 (i) An insurer authorized to sell homeowners' or  
1458 condominium unit owners' insurance in this state fails to timely  
1459 file a quarterly or annual financial statement required by ss.  
1460 624.424 and 627.915.

1461 (j) An insurer authorized to sell homeowners' or  
1462 condominium unit owners' insurance in this state files a risk-  
1463 based capital report that triggers a company action level event,  
1464 regulatory action level event, authorized control level event,  
1465 or mandatory control level event, as those terms are defined in  
1466 s. 624.4085.

1467 (k) An insurer selling homeowners' or condominium unit  
1468 owners' insurance in this state that is subject to the own-risk  
1469 solvency assessment requirement of s. 628.8015, and fails to  
1470 timely file the own-risk solvency assessment.

1471 (l) A reinsurance agreement creates a substantial risk of  
1472 insolvency for an insurer authorized to sell homeowners' or  
1473 condominium unit owners' insurance in this state, pursuant to s.  
1474 624.610(13).

1475 (m) An insurer authorized to sell homeowners' or

1476 condominium unit owners' insurance in this state is party to a  
 1477 reinsurance agreement that does not create a meaningful transfer  
 1478 of risk of loss to the reinsurer, pursuant to s. 624.610(14).

1479 (n) Citizens Property Insurance Corporation is required to  
 1480 absorb policies from an insurer that participated in the  
 1481 corporation's depopulation program authorized by s. 627.3511  
 1482 within 3 years after the insurer takes policies out of the  
 1483 corporation.

1484  
 1485 The insurer stability unit's supervisors shall review all  
 1486 referrals triggered by the statutory provisions to determine  
 1487 whether enhanced scrutiny of the insurer is appropriate.

1488 (5) Expenses of the insurer stability unit shall be paid  
 1489 from moneys allocated to the Insurance Regulatory Trust Fund.  
 1490 However, if the unit recommends that a market conduct exam or  
 1491 targeted market exam be conducted, the reasonable cost of the  
 1492 examination shall be paid by the person examined, in accordance  
 1493 with s. 624.3161.

1494 Section 20. Subsection (1) of section 631.031, Florida  
 1495 Statutes, is amended to read:

1496 631.031 Initiation and commencement of delinquency  
 1497 proceeding.—

1498 (1) Upon a determination by the office that one or more  
 1499 grounds for the initiation of delinquency proceedings exist  
 1500 pursuant to this chapter and that delinquency proceedings must

1501 be initiated, the Director of the Office of Insurance Regulation  
 1502 shall notify the department of such determination and shall  
 1503 provide the department with all necessary documentation and  
 1504 evidence. If the director must notify the department of a  
 1505 determination regarding a property insurer, the notification  
 1506 must include an affidavit that identifies the grounds for  
 1507 rehabilitation pursuant to s. 631.051; the date that each  
 1508 insurer was deemed impaired of capital or surplus, as the terms  
 1509 "impairment of capital" and "impairment of surplus" are defined  
 1510 in s. 631.011, or insolvent, as the term "insolvency" is defined  
 1511 in s. 631.011; a concise statement of the circumstances that led  
 1512 to the insurer's delinquency; and a summary of the actions taken  
 1513 by the insurer and the office to avoid delinquency. The  
 1514 department shall then initiate such delinquency proceedings.

1515 Section 21. Subsection (3) of section 631.398, Florida  
 1516 Statutes, is amended to read:

1517 631.398 Prevention of insolvencies.—To aid in the  
 1518 detection and prevention of insurer insolvencies or impairments:

1519 (3)(a) The department shall, no later than the conclusion  
 1520 of any domestic insurer insolvency proceeding, prepare a summary  
 1521 report containing such information as is in its possession  
 1522 relating to the history and causes of such insolvency, including  
 1523 a statement of the business practices of such insurer which led  
 1524 to such insolvency.

1525 (b) For an insolvency involving a domestic property

1526 insurer, the department shall:

1527 1. Begin an analysis of the history and causes of the  
 1528 insolvency once the department is appointed by the court as  
 1529 receiver.

1530 2. Submit an initial report analyzing the history and  
 1531 causes of the insolvency to the Governor, the President of the  
 1532 Senate, the Speaker of the House of Representatives, and the  
 1533 office. The initial report must be submitted no later than 4  
 1534 months after the department is appointed as receiver. The  
 1535 initial report shall be updated at least annually until the  
 1536 submission of the final report. The report may not be used as  
 1537 evidence in any proceeding brought by the department or others  
 1538 to recover assets on behalf of the receivership estate as part  
 1539 of its duties under s. 631.141(8). The submission of a report  
 1540 under this subparagraph shall not be considered a waiver of any  
 1541 evidentiary privilege the department may assert under state or  
 1542 federal law.

1543 3. Provide a special report to the Governor, the President  
 1544 of the Senate, the Speaker of the House of Representatives, and  
 1545 the office within 10 days upon identifying any condition or  
 1546 practice that may lead to insolvency in the property insurance  
 1547 marketplace.

1548 4. Submit a final report analyzing the history and causes  
 1549 of the insolvency and the review of the office's regulatory  
 1550 oversight of the insurer to the Governor, the President of the

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1551 Senate, the Speaker of the House of Representatives, and the  
1552 office within 30 days of the conclusion of the insolvency  
1553 proceeding.

1554 5. Review the office's regulatory oversight of the  
1555 insurer.

1556 Section 22. If any law amended by this act was also  
1557 amended by a law enacted during the 2022 Regular Session of the  
1558 Legislature, such laws shall be construed as if enacted during  
1559 the same session of the Legislature, and full effect shall be  
1560 given to each if possible.

1561 Section 23. Except as otherwise expressly provided in this  
1562 act, this act shall take effect upon becoming a law.