



Commerce Committee

**Tuesday, November 7, 2017
1:30 PM – 3:30 PM
Webster Hall (212 Knott)**

Meeting Packet



The Florida House of Representatives
Commerce Committee

Richard Corcoran
Speaker

Jim Boyd
Chair

Meeting Agenda

Tuesday, November 7, 2017
1:30 pm – 3:30 pm
Webster Hall (212 Knott)

- I. Call to Order
- II. Roll Call
- III. Welcome and Opening Remarks
- IV. Consideration of the following bill(s):
 HB 19 Motor Vehicle Insurance by Grall
- V. Adjournment

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 19 Motor Vehicle Insurance
SPONSOR(S): Grall and others
TIED BILLS: IDEN./SIM. BILLS: SB 150

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Commerce Committee		Lloyd <i>Be...</i>	Hamon <i>K.W.H.</i>

SUMMARY ANALYSIS

The Florida Motor Vehicle No-Fault Law (also known as personal injury protection or PIP) requires owners and operators to obtain and maintain PIP, which provides \$10,000 in medical, disability, and funeral expenses, without regard to fault, subject to a limit of \$2,500 for non-emergency medical care. In exchange for providing PIP coverage, vehicle owners and operators are immune from tort claims within the limits of the PIP law.

The owner is also required to obtain and maintain coverage of at least \$10,000 for property damage (PD). In response to an accident, they must also provide proof of bodily injury (BI) coverage. BI coverage requires the ability to respond for at least \$10,000 in damages due to the bodily injury or death of any one person and \$20,000 for bodily injury or death to two or more persons. An insurance policy or allowable form of self-insurance is acceptable proof of BI coverage.

The bill repeals PIP. By repealing PIP, the bill removes the limitation on tort liability provided under PIP. When drivers are at fault in an accident, they will be fully liable for any damages they cause. Due to this change, the bill expands the scope of legal liabilities covered under an uninsured/underinsured motorist policy.

In place of PIP, BI coverage will be required at the time of registration of a motor vehicle. It increases the minimum BI coverage limits to \$25,000 in damages due to the bodily injury or death of any one person and \$50,000 for bodily injury or death to two or more persons. The minimum PD coverage limit is not changed. The minimum security limits for self-insurance of BI and PD requirements are increased.

Motor vehicle policies issued on or after January 1, 2019, may not include PIP coverage. The bill provides that the No-Fault Law will remain in full force and effect for all accidents that occur before January 1, 2019. It also provides for continued enforcement of suspensions, revocations, and anti-fraud measures for actions occurring under the PIP law.

The bill provides for the transition of motor vehicle insurance policies issued prior to January 1, 2019, from PIP requirements to BI requirements. In addition, insurers are required to provide their policyholders a notice describing the effect of the elimination of PIP and change to BI, by September 1, 2018. The notice is subject to approval by the Office of Insurance Regulation.

The bill provides that resident relatives must be included in coverage provided by motor vehicle liability policies. It limits coverage of motor vehicles that are not identified on the policy, if an individual insured by the policy has owned the vehicle, or the temporary vehicle was furnished for regular use, for more than 30 consecutive days.

The bill has an indeterminate fiscal impact on state revenues and expenditures and no fiscal impact on local government. The bill has indeterminate positive and negative impacts on the private sector.

The bill is effective January 1, 2019, except as otherwise expressly provided by the bill.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Financial Responsibility Law

Florida's Financial Responsibility Law requires proof of ability to pay monetary damages for bodily injury (BI) and property damage (PD) liability arising out of a motor vehicle accident or serious traffic violation.¹ The owner or operator of a motor vehicle is not required to provide proof of BI coverage at the time of vehicle registration. Motorcycle owners also are not required to provide proof of BI coverage at the time of registration. Proof of such coverage is only required after an accident.² At that time, a driver proves financial responsibility by furnishing an active motor vehicle liability policy, a certificate showing a qualifying security deposit with the Department of Highway Safety and Motor Vehicles (DHSMV), or proof of qualifying self-insurance.³

The required minimum amounts of BI insurance coverages are \$10,000, in the event of bodily injury to, or death of, one person, and \$20,000, in the event of bodily injury to, or death of, two or more persons. The required minimum amount of PD insurance coverage is \$10,000, in the event of damage to property of others, or \$30,000 combined for both BI and PD coverage.⁴ Some refer to these coverage amounts in a summary manner, i.e., \$10,000/\$20,000/\$10,000 or 10/20/10.

A driver's license and vehicle registration are subject to suspension for failure to comply with the PD coverage requirement.⁵ One may obtain driver's license and registration reinstatement by obtaining a liability policy and by paying a fee to DHSMV.⁶

Financial responsibility requirements are common. All states have financial responsibility laws that require persons involved in auto accidents (or serious traffic infractions) to furnish proof of BI and PD liability insurance. The minimum coverage amounts vary among the states.

Florida Motor Vehicle No-Fault Law

Florida's Motor Vehicle No-Fault Law (No-Fault Law)⁷ requires motorists to carry no-fault insurance known as personal injury protection (PIP) coverage. The purpose of PIP coverage under the No-Fault Law is to provide for medical, surgical, funeral, and disability insurance benefits without regard to who is responsible for a motor vehicle accident. In return for assuring payment of these benefits, the No-Fault Law provides limitations on the right to bring lawsuits arising from motor vehicle accidents. Florida motorists are required to carry \$10,000 of PIP coverage.⁸ However, motorcycles are excluded from this requirement.

¹ ch. 324, F.S.

² ss. 320.02 and 324.011, F.S.

³ ss. 324.031, 324.061, 324.161, and 324.171, F.S. Businesses that choose to self-insure the financial responsibility requirements must deposit \$30,000 per vehicle, up to a maximum of \$120,000, with the DHSMV and maintain excess insurance with limits of \$125,000/\$250,000/\$300,000. Individuals that choose to self-insure must deposit \$30,000 with the DHSMV. Individuals and businesses can also obtain a certificate of self-insurance to satisfy the financial responsibility requirements. Individuals must have an unencumbered net worth of \$40,000 and businesses must have either an unencumbered net worth of \$40,000 for the first vehicle and \$20,000 for each additional vehicle or a sufficient net worth determined by the DHSMV by rule. Currently, the applicable rule provides that \$40,000 for the first vehicle and an amount less than \$20,000 for each additional vehicle is sufficient if the applicant carries excess insurance in the amounts of \$25,000/\$50,000/\$100,000. The amount applicable to each additional vehicle is determined annually under a "Manual of Financial Responsibility Rates" (Revised 05-89) adopted by rule by the Office of Insurance Regulation. Rule 15A-3.011, F.A.C.

⁴ s. 324.022, F.S.

⁵ s. 324.0221(2), F.S. Failure to maintain PIP coverage will also result in suspension of the driver's license and vehicle registration.

⁶ s. 324.0221(3), F.S.

⁷ ss. 627.730-627.7405, F.S.

⁸ s. 627.7275, F.S. Under Florida's Financial Responsibility Law (ch. 324, F.S.), motorists must also provide proof of ability to pay monetary damages for Bodily Injury and Property Damage liability at the time of motor vehicle accidents or when serious traffic violations occur. The Financial Responsibility Law requires \$10,000, per person, and \$20,000, per incident, of Bodily Injury coverage, and \$10,000 of Property Damage liability coverage.

PIP General Provisions

<i>Required Coverage</i>	All owners or registrants of motor vehicles with four or more wheels, except school buses, limos, and taxicabs, are required to carry PIP. ⁹
<i>Individuals Covered</i>	The named insured, relatives living in the same household, persons operating the vehicle, passengers in the vehicle, and persons struck and injured while not occupying the vehicle.
<i>Tort Limitation</i>	Limited exemption from tort liability; injured persons may pursue certain tort claims as specified by the PIP law.
<i>Benefits</i>	\$10,000 in emergency medical and disability benefits (limited to \$2,500 in medical benefits for non-emergency medical conditions) and \$5,000 in death benefits. Coverage of 60 percent of lost income due to disability.
<i>Timely Treatment</i>	Medical benefits are paid only if initial treatment is received within 14 days of the accident.
<i>Timely Payment</i>	Payments are overdue if not paid within 30 days of insurer receipt of written notice.
<i>Medical Reimbursement</i>	80 percent of reasonable medical expenses paid to eligible medical providers. ¹⁰
<i>Excluded Treatment</i>	Massage and acupuncture are not PIP medical benefits. Services, supplies, or care that is not reimbursable under Medicare or workers' compensation is not required to be reimbursed by the insurer.
<i>Attorney Fees</i>	Prevailing insureds and beneficiaries may receive a reasonable attorney fees award.

PIP in Other States

Over the last couple of decades, 24 jurisdictions have repealed their No-Fault laws or made them non-compulsory.¹¹ Only 17 jurisdictions have compulsory PIP laws. Of those with compulsory PIP laws, only nine have No-Fault laws. Five jurisdictions, including some that do not have compulsory PIP laws, give the insured the option to choose No-Fault protections.

Jurisdiction	Compulsory PIP	No-Fault
Arizona	Yes	No
Delaware	Yes	No
District of Columbia	No	Optional
Florida	Yes	Yes
Hawaii	Yes	Yes
Kansas	Yes	Yes
Kentucky	No	Optional
Maryland	Yes	No
Massachusetts	Yes	Yes
Michigan	Yes	Yes
Minnesota	Yes	Yes

⁹ This includes non-resident owners who keep a vehicle in Florida for more than 90 days during the previous 365 days. s. 627.733(2), F.S.

¹⁰ Insurers may limit reimbursements to a fee schedule tied to the Medicare allowed amount. s. 627.736(5)(a)1., F.S. For many services, 80 percent of 200 percent of the Medicare allowed amount is the standard reimbursement under this fee schedule.

¹¹ National Association of Insurance Commissioners, *Final Auto Study Group Report* (Nov. 18, 2014) and Insurance Information Institute, *Compulsory Auto/Uninsured Motorists* (Sept. 2017) <http://www.iii.org/issue-update/compulsory-auto-uninsured-motorists> (last visited Oct. 31, 2017).

New Jersey	Yes	Optional
New York	Yes	Yes
North Dakota	Yes	Yes
Oregon	Yes	No
Pennsylvania	No	Optional
Texas	Yes	Optional
Utah	Yes	Yes
Virgin Islands	Yes	No
Washington	Yes	No

Recent Legislative History

The Legislature revised the PIP law multiple times following a Statewide Grand Jury in 2000 that found rampant fraud in the PIP system. The Legislature enacted PIP reform legislation in 2001 and 2003. The 2003 legislation included a sunset of the PIP law on October 1, 2007. A Governor's veto of a bill extending the sunset of the law resulted in the law expiring in 2007. Following a 2007 Special Session, the PIP law was revived effective January 1, 2008. The Legislature again revised the PIP law in 2012.

PIP Reform

The reforms enacted between 2001 and 2012 included:

- Establishing requirements for and limiting access to motor vehicle crash reports;
- Providing limitations on medical services, reimbursement, and eligible providers;
- Requiring provider licensing;
- Requiring pre-suit demand letters;
- Increasing criminal penalties;
- Defining certain activities by claims handlers as unfair and deceptive trade practices;
- Establishing limitations on benefits for emergency and non-emergency medical conditions; and
- Creating limitations on attorney's fees.

The 2012 reform required insurers to make rate filings by October 1, 2012, and January 1, 2014, that provided a minimum 10 percent and 25 percent decrease in PIP premiums, respectively. However, this reform permitted insurers to file and the Office of Insurance Regulation (OIR) to approve smaller decreases or increases, if appropriately justified. This resulted in an estimated average statewide rate decrease in PIP premiums of 13.2 percent, as of January 22, 2014. This legislation also required OIR to issue a PIP data call and report the results. OIR reported the data call results on January 1, 2015 (see Recent Reports by OIR, below).

PIP Repeal Proposals

The PIP law has been the subject of multiple repeal proposals over the last several years. The House considered bills in 2013, 2014, 2015, and 2017 that would have repealed PIP and required increased BI coverage under the Financial Responsibility Law.¹² A 2016 bill would have repealed PIP, effective January 1, 2019, but would have maintained current BI and PD requirements. Except for 2017, the House bills died in the Insurance & Banking Subcommittee. CS/HB 1063 (2017) passed the House on April 19, 2017, and died in the Senate Appropriations Subcommittee on Health and Human Services.

Recent Changes

As part of a pair of broader insurance related bills, the Legislature amended the PIP law in 2015 and 2016. HB 165 (2015) clarified the application of the PIP medical reimbursement fee schedule. HB 165 (2015) and HB 659 (2016) each created an additional exemption from a licensure requirement under the PIP law that permits reimbursement of certain health care clinics for PIP related medical services.

Recent Reports by OIR

PIP Data Call

The 2012 reform, HB 119, required OIR to perform a comprehensive data call regarding PIP. Thirty-five insurers representing 83.5 percent of the market participated in the data call. This included the top 25 insurers, by market share. The report did not rely on information from several insurers due to data quality issues. OIR published their analysis of the data call on January 1, 2015. The report provided detailed information on seven of the eight required elements mentioned in the bill. The bill required the report to address, at a minimum, the following points:

1. Quantity of personal injury protection claims.
2. Type or nature of claimants.
3. Amount and type of personal injury protection benefits paid and expenses incurred.
4. Type and quantity of, and charges for, medical benefits.
5. Attorney fees related to bringing and defending actions for benefits.
6. Direct earned premiums for personal injury protection coverage, pure loss ratios, pure premiums, and other information related to premiums and losses.
7. Licensed drivers and accidents.
8. Fraud and enforcement.

The published report did not include detail or analysis regarding item 5. However, the report included limited information about insurer costs related to defense of claims, which includes attorney fees. OIR documented and analyzed all other items in detail.

While OIR did not provide a summary of their findings in the body of the report, they summarized their findings in a press release dated January 5, 2015,¹³ as follows:

The findings showed a general decrease in the per claim costs and the overall number of claims (frequency and severity) for PIP since the implementation of HB 119 on January 1, 2013. The regional analysis concludes that South Florida and the Tampa/St. Petersburg regions experienced the most significant decreases in Florida. However, the data also exposed that other coverages, such as Bodily Injury (BI) and Uninsured Motorists (UM), experienced increases in both frequency and severity when some benefits covered under PIP moved to these coverages. These trends are expected to continue over the next year.

Prior to 2012 and the passage of this law, the pervasive nature of PIP fraud and staged auto accidents created an unsustainable cost trajectory of PIP claims. The Division of Insurance Fraud (DIF), within the Department of Financial Services (DFS), is responsible for investigating this type of fraud. According to the DIF, there has been a substantial decline in PIP fraud since the implementation of HB 119 with a projected 16% decrease during Fiscal Year 2013 – 2014 from Fiscal Year 2011 – 2012.

The Office also compiled a summary of the rate filings effective on or after January 1, 2011 for the top 25 insurers representing 80.9% of the total personal auto market in Florida. These filings were segregated into two sets of data: Pre-HB 119 and Post-HB 119 (to include all filings submitted since, and including, the first required HB 119 filing due on October 1, 2012). The average statewide approved rate changes were:

¹³ FLORIDA OFFICE OF INSURANCE REGULATION, *News Releases, Office Releases Personal Injury Protection (PIP) Insurance Data Call Report*, <http://www.floir.com/PressReleases/viewmediarelease.aspx?id=2094> (last visited Oct. 31, 2017).

	Pre-HB 119	HB 119
PIP	+46.3%	-13.6%
Liability (incl. PIP)	+20.9%	-0.5%
Overall (incl. Comp. & Coll.)	+12.9%	-0.1%

The report noted many insurers had residual rate need due to deteriorating PIP experience prior to the implementation of the bill that were used to offset some of the expected savings from HB 119. For an individual policyholder, the rate changes may vary considerably from the statewide averages listed above, taking into account other factors, such as differences by insurer, by territory, etc.

Overall, there was limited data available to determine the true impact of HB 119; however, the data call analysis reveals the law has had a major impact on the personal auto market and changed the trajectory of trends being seen prior to its enactment.

The report also documented an increase in the frequency of automobile crashes in Florida during 2013 and 2014. Data from the DHSMV shows that this trend continued through 2015. OIR reported that crash frequency per 100 licensed drivers in Florida had dropped by 13.7 percent from 2004 to 2011. In 2011, there were 1.48 crashes per 100 licensed drivers. For 2015, crash frequency increased over 61 percent to 2.40 crashes per 100 licensed drivers.

OIR Cost Projection on Certain PIP Reform Proposals

In June 2016, OIR contracted with Pinnacle Actuarial Resources (Pinnacle) for actuarial services to produce a "Review of PIP Legislation."¹⁴ The objective of the review was to "provide a draft and final report documenting [a] comprehensive study on the effect of HB 119 and the potential impact to Floridians if the personal injury protection coverage requirements were repealed and replaced with varying levels of Bodily Injury coverage, or if the current requirements to purchase auto insurance were completely repealed." Pinnacle is the same vendor that produced the 2012 rate impact analysis that was required by HB 119 (2012).¹⁵

Pinnacle issued their report on September 13, 2016.¹⁶ They found that:

- The study of HB 119 evaluated sixteen provisions of the bill and concluded that the HB 119 reforms produced an estimated aggregate savings since enactment in PIP claim costs of 17.5 percent and an estimated statewide average savings in PIP premiums of 15.1 percent.
- If no-fault insurance were repealed in Florida, there would be an estimated overall reduction in premiums of 9.6 percent on the *liability coverage package* or \$81 per car annually for the average driver. For *all coverages combined*, the estimated premium decrease is 6.7 percent.
- Finally, an analysis of premium impacts if the requirement to purchase auto insurance was repealed in addition to the repeal of no-fault insurance found there would be an estimated additional reduction in the PIP repeal savings of 0.2 percent to 0.4 percent.

Pinnacle also provided estimates that considered the outcome if the consumer purchased Medical Payments (Med Pay) coverage, at either \$2,500 or \$5,000 coverage limits, and if the BI limit was increased by law to \$25K/\$50K. The following table illustrates the estimated savings in each scenario.

¹⁴ DFS OIR RFP 15/16-15, *Actuarial Consulting Services for Review of PIP Legislation*, http://www.myflorida.com/apps/vbs/vbs_pdf.download_file?p_file=F18316_DFSOIRRFP151615PIPActuarialStudy.pdf (last visited Oct. 31, 2017).

¹⁵ In 2012, Pinnacle Actuarial Resources, Inc., was retained by OIR to conduct an independent actuarial study to calculate the savings to be expected because of HB 119 (2012). s. 15, HB 119 (2012). OIR published the report on August 21, 2012. FLORIDA OFFICE OF INSURANCE REGULATION, *Press Release*, <http://www.floir.com/PressReleases/viewmediarelease.aspx?id=1956> (last visited Oct. 31, 2017).

¹⁶ Pinnacle Actuarial Resources, Inc., *Florida Office of Insurance Regulation: Review of Personal Injury Protection Legislation*, Sept. 13, 2016, available at <https://www.floir.com/siteDocuments/FLOIRReviewPIP20160913.pdf> (last visited Nov. 2, 2017).

Estimated Savings on Auto Insurance Premiums, by Scenario			
Situation	Coverage Type	Require BI at \$10K/\$20K	Require BI at \$25K/\$50K
PIP repeal	Liabilities, only ¹⁷	9.6%	8.1%
	Overall	6.7%	5.6%
PIP repeal and \$2,500 Med Pay	Liabilities, only	4.9%	3.4%
	Overall	3.4%	2.4%
PIP repeal and \$5,000 Med Pay	Liabilities, only	1.0%	-0.5%
	Overall	0.7%	-0.3%

Overview of Colorado PIP Insurance Reform

Colorado had a no-fault auto insurance law from 1974 to 2003. In reaction to increasing costs of auto insurance, including a 38 percent increase in auto premiums from 1992 to 2002, Colorado repealed their no-fault law, effective July 2003. Colorado now handles crash liabilities through the tort system. Under the tort system, the person at fault in an auto crash is responsible for paying the losses of the victim and the victim enforces their rights in civil court.

Prior to the change, Colorado had the ninth highest premium per insured auto in the nation. For 2014 (the most current year available), Colorado had the 21st highest auto premium in the nation. According to the Colorado Legislative Council Staff, auto premiums in the state as of January 2007 had decreased ten to 14 percent following the elimination of the no-fault system.¹⁸

In comparison, according to data from the National Association of Insurance Commissioners and reported by the Insurance Information Institute, from 2006 through 2014, Florida has consistently ranked fifth in the nation for highest average auto insurance cost per vehicle. Florida ranked as low as sixth in 2009 and 2014 and as high as fourth in 2008 and 2012, with the remaining years being ranked fifth.¹⁹

	Colorado			Florida		
	Average Auto Premium Cost	National Rank	Percent Change over 2002 Cost	Average Auto Premium Cost	National Rank	Percent Change over 2003 Cost
2002	\$921.00	9		n/a	n/a	
2003	\$923.00	12		\$1,018.00	5	
2004	\$850.00	18	-7.7%	\$1,062.00	5	4.3%
2005	\$829.00	21	-10.0%	\$1,064.00	6	4.5%
2006	\$785.00	23	-14.8%	\$1,069.00	5	5.0%
2007	\$738.00	24	-19.9%	\$1,043.00	5	2.5%
2008	\$728.67	26	-20.9%	\$1,054.89	5	3.6%
2009	\$741.28	22	-19.5%	\$1,006.20	6	-1.2%
2010	\$730.42	25	-20.7%	\$1,037.36	5	1.9%
2011	\$723.61	27	-21.4%	\$1,090.58	5	7.1%
2012	\$737.95	25	-19.9%	\$1,128.53	4	10.9%
2013	\$777.95	23	-15.5%	\$1,143.73	5	12.4%
2014	\$821.19	21	-10.8%	\$1,140.84	6	12.1%

¹⁷ "Liabilities, only" includes Bodily Injury, Personal Injury Protection, Uninsured Motorist, and Property Damage coverages.

¹⁸ Colorado Legislative Council, *Issue Brief Number 07-01, Automobile Insurance in Colorado*, Jan. 2007.

¹⁹ INSURANCE INFORMATION INSTITUTE, *Auto Insurance, Costs and Expenditures*, <http://www.iii.org/table-archive/21247> (last visited Oct. 31, 2017).

Private Passenger Auto Insurance Requirement Comparison

	Colorado	Florida
No-fault/PIP	None	\$10,000 medical, disability and funeral Non-emergency medical limited to \$2,500 Mandatory for vehicle registration
Bodily Injury or Death	\$25,000 per person, \$50,000 per accident Mandatory for vehicle registration	\$10,000 per person, \$20,000 per accident, or \$30,000 single limit Mandatory, may be secured post-registration
Property Damage	\$15,000 Mandatory for vehicle registration	\$10,000 Mandatory for vehicle registration
Uninsured/Under-insured Motorist	Mandatory offer at BI/PD limits, written rejection required	Mandatory coverage at BI limits, if BI purchased; written rejection required
Medical Payment	\$5,000 mandatory offer, written rejection required	Optional

Impacts of the Colorado Reform

In February 2008, the Office of the Governor of Colorado published a report that studied the impacts of the repeal of the no-fault system on auto insurance, health insurance, the trauma system, Medicaid and Colorado Indigent Care Program, and consumers.²⁰ The report's findings include the following:

AUTO INSURANCE

- For the eight largest auto insurers in Colorado by market share, average auto insurance premiums declined 35 percent from July 2003 to December 2007.
- The average premium decrease attributable to the elimination of PIP was 22 percent immediately following the repeal of no-fault.²¹
- Colorado's national rank for average annual auto insurance premium per vehicle fell following the repeal.
- Premiums for each of the non-PIP auto coverage types increased, except comprehensive coverage (no baseline data was available for medical payment coverage, so the effect was unknown).
- Ninety-nine percent of Colorado auto insurers were offering medical payment coverage post-reform and 31 percent of consumers were purchasing this coverage.

HEALTH INSURANCE

- Based on the responses of health insurers (totaling 1.57 million policyholders) to a 2003 survey by the Colorado Division of Insurance, health insurance premiums increased by an estimated 1.6 percent.

TRAUMA SYSTEM

Hospitals

- The report could not quantify the impact on acute care hospital reimbursements for emergency and outpatient services.
- Comparing payments for 2002 to those for 2006 for inpatient care of auto accident patients at acute care hospitals, the percentage of payments from private insurance, which includes both auto and health insurance, decreased by about one third (75.4 percent for 2002 and 49.3 percent for 2006).

²⁰ BBC Research & Consulting, *Auto Insurance/Trauma System Study*, 5, Feb. 2008.

²¹ Information in *Issue Brief Number 07-01* and the *Auto Insurance/Trauma System Study* are seemingly at odds regarding the change in auto premiums post-reform. The reason for the difference may be that *Issue Brief Number 07-01* is referencing the change in average premiums for Colorado overall at January 2007 and the *Auto Insurance/Trauma System Study* is only focused on the eight largest auto insurers in Colorado at December 2007.

The proportion of payment by all other payer types increased. The greatest increase was in self-payment (13.4 percent in 2002 and 27.2 percent in 2006). Self-payment may also include self-filing of insurance. Medicare showed the next highest increase (2.9 percent in 2002 and 7.7 percent in 2006).

- A similar pattern was seen in all inpatient cases; however, the amount of the decrease in the proportion of private insurance payments was much less (51.1 percent for 2002 and 46.6 percent for 2006).
- The reimbursement rate (percent of charge reimbursed) for acute care hospital inpatient auto crash patients fell from 60 percent to 36 percent for hospitals that responded to a survey. The report asserted the cause of the reduction to be more patients without insurance and, for patients with insurance, more payments based on negotiated rates (non-PIP insurers allegedly rely more on negotiated rates).

Emergency Medical First Responders

- Based on a small sample of first responders, i.e., those that could provide detailed billing and reimbursement information, non-reimbursed charges increased 37 percent for 2006 over 2002. Governmental first responders indicated that they made up deficits related to lower patient care/transfer reimbursements from non-user sources such as taxes and general fund transfers.
- The average number of days to collect first responder payment on auto crash related cases increased from 74 days in 2002 to 144 days in 2006.

MEDICAID AND COLORADO INDIGENT CARE PROGRAM

- Medicaid – the Medicaid program’s exposure to auto crash claims increased, but the report could not quantify the cost.
- Colorado Indigent Care Program – while exposure was increased, caps on the federal and state portions of the program’s funding limited increases in expenditures. This increases unreimbursed provider charges.

Effect of the Bill

Effective January 1, 2019, the bill repeals the portions of the Florida Motor Vehicle No-Fault Law (PIP). The bill provides that the No-Fault Law will remain in full force and effect for all dates of accident occurring before January 1, 2019. It also provides for continued enforcement of suspensions,²² revocations, and anti-fraud measures for actions occurring under the No-Fault Law.

Changes to Financial Responsibility

Beginning January 1, 2019, proof of compliance with the Financial Responsibility Law (BI coverage) will be required at the time of registration of a motor vehicle,²³ instead of post-registration or at the time of an accident as is currently required. It increases the minimum BI coverage limits from \$10,000 per person and \$20,000 per incident to \$25,000 per person and \$50,000 per incident. The minimum PD coverage limit is not changed. This results in required 25/50/10 coverage in most instances.

The bill increases minimum security limits for self-insurance of financial responsibility requirements in the following ways:

- For individuals:
 - Certificate of deposit – increased from \$30,000 to \$60,000.
 - Certificate of self-insurance – increased from \$40,000 to \$60,000.

²² The bill also expands DHSMV’s authority to suspend the registrations and licenses of drivers who fail to maintain BI when required under ss. 324.023 (DUI conviction), 324.032 (for-hire transportation), 627.7415 (commercial motor vehicles), and 627.742, F.S. (non-public sector buses), and who fail to carry proof of BI when operating a motor vehicle.

²³ Proof of compliance with the Financial Responsibility Law does not change for motorcycles.

- For businesses:
 - Certificate of deposit – increased from \$30,000 to \$60,000.
 - Certificate of self-insurance – increased from \$40,000 for the first vehicle and \$20,000 for each additional vehicle to \$60,000 and \$30,000, respectively.

Transition of Coverages

The bill provides for the transition of motor vehicle insurance policies into compliance with the changes made by the bill if the policies were issued prior to January 1, 2019, but are in force on that date. Those issued on or after January 1, 2019, are prohibited from including PIP coverage. In force policies that were issued in compliance with law at the time of issuance are deemed to meet the new requirements until renewed, nonrenewed, or canceled. Insurers are required to allow policyholders with PIP coverage to obtain BI coverage that complies with the changes made by the bill without charge other than changes in premium due. Payment of the change in premium and refunds, if either result from the change in coverage, depending upon the actual coverages on the policy, are required.

Notice Requirements

Insurers are required to provide a notice, by September 1, 2018, informing motor vehicle policyholders that effective January 1, 2019:

- The Florida Motor Vehicle No-Fault Law (PIP) is repealed,
- The policyholder is no longer required to carry PIP coverage,
- PIP is no longer available for purchase,
- New or renewal coverage will not include PIP,
- New BI requirements begin on January 1, 2019, which are 25/50/10,
- A policyholder may obtain uninsured/underinsured motorist coverage to protect themselves and their insureds from damages caused by an uninsured/underinsured driver,
- Policies that comply with the requirements of law at the time of issue are deemed to meet the new requirements, until the policy is renewed, nonrenewed, or canceled,
- They may change their policy to comply with the new requirements, and
- They may contact the name and telephone number provided in the notice with questions.

The notice is also required to state that PIP provides medical payments coverage for the policyholder, passengers, and resident relatives,²⁴ while BI protects the insured against loss if they are at fault in an accident and are legally responsible for bodily injuries or deaths of others. The notice is subject to approval by OIR.

Motor Vehicle Liability Policy Changes

The bill provides that resident relatives must be included in coverage provided by motor vehicle liability policies. It limits coverage of motor vehicles that are not identified on the policy, if an individual insured by the policy has owned the vehicle, or the temporary vehicle was furnished for regular use, for more than 30 consecutive days.

Tort Liability

By repealing PIP, the bill removes the limitation on tort liability provided under PIP. When drivers are at fault in an accident, they will be fully liable for any damages they cause. Due to this change, the bill expands the scope of legal liabilities covered under an uninsured/underinsured motorist policy. Beginning January 1, 2019, uninsured/underinsured motorist policies will cover tort claims for pain,

²⁴ A "resident relative" is defined as "a person related to a named insured by any degree by blood, marriage, or adoption, including a ward or foster child, who usually makes her or his home in the same family unit as the named insured, whether or not he or she is temporarily living elsewhere."

suffering, disability or physical impairment, disfigurement, mental anguish, inconvenience, and the past and future loss of capacity for the enjoyment of life.²⁵

B. SECTION DIRECTORY:

Section 1: Titles the act as the "Responsible Roadways Act."

Section 2: Amends s. 316.646, F.S., relating to security required; proof of security and display thereof.

Section 3: Amends s. 318.18, F.S., relating to amount of penalties.

Section 4: Amends s. 320.02, F.S., relating to registration required; application for registration; forms.

Section 5: Amends s. 320.0609, F.S., relating to transfer and exchange of registration license plates; transfer fee.

Section 6: Amends s. 320.27, F.S., relating to motor vehicle dealers.

Section 7: Amends s. 320.771, F.S., relating to license required of recreational vehicle dealers.

Section 8: Amends s. 322.251, F.S., relating to notice of cancellation, suspension, revocation, or disqualification of license.

Section 9: Amends s. 322.34, F.S., relating to driving while license suspended, revoked, canceled, or disqualified.

Section 10: Amends s. 324.011, F.S., relating to purpose of chapter.

Section 11: Creates s. 324.015, F.S., relating to applicability; notice to insured.

Section 12: Amends s. 324.021, F.S., relating to definitions; minimum insurance required.

Section 13: Amends s. 324.022, F.S., relating to financial responsibility for property damage.

Section 14: Amends s. 324.0221, F.S., relating to reports by insurers to the department; suspension of driver license and vehicle registrations; reinstatement.

Section 15: Amends s. 324.032, F.S., relating to manner of proving financial responsibility; for-hire passenger transportation vehicles.

Section 16: Amends s. 324.051, F.S., relating to reports of crashes; suspensions of licenses and registrations.

Section 17: Amends s. 324.091, F.S., relating to notice to department; notice to insurer.

Section 18: Amends s. 324.151, F.S., relating to motor vehicle liability policies; required provisions.

Section 19: Amends s. 324.161, F.S., relating to proof of financial responsibility; deposit.

Section 20: Amends s. 324.171, F.S., relating to self-insurer.

Section 21: Amends s. 324.251, F.S., relating to short title.

Section 22: Amends s. 400.9905, F.S., relating to definitions.

²⁵ The limitation on tort liability provided in the PIP law will continue to apply to coverage issued on or before December 31, 2018.

- Section 23:** Amends s. 400.991, F.S., relating to license requirements; background screenings; prohibitions.
- Section 24:** Amends s. 400.9935, F.S., relating to clinic responsibilities.
- Section 25:** Amends s. 409.901, F.S., relating to definitions.
- Section 26:** Amends s. 409.910, F.S., relating to responsibility for payments on behalf of Medicaid-eligible persons when other parties are liable.
- Section 27:** Amends s. 456.057, F.S., relating to ownership and control of patient records; report or copies of records to be furnished; disclosure of information.
- Section 28:** Amends s. 456.072, F.S., grounds for discipline; penalties; enforcement.
- Section 29:** Amends s. 626.9541, F.S., relating to unfair methods of competition and unfair or deceptive acts or practices defined.
- Section 30:** Amends s. 626.989, F.S., relating to investigation by department or Division of Investigative and Forensic Services; compliance; immunity; confidential information; reports to division; division investigator's power of arrest.
- Section 31:** Amends s. 627.06501, F.S., relating to insurance discounts for certain persons completing driver improvement course.
- Section 32:** Amends s. 627.0652, F.S., relating to insurance discounts for certain persons completing safety course.
- Section 33:** Amends s. 627.0653, F.S., relating to insurance discounts for specified motor vehicle equipment.
- Section 34:** Amends s. 627.4132, F.S., relating to stacking of coverages prohibited.
- Section 35:** Amends s. 627.7263, F.S., relating to rental and leasing driver's insurance to be primary; exception.
- Section 36:** Amends s. 627.727, F.S., relating to motor vehicle insurance; uninsured and underinsured vehicle coverage; insolvent insurer protection.
- Section 37:** Amends s. 627.7275, F.S., relating to motor vehicle liability.
- Section 38:** Amends s. 627.728, F.S., relating to cancellations; nonrenewals.
- Section 39:** Amends s. 627.7295, F.S., relating to motor vehicle insurance contracts.
- Section 40:** Repeals ss. 627.730, 627.731, 627.7311, 627.732, 627.733, 627.734, 627.736, 627.737, 627.739, 627.7401, 627.7403, and 627.7405, F.S., relating to Florida Motor Vehicle No-Fault Law.
- Section 41:** Repeals s. 627.7407, F.S., relating to application of the Florida Motor Vehicle No-Fault Law.
- Section 42:** Amends s. 627.748, F.S., relating to transportation network companies.
- Section 43:** Amends s. 627.8405, F.S., relating to prohibited acts; financing companies.
- Section 44:** Amends s. 627.915, F.S., relating to insurer experience reporting.

Section 45: Amends s. 628.909, F.S., relating to applicability of other laws.

Section 46: Amends s. 705.184, F.S., relating to derelict or abandoned motor vehicles on the premises of public-use airports.

Section 47: Amends s. 713.78, F.S., relating to liens for recovering, towing, or storing vehicles and vessels.

Section 48: Amends s. 817.234, F.S., relating to false and fraudulent insurance claims.

Section 49: Provides an effective date of January 1, 2019, except as otherwise expressly provided by the bill.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

Indeterminate. Premium tax revenues will be affected to the extent that lost revenues associated with PIP premiums are offset by changes in revenues associated with expected increases BI premiums.

2. Expenditures:

Indeterminate. State hospitals may experience increased costs to the extent that medical reimbursements previously funded through PIP are shifted to secondary coverages or are lost through lack of secondary coverage.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

Indeterminate. Local governments will likely achieve savings on motor vehicle insurance, depending upon the amount of coverage secured. Local governments operating hospitals may experience increased costs to the extent that medical reimbursements previously funded through PIP are shifted to secondary coverages or are lost through lack of secondary coverage.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Indeterminate. Motor vehicle insurers will be required to file new forms and rates and adjust their practices consistent with the changes made by the bill. Individuals and businesses will have to secure coverage that complies with these changes, as well.

In a September 2016 report from OIR, Pinnacle Actuarial Resources estimated the premium impacts of PIP repeal on consumers that carry a complete set of automobile insurance coverages.²⁶ Pinnacle also provided estimates that considered the outcome if the BI limit increased by law to 25/50. They estimated that consumers would save 8.1 percent in liabilities only²⁷ premiums and 5.6 percent in overall motor vehicle premiums or \$68.12 per car annually. Pinnacle also projected some negative impact on health care providers and health care insurance premiums due to the elimination of PIP.

²⁶ *Supra* note 16 at app. 3, p. 1 (p. 272).

²⁷ "Liabilities, only" includes Bodily Injury, Personal Injury Protection, Uninsured Motorist, and Property Damage coverages.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not Applicable. This bill does not appear to affect county or municipal governments.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill neither authorizes nor requires administrative rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

On lines 481 to 483, the bill provides that the No-Fault Law, though repealed, will remain in full force and effect for accidents occurring before January 1, 2019. This allows claims related to those accidents to be completed under the law in effect at the time of the accident. However, on lines 1324 to 1332, the bill repeals a portion of s. 626.9541, F.S., that regulates insurer claims handling activities related to these claims. To preserve this prohibition during the time these claims will remain open following the repeal of the No-Fault Law, the sponsor may wish to reference this statute on lines 481 to 483 in order to keep the stated prohibition in full force and effect for claims related to accidents occurring prior to January 1, 2019.

With minor exceptions, such as that mentioned above, the bill is substantively identical to CS/HB 1063, 1st engrossed, which passed the House on April 19, 2017. The 2017 bill died in the Senate Appropriations Subcommittee on Health and Human Services. The primary differences between the bill and the 2017 bill are technical issues that are non-substantive. Technical differences include the addition of revised or deleted cross-references to PIP or the No-Fault Law and the method used to repeal the No-Fault Law while providing for continuity of management of PIP claims incurred prior to the repeal through their conclusion, which may achieve closure after the effective date of the repeal.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

1 A bill to be entitled
 2 An act relating to motor vehicle insurance; providing
 3 a short title; amending s. 316.646, F.S.; revising
 4 security requirements for a motor vehicle owner or
 5 operator; amending s. 324.011, F.S.; revising
 6 legislative intent and purpose; creating s. 324.015,
 7 F.S.; excluding personal injury protection from motor
 8 vehicle insurance policies issued or renewed on or
 9 after a specified date; providing conditions for
 10 policies entered into by a specified date; requiring
 11 an insurer to permit an insured to change coverages
 12 under specified circumstances; providing notice
 13 requirements; providing that notice is subject to
 14 approval by the Office of Insurance Regulation;
 15 providing applicability of the Florida Motor Vehicle
 16 No-Fault Law for accidents that occur before a
 17 specified date; amending s. 324.021, F.S.; revising
 18 the definition of the terms "motor vehicle" and "proof
 19 of financial responsibility" to exclude an exemption
 20 relating to owner compliance and to increase the
 21 minimum amount of motor vehicle liability coverage
 22 required by insureds, respectively; conforming a
 23 cross-reference; amending s. 324.022, F.S.; revising
 24 financial responsibility requirements for owners and
 25 operators of motor vehicles; conforming a cross-

26 reference; amending s. 324.0221, F.S.; conforming
 27 provisions to changes made by the act; conforming
 28 cross-references; providing certain conditions for the
 29 suspension of a motor vehicle license or registration;
 30 amending s. 324.151, F.S.; providing definitions;
 31 revising provisions relating to certain motor vehicle
 32 liability policies; amending s. 324.161, F.S.;

33 revising deposit requirements for self-insurers;
 34 amending s. 324.171, F.S.; revising conditions under
 35 which a person is able to obtain a certificate of
 36 self-insurance; conforming provisions to changes made
 37 by the act; amending s. 324.251, F.S.; revising a
 38 short title; amending ss. 626.9541 and 627.06501,
 39 F.S.; conforming provisions to changes made by the
 40 act; conforming cross-references; amending s. 627.727,
 41 F.S.; conforming provisions to changes made by the
 42 act; revising legal liability of an uninsured motorist
 43 coverage insurer; repealing ss. 627.730, 627.731,
 44 627.7311, 627.732, 627.733, 627.734, 627.736, 627.737,
 45 627.739, 627.7401, 627.7403, and 627.7405, F.S.,
 46 relating to Florida Motor Vehicle No-Fault Law;
 47 repealing s. 627.7407, F.S., relating to the
 48 application of the Florida Motor Vehicle No-Fault Law;
 49 amending ss. 318.18, 320.02, 320.0609, 320.27,
 50 320.771, 322.251, 322.34, 324.032, 324.051, 324.091,

51 400.9905, 400.991, 400.9935, 409.901, 409.910,
 52 456.057, 456.072, 626.989, 627.0652, 627.0653,
 53 627.4132, 627.7263, 627.7275, 627.728, 627.7295,
 54 627.748, 627.8405, 627.915, 628.909, 705.184, 713.78,
 55 and 817.234, F.S.; conforming provisions to changes
 56 made by the act; providing effective dates.

57

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

59

60 Section 1. This act may be cited as the "Responsible
 61 Roadways Act."

62 Section 2. Subsection (1) of section 316.646, Florida
 63 Statutes, is amended to read:

64 316.646 Security required; proof of security and display
 65 thereof.—

66 (1) A Any person operating a motor vehicle for which
 67 liability coverage is required under by s. 324.022, s. 324.023,
 68 s. 324.032, s. 627.7415, or s. 627.742 must to maintain property
 69 damage liability security, required by s. 324.023 to maintain
 70 liability security for bodily injury or death, or required by s.
 71 627.733 to maintain personal injury protection security on a
 72 motor vehicle shall have in his or her immediate possession at
 73 all times while operating such motor vehicle proper proof of
 74 maintenance of the required security.

75 (a) Such proof shall be in a uniform paper or electronic

76 format, as prescribed by the department, a valid insurance
 77 policy, an insurance policy binder, a certificate of insurance,
 78 or such other proof as may be prescribed by the department.

79 (b)1. The act of presenting to a law enforcement officer
 80 an electronic device displaying proof of insurance in an
 81 electronic format does not constitute consent for the officer to
 82 access any information on the device other than the displayed
 83 proof of insurance.

84 2. The person who presents the device to the officer
 85 assumes the liability for any resulting damage to the device.

86 Section 3. Paragraph (b) of subsection (2) of section
 87 318.18, Florida Statutes, is amended to read:

88 318.18 Amount of penalties.—The penalties required for a
 89 noncriminal disposition pursuant to s. 318.14 or a criminal
 90 offense listed in s. 318.17 are as follows:

91 (2) Thirty dollars for all nonmoving traffic violations
 92 and:

93 (b) For all violations of ss. 320.0605, 320.07(1),
 94 322.065, and 322.15(1). Any person who is cited for a violation
 95 of s. 320.07(1) shall be charged a delinquent fee pursuant to s.
 96 320.07(4).

97 1. If a person who is cited for a violation of s. 320.0605
 98 or s. 320.07 can show proof of having a valid registration at
 99 the time of arrest, the clerk of the court may dismiss the case
 100 and may assess a dismissal fee of up to \$10. A person who finds

101 it impossible or impractical to obtain a valid registration
102 certificate must submit an affidavit detailing the reasons for
103 the impossibility or impracticality. The reasons may include,
104 but are not limited to, the fact that the vehicle was sold,
105 stolen, or destroyed; that the state in which the vehicle is
106 registered does not issue a certificate of registration; or that
107 the vehicle is owned by another person.

108 2. If a person who is cited for a violation of s. 322.03,
109 s. 322.065, or s. 322.15 can show a driver license issued to him
110 or her and valid at the time of arrest, the clerk of the court
111 may dismiss the case and may assess a dismissal fee of up to
112 \$10.

113 3. If a person who is cited for a violation of s. 316.646
114 can show proof of security as required by s. 324.022, s.
115 324.023, s. 324.032, s. 627.7415, or s. 627.742 ~~627.733~~, issued
116 to the person and valid at the time of arrest, the clerk of the
117 court may dismiss the case and may assess a dismissal fee of up
118 to \$10. A person who finds it impossible or impractical to
119 obtain proof of security must submit an affidavit detailing the
120 reasons for the impracticality. The reasons may include, but are
121 not limited to, the fact that the vehicle has since been sold,
122 stolen, or destroyed; ~~that the owner or registrant of the~~
123 ~~vehicle is not required by s. 627.733 to maintain personal~~
124 ~~injury protection insurance;~~ or that the vehicle is owned by
125 another person.

126 Section 4. Paragraphs (a) and (d) of subsection (5) of
 127 section 320.02, Florida Statutes, are amended to read:

128 320.02 Registration required; application for
 129 registration; forms.--

130 (5)(a) Proof that liability coverage has ~~personal injury~~
 131 ~~protection benefits have~~ been purchased if required under s.
 132 324.022, s. 324.023, s. 324.032, s. 627.7415, or s. 627.742
 133 ~~627.733, that property damage liability coverage has been~~
 134 ~~purchased as required under s. 324.022, that bodily injury or~~
 135 ~~death coverage has been purchased if required under s. 324.023,~~
 136 ~~and that combined bodily liability insurance and property damage~~
 137 ~~liability insurance have been purchased if required under s.~~
 138 ~~627.7415~~ shall be provided in the manner prescribed by law by
 139 the applicant at the time of application for registration of any
 140 motor vehicle that is subject to such requirements. The issuing
 141 agent shall not ~~shall refuse to~~ issue registration if such proof
 142 of purchase is not provided. Insurers shall furnish uniform
 143 proof-of-purchase cards in a paper or electronic format in a
 144 form prescribed by the department and include the name of the
 145 insured's insurance company, the coverage identification number,
 146 and the make, year, and vehicle identification number of the
 147 vehicle insured. The card must contain a statement notifying the
 148 applicant of the penalty specified under s. 316.646(4). The card
 149 or insurance policy, insurance policy binder, or certificate of
 150 insurance or a photocopy of any of these; an affidavit

151 containing the name of the insured's insurance company, the
 152 insured's policy number, and the make and year of the vehicle
 153 insured; or such other proof as may be prescribed by the
 154 department shall constitute sufficient proof of purchase. If an
 155 affidavit is provided as proof, it must be in substantially the
 156 following form:

157
 158 Under penalty of perjury, I ...(Name of insured)... do hereby
 159 certify that I have Bodily Injury Liability and...~~(Personal~~
 160 ~~Injury Protection,~~ Property Damage Liability coverage, and, if
 161 ~~required, Bodily Injury Liability)~~... Insurance currently in
 162 effect with ...(Name of insurance company)... under ...(policy
 163 number)... covering ...(make, year, and vehicle identification
 164 number of vehicle).... ...(Signature of Insured)...

165
 166 Such affidavit must include the following warning:

167
 168 WARNING: GIVING FALSE INFORMATION IN ORDER TO OBTAIN A VEHICLE
 169 REGISTRATION CERTIFICATE IS A CRIMINAL OFFENSE UNDER FLORIDA
 170 LAW. ANYONE GIVING FALSE INFORMATION ON THIS AFFIDAVIT IS
 171 SUBJECT TO PROSECUTION.

172
 173 If an application is made through a licensed motor vehicle
 174 dealer as required under s. 319.23, the original or a
 175 photostatic copy of such card, insurance policy, insurance

176 policy binder, or certificate of insurance or the original
 177 affidavit from the insured shall be forwarded by the dealer to
 178 the tax collector of the county or the Department of Highway
 179 Safety and Motor Vehicles for processing. By executing the
 180 ~~aforsaid~~ affidavit, a ~~ne~~ licensed motor vehicle dealer will not
 181 be liable in damages for any inadequacy, insufficiency, or
 182 falsification of any statement contained therein. A card must
 183 also indicate the existence of any bodily injury liability
 184 insurance ~~voluntarily~~ purchased.

185 (d) The verifying of proof of compliance with the
 186 liability coverage requirements of the ~~personal injury~~
 187 ~~protection insurance, proof of property damage liability~~
 188 ~~insurance, proof of combined bodily liability insurance and~~
 189 ~~property damage liability insurance, or proof of financial~~
 190 responsibility law ~~insurance~~ and the issuance or failure to
 191 issue the motor vehicle registration under the provisions of
 192 this chapter may not be construed in any court as a warranty of
 193 the reliability or accuracy of the evidence of such proof, or
 194 that the provisions of any insurance policy furnished as proof
 195 of compliance with the liability coverage requirements of the
 196 financial responsibility law comply with the laws of this state.
 197 Neither the department nor any tax collector is liable in
 198 damages for any inadequacy, insufficiency, falsification, or
 199 unauthorized modification of any item of the proof of compliance
 200 with the liability coverage requirements of the ~~personal injury~~

201 ~~protection insurance, proof of property damage liability~~
 202 ~~insurance, proof of combined bodily liability insurance and~~
 203 ~~property damage liability insurance, or proof of financial~~
 204 responsibility law ~~insurance~~ prior to, during, or subsequent to
 205 the verification of the proof. The issuance of a motor vehicle
 206 registration does not constitute prima facie evidence or a
 207 presumption of insurance coverage.

208 Section 5. Paragraph (b) of subsection (1) of section
 209 320.0609, Florida Statutes, is amended to read:

210 320.0609 Transfer and exchange of registration license
 211 plates; transfer fee.-

212 (1)

213 (b) The transfer of a license plate from a vehicle
 214 disposed of to a newly acquired vehicle does not constitute a
 215 new registration. The application for transfer shall be accepted
 216 without requiring proof of motor vehicle ~~personal injury~~
 217 ~~protection or liability~~ insurance.

218 Section 6. Subsection (3) of section 320.27, Florida
 219 Statutes, is amended to read:

220 320.27 Motor vehicle dealers.-

221 (3) APPLICATION AND FEE.-The ~~application for the~~ license
 222 application shall be in such form as may be prescribed by the
 223 department and is ~~shall be~~ subject to such rules ~~with respect~~
 224 ~~thereto~~ as may be so prescribed by the department ~~it~~. Such
 225 application shall be verified by oath or affirmation and must

226 ~~shall~~ contain a full statement of the name and birth date of the
 227 person or persons applying for the license ~~therefor~~; the name of
 228 the firm or copartnership, with the names and places of
 229 residence of all members ~~thereof~~, if such applicant is a firm or
 230 copartnership; the names and places of residence of the
 231 principal officers, if the applicant is a body corporate or
 232 other artificial body; the name of the state under whose laws
 233 the corporation is organized; the present and former place or
 234 places of residence of the applicant; and the prior business in
 235 which the applicant has been engaged and its ~~the~~ location
 236 ~~thereof~~. The ~~Such~~ application must ~~shall~~ describe the exact
 237 location of the place of business and must ~~shall~~ state whether
 238 the place of business is owned by the applicant and when
 239 acquired, or, if leased, a true copy of the lease shall be
 240 attached to the application. The applicant shall certify that
 241 the location provides an adequately equipped office and is not a
 242 residence; that the location affords sufficient unoccupied space
 243 upon and within which adequately to store all motor vehicles
 244 offered and displayed for sale; and that the location is a
 245 suitable place where the applicant can in good faith carry on
 246 such business and keep and maintain books, records, and files
 247 necessary to conduct such business, which shall be available at
 248 all reasonable hours to inspection by the department or any of
 249 its inspectors or other employees. The applicant shall certify
 250 that the business of a motor vehicle dealer is the principal

251 business that will ~~which shall~~ be conducted at that location.
252 The application must ~~shall~~ contain a statement that the
253 applicant is either franchised by a manufacturer of motor
254 vehicles, in which case the name of each motor vehicle that the
255 applicant is franchised to sell shall be included, or an
256 independent (nonfranchised) motor vehicle dealer. The
257 application must ~~shall~~ contain other relevant information as may
258 be required by the department., ~~including~~ The applicant must
259 furnish evidence, in a form approved by the department, that the
260 applicant is insured under a garage liability insurance policy
261 or a general liability insurance policy coupled with a business
262 automobile policy, which shall include, at a minimum, \$25,000
263 combined single-limit bodily injury and property damage
264 liability coverage ~~including bodily injury and property damage~~
265 ~~protection and \$10,000 personal injury protection.~~ However, a
266 salvage motor vehicle dealer as defined in subparagraph (1)(c)5.
267 is exempt from the requirements for garage liability insurance
268 ~~and personal injury protection insurance~~ on those vehicles that
269 cannot be legally operated on roads, highways, or streets in
270 this state. Franchise dealers must submit a garage liability
271 insurance policy, and all other dealers must submit a garage
272 liability insurance policy or a general liability insurance
273 policy coupled with a business automobile policy. Such policy
274 shall be for the license period, and evidence of a new or
275 continued policy shall be delivered to the department at the

276 beginning of each license period. Upon making initial
277 application, the applicant shall pay to the department a fee of
278 \$300 in addition to any other fees required by law. Applicants
279 may choose to extend the licensure period for 1 additional year
280 for a total of 2 years. An initial applicant shall pay to the
281 department a fee of \$300 for the first year and \$75 for the
282 second year, in addition to any other fees required by law. An
283 applicant for renewal shall pay to the department \$75 for a 1-
284 year renewal or \$150 for a 2-year renewal, in addition to any
285 other fees required by law. Upon making an application for a
286 change of location, the applicant must ~~person shall~~ pay a fee of
287 \$50 in addition to any other fees now required by law. The
288 department shall, in the case of every application for initial
289 licensure, verify whether certain facts set forth in the
290 application are true. Each applicant, general partner in the
291 case of a partnership, or corporate officer and director in the
292 case of a corporate applicant, must file a set of fingerprints
293 with the department for the purpose of determining any prior
294 criminal record or any outstanding warrants. The department
295 shall submit the fingerprints to the Department of Law
296 Enforcement for state processing and forwarding to the Federal
297 Bureau of Investigation for federal processing. The actual cost
298 of state and federal processing shall be borne by the applicant
299 and is in addition to the fee for licensure. The department may
300 issue a license to an applicant pending the results of the

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301 fingerprint investigation, which license is fully revocable if
302 the department subsequently determines that any facts set forth
303 in the application are not true or correctly represented.

304 Section 7. Paragraph (j) of subsection (3) of section
305 320.771, Florida Statutes, is amended to read:

306 320.771 License required of recreational vehicle dealers.—

307 (3) APPLICATION.—The application for such license shall be
308 in the form prescribed by the department and subject to such
309 rules as may be prescribed by it. The application shall be
310 verified by oath or affirmation and shall contain:

311 (j) A statement that the applicant is insured under a
312 garage liability insurance policy, which shall include, at a
313 minimum, \$25,000 combined single-limit bodily injury and
314 property damage liability coverage, ~~including bodily injury and~~
315 ~~property damage protection, and \$10,000 personal injury~~
316 ~~protection~~, if the applicant is to be licensed as a dealer in,
317 or intends to sell, recreational vehicles.

318

319 The department shall, if it deems necessary, cause an
320 investigation to be made to ascertain if the facts set forth in
321 the application are true and shall not issue a license to the
322 applicant until it is satisfied that the facts set forth in the
323 application are true.

324 Section 8. Subsections (1) and (2) of section 322.251,
325 Florida Statutes, are amended to read:

326 322.251 Notice of cancellation, suspension, revocation, or
327 disqualification of license.-

328 (1) All orders of cancellation, suspension, revocation, or
329 disqualification issued under the provisions of this chapter,
330 chapter 318 or, chapter 324, ~~or ss. 627.732-627.734~~ shall be
331 given either by personal delivery thereof to the licensee whose
332 license is being canceled, suspended, revoked, or disqualified
333 or by deposit in the United States mail in an envelope, first
334 class, postage prepaid, addressed to the licensee at his or her
335 last known mailing address furnished to the department. Such
336 mailing by the department constitutes notification, and any
337 failure by the person to receive the mailed order will not
338 affect or stay the effective date or term of the cancellation,
339 suspension, revocation, or disqualification of the licensee's
340 driving privilege.

341 (2) The giving of notice and an order of cancellation,
342 suspension, revocation, or disqualification by mail is complete
343 upon expiration of 20 days after deposit in the United States
344 mail for all notices except those issued under chapter 324 ~~or~~
345 ~~ss. 627.732-627.734~~, which are complete 15 days after deposit in
346 the United States mail. Proof of the giving of notice and an
347 order of cancellation, suspension, revocation, or
348 disqualification in either manner shall be made by entry in the
349 records of the department that such notice was given. The entry
350 is admissible in the courts of this state and constitutes

351 sufficient proof that such notice was given.

352 Section 9. Paragraph (a) of subsection (8) of section
353 322.34, Florida Statutes, is amended to read:

354 322.34 Driving while license suspended, revoked, canceled,
355 or disqualified.—

356 (8) (a) Upon the arrest of a person for the offense of
357 driving while the person's driver license or driving privilege
358 is suspended or revoked, the arresting officer shall determine:

359 1. Whether the person's driver license is suspended or
360 revoked.

361 2. Whether the person's driver license has remained
362 suspended or revoked since a conviction for the offense of
363 driving with a suspended or revoked license.

364 3. Whether the suspension or revocation was made under s.
365 316.646 ~~or s. 627.733~~, relating to failure to maintain required
366 security, or under s. 322.264, relating to habitual traffic
367 offenders.

368 4. Whether the driver is the registered owner or coowner
369 of the vehicle.

370 Section 10. Section 324.011, Florida Statutes, is amended
371 to read:

372 324.011 Legislative intent and purpose of chapter.—It is
373 the intent of the Legislature ~~this chapter~~ to ensure that the
374 privilege of owning or operating a motor vehicle in this state
375 be exercised ~~recognize the existing privilege to own or operate~~

376 ~~a motor vehicle on the public streets and highways of this state~~
 377 ~~when such vehicles are used~~ with due consideration for others
 378 and their property in order, ~~and~~ to promote safety and provide
 379 financial security requirements for ~~such~~ owners and ~~or~~ operators
 380 whose responsibility it is to recompense others for injury to
 381 person or property caused by the operation of a motor vehicle.
 382 Therefore, this chapter requires ~~it is required herein~~ that
 383 owners and operators of motor vehicles, except in specified
 384 circumstances, establish, maintain, ~~the operator of a motor~~
 385 ~~vehicle involved in a crash or convicted of certain traffic~~
 386 ~~offenses meeting the operative provisions of s. 324.051(2) shall~~
 387 ~~respond for such damages~~ and show proof of financial ability to
 388 respond for damages arising out of the ownership, maintenance,
 389 or use of a motor vehicle in future accidents as a requisite to
 390 his or her ownership or operation of a motor vehicle in this
 391 state ~~future exercise of such privileges.~~

392 Section 11. Effective upon this act becoming law, section
 393 324.015, Florida Statutes, is created to read:

394 324.015 Applicability; notice to insured.-

395 (1) Effective January 1, 2019:

396 (a) Notwithstanding any other provision of law, motor
 397 vehicle liability policies issued or renewed on or after January
 398 1, 2019, may not include personal injury protection.

399 (b) A person subject to s. 324.022, must maintain proof of
 400 financial responsibility.

401 (c) A new or renewal motor vehicle liability policy
402 delivered or issued for delivery in this state must provide
403 coverage that complies with proof of financial responsibility.

404 (d) An existing motor vehicle liability policy issued
405 before January 1, 2019, that provides personal injury protection
406 and property damage liability coverage and meets the financial
407 responsibility requirements on December 31, 2018, but does not
408 meet the financial responsibility requirements on or after
409 January 1, 2019, is deemed to meet the financial responsibility
410 requirements under this chapter until such policy is renewed,
411 nonrenewed, or canceled.

412 (2) An insurer must allow an insured who has a new or
413 renewal policy providing personal injury protection, which
414 becomes effective before January 1, 2019, and whose policy does
415 not meet the financial responsibility requirements on or after
416 January 1, 2019, to change coverages to meet the financial
417 responsibility requirements that becomes effective on or after
418 January 1, 2019. The insurer is not required to provide coverage
419 complying with financial responsibility requirements in such
420 policies if the insured does not pay the required premium by
421 January 1, 2019, or such later date as the insurer may allow.
422 The insurer must refund any reduction in the premium. The
423 insurer may not impose an additional fee or charge on the
424 insured for such changes in coverage; however, the insurer may
425 charge an additional premium that is actuarially indicated.

426 (3) By September 1, 2018, a motor vehicle insurer must
427 provide each insured a notice of the provisions of this section.
428 The notice is subject to approval by the Office of Insurance
429 Regulation and must clearly inform the insured that:

430 (a) The Florida Motor Vehicle No-Fault Law is repealed,
431 effective January 1, 2019, and that on or after that date, the
432 insured is no longer required to maintain personal injury
433 protection coverage, that personal injury protection coverage is
434 no longer available for purchase in this state, and that all new
435 or renewal policies issued on or after that date may not contain
436 such coverage.

437 (b) Effective January 1, 2019, a person subject to s.
438 324.022 must maintain financial responsibility requirements that
439 enable the person to respond in damages for liability on account
440 of accidents arising out of the ownership, maintenance, or use
441 of a motor vehicle in the following amounts:

442 1. Twenty-five thousand dollars for bodily injury to, or
443 the death of, one person in any one accident and, subject to
444 such limits for one person, in the amount of \$50,000 for bodily
445 injury to, or the death of, two or more persons in any one
446 accident; and

447 2. Ten thousand dollars for damage to, or destruction of,
448 property of others in any one accident.

449 (c) Personal injury protection coverage pays covered
450 medical expenses for injuries sustained in a motor vehicle

451 accident by the insured, passengers, and relatives residing in
452 the insured's household.

453 (d) Bodily injury liability coverage protects the insured,
454 up to the coverage limits, against loss if the insured is
455 legally responsible for the death of or bodily injury to others
456 in a motor vehicle accident.

457 (e) The insured may obtain underinsured motorist coverage,
458 which provides benefits, up to the limits of such coverage, to
459 an insured or other insured entitled to recover damages for
460 bodily injury, sickness, disease, or death resulting from a
461 motor vehicle accident with an uninsured or underinsured owner
462 or operator of a motor vehicle.

463 (f) If the insured's new or renewal motor vehicle
464 liability policy is effective before January 1, 2019, and
465 contains personal injury protection and property damage
466 liability coverage as required by state law before January 1,
467 2019, but does not meet the financial responsibility
468 requirements on or after January 1, 2019, the policy is deemed
469 to meet the financial responsibility requirements until it is
470 renewed, nonrenewed, or canceled.

471 (g) An insured whose new or renewal policy becomes
472 effective before January 1, 2019, but does not meet the
473 financial responsibility requirements on or after January 1,
474 2019, may change coverages under the policy so as to eliminate
475 personal injury protection and to obtain coverage meeting the

476 financial responsibility requirements, including bodily injury
 477 liability coverage, which are effective on or after January 1,
 478 2019.

479 (h) If the insured has any questions, he or she should
 480 contact the name and phone number provided in the notice.

481 (4) The Florida Motor Vehicle No-Fault Law, ss. 627.730-
 482 627.7405, remains in full force and effect for motor vehicle
 483 accidents that occur before January 1, 2019.

484 Section 12. Subsections (1) and (7) and paragraph (c) of
 485 subsection (9) of section 324.021, Florida Statutes, are amended
 486 to read:

487 324.021 Definitions; minimum insurance required.—The
 488 following words and phrases when used in this chapter shall, for
 489 the purpose of this chapter, have the meanings respectively
 490 ascribed to them in this section, except in those instances
 491 where the context clearly indicates a different meaning:

492 (1) MOTOR VEHICLE.—Every self-propelled vehicle that is
 493 designed and required to be licensed for use upon a highway,
 494 including trailers and semitrailers designed for use with such
 495 vehicles, except traction engines, road rollers, farm tractors,
 496 power shovels, and well drillers, and every vehicle that is
 497 propelled by electric power obtained from overhead wires but not
 498 operated upon rails, but not including any personal delivery
 499 device as defined in s. 316.003, bicycle, or moped. ~~However, the~~
 500 ~~term "motor vehicle" does not include a motor vehicle as defined~~

501 ~~in s. 627.732(3) when the owner of such vehicle has complied~~
502 ~~with the requirements of ss. 627.730-627.7405, inclusive, unless~~
503 ~~the provisions of s. 324.051 apply; and, in such case, the~~
504 ~~applicable proof of insurance provisions of s. 320.02 apply.~~

505 (7) PROOF OF FINANCIAL RESPONSIBILITY.—Proof ~~That proof~~ of
506 ability to respond in damages for liability on account of
507 accidents ~~crashes~~ arising out of the use of a motor vehicle:

508 (a) In the amount of \$25,000 ~~for \$10,000 because of~~ bodily
509 injury to, or the death of, one person in any one accident
510 ~~crash~~;

511 (b) Subject to such limits for one person, in the amount
512 of \$50,000 ~~for \$20,000 because of~~ bodily injury to, or the death
513 of, two or more persons in any one accident ~~crash~~;

514 (c) In the amount of \$10,000 for damage ~~because of injury~~
515 to, or destruction of, the property of others in any one
516 accident ~~crash~~; and

517 (d) ~~For~~ With respect to commercial motor vehicles and
518 nonpublic sector buses, in the amounts specified in ss. 627.7415
519 and 627.742, respectively.

520 (9) OWNER; OWNER/LESSOR.—

521 (c) Application.—

522 1. The limits on liability in subparagraphs (b)2. and 3.
523 do not apply to an owner of motor vehicles that are used for
524 commercial activity in the owner's ordinary course of business,
525 other than a rental company that rents or leases motor vehicles.

526 For purposes of this paragraph, the term "rental company"
 527 includes only an entity that is engaged in the business of
 528 renting or leasing motor vehicles to the general public and that
 529 rents or leases a majority of its motor vehicles to persons with
 530 no direct or indirect affiliation with the rental company. The
 531 term also includes a motor vehicle dealer that provides
 532 temporary replacement vehicles to its customers for up to 10
 533 days. The term "rental company" also includes:

534 a. A related rental or leasing company that is a
 535 subsidiary of the same parent company as that of the renting or
 536 leasing company that rented or leased the vehicle.

537 b. The holder of a motor vehicle title or an equity
 538 interest in a motor vehicle title if the title or equity
 539 interest is held pursuant to or to facilitate an asset-backed
 540 securitization of a fleet of motor vehicles used solely in the
 541 business of renting or leasing motor vehicles to the general
 542 public and under the dominion and control of a rental company,
 543 as described in this subparagraph, in the operation of such
 544 rental company's business.

545 2. Furthermore, with respect to commercial motor vehicles
 546 ~~as defined in s. 627.732~~, the limits on liability in
 547 subparagraphs (b)2. and 3. do not apply if, at the time of the
 548 incident, the commercial motor vehicle is being used in the
 549 transportation of materials found to be hazardous for the
 550 purposes of the Hazardous Materials Transportation Authorization

551 Act of 1994, as amended, 49 U.S.C. ss. 5101 et seq., and that is
 552 required pursuant to such act to carry placards warning others
 553 of the hazardous cargo, unless at the time of lease or rental
 554 either:

555 a. The lessee indicates in writing that the vehicle will
 556 not be used to transport materials found to be hazardous for the
 557 purposes of the Hazardous Materials Transportation Authorization
 558 Act of 1994, as amended, 49 U.S.C. ss. 5101 et seq.; or

559 b. The lessee or other operator of the commercial motor
 560 vehicle has in effect insurance with limits of at least
 561 \$5,000,000 combined property damage and bodily injury liability.

562 Section 13. Section 324.022, Florida Statutes, is amended
 563 to read:

564 324.022 Financial responsibility requirements ~~for property~~
 565 ~~damage.~~-

566 (1) (a) Every owner ~~or operator~~ of a motor vehicle required
 567 to be registered in this state and every operator of a motor
 568 vehicle licensed in this state must ~~shall~~ establish and
 569 continuously maintain the ability to respond in damages for
 570 liability on account of accidents arising out of the ownership,
 571 maintenance, or use of the motor vehicle in the amount of:

572 1. Twenty-five thousand dollars for bodily injury to, or
 573 the death of, one person in any one accident;

574 2. Subject to the limits for one person, \$50,000 for
 575 bodily injury to, or the death of, two or more persons in any

576 one accident; and \$10,000 because of

577 3. Ten thousand dollars for damage to, or destruction of,
 578 property of others in any one accident ~~crash~~.

579 (b) The requirements of paragraph (a) ~~this section~~ may be
 580 met by one of the methods established in s. 324.031; by self-
 581 insuring as authorized by s. 768.28(16); or by maintaining a
 582 motor vehicle liability insurance ~~an insurance policy providing~~
 583 ~~coverage for property damage liability in the amount of at least~~
 584 ~~\$10,000 because of damage to, or destruction of, property of~~
 585 ~~others in any one accident arising out of the use of the motor~~
 586 ~~vehicle. The requirements of this section may also be met by~~
 587 ~~having a policy which provides coverage in the amount of at~~
 588 least \$60,000 ~~\$30,000~~ for combined property damage liability and
 589 bodily injury liability for any one accident ~~crash~~ arising out
 590 of the use of the motor vehicle and which conforms to the
 591 requirements of s. 324.151. ~~The policy, with respect to coverage~~
 592 ~~for property damage liability, must meet the applicable~~
 593 ~~requirements of s. 324.151, subject to the usual policy~~
 594 ~~exclusions that have been approved in policy forms by the Office~~
 595 ~~of Insurance Regulation~~. No insurer shall have any duty to
 596 defend uncovered claims irrespective of their joinder with
 597 covered claims.

598 (2) As used in this section, the term:

599 (a) "Motor vehicle" means any self-propelled vehicle that
 600 has four or more wheels and that is of a type designed and

601 required to be licensed for use on the highways of this state,
602 and any trailer or semitrailer designed for use with such
603 vehicle. The term does not include:

604 1. A mobile home.

605 2. A motor vehicle that is used in mass transit and
606 designed to transport more than five passengers, exclusive of
607 the operator of the motor vehicle, and that is owned by a
608 municipality, transit authority, or political subdivision of the
609 state.

610 3. A school bus as defined in s. 1006.25.

611 4. A vehicle providing for-hire transportation that is
612 subject to the provisions of s. 324.031. A taxicab shall
613 maintain security as required under s. 324.032(1).

614 5. A personal delivery device as defined in s. 316.003.

615 (b) "Owner" means the person who holds legal title to a
616 motor vehicle or the debtor or lessee who has the right to
617 possession of a motor vehicle that is the subject of a security
618 agreement or lease with an option to purchase.

619 (3) Each nonresident owner or registrant of a motor
620 vehicle that, whether operated or not, has been physically
621 present within this state for more than 90 days during the
622 preceding 365 days shall maintain security as required by
623 subsection (1) that is in effect continuously throughout the
624 period the motor vehicle remains within this state.

625 (4) An ~~The~~ owner or registrant of a motor vehicle who is

626 ~~exempt from the requirements of this section if she or he is a~~
 627 ~~member of the United States Armed Forces and is called to or on~~
 628 ~~active duty outside the United States in an emergency situation~~
 629 is exempt from this section while he or she. ~~The exemption~~
 630 ~~provided by this subsection applies only as long as the member~~
 631 ~~of the Armed Forces~~ is on such active duty outside the United
 632 States and applies only while the vehicle is not operated by any
 633 person. Upon receipt of a written request by the insured to whom
 634 the exemption provided in this subsection applies, the insurer
 635 shall cancel the coverages and return any unearned premium or
 636 suspend the security required by this section. Notwithstanding
 637 s. 324.0221(2) ~~s. 324.0221(3)~~, the department may not suspend
 638 the registration or operator's license of an ~~any~~ owner or
 639 registrant of a motor vehicle during the time she or he
 640 qualifies for an exemption under this subsection. An ~~Any~~ owner
 641 or registrant of a motor vehicle who qualifies for the ~~an~~
 642 exemption under this subsection shall immediately notify the
 643 department before ~~prior to~~ and at the end of the expiration of
 644 the exemption.

645 Section 14. Subsections (1) and (2) of section 324.0221,
 646 Florida Statutes, are amended, and subsection (4) is added to
 647 that section, to read:

648 324.0221 Reports by insurers to the department; suspension
 649 of driver license and vehicle registrations; reinstatement.-

650 (1)(a) Each insurer that has issued a policy providing

651 ~~personal injury protection coverage or property damage~~ liability
652 coverage shall report the cancellation or nonrenewal thereof to
653 the department within 10 days after the processing date or
654 effective date of each cancellation or nonrenewal. Upon the
655 issuance of a policy providing ~~personal injury protection~~
656 ~~coverage or property damage~~ liability coverage to a named
657 insured not previously insured by the insurer during that
658 calendar year, the insurer shall report the issuance of the new
659 policy to the department within 10 days. The report must ~~shall~~
660 be in a the form prescribed by the department ~~and format~~ and
661 contain any information required by the department and must be
662 provided in a format that is compatible with the data processing
663 capabilities of the department. Failure by an insurer to file
664 proper reports with the department as required by this
665 subsection constitutes a violation of the Florida Insurance
666 Code. These records shall be used by the department only for
667 enforcement and regulatory purposes, including the generation by
668 the department of data regarding compliance by owners of motor
669 vehicles with the requirements for financial responsibility
670 coverage.

671 (b) With respect to an insurance policy providing ~~personal~~
672 ~~injury protection coverage or property damage~~ liability
673 coverage, each insurer shall notify the named insured, or the
674 first-named insured in the case of a commercial fleet policy, in
675 writing that any cancellation or nonrenewal of the policy will

676 be reported by the insurer to the department. The notice must
 677 also inform the named insured that failure to maintain bodily
 678 injury liability ~~personal injury protection~~ coverage and
 679 property damage liability coverage on a motor vehicle when
 680 required by law may result in the loss of registration and
 681 driving privileges in this state and inform the named insured of
 682 the amount of the reinstatement fees required by this section.
 683 This notice is for informational purposes only, and an insurer
 684 is not civilly liable for failing to provide this notice.

685 (2) The department shall suspend, after due notice and an
 686 opportunity to be heard, the registration and driver license of
 687 any owner or registrant of a motor vehicle with respect to which
 688 security is required under s. ~~ss.~~ 324.022, s. 324.023, s.
 689 324.032, s. 627.7415, or s. 627.742 and ~~627.733~~ upon:

690 (a) The department's records showing that the owner or
 691 registrant of such motor vehicle did not have the in full force
 692 and effect when required security in full force and effect ~~that~~
 693 ~~complies with the requirements of ss. 324.022 and 627.733; or~~

694 (b) Notification by the insurer to the department, in a
 695 form approved by the department, of cancellation or termination
 696 of the required security.

697 (4) All suspensions of license or registration under this
 698 section for failure to maintain required security that occurred
 699 before January 1, 2019, remain in full force and effect after
 700 the effective date of this act.

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701 Section 15. Subsection (1) of section 324.032, Florida
702 Statutes, is amended to read:

703 324.032 Manner of proving financial responsibility; for-
704 hire passenger transportation vehicles.—Notwithstanding the
705 provisions of s. 324.031:

706 (1) (a) A person who is either the owner or a lessee of a
707 motor vehicle used as a taxicab ~~required to maintain insurance~~
708 ~~under s. 627.733(1)(b)~~ and who operates one or more taxicabs,
709 limousines, jitneys, or any other for-hire passenger
710 transportation vehicles may prove financial responsibility by
711 furnishing satisfactory evidence of holding a motor vehicle
712 liability policy, but with minimum limits of
713 \$125,000/250,000/50,000.

714 (b) A person who is either the owner or a lessee required
715 to maintain insurance under s. 324.021(9)(b) and who operates
716 limousines, jitneys, or any other for-hire passenger vehicles,
717 other than taxicabs, may prove financial responsibility by
718 furnishing satisfactory evidence of holding a motor vehicle
719 liability policy as defined in s. 324.031.

720

721 Upon request by the department, the applicant must provide the
722 department at the applicant's principal place of business in
723 this state access to the applicant's underlying financial
724 information and financial statements that provide the basis of
725 the certified public accountant's certification. The applicant

726 shall reimburse the requesting department for all reasonable
 727 costs incurred by it in reviewing the supporting information.
 728 The maximum amount of self-insurance permissible under this
 729 subsection is \$300,000 and must be stated on a per-occurrence
 730 basis, and the applicant shall maintain adequate excess
 731 insurance issued by an authorized or eligible insurer licensed
 732 or approved by the Office of Insurance Regulation. All risks
 733 self-insured shall remain with the owner or lessee providing it,
 734 and the risks are not transferable to any other person, unless a
 735 policy complying with subsection (1) is obtained.

736 Section 16. Subsection (2) of section 324.051, Florida
 737 Statutes, is amended to read:

738 324.051 Reports of accidents ~~crashes~~; suspensions of
 739 licenses and registrations.—

740 (2)(a) Thirty days after receipt of notice of any accident
 741 described in paragraph (1)(a) involving a motor vehicle within
 742 this state, the department shall suspend, after due notice and
 743 opportunity to be heard, the license of each operator and all
 744 registrations of the owner of the vehicles operated by such
 745 operator whether or not involved in such accident ~~crash~~ and, in
 746 the case of a nonresident owner or operator, shall suspend such
 747 nonresident's operating privilege in this state, unless such
 748 operator or owner shall, prior to the expiration of such 30
 749 days, be found by the department to be exempt from the operation
 750 of this chapter, based upon evidence satisfactory to the

751 department that:

752 1. The motor vehicle was legally parked at the time of
753 such accident ~~crash~~.

754 2. The motor vehicle was owned by the United States
755 Government, this state, or any political subdivision of this
756 state or any municipality therein.

757 3. Such operator or owner has secured a duly acknowledged
758 written agreement providing for release from liability by all
759 parties injured as the result of said accident ~~crash~~ and has
760 complied with one of the provisions of s. 324.031.

761 4. Such operator or owner has deposited with the
762 department security to conform with s. 324.061 when applicable
763 and has complied with one of the provisions of s. 324.031.

764 5. One year has elapsed since such owner or operator was
765 suspended pursuant to subsection (3), the owner or operator has
766 complied with one of the provisions of s. 324.031, and no bill
767 of complaint of which the department has notice has been filed
768 in a court of competent jurisdiction.

769 (b) This subsection shall not apply:

770 1. To such operator or owner if such operator or owner had
771 in effect at the time of such accident ~~crash~~ or traffic
772 conviction a motor vehicle ~~an automobile~~ liability policy with
773 respect to all of the registered motor vehicles owned by such
774 operator or owner.

775 2. To such operator, if not the owner of such motor

776 vehicle, if there was in effect at the time of such accident
 777 ~~crash~~ or traffic conviction a motor vehicle ~~an automobile~~
 778 liability policy or bond with respect to his or her operation of
 779 motor vehicles not owned by him or her.

780 3. To such operator or owner if the liability of such
 781 operator or owner for damages resulting from such accident ~~crash~~
 782 is, in the judgment of the department, covered by any other form
 783 of liability insurance or bond.

784 4. To a ~~any~~ person who has obtained from the department a
 785 certificate of self-insurance, in accordance with s. 324.171, or
 786 to a ~~any~~ person operating a motor vehicle for such self-insurer.

787
 788 No such policy or bond shall be effective under this subsection
 789 unless it contains limits of not less than those specified in s.
 790 324.021(7).

791 Section 17. Subsection (1) of section 324.091, Florida
 792 Statutes, is amended to read:

793 324.091 Notice to department; notice to insurer.—

794 (1) Each owner and operator involved in an accident ~~a~~
 795 ~~crash~~ or conviction case within the purview of this chapter
 796 shall furnish evidence of ~~automobile liability insurance or~~
 797 motor vehicle liability insurance within 14 days after the date
 798 of the mailing of notice of the accident ~~crash~~ by the department
 799 in the form and manner as it may designate. Upon receipt of
 800 evidence that a ~~an automobile liability policy or~~ motor vehicle

801 liability policy was in effect at the time of the accident ~~crash~~
802 or conviction case, the department shall forward to the insurer
803 such information for verification in a method as determined by
804 the department. The insurer shall respond to the department
805 within 20 days after the notice whether or not such information
806 is valid. If the department determines that a ~~an automobile~~
807 ~~liability policy or~~ motor vehicle liability policy was not in
808 effect and did not provide coverage for both the owner and the
809 operator, it shall take action as it is authorized to do under
810 this chapter.

811 Section 18. Section 324.151, Florida Statutes, is amended
812 to read:

813 324.151 Motor vehicle liability policies; required
814 provisions.-

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

816 (a) "Newly acquired vehicle" means a vehicle owned by a
817 named insured or resident relative of the named insured which
818 was acquired 30 days or less before an accident.

819 (b) "Resident relative" means a person related to a named
820 insured by any degree by blood, marriage, or adoption, including
821 a ward or foster child, who usually makes her or his home in the
822 same family unit as the named insured, whether or not he or she
823 is temporarily living elsewhere.

824 (c) "Temporary substitute vehicle" means a motor vehicle
825 as defined in s. 320.01(1) that is not owned by the named

826 insured which is temporarily used with the permission of the
 827 owner as a substitute for a motor vehicle designated on the
 828 policy when the vehicle designated on the policy is withdrawn
 829 from normal use because of breakdown, repair, servicing, loss,
 830 or destruction.

831 (2)(1) A motor vehicle liability policy as to be proof of
 832 financial responsibility under s. 324.031(1), shall be issued to
 833 owners and ~~or~~ operators of motor vehicles under the following
 834 provisions:

835 (a) A motor vehicle liability insurance policy issued to
 836 an owner of a motor vehicle registered in this state must ~~An~~
 837 ~~owner's liability insurance policy shall~~ designate by explicit
 838 description or by appropriate reference all motor vehicles with
 839 respect to which coverage is thereby granted. The policy must
 840 ~~and shall~~ insure the person or persons ~~owner~~ named therein and
 841 any resident relative of a named insured ~~other person as~~
 842 ~~operator using such motor vehicle or motor vehicles with the~~
 843 ~~express or implied permission of such owner against loss from~~
 844 the liability imposed by law for damage arising out of the
 845 ownership, maintenance, or use of any such motor vehicle, except
 846 as otherwise provided in this section. The policy shall also
 847 insure any person operating an insured motor vehicle with the
 848 express or implied permission of the named insured against loss
 849 from liability imposed by law for damage arising out of the use
 850 of such vehicle. However, the insurer may exclude in its policy

851 liability coverage for a motor vehicle not designated as an
852 insured vehicle on the policy if such motor vehicle does not
853 qualify as a newly acquired vehicle or a temporary substitute
854 vehicle and was owned by an insured or was furnished for an
855 insured's regular use for more than 30 consecutive days before
856 an accident ~~or motor vehicles within the United States or the~~
857 ~~Dominion of Canada, subject to limits, exclusive of interest and~~
858 ~~costs with respect to each such motor vehicle as is provided for~~
859 ~~under s. 324.021(7).~~ Insurers may make available, with respect
860 to property damage liability coverage, a deductible amount not
861 to exceed \$500. In the event of a property damage loss covered
862 by a policy containing a property damage deductible provision,
863 the insurer shall pay to the third-party claimant the amount of
864 any property damage liability settlement or judgment, subject to
865 policy limits, as if no deductible existed.

866 (b) A motor vehicle liability insurance policy issued to a
867 person who does not own a motor vehicle registered in this state
868 and is not already insured under a policy described in paragraph
869 (a) must ~~An operator's motor vehicle liability policy of~~
870 ~~insurance shall~~ insure the person or persons named in the policy
871 ~~therein~~ against loss from ~~the~~ liability imposed ~~upon him or her~~
872 by law for damages arising out of the use ~~by the person~~ of any
873 motor vehicle not owned by him or her, unless the vehicle was
874 furnished for the named insured's regular use and used by the
875 named insured for more than 30 consecutive days before an

876 ~~accident with the same territorial limits and subject to the~~
 877 ~~same limits of liability as referred to above with respect to an~~
 878 ~~owner's policy of liability insurance.~~

879 (c) All such motor vehicle liability policies shall state
 880 the name and address of the named insured, the coverage afforded
 881 by the policy, the premium charged therefor, the policy period,
 882 the limits of liability, and shall contain an agreement or be
 883 endorsed that insurance is provided in accordance with the
 884 coverage defined in this chapter ~~as respects bodily injury and~~
 885 ~~death or property damage or both~~ and is subject to all
 886 provisions of this chapter. The said policies must ~~shall~~ also
 887 contain a provision that the satisfaction by an insured of a
 888 judgment for such injury or damage shall not be a condition
 889 precedent to the right or duty of the insurer ~~insurance carrier~~
 890 to make payment on account of such injury or damage, and shall
 891 also contain a provision that bankruptcy or insolvency of the
 892 insured or of the insured's estate shall not relieve the insurer
 893 ~~insurance carrier~~ of any of its obligations under the said
 894 policy. However, the policies may contain provisions excluding
 895 liability coverage for a vehicle used outside of the United
 896 States or Canada at the time of an accident.

897 ~~(3)(2)~~ The provisions of this section shall not be
 898 applicable to any automobile liability policy unless and until
 899 it is furnished as proof of financial responsibility for the
 900 future pursuant to s. 324.031, and then only from and after the

901 date said policy is so furnished.

902 Section 19. Section 324.161, Florida Statutes, is amended
 903 to read:

904 324.161 Proof of financial responsibility; deposit.—
 905 Annually, before any certificate of insurance may be issued to a
 906 person, including any firm, partnership, association,
 907 corporation, or other person, ~~other than a natural person,~~ proof
 908 of a certificate of deposit of \$60,000 ~~\$30,000~~ issued and held
 909 by a financial institution must be submitted to the department.
 910 A power of attorney will be issued to and held by the department
 911 and may be executed upon a judgment issued against such person
 912 making the deposit, for damages for ~~because of~~ bodily injury to
 913 or death of any person or for damages for ~~because of~~ injury to
 914 or destruction of property resulting from the use or operation
 915 of any motor vehicle occurring after such deposit was made.
 916 Money so deposited is ~~shall~~ not ~~be~~ subject to attachment or
 917 execution unless such attachment or execution shall arise out of
 918 a suit for such damages ~~as aforesaid~~.

919 Section 20. Subsections (1) and (2) of section 324.171,
 920 Florida Statutes, are amended to read:

921 324.171 Self-insurer.—

922 (1) A ~~Any~~ person may qualify as a self-insurer by
 923 obtaining a certificate of self-insurance from the department.
 924 Upon ~~which may, in its discretion and upon~~ application of such a
 925 person, the department may issue a ~~said~~ certificate of self-

926 insurance if the applicant ~~when such person~~ has satisfied the
 927 requirements of this section ~~to qualify as a self-insurer under~~
 928 ~~this section:~~

929 (a) A private individual with private passenger vehicles
 930 must shall possess a net unencumbered worth of at least \$60,000
 931 ~~\$40,000~~.

932 (b) A person, including any firm, partnership,
 933 association, corporation, or other person, other than a natural
 934 person, must shall:

935 1. Possess a net unencumbered worth of at least \$60,000
 936 ~~\$40,000~~ for the first motor vehicle and \$30,000 ~~\$20,000~~ for each
 937 additional motor vehicle; or

938 2. Maintain sufficient net worth, in an amount determined
 939 by the department to be financially responsible for potential
 940 losses. The department must annually determine the minimum net
 941 worth sufficient to satisfy this section as determined annually
 942 ~~by the department,~~ pursuant to rules adopted promulgated by the
 943 department, with the assistance of the Office of Insurance
 944 Regulation of the Financial Services Commission, ~~to be~~
 945 ~~financially responsible for potential losses.~~ The rules must
 946 consider any shall take into consideration excess insurance
 947 carried by the applicant. The department's determination shall
 948 be based upon reasonable actuarial principles considering the
 949 frequency, severity, and loss development of claims incurred by
 950 casualty insurers writing coverage on the type of motor vehicles

951 for which a certificate of self-insurance is desired.

952 (c) The owner of a commercial motor vehicle, as defined in
953 s. 207.002 or s. 320.01, may qualify as a self-insurer subject
954 to the standards provided ~~for~~ in subparagraph (b)2.

955 (2) The self-insurance certificate shall provide limits of
956 liability insurance in the amounts specified under s. 324.021(7)
957 or s. 627.7415 ~~and shall provide personal injury protection~~
958 ~~coverage under s. 627.733(3)(b).~~

959 Section 21. Section 324.251, Florida Statutes, is amended
960 to read:

961 324.251 Short title.—This chapter may be cited as the
962 "Motor Vehicle Financial Responsibility Law of 1955" ~~and shall~~
963 ~~become effective at 12:01 a.m., October 1, 1955.~~

964 Section 22. Subsection (4) of section 400.9905, Florida
965 Statutes, is amended to read:

966 400.9905 Definitions.—

967 (4) "Clinic" means an entity where health care services
968 are provided to individuals and which tenders charges for
969 reimbursement for such services, including a mobile clinic and a
970 portable equipment provider. As used in this part, the term does
971 not include and the licensure requirements of this part do not
972 apply to:

973 (a) Entities licensed or registered by the state under
974 chapter 395; entities licensed or registered by the state and
975 providing only health care services within the scope of services

976 authorized under their respective licenses under ss. 383.30-
 977 383.335, chapter 390, chapter 394, chapter 397, this chapter
 978 except part X, chapter 429, chapter 463, chapter 465, chapter
 979 466, chapter 478, part I of chapter 483, chapter 484, or chapter
 980 651; end-stage renal disease providers authorized under 42
 981 C.F.R. part 405, subpart U; providers certified under 42 C.F.R.
 982 part 485, subpart B or subpart H; or any entity that provides
 983 neonatal or pediatric hospital-based health care services or
 984 other health care services by licensed practitioners solely
 985 within a hospital licensed under chapter 395.

986 (b) Entities that own, directly or indirectly, entities
 987 licensed or registered by the state pursuant to chapter 395;
 988 entities that own, directly or indirectly, entities licensed or
 989 registered by the state and providing only health care services
 990 within the scope of services authorized pursuant to their
 991 respective licenses under ss. 383.30-383.335, chapter 390,
 992 chapter 394, chapter 397, this chapter except part X, chapter
 993 429, chapter 463, chapter 465, chapter 466, chapter 478, part I
 994 of chapter 483, chapter 484, or chapter 651; end-stage renal
 995 disease providers authorized under 42 C.F.R. part 405, subpart
 996 U; providers certified under 42 C.F.R. part 485, subpart B or
 997 subpart H; or any entity that provides neonatal or pediatric
 998 hospital-based health care services by licensed practitioners
 999 solely within a hospital licensed under chapter 395.

1000 (c) Entities that are owned, directly or indirectly, by an

1001 entity licensed or registered by the state pursuant to chapter
 1002 395; entities that are owned, directly or indirectly, by an
 1003 entity licensed or registered by the state and providing only
 1004 health care services within the scope of services authorized
 1005 pursuant to their respective licenses under ss. 383.30-383.335,
 1006 chapter 390, chapter 394, chapter 397, this chapter except part
 1007 X, chapter 429, chapter 463, chapter 465, chapter 466, chapter
 1008 478, part I of chapter 483, chapter 484, or chapter 651; end-
 1009 stage renal disease providers authorized under 42 C.F.R. part
 1010 405, subpart U; providers certified under 42 C.F.R. part 485,
 1011 subpart B or subpart H; or any entity that provides neonatal or
 1012 pediatric hospital-based health care services by licensed
 1013 practitioners solely within a hospital under chapter 395.

1014 (d) Entities that are under common ownership, directly or
 1015 indirectly, with an entity licensed or registered by the state
 1016 pursuant to chapter 395; entities that are under common
 1017 ownership, directly or indirectly, with an entity licensed or
 1018 registered by the state and providing only health care services
 1019 within the scope of services authorized pursuant to their
 1020 respective licenses under ss. 383.30-383.335, chapter 390,
 1021 chapter 394, chapter 397, this chapter except part X, chapter
 1022 429, chapter 463, chapter 465, chapter 466, chapter 478, part I
 1023 of chapter 483, chapter 484, or chapter 651; end-stage renal
 1024 disease providers authorized under 42 C.F.R. part 405, subpart
 1025 U; providers certified under 42 C.F.R. part 485, subpart B or

1026 subpart H; or any entity that provides neonatal or pediatric
 1027 hospital-based health care services by licensed practitioners
 1028 solely within a hospital licensed under chapter 395.

1029 (e) An entity that is exempt from federal taxation under
 1030 26 U.S.C. s. 501(c)(3) or (4), an employee stock ownership plan
 1031 under 26 U.S.C. s. 409 that has a board of trustees at least
 1032 two-thirds of which are Florida-licensed health care
 1033 practitioners and provides only physical therapy services under
 1034 physician orders, any community college or university clinic,
 1035 and any entity owned or operated by the federal or state
 1036 government, including agencies, subdivisions, or municipalities
 1037 thereof.

1038 (f) A sole proprietorship, group practice, partnership, or
 1039 corporation that provides health care services by physicians
 1040 covered by s. 627.419, that is directly supervised by one or
 1041 more of such physicians, and that is wholly owned by one or more
 1042 of those physicians or by a physician and the spouse, parent,
 1043 child, or sibling of that physician.

1044 (g) A sole proprietorship, group practice, partnership, or
 1045 corporation that provides health care services by licensed
 1046 health care practitioners under chapter 457, chapter 458,
 1047 chapter 459, chapter 460, chapter 461, chapter 462, chapter 463,
 1048 chapter 466, chapter 467, chapter 480, chapter 484, chapter 486,
 1049 chapter 490, chapter 491, or part I, part III, part X, part
 1050 XIII, or part XIV of chapter 468, or s. 464.012, and that is

1051 wholly owned by one or more licensed health care practitioners,
1052 or the licensed health care practitioners set forth in this
1053 paragraph and the spouse, parent, child, or sibling of a
1054 licensed health care practitioner if one of the owners who is a
1055 licensed health care practitioner is supervising the business
1056 activities and is legally responsible for the entity's
1057 compliance with all federal and state laws. However, a health
1058 care practitioner may not supervise services beyond the scope of
1059 the practitioner's license, except that, for the purposes of
1060 this part, a clinic owned by a licensee in s. 456.053(3)(b)
1061 which provides only services authorized pursuant to s.
1062 456.053(3)(b) may be supervised by a licensee specified in s.
1063 456.053(3)(b).

1064 (h) Clinical facilities affiliated with an accredited
1065 medical school at which training is provided for medical
1066 students, residents, or fellows.

1067 (i) Entities that provide only oncology or radiation
1068 therapy services by physicians licensed under chapter 458 or
1069 chapter 459 or entities that provide oncology or radiation
1070 therapy services by physicians licensed under chapter 458 or
1071 chapter 459 which are owned by a corporation whose shares are
1072 publicly traded on a recognized stock exchange.

1073 (j) Clinical facilities affiliated with a college of
1074 chiropractic accredited by the Council on Chiropractic Education
1075 at which training is provided for chiropractic students.

1076 (k) Entities that provide licensed practitioners to staff
 1077 emergency departments or to deliver anesthesia services in
 1078 facilities licensed under chapter 395 and that derive at least
 1079 90 percent of their gross annual revenues from the provision of
 1080 such services. Entities claiming an exemption from licensure
 1081 under this paragraph must provide documentation demonstrating
 1082 compliance.

1083 (l) Orthotic, prosthetic, pediatric cardiology, or
 1084 perinatology clinical facilities or anesthesia clinical
 1085 facilities that are not otherwise exempt under paragraph (a) or
 1086 paragraph (k) and that are a publicly traded corporation or are
 1087 wholly owned, directly or indirectly, by a publicly traded
 1088 corporation. As used in this paragraph, a publicly traded
 1089 corporation is a corporation that issues securities traded on an
 1090 exchange registered with the United States Securities and
 1091 Exchange Commission as a national securities exchange.

1092 (m) Entities that are owned by a corporation that has \$250
 1093 million or more in total annual sales of health care services
 1094 provided by licensed health care practitioners where one or more
 1095 of the persons responsible for the operations of the entity is a
 1096 health care practitioner who is licensed in this state and who
 1097 is responsible for supervising the business activities of the
 1098 entity and is responsible for the entity's compliance with state
 1099 law for purposes of this part.

1100 (n) Entities that employ 50 or more licensed health care

1101 practitioners licensed under chapter 458 or chapter 459 where
 1102 the billing for medical services is under a single tax
 1103 identification number. The application for exemption under this
 1104 subsection must include ~~shall contain information that includes:~~
 1105 the name, residence, and business address and telephone ~~phone~~
 1106 number of the entity that owns the practice; a complete list of
 1107 the names and contact information of all the officers and
 1108 directors of the corporation; the name, residence address,
 1109 business address, and medical license number of each licensed
 1110 Florida health care practitioner employed by the entity; the
 1111 corporate tax identification number of the entity seeking an
 1112 exemption; a listing of health care services to be provided by
 1113 the entity at the health care clinics owned or operated by the
 1114 entity and a certified statement prepared by an independent
 1115 certified public accountant which states that the entity and the
 1116 health care clinics owned or operated by the entity have not
 1117 received payment for health care services under motor vehicle
 1118 ~~personal injury protection~~ insurance coverage for the preceding
 1119 year. If the agency determines that an entity which is exempt
 1120 under this subsection has received payments for medical services
 1121 under motor vehicle ~~personal injury protection~~ insurance
 1122 coverage, the agency may deny or revoke the exemption from
 1123 licensure under this subsection.
 1124
 1125 ~~Notwithstanding this subsection, an entity shall be deemed a~~

1126 ~~clinic and must be licensed under this part in order to receive~~
 1127 ~~reimbursement under the Florida Motor Vehicle No-Fault Law, ss.~~
 1128 ~~627.730-627.7405, unless exempted under s. 627.736(5)(h).~~

1129 Section 23. Subsection (6) of section 400.991, Florida
 1130 Statutes, is amended to read:

1131 400.991 License requirements; background screenings;
 1132 prohibitions.-

1133 (6) All agency forms for licensure application or
 1134 exemption from licensure under this part must contain the
 1135 following statement:

1136 INSURANCE FRAUD NOTICE.-A person commits a fraudulent insurance
 1137 act under s. 626.989 or s. 817.234, Florida Statutes, if such
 1138 person ~~who~~ knowingly submits a false, misleading, or fraudulent
 1139 application or other document when applying for licensure as a
 1140 health care clinic, seeking an exemption from licensure as a
 1141 health care clinic, or demonstrating compliance with part X of
 1142 chapter 400, Florida Statutes, with the intent to use the
 1143 license, exemption from licensure, or demonstration of
 1144 compliance to provide services or seek reimbursement under a
 1145 motor vehicle insurance ~~the Florida Motor Vehicle No-Fault Law,~~
 1146 ~~commits a fraudulent insurance act, as defined in s. 626.989,~~
 1147 ~~Florida Statutes.~~ A person who presents a claim under a motor
 1148 vehicle insurance ~~for personal injury protection benefits~~
 1149 knowing that the payee knowingly submitted such health care
 1150 clinic application or document, commits insurance fraud, as

1151 defined in s. 817.234, Florida Statutes.

1152 Section 24. Paragraph (g) of subsection (1) of section
1153 400.9935, Florida Statutes, is amended to read: .

1154 400.9935 Clinic responsibilities.-

1155 (1) Each clinic shall appoint a medical director or clinic
1156 director who shall agree in writing to accept legal
1157 responsibility for the following activities on behalf of the
1158 clinic. The medical director or the clinic director shall:

1159 (g) Conduct systematic reviews of clinic billings to
1160 ensure that the billings are not fraudulent or unlawful. Upon
1161 discovery of an unlawful charge, the medical director or clinic
1162 director shall take immediate corrective action. If the clinic
1163 performs only the technical component of magnetic resonance
1164 imaging, static radiographs, computed tomography, or positron
1165 emission tomography, and provides the professional
1166 interpretation of such services, in a fixed facility that is
1167 accredited by a national accrediting organization that is
1168 approved by the Centers for Medicare and Medicaid Services for
1169 magnetic resonance imaging and advanced diagnostic imaging
1170 services and if, in the preceding quarter, the percentage of
1171 scans performed by that clinic which was billed to motor vehicle
1172 ~~all personal injury protection~~ insurance carriers was less than
1173 15 percent, the chief financial officer of the clinic may, in a
1174 written acknowledgment provided to the agency, assume the
1175 responsibility for the conduct of the systematic reviews of

1176 clinic billings to ensure that the billings are not fraudulent
 1177 or unlawful.

1178 Section 25. Subsections (27) and (28) of section 409.901,
 1179 Florida Statutes, are amended to read:

1180 409.901 Definitions; ss. 409.901-409.920.—As used in ss.
 1181 409.901-409.920, except as otherwise specifically provided, the
 1182 term:

1183 (27) "Third party" means an individual, entity, or
 1184 program, excluding Medicaid, that is, may be, could be, should
 1185 be, or has been liable for all or part of the cost of medical
 1186 services related to any medical assistance covered by Medicaid.
 1187 A third party includes a third-party administrator; a pharmacy
 1188 benefits manager; a health insurer; a self-insured plan; a group
 1189 health plan, as defined in s. 607(1) of the Employee Retirement
 1190 Income Security Act of 1974; a service benefit plan; a managed
 1191 care organization; liability insurance, including self-
 1192 insurance; ~~no-fault insurance;~~ workers' compensation laws or
 1193 plans; or other parties that are, by statute, contract, or
 1194 agreement, legally responsible for payment of a claim for a
 1195 health care item or service.

1196 (28) "Third-party benefit" means any benefit that is or
 1197 may be available at any time through contract, court award,
 1198 judgment, settlement, agreement, or any arrangement between a
 1199 third party and any person or entity, including, without
 1200 limitation, a Medicaid recipient, a provider, another third

1201 party, an insurer, or the agency, for any Medicaid-covered
1202 injury, illness, goods, or services, including costs of medical
1203 services related thereto, for bodily ~~personal~~ injury or for
1204 death of the recipient, but specifically excluding ~~policies of~~
1205 life insurance on the recipient, unless available under terms of
1206 the policy to pay medical expenses prior to death. The term
1207 includes, without limitation, collateral, as defined in this
1208 section, health insurance, any benefit under a health
1209 maintenance organization, a preferred provider arrangement, a
1210 prepaid health clinic, liability insurance, uninsured motorist
1211 insurance or motor vehicle insurance ~~personal injury protection~~
1212 ~~coverage~~, medical benefits under workers' compensation, and any
1213 obligation under law or equity to provide medical support.

1214 Section 26. Paragraph (f) of subsection (11) of section
1215 409.910, Florida Statutes, is amended to read:

1216 409.910 Responsibility for payments on behalf of Medicaid-
1217 eligible persons when other parties are liable.—

1218 (11) The agency may, as a matter of right, in order to
1219 enforce its rights under this section, institute, intervene in,
1220 or join any legal or administrative proceeding in its own name
1221 in one or more of the following capacities: individually, as
1222 subrogee of the recipient, as assignee of the recipient, or as
1223 lienholder of the collateral.

1224 (f) Notwithstanding any provision in this section to the
1225 contrary, in the event of an action in tort against a third

1226 party in which the recipient or his or her legal representative
 1227 is a party which results in a judgment, award, or settlement
 1228 from a third party, the amount recovered shall be distributed as
 1229 follows:

1230 1. After attorney's fees and taxable costs as defined by
 1231 the Florida Rules of Civil Procedure, one-half of the remaining
 1232 recovery shall be paid to the agency up to the total amount of
 1233 medical assistance provided by Medicaid.

1234 2. The remaining amount of the recovery shall be paid to
 1235 the recipient.

1236 3. For purposes of calculating the agency's recovery of
 1237 medical assistance benefits paid, the fee for services of an
 1238 attorney retained by the recipient or his or her legal
 1239 representative shall be calculated at 25 percent of the
 1240 judgment, award, or settlement.

1241 4. Notwithstanding any other provision of this section to
 1242 the contrary, the agency shall be entitled to all medical
 1243 coverage benefits up to the total amount of medical assistance
 1244 provided by Medicaid. For purposes of this paragraph, the term
 1245 "medical coverage" means any benefits under health insurance, a
 1246 health maintenance organization, a preferred provider
 1247 arrangement, or a prepaid health clinic, and the portion of
 1248 benefits designated for medical payments under coverage for
 1249 workers' compensation insurance policy or a motor vehicle
 1250 liability insurance policy, ~~personal injury protection, and~~

1251 ~~casualty.~~

1252 Section 27. Paragraph (k) of subsection (2) of section
1253 456.057, Florida Statutes, is amended to read:

1254 456.057 Ownership and control of patient records; report
1255 or copies of records to be furnished; disclosure of
1256 information.—

1257 (2) As used in this section, the terms "records owner,"
1258 "health care practitioner," and "health care practitioner's
1259 employer" do not include any of the following persons or
1260 entities; furthermore, the following persons or entities are not
1261 authorized to acquire or own medical records, but are authorized
1262 under the confidentiality and disclosure requirements of this
1263 section to maintain those documents required by the part or
1264 chapter under which they are licensed or regulated:

1265 ~~(k) Persons or entities practicing under s. 627.736(7).~~

1266 Section 28. Paragraphs (ee) and (ff) of subsection (1) of
1267 section 456.072, Florida Statutes, are amended to read:

1268 456.072 Grounds for discipline; penalties; enforcement.—

1269 (1) The following acts shall constitute grounds for which
1270 the disciplinary actions specified in subsection (2) may be
1271 taken:

1272 ~~(ee) With respect to making a personal injury protection
1273 claim as required by s. 627.736, intentionally submitting a
1274 claim, statement, or bill that has been "upcoded" as defined in
1275 s. 627.732.~~

1276 ~~(ff) With respect to making a personal injury protection~~
 1277 ~~claim as required by s. 627.736, intentionally submitting a~~
 1278 ~~claim, statement, or bill for payment of services that were not~~
 1279 ~~rendered.~~

1280 Section 29. Paragraphs (i) and (o) of subsection (1) of
 1281 section 626.9541, Florida Statutes, are amended to read:

1282 626.9541 Unfair methods of competition and unfair or
 1283 deceptive acts or practices defined.—

1284 (1) UNFAIR METHODS OF COMPETITION AND UNFAIR OR DECEPTIVE
 1285 ACTS.—The following are defined as unfair methods of competition
 1286 and unfair or deceptive acts or practices:

1287 (i) Unfair claim settlement practices.—

1288 1. Attempting to settle claims on the basis of an
 1289 application, when serving as a binder or intended to become a
 1290 part of the policy, or any other material document which was
 1291 altered without notice to, or knowledge or consent of, the
 1292 insured;

1293 2. A material misrepresentation made to an insured or any
 1294 other person having an interest in the proceeds payable under
 1295 such contract or policy, for the purpose and with the intent of
 1296 effecting settlement of such claims, loss, or damage under such
 1297 contract or policy on less favorable terms than those provided
 1298 in, and contemplated by, such contract or policy; or

1299 3. Committing or performing with such frequency as to
 1300 indicate a general business practice any of the following:

1301 a. Failing to adopt and implement standards for the proper
1302 investigation of claims;

1303 b. Misrepresenting pertinent facts or insurance policy
1304 provisions relating to coverages at issue;

1305 c. Failing to acknowledge and act promptly upon
1306 communications with respect to claims;

1307 d. Denying claims without conducting reasonable
1308 investigations based upon available information;

1309 e. Failing to affirm or deny full or partial coverage of
1310 claims, and, as to partial coverage, the dollar amount or extent
1311 of coverage, or failing to provide a written statement that the
1312 claim is being investigated, upon the written request of the
1313 insured within 30 days after proof-of-loss statements have been
1314 completed;

1315 f. Failing to promptly provide a reasonable explanation in
1316 writing to the insured of the basis in the insurance policy, in
1317 relation to the facts or applicable law, for denial of a claim
1318 or for the offer of a compromise settlement;

1319 g. Failing to promptly notify the insured of any
1320 additional information necessary for the processing of a claim;
1321 or

1322 h. Failing to clearly explain the nature of the requested
1323 information and the reasons why such information is necessary.

1324 ~~i. Failing to pay personal injury protection insurance~~
1325 ~~claims within the time periods required by s. 627.736(4)(b). The~~

1326 ~~office may order the insurer to pay restitution to a~~
 1327 ~~policyholder, medical provider, or other claimant, including~~
 1328 ~~interest at a rate consistent with the amount set forth in s.~~
 1329 ~~55.03(1), for the time period within which an insurer fails to~~
 1330 ~~pay claims as required by law. Restitution is in addition to any~~
 1331 ~~other penalties allowed by law, including, but not limited to,~~
 1332 ~~the suspension of the insurer's certificate of authority.~~

1333 4. Failing to pay undisputed amounts of partial or full
 1334 benefits owed under first-party property insurance policies
 1335 within 90 days after an insurer receives notice of a residential
 1336 property insurance claim, determines the amounts of partial or
 1337 full benefits, and agrees to coverage, unless payment of the
 1338 undisputed benefits is prevented by an act of God, prevented by
 1339 the impossibility of performance, or due to actions by the
 1340 insured or claimant that constitute fraud, lack of cooperation,
 1341 or intentional misrepresentation regarding the claim for which
 1342 benefits are owed.

1343 (o) Illegal dealings in premiums; excess or reduced
 1344 charges for insurance.—

1345 1. Knowingly collecting any sum as a premium or charge for
 1346 insurance, which is not then provided, or is not in due course
 1347 to be provided, subject to acceptance of the risk by the
 1348 insurer, by an insurance policy issued by an insurer as
 1349 permitted by this code.

1350 2. Knowingly collecting as a premium or charge for

1351 insurance any sum in excess of or less than the premium or
 1352 charge applicable to such insurance, in accordance with the
 1353 applicable classifications and rates as filed with and approved
 1354 by the office, and as specified in the policy; or, in cases when
 1355 classifications, premiums, or rates are not required by this
 1356 code to be so filed and approved, premiums and charges collected
 1357 from a Florida resident in excess of or less than those
 1358 specified in the policy and as fixed by the insurer.

1359 Notwithstanding any other provision of law, this provision shall
 1360 not be deemed to prohibit the charging and collection, by
 1361 surplus lines agents licensed under part VIII of this chapter,
 1362 of the amount of applicable state and federal taxes, or fees as
 1363 authorized by s. 626.916(4), in addition to the premium required
 1364 by the insurer or the charging and collection, by licensed
 1365 agents, of the exact amount of any discount or other such fee
 1366 charged by a credit card facility in connection with the use of
 1367 a credit card, as authorized by subparagraph (q)3., in addition
 1368 to the premium required by the insurer. This subparagraph shall
 1369 not be construed to prohibit collection of a premium for a
 1370 universal life or a variable or indeterminate value insurance
 1371 policy made in accordance with the terms of the contract.

1372 3.a. Imposing or requesting an additional premium for a
 1373 policy of motor vehicle liability, ~~personal injury protection,~~
 1374 medical payment, or collision coverage in a motor vehicle
 1375 liability insurance policy ~~insurance or any combination thereof~~

1376 or refusing to renew the policy solely because the insured was
 1377 involved in a motor vehicle accident unless the insurer's file
 1378 contains information from which the insurer in good faith
 1379 determines that the insured was substantially at fault in the
 1380 accident.

1381 b. An insurer which imposes and collects such a surcharge
 1382 or which refuses to renew such policy shall, in conjunction with
 1383 the notice of premium due or notice of nonrenewal, notify the
 1384 named insured that he or she is entitled to reimbursement of
 1385 such amount or renewal of the policy under the conditions listed
 1386 below and will subsequently reimburse him or her or renew the
 1387 policy, if the named insured demonstrates that the operator
 1388 involved in the accident was:

1389 (I) Lawfully parked;

1390 (II) Reimbursed by, or on behalf of, a person responsible
 1391 for the accident or has a judgment against such person;

1392 (III) Struck in the rear by another vehicle headed in the
 1393 same direction and was not convicted of a moving traffic
 1394 violation in connection with the accident;

1395 (IV) Hit by a "hit-and-run" driver, if the accident was
 1396 reported to the proper authorities within 24 hours after
 1397 discovering the accident;

1398 (V) Not convicted of a moving traffic violation in
 1399 connection with the accident, but the operator of the other
 1400 automobile involved in such accident was convicted of a moving

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1401 traffic violation;

1402 (VI) Finally adjudicated not to be liable by a court of
1403 competent jurisdiction;

1404 (VII) In receipt of a traffic citation which was dismissed
1405 or nolle prossed; or

1406 (VIII) Not at fault as evidenced by a written statement
1407 from the insured establishing facts demonstrating lack of fault
1408 which are not rebutted by information in the insurer's file from
1409 which the insurer in good faith determines that the insured was
1410 substantially at fault.

1411 c. In addition to the other provisions of this
1412 subparagraph, an insurer may not fail to renew a policy if the
1413 insured has had only one accident in which he or she was at
1414 fault within the current 3-year period. However, an insurer may
1415 nonrenew a policy for reasons other than accidents in accordance
1416 with s. 627.728. This subparagraph does not prohibit nonrenewal
1417 of a policy under which the insured has had three or more
1418 accidents, regardless of fault, during the most recent 3-year
1419 period.

1420 4. Imposing or requesting an additional premium for, or
1421 refusing to renew, a policy for motor vehicle insurance solely
1422 because the insured committed a noncriminal traffic infraction
1423 as described in s. 318.14 unless the infraction is:

1424 a. A second infraction committed within an 18-month
1425 period, or a third or subsequent infraction committed within a

1426 36-month period.

1427 b. A violation of s. 316.183, when such violation is a
1428 result of exceeding the lawful speed limit by more than 15 miles
1429 per hour.

1430 5. Upon the request of the insured, the insurer and
1431 licensed agent shall supply to the insured the complete proof of
1432 fault or other criteria which justifies the additional charge or
1433 cancellation.

1434 6. No insurer shall impose or request an additional
1435 premium for motor vehicle insurance, cancel or refuse to issue a
1436 policy, or refuse to renew a policy because the insured or the
1437 applicant is a handicapped or physically disabled person, so
1438 long as such handicap or physical disability does not
1439 substantially impair such person's mechanically assisted driving
1440 ability.

1441 7. No insurer may cancel or otherwise terminate any
1442 insurance contract or coverage, or require execution of a
1443 consent to rate endorsement, during the stated policy term for
1444 the purpose of offering to issue, or issuing, a similar or
1445 identical contract or coverage to the same insured with the same
1446 exposure at a higher premium rate or continuing an existing
1447 contract or coverage with the same exposure at an increased
1448 premium.

1449 8. No insurer may issue a nonrenewal notice on any
1450 insurance contract or coverage, or require execution of a

1451 consent to rate endorsement, for the purpose of offering to
1452 issue, or issuing, a similar or identical contract or coverage
1453 to the same insured at a higher premium rate or continuing an
1454 existing contract or coverage at an increased premium without
1455 meeting any applicable notice requirements.

1456 9. No insurer shall, with respect to premiums charged for
1457 motor vehicle insurance, unfairly discriminate solely on the
1458 basis of age, sex, marital status, or scholastic achievement.

1459 10. Imposing or requesting an additional premium for motor
1460 vehicle comprehensive or uninsured motorist coverage solely
1461 because the insured was involved in a motor vehicle accident or
1462 was convicted of a moving traffic violation.

1463 11. No insurer shall cancel or issue a nonrenewal notice
1464 on any insurance policy or contract without complying with any
1465 applicable cancellation or nonrenewal provision required under
1466 the Florida Insurance Code.

1467 12. No insurer shall impose or request an additional
1468 premium, cancel a policy, or issue a nonrenewal notice on any
1469 insurance policy or contract because of any traffic infraction
1470 when adjudication has been withheld and no points have been
1471 assessed pursuant to s. 318.14(9) ~~318.14(9)~~ and ~~(10)~~. However,
1472 this subparagraph does not apply to traffic infractions
1473 involving accidents in which the insurer has incurred a loss due
1474 to the fault of the insured.

1475 Section 30. Paragraph (a) of subsection (1) of section

1476 626.989, Florida Statutes, is amended to read:

1477 626.989 Investigation by department or Division of
 1478 Investigative and Forensic Services; compliance; immunity;
 1479 confidential information; reports to division; division
 1480 investigator's power of arrest.—

1481 (1) For the purposes of this section:

1482 (a) A person commits a "fraudulent insurance act" if the
 1483 person:

1484 1. Knowingly and with intent to defraud presents, causes
 1485 to be presented, or prepares with knowledge or belief that it
 1486 will be presented, to or by an insurer, self-insurer, self-
 1487 insurance fund, servicing corporation, purported insurer,
 1488 broker, or any agent thereof, any written statement as part of,
 1489 or in support of, an application for the issuance of, or the
 1490 rating of, any insurance policy, or a claim for payment or other
 1491 benefit pursuant to any insurance policy, which the person knows
 1492 to contain materially false information concerning any fact
 1493 material thereto or if the person conceals, for the purpose of
 1494 misleading another, information concerning any fact material
 1495 thereto.

1496 2. Knowingly submits:

1497 a. A false, misleading, or fraudulent application or other
 1498 document when applying for licensure as a health care clinic,
 1499 seeking an exemption from licensure as a health care clinic, or
 1500 demonstrating compliance with part X of chapter 400 with an

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1501 intent to use the license, exemption from licensure, or
1502 demonstration of compliance to provide services or seek
1503 reimbursement under a motor vehicle insurance policy ~~the Florida~~
1504 ~~Motor Vehicle No-Fault Law~~.

1505 b. A claim for payment or other benefit pursuant to a
1506 motor vehicle ~~personal injury protection~~ insurance policy ~~under~~
1507 ~~the Florida Motor Vehicle No-Fault Law~~ if the person knows that
1508 the payee knowingly submitted a false, misleading, or fraudulent
1509 application or other document when applying for licensure as a
1510 health care clinic, seeking an exemption from licensure as a
1511 health care clinic, or demonstrating compliance with part X of
1512 chapter 400.

1513 Section 31. Subsection (1) of section 627.06501, Florida
1514 Statutes, is amended to read:

1515 627.06501 Insurance discounts for certain persons
1516 completing driver improvement course.—

1517 (1) Any rate, rating schedule, or rating manual for the
1518 liability, ~~personal injury protection,~~ and collision coverages
1519 of a motor vehicle insurance policy filed with the office may
1520 provide for an appropriate reduction in premium charges as to
1521 such coverages if ~~when~~ the principal operator on the covered
1522 vehicle has successfully completed a driver improvement course
1523 approved and certified by the Department of Highway Safety and
1524 Motor Vehicles which is effective in reducing accident ~~crash~~ or
1525 violation rates, or both, ~~as determined~~ pursuant to s. 318.1451

1526 ~~s. 318.1451(5)~~. Any discount, not to exceed 10 percent, used by
 1527 an insurer is presumed to be appropriate unless credible data
 1528 demonstrates otherwise.

1529 Section 32. Subsection (1) of section 627.0652, Florida
 1530 Statutes, is amended to read:

1531 627.0652 Insurance discounts for certain persons
 1532 completing safety course.—

1533 (1) Any rates, rating schedules, or rating manuals for the
 1534 liability, ~~personal injury protection,~~ and collision coverages
 1535 of a motor vehicle insurance policy filed with the office must
 1536 ~~shall~~ provide for an appropriate reduction in premium charges as
 1537 to such coverages if ~~when~~ the principal operator on the covered
 1538 vehicle is an insured 55 years of age or older who has
 1539 successfully completed a motor vehicle accident prevention
 1540 course approved by the Department of Highway Safety and Motor
 1541 Vehicles. Any discount used by an insurer is presumed to be
 1542 appropriate unless credible data demonstrates otherwise.

1543 Section 33. Subsections (1), (3), and (6) of section
 1544 627.0653, Florida Statutes, are amended to read:

1545 627.0653 Insurance discounts for specified motor vehicle
 1546 equipment.—

1547 (1) Any rates, rating schedules, or rating manuals for the
 1548 liability, ~~personal injury protection,~~ and collision coverages
 1549 of a motor vehicle insurance policy filed with the office shall
 1550 provide a premium discount if the insured vehicle is equipped

1551 with factory-installed, four-wheel antilock brakes.

1552 (3) Any rates, rating schedules, or rating manuals for
 1553 ~~personal injury protection coverage and~~ medical payments
 1554 coverage, if offered, of a motor vehicle insurance policy filed
 1555 with the office shall provide a premium discount if the insured
 1556 vehicle is equipped with one or more air bags which are factory
 1557 installed.

1558 (6) The Office of Insurance Regulation may approve a
 1559 premium discount to any rates, rating schedules, or rating
 1560 manuals for the liability, ~~personal injury protection,~~ and
 1561 collision coverages of a motor vehicle insurance policy filed
 1562 with the office if the insured vehicle is equipped with
 1563 autonomous driving technology or electronic vehicle collision
 1564 avoidance technology that is factory installed or a retrofitted
 1565 system and that complies with National Highway Traffic Safety
 1566 Administration standards.

1567 Section 34. Section 627.4132, Florida Statutes, is amended
 1568 to read:

1569 627.4132 Stacking of coverages prohibited.—If an insured
 1570 or named insured is protected by any type of motor vehicle
 1571 insurance policy for liability, ~~personal injury protection,~~ or
 1572 other coverage, the policy must ~~shall~~ provide that the insured
 1573 or named insured is protected only to the extent of the coverage
 1574 she or he has on the vehicle involved in the accident. However,
 1575 if none of the insured's or named insured's vehicles are ~~is~~

1576 involved in the accident, coverage is available only to the
 1577 extent of coverage on any one of the vehicles with applicable
 1578 coverage. Coverage on any other vehicles may ~~shall~~ not be added
 1579 to or stacked upon that coverage. This section does not apply:

1580 (1) To uninsured motorist coverage which is separately
 1581 governed by s. 627.727.

1582 (2) To reduce the coverage available by reason of
 1583 insurance policies insuring different named insureds.

1584 Section 35. Section 627.7263, Florida Statutes, is amended
 1585 to read:

1586 627.7263 Rental and leasing driver's insurance to be
 1587 primary; exception.-

1588 (1) The valid and collectible liability insurance ~~or~~
 1589 ~~personal injury protection insurance~~ providing coverage for the
 1590 lessor of a motor vehicle for rent or lease is primary unless
 1591 otherwise stated in at least 10-point type on the face of the
 1592 rental or lease agreement. Such insurance is primary for the
 1593 limits of liability in an amount not less than the minimum
 1594 limits described in ~~and personal injury protection coverage as~~
 1595 ~~required by s. 324.021(7) ss. 324.021(7) and 627.736.~~

1596 (2) If the lessee's coverage is to be primary, the rental
 1597 or lease agreement must contain the following language, in at
 1598 least 10-point type:

1599
 1600 "The valid and collectible liability insurance ~~and personal~~

1601 ~~injury protection insurance~~ of an any authorized rental or
 1602 leasing driver is primary for the limits of liability in an
 1603 amount not less than the minimum limits described in ~~and~~
 1604 ~~personal injury protection coverage required~~ s. 324.021(7) by
 1605 ~~ss. 324.021(7) and 627.736~~, Florida Statutes."

1606 Section 36. Subsections (1) and (7) of section 627.727,
 1607 Florida Statutes, are amended to read:

1608 627.727 Motor vehicle insurance; uninsured and
 1609 underinsured vehicle coverage; insolvent insurer protection.-

1610 (1) No motor vehicle liability insurance policy which
 1611 provides bodily injury liability coverage shall be delivered or
 1612 issued for delivery in this state with respect to any
 1613 specifically insured or identified motor vehicle registered or
 1614 principally garaged in this state unless uninsured motor vehicle
 1615 coverage is provided therein or supplemental thereto for the
 1616 protection of persons insured thereunder who are legally
 1617 entitled to recover damages from owners or operators of
 1618 uninsured motor vehicles because of bodily injury, sickness, or
 1619 disease, including death, resulting therefrom. However, the
 1620 coverage required under this section is not applicable if ~~when~~,
 1621 or to the extent that, an insured named in the policy makes a
 1622 written rejection of the coverage on behalf of all insureds
 1623 under the policy. If ~~When~~ a motor vehicle is leased for ~~a period~~
 1624 ~~of~~ 1 year or longer and the lessor of such vehicle, by the terms
 1625 of the lease contract, provides liability coverage on the leased

1626 vehicle, the lessee of such vehicle shall have the sole
 1627 privilege to reject uninsured motorist coverage or to select
 1628 lower limits than the bodily injury liability limits, regardless
 1629 of whether the lessor is qualified as a self-insurer pursuant to
 1630 s. 324.171. Unless an insured, or lessee having the privilege of
 1631 rejecting uninsured motorist coverage, requests such coverage or
 1632 requests higher uninsured motorist limits in writing, the
 1633 coverage or such higher uninsured motorist limits need not be
 1634 provided in or supplemental to any other policy which renews,
 1635 extends, changes, supersedes, or replaces an existing policy
 1636 with the same bodily injury liability limits when an insured or
 1637 lessee had rejected the coverage. When an insured or lessee has
 1638 initially selected limits of uninsured motorist coverage lower
 1639 than her or his bodily injury liability limits, higher limits of
 1640 uninsured motorist coverage need not be provided in or
 1641 supplemental to any other policy that ~~which~~ renews, extends,
 1642 changes, supersedes, or replaces an existing policy with the
 1643 same bodily injury liability limits unless an insured requests
 1644 higher uninsured motorist coverage in writing. The rejection or
 1645 selection of lower limits shall be made on a form approved by
 1646 the office. The form must ~~shall~~ fully advise the applicant of
 1647 the nature of the coverage and must ~~shall~~ state that the
 1648 coverage is equal to bodily injury liability limits unless lower
 1649 limits are requested or the coverage is rejected. The heading of
 1650 the form shall be in 12-point bold type and shall state: "You

1651 are electing not to purchase certain valuable coverage that
1652 ~~which~~ protects you and your family or you are purchasing
1653 uninsured motorist limits less than your bodily injury liability
1654 limits when you sign this form. Please read carefully." If this
1655 form is signed by a named insured, it will be conclusively
1656 presumed that there was an informed, knowing rejection of
1657 coverage or election of lower limits on behalf of all insureds.
1658 The insurer shall notify the named insured at least annually of
1659 her or his options as to the coverage required by this section.
1660 Such notice must ~~shall~~ be part of, and attached to, the notice
1661 of premium, must ~~shall~~ provide for a means to allow the insured
1662 to request such coverage, and must ~~shall~~ be given in a manner
1663 approved by the office. Receipt of this notice does not
1664 constitute an affirmative waiver of the insured's right to
1665 uninsured motorist coverage if ~~where~~ the insured has not signed
1666 a selection or rejection form. The coverage described under this
1667 section shall be over and above, but shall not duplicate, the
1668 benefits available to an insured under any workers' compensation
1669 law, ~~personal injury protection benefits,~~ disability benefits
1670 law, or similar law; under any automobile medical payments
1671 ~~expense~~ coverage; under any motor vehicle liability insurance
1672 coverage; or from the owner or operator of the uninsured motor
1673 vehicle or any other person or organization jointly or severally
1674 liable together with such owner or operator for the accident;
1675 and such coverage shall cover the difference, if any, between

1676 the sum of such benefits and the damages sustained, up to the
 1677 maximum amount of such coverage provided under this section. The
 1678 amount of coverage available under this section may ~~shall~~ not be
 1679 reduced by a setoff against any coverage, including liability
 1680 insurance. Such coverage does ~~shall~~ not inure directly or
 1681 indirectly to the benefit of any workers' compensation or
 1682 disability benefits carrier or any person or organization
 1683 qualifying as a self-insurer under any workers' compensation or
 1684 disability benefits law or similar law.

1685 (7) (a) For uninsured and underinsured vehicle coverage
 1686 issued before January 1, 2019, the legal liability of an
 1687 uninsured motorist coverage insurer does not include damages in
 1688 tort for pain, suffering, mental anguish, and inconvenience
 1689 unless the injury or disease consists in whole or in part of:

1690 1. Significant and permanent loss of an important bodily
 1691 function.

1692 2. Permanent injury within a reasonable degree of medical
 1693 probability, other than scarring or disfigurement.

1694 3. Significant and permanent scarring or disfigurement.

1695 4. Death is described in one or more of paragraphs (a) (d)
 1696 of s. 627.737(2).

1697 (b) For uninsured and underinsured vehicle coverage issued
 1698 on or after January 1, 2019, the legal liability of an uninsured
 1699 motorist coverage insurer includes damages in tort for pain,
 1700 suffering, disability or physical impairment, disfigurement,

1701 mental anguish, inconvenience, and the loss of capacity for the
1702 enjoyment of life experienced in the past and to be experienced
1703 in the future.

1704 Section 37. Subsection (1) and paragraphs (a) and (b) of
1705 subsection (2) of section 627.7275, Florida Statutes, are
1706 amended to read:

1707 627.7275 Motor vehicle liability.—

1708 (1) A motor vehicle insurance policy ~~providing personal~~
1709 ~~injury protection as set forth in s. 627.736~~ may not be
1710 delivered or issued for delivery in this state for a with
1711 ~~respect to any~~ specifically insured or identified motor vehicle
1712 registered or principally garaged in this state must provide
1713 bodily injury liability coverage and ~~unless the policy also~~
1714 ~~provides coverage for~~ property damage liability coverage as
1715 required under ~~by~~ s. 324.022.

1716 (2)(a) Insurers writing motor vehicle insurance in this
1717 state shall make available, subject to the insurers' usual
1718 underwriting restrictions:

1719 1. Coverage under policies as described in subsection (1)
1720 to an applicant for private passenger motor vehicle insurance
1721 coverage who is seeking the coverage in order to reinstate the
1722 applicant's driving privileges in this state if the driving
1723 privileges were revoked or suspended pursuant to s. 316.646 or
1724 s. 324.0221 due to the failure of the applicant to maintain
1725 required security.

1726 2. Coverage under policies as described in subsection (1),
 1727 which also provides bodily injury liability coverage and
 1728 property damage liability coverage ~~for bodily injury, death, and~~
 1729 ~~property damage arising out of the ownership, maintenance, or~~
 1730 ~~use of the motor vehicle~~ in an amount not less than the minimum
 1731 limits described in s. 324.021(7) or s. 324.023 and conforms to
 1732 the requirements of s. 324.151, to an applicant for private
 1733 passenger motor vehicle insurance coverage who is seeking the
 1734 coverage in order to reinstate the applicant's driving
 1735 privileges in this state after such privileges were revoked or
 1736 suspended under s. 316.193 or s. 322.26(2) for driving under the
 1737 influence.

1738 (b) The policies described in paragraph (a) shall be
 1739 issued for at least 6 months and, as to the minimum coverages
 1740 required under this section, may not be canceled by the insured
 1741 for any reason or by the insurer after 60 days, during which
 1742 period the insurer is completing the underwriting of the policy.
 1743 After the insurer has completed underwriting the policy, the
 1744 insurer shall notify the Department of Highway Safety and Motor
 1745 Vehicles that the policy is in full force and effect and is not
 1746 cancelable for the remainder of the policy period. A premium
 1747 shall be collected and the coverage is in effect for the 60-day
 1748 period during which the insurer is completing the underwriting
 1749 of the policy whether or not the person's driver license, motor
 1750 vehicle tag, and motor vehicle registration are in effect. Once

1751 the noncancelable provisions of the policy become effective, the
1752 bodily injury liability and property damage liability coverages
1753 ~~for bodily injury, property damage, and personal injury~~
1754 ~~protection~~ may not be reduced below the minimum limits required
1755 under s. 324.021 or s. 324.023 during the policy period.

1756 Section 38. Paragraph (a) of subsection (1) of section
1757 627.728, Florida Statutes, is amended to read:

1758 627.728 Cancellations; nonrenewals.—

1759 (1) As used in this section, the term:

1760 (a) "Policy" means the bodily injury and property damage
1761 liability, ~~personal injury protection~~, medical payments,
1762 comprehensive, collision, and uninsured motorist coverage
1763 portions of a policy of motor vehicle insurance delivered or
1764 issued for delivery in this state:

1765 1. Insuring a natural person as named insured or one or
1766 more related individuals who are residents ~~resident~~ of the same
1767 household; and

1768 2. Insuring only a motor vehicle of the private passenger
1769 type or station wagon type which is not used as a public or
1770 livery conveyance for passengers or rented to others; or
1771 insuring any other four-wheel motor vehicle having a load
1772 capacity of 1,500 pounds or less which is not used in the
1773 occupation, profession, or business of the insured other than
1774 farming; other than any policy issued under an automobile
1775 insurance assigned risk plan or covering garage, automobile

1776 sales agency, repair shop, service station, or public parking
 1777 place operation hazards.

1778
 1779 The term "policy" does not include a binder as defined in s.
 1780 627.420 unless the duration of the binder period exceeds 60
 1781 days.

1782 Section 39. Subsection (1), paragraph (a) of subsection
 1783 (5), subsection (6), and subsection (7) of section 627.7295,
 1784 Florida Statutes, are amended to read:

1785 627.7295 Motor vehicle insurance contracts.—

1786 (1) As used in this section, the term:

1787 (a) "Policy" means a motor vehicle insurance policy that
 1788 provides bodily injury liability coverage and ~~personal injury~~
 1789 ~~protection coverage~~, property damage liability coverage, ~~or~~
 1790 ~~both~~.

1791 (b) "Binder" means a binder that provides motor vehicle
 1792 bodily injury liability coverage ~~personal injury protection~~ and
 1793 property damage liability coverage.

1794 (5)(a) A licensed general lines agent may charge a per-
 1795 policy fee up not to ~~exceed~~ \$10 to cover the administrative
 1796 costs of the agent associated with selling the motor vehicle
 1797 insurance policy if the policy covers only bodily injury
 1798 liability coverage ~~personal injury protection coverage~~ as
 1799 ~~provided by s. 627.736~~ and property damage liability coverage as
 1800 provided by s. 627.7275 and if no other insurance is sold or

1801 issued in conjunction with or collateral to the policy. The fee
1802 is not ~~considered~~ part of the premium.

1803 (6) If a motor vehicle owner's driver license, license
1804 plate, and registration have previously been suspended pursuant
1805 to s. 316.646 ~~or s. 627.733~~, an insurer may cancel a new policy
1806 only as provided in s. 627.7275.

1807 (7) A policy of private passenger motor vehicle insurance
1808 or a binder for such a policy may be initially issued in this
1809 state only if, before the effective date of such binder or
1810 policy, the insurer or agent has collected ~~from the insured an~~
1811 ~~amount equal to 2 months' premium~~ from the insured. An insurer,
1812 agent, or premium finance company may not, directly or
1813 indirectly, take any action that results ~~resulting~~ in the
1814 insured paying ~~having paid~~ from the insured's own funds an
1815 amount less than the 2 months' premium required by this
1816 subsection. This subsection applies without regard to whether
1817 the premium is financed by a premium finance company or is paid
1818 pursuant to a periodic payment plan of an insurer or an
1819 insurance agent.

1820 (a) This subsection does not apply:

1821 1. If an insured or member of the insured's family is
1822 renewing or replacing a policy or a binder for such policy
1823 written by the same insurer or a member of the same insurer
1824 group.

1825 2. ~~To This subsection does not apply to an insurer that~~

1826 issues private passenger motor vehicle coverage primarily to
 1827 active duty or former military personnel or their dependents.

1828 3. ~~If This subsection does not apply if~~ all policy
 1829 payments are paid pursuant to a payroll deduction plan, an
 1830 automatic electronic funds transfer payment plan from the
 1831 policyholder, or a recurring credit card or debit card agreement
 1832 with the insurer.

1833 (b) This subsection and subsection (4) do not apply if:

1834 1. All policy payments to an insurer are paid pursuant to
 1835 an automatic electronic funds transfer payment plan from an
 1836 agent, a managing general agent, or a premium finance company
 1837 and if the policy includes, at a minimum, bodily injury
 1838 liability and ~~personal injury protection pursuant to ss.~~
 1839 ~~627.730-627.7405; motor vehicle~~ property damage liability
 1840 coverage pursuant to s. 627.7275., ~~and bodily injury liability~~
 1841 ~~in at least the amount of \$10,000 because of bodily injury to,~~
 1842 ~~or death of, one person in any one accident and in the amount of~~
 1843 ~~\$20,000 because of bodily injury to, or death of, two or more~~
 1844 ~~persons in any one accident. This subsection and subsection (4)~~
 1845 ~~do not apply if an~~

1846 2. An insured has had a policy in effect for at least 6
 1847 months, the insured's agent is terminated by the insurer that
 1848 issued the policy, and the insured obtains coverage on the
 1849 policy's renewal date with a new company through the terminated
 1850 agent.

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1851 Section 40. Sections 627.730, 627.731, 627.7311, 627.732,
1852 627.733, 627.734, 627.736, 627.737, 627.739, 627.7401, 627.7403,
1853 and 627.7405, Florida Statutes, of the "Florida Motor Vehicle
1854 No-Fault Law," are repealed.

1855 Section 41. Section 627.7407, Florida Statutes, is
1856 repealed.

1857 Section 42. Paragraphs (b), (c), and (g) of subsection (7)
1858 and paragraph (b) of subsection (8) of section 627.748, Florida
1859 Statutes, are amended to read:

1860 627.748 Transportation network companies.—

1861 (7) TRANSPORTATION NETWORK COMPANY AND TNC DRIVER
1862 INSURANCE REQUIREMENTS.—

1863 (b) The following automobile insurance requirements apply
1864 while a participating TNC driver is logged on to the digital
1865 network but is not engaged in a prearranged ride:

1866 1. Automobile insurance that provides:

1867 a. A primary automobile liability coverage of at least
1868 \$50,000 for death and bodily injury per person, \$100,000 for
1869 death and bodily injury per incident, and \$25,000 for property
1870 damage; and

1871 ~~b. Personal injury protection benefits that meet the~~
1872 ~~minimum coverage amounts required under ss. 627.730-627.7405,~~
1873 ~~and~~

1874 b. e. Uninsured and underinsured vehicle coverage as
1875 required by s. 627.727.

1876 2. The coverage requirements of this paragraph may be
 1877 satisfied by any of the following:
 1878 a. Automobile insurance maintained by the TNC driver;
 1879 b. Automobile insurance maintained by the TNC; or
 1880 c. A combination of sub-subparagraphs a. and b.
 1881 (c) The following automobile insurance requirements apply
 1882 while a TNC driver is engaged in a prearranged ride:
 1883 1. Automobile insurance that provides:
 1884 a. A primary automobile liability coverage of at least \$1
 1885 million for death, bodily injury, and property damage; and
 1886 ~~b. Personal injury protection benefits that meet the~~
 1887 ~~minimum coverage amounts required of a limousine under ss.~~
 1888 ~~627.730-627.7405; and~~
 1889 b. e. Uninsured and underinsured vehicle coverage as
 1890 required by s. 627.727.
 1891 2. The coverage requirements of this paragraph may be
 1892 satisfied by any of the following:
 1893 a. Automobile insurance maintained by the TNC driver;
 1894 b. Automobile insurance maintained by the TNC; or
 1895 c. A combination of sub-subparagraphs a. and b.
 1896 (g) Insurance satisfying the requirements under this
 1897 subsection is deemed to satisfy the financial responsibility
 1898 requirement for a motor vehicle under chapter 324 ~~and the~~
 1899 ~~security required under s. 627.733~~ for any period when the TNC
 1900 driver is logged onto the digital network or engaged in a

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1901 prearranged ride.

1902 (8) TRANSPORTATION NETWORK COMPANY AND INSURER;
1903 DISCLOSURE; EXCLUSIONS.—

1904 (b)1. An insurer that provides an automobile liability
1905 insurance policy under this part may exclude any and all
1906 coverage afforded under the policy issued to an owner or
1907 operator of a TNC vehicle while driving that vehicle for any
1908 loss or injury that occurs while a TNC driver is logged on to a
1909 digital network or while a TNC driver provides a prearranged
1910 ride. Exclusions imposed under this subsection are limited to
1911 coverage while a TNC driver is logged on to a digital network or
1912 while a TNC driver provides a prearranged ride. This right to
1913 exclude all coverage may apply to any coverage included in an
1914 automobile insurance policy, including, but not limited to:

- 1915 a. Liability coverage for bodily injury and property
1916 damage;
- 1917 b. Uninsured and underinsured motorist coverage;
- 1918 c. Medical payments coverage;
- 1919 d. Comprehensive physical damage coverage; and
- 1920 e. Collision physical damage coverage; ~~and~~
- 1921 ~~f. Personal injury protection.~~

1922 2. The exclusions described in subparagraph 1. apply
1923 notwithstanding any requirement under chapter 324. These
1924 exclusions do not affect or diminish coverage otherwise
1925 available for permissive drivers or resident relatives under the

1926 personal automobile insurance policy of the TNC driver or owner
 1927 of the TNC vehicle who are not occupying the TNC vehicle at the
 1928 time of loss. This section does not require that a personal
 1929 automobile insurance policy provide coverage while the TNC
 1930 driver is logged on to a digital network, while the TNC driver
 1931 is engaged in a prearranged ride, or while the TNC driver
 1932 otherwise uses a vehicle to transport riders for compensation.

1933 3. This section must not be construed to require an
 1934 insurer to use any particular policy language or reference to
 1935 this section in order to exclude any and all coverage for any
 1936 loss or injury that occurs while a TNC driver is logged on to a
 1937 digital network or while a TNC driver provides a prearranged
 1938 ride.

1939 4. This section does not preclude an insurer from
 1940 providing primary or excess coverage for the TNC driver's
 1941 vehicle by contract or endorsement.

1942 Section 43. Section 627.8405, Florida Statutes, is amended
 1943 to read:

1944 627.8405 Prohibited acts; financing companies.—A ~~No~~
 1945 premium finance company ~~shall~~, in a premium finance agreement or
 1946 other agreement, may not finance the cost of or otherwise
 1947 provide for the collection or remittance of dues, assessments,
 1948 fees, or other periodic payments of money for the cost of:

1949 (1) A membership in an automobile club. The term
 1950 "automobile club" means a legal entity that ~~which~~, in

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1951 consideration of dues, assessments, or periodic payments of
1952 money, promises its members or subscribers to assist them in
1953 matters relating to the ownership, operation, use, or
1954 maintenance of a motor vehicle; however, the term ~~this~~
1955 ~~definition of "automobile club"~~ does not include persons,
1956 associations, or corporations which are organized and operated
1957 solely for the purpose of conducting, sponsoring, or sanctioning
1958 motor vehicle races, exhibitions, or contests upon racetracks,
1959 or upon racecourses established and marked as such for the
1960 duration of such particular events. The term ~~words~~ "motor
1961 vehicle" used herein have the same meaning as defined in chapter
1962 320.

1963 (2) An accidental death and dismemberment policy sold in
1964 combination with a policy providing only bodily injury liability
1965 coverage ~~personal injury protection~~ and property damage
1966 liability coverage ~~only policy~~.

1967 (3) Any product not regulated under the provisions of this
1968 insurance code.

1969
1970 This section also applies to premium financing by any insurance
1971 agent or insurance company under part XVI. The commission shall
1972 adopt rules to assure disclosure, at the time of sale, of motor
1973 vehicle liability insurance coverages financed ~~with personal~~
1974 ~~injury protection~~ and shall prescribe the form of such
1975 disclosure.

1976 Section 44. Subsection (1) of section 627.915, Florida
 1977 Statutes, is amended to read:

1978 627.915 Insurer experience reporting.-

1979 (1) Each insurer transacting private passenger automobile
 1980 insurance in this state shall report certain information
 1981 annually to the office. The information will be due on or before
 1982 July 1 of each year. The information shall be divided into the
 1983 following categories: bodily injury liability; property damage
 1984 liability; uninsured motorist; ~~personal injury protection~~
 1985 ~~benefits~~; medical payments; and comprehensive and collision. The
 1986 information given must ~~shall~~ be on direct insurance writings in
 1987 the state alone and must ~~shall~~ represent total limits data. The
 1988 information set forth in paragraphs (a)-(f) is applicable to
 1989 voluntary private passenger and Joint Underwriting Association
 1990 private passenger writings and shall be reported for each of the
 1991 latest 3 calendar-accident years, with an evaluation date of
 1992 March 31 of the current year. The information set forth in
 1993 paragraphs (g)-(j) is applicable to voluntary private passenger
 1994 writings and shall be reported on a calendar-accident year basis
 1995 ultimately seven times at seven different stages of development.

1996 (a) Premiums earned for the latest 3 calendar-accident
 1997 years.

1998 (b) Loss development factors and the historic development
 1999 of those factors.

2000 (c) Policyholder dividends incurred.

2001 (d) Expenses for other acquisition and general expense.

2002 (e) Expenses for agents' commissions and taxes, licenses,
2003 and fees.

2004 (f) Profit and contingency factors as utilized in the
2005 insurer's automobile rate filings for the applicable years.

2006 (g) Losses paid.

2007 (h) Losses unpaid.

2008 (i) Loss adjustment expenses paid.

2009 (j) Loss adjustment expenses unpaid.

2010 Section 45. Subsections (2) and (3) of section 628.909,
2011 Florida Statutes, are amended to read:

2012 628.909 Applicability of other laws.—

2013 (2) The following provisions of the Florida Insurance Code
2014 apply to captive insurance companies who are not industrial
2015 insured captive insurance companies to the extent that such
2016 provisions are not inconsistent with this part:

2017 (a) Chapter 624, except for ss. 624.407, 624.408,
2018 624.4085, 624.40851, 624.4095, 624.411, 624.425, and 624.426.

2019 (b) Chapter 625, part II.

2020 (c) Chapter 626, part IX.

2021 ~~(d) Sections 627.730-627.7405, when no-fault coverage is~~
2022 ~~provided.~~

2023 (d) ~~(e)~~ Chapter 628.

2024 (3) The following provisions of the Florida Insurance Code
2025 shall apply to industrial insured captive insurance companies to

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2018

2026 the extent that such provisions are not inconsistent with this
 2027 part:

2028 (a) Chapter 624, except for ss. 624.407, 624.408,
 2029 624.4085, 624.40851, 624.4095, 624.411, 624.425, 624.426, and
 2030 624.609(1).

2031 (b) Chapter 625, part II, if the industrial insured
 2032 captive insurance company is incorporated in this state.

2033 (c) Chapter 626, part IX.

2034 ~~(d) Sections 627.730-627.7405 when no-fault coverage is~~
 2035 ~~provided.~~

2036 (d)(e) Chapter 628, except for ss. 628.341, 628.351, and
 2037 628.6018.

2038 Section 46. Subsections (2), (6), and (7) of section
 2039 705.184, Florida Statutes, are amended to read:

2040 705.184 Derelict or abandoned motor vehicles on the
 2041 premises of public-use airports.—

2042 (2) The airport director or the director's designee shall
 2043 contact the Department of Highway Safety and Motor Vehicles to
 2044 notify that department that the airport has possession of the
 2045 abandoned or derelict motor vehicle and to determine the name
 2046 and address of the owner of the motor vehicle, the insurance
 2047 company insuring the motor vehicle, ~~notwithstanding the~~
 2048 ~~provisions of s. 627.736,~~ and any person who has filed a lien on
 2049 the motor vehicle. Within 7 business days after receipt of the
 2050 information, the director or the director's designee shall send

2051 notice by certified mail, return receipt requested, to the owner
2052 of the motor vehicle, the insurance company insuring the motor
2053 vehicle, ~~notwithstanding the provisions of s. 627.736,~~ and all
2054 persons of record claiming a lien against the motor vehicle. The
2055 notice shall state the fact of possession of the motor vehicle,
2056 that charges for reasonable towing, storage, and parking fees,
2057 if any, have accrued and the amount thereof, that a lien as
2058 provided in subsection (6) will be claimed, that the lien is
2059 subject to enforcement pursuant to law, that the owner or
2060 lienholder, if any, has the right to a hearing ~~as set forth in~~
2061 ~~subsection (4),~~ and that any motor vehicle which, at the end of
2062 30 calendar days after receipt of the notice, has not been
2063 removed from the airport upon payment in full of all accrued
2064 charges for reasonable towing, storage, and parking fees, if
2065 any, may be disposed of as provided in s. 705.182(2)(a), (b),
2066 (d), or (e), including, but not limited to, the motor vehicle
2067 being sold free of all prior liens after 35 calendar days after
2068 the time the motor vehicle is stored if any prior liens on the
2069 motor vehicle are more than 5 years of age or after 50 calendar
2070 days after the time the motor vehicle is stored if any prior
2071 liens on the motor vehicle are 5 years of age or less.

2072 (6) The airport pursuant to this section or, if used, a
2073 licensed independent wrecker company pursuant to s. 713.78 shall
2074 have a lien on an abandoned or derelict motor vehicle for all
2075 reasonable towing, storage, and accrued parking fees, if any,

2076 | except that no storage fee shall be charged if the motor vehicle
 2077 | is stored less than 6 hours. As a prerequisite to perfecting a
 2078 | lien under this section, the airport director or the director's
 2079 | designee must serve a notice in accordance with subsection (2)
 2080 | on the owner of the motor vehicle, the insurance company
 2081 | insuring the motor vehicle, ~~notwithstanding the provisions of s.~~
 2082 | ~~627.736,~~ and all persons of record claiming a lien against the
 2083 | motor vehicle. If attempts to notify the owner, the insurance
 2084 | company insuring the motor vehicle, ~~notwithstanding the~~
 2085 | ~~provisions of s. 627.736,~~ or lienholders are not successful, the
 2086 | requirement of notice by mail shall be considered met. Serving
 2087 | of the notice does not dispense with recording the claim of
 2088 | lien.

2089 | (7) (a) For the purpose of perfecting its lien under this
 2090 | section, the airport shall record a claim of lien which shall
 2091 | state:

- 2092 | 1. The name and address of the airport.
- 2093 | 2. The name of the owner of the motor vehicle, the
 2094 | insurance company insuring the motor vehicle, ~~notwithstanding~~
 2095 | ~~the provisions of s. 627.736,~~ and all persons of record claiming
 2096 | a lien against the motor vehicle.
- 2097 | 3. The costs incurred from reasonable towing, storage, and
 2098 | parking fees, if any.
- 2099 | 4. A description of the motor vehicle sufficient for
 2100 | identification.

2101 (b) The claim of lien shall be signed and sworn to or
 2102 affirmed by the airport director or the director's designee.

2103 (c) The claim of lien shall be sufficient if it is in
 2104 substantially the following form:

CLAIM OF LIEN

2106 State of

2107 County of

2108 Before me, the undersigned notary public, personally appeared
 2109, who was duly sworn and says that he/she is the

2110 of, whose address is.....; and that the
 2111 following described motor vehicle:

2112 ...(Description of motor vehicle)...

2113 owned by, whose address is, has accrued
 2114 \$..... in fees for a reasonable tow, for storage, and for

2115 parking, if applicable; that the lienor served its notice to the
 2116 owner, the insurance company insuring the motor vehicle

2117 ~~notwithstanding the provisions of s. 627.736, Florida Statutes,~~
 2118 and all persons of record claiming a lien against the motor

2119 vehicle on, ...(year)...., by.....

2120 ...(Signature)...

2121 Sworn to (or affirmed) and subscribed before me this day of
 2122, ...(year)...., by ...(name of person making statement)....

2123 ...(Signature of Notary Public)... ...(Print, Type, or Stamp
 2124 Commissioned name of Notary Public)...

2125 Personally Known....OR Produced....as identification.

2126 However, the negligent inclusion or omission of any information
 2127 in this claim of lien which does not prejudice the owner does
 2128 not constitute a default that operates to defeat an otherwise
 2129 valid lien.

2130 (d) The claim of lien shall be served on the owner of the
 2131 motor vehicle, the insurance company insuring the motor vehicle,
 2132 ~~notwithstanding the provisions of s. 627.736,~~ and all persons of
 2133 record claiming a lien against the motor vehicle. If attempts to
 2134 notify the owner, the insurance company insuring the motor
 2135 vehicle ~~notwithstanding the provisions of s. 627.736,~~ or
 2136 lienholders are not successful, the requirement of notice by
 2137 mail shall be considered met. The claim of lien shall be so
 2138 served before recordation.

2139 (e) The claim of lien shall be recorded with the clerk of
 2140 court in the county where the airport is located. The recording
 2141 of the claim of lien shall be constructive notice to all persons
 2142 of the contents and effect of such claim. The lien shall attach
 2143 at the time of recordation and shall take priority as of that
 2144 time.

2145 Section 47. Paragraphs (a), (b), and (c) of subsection (4)
 2146 of section 713.78, Florida Statutes, are amended to read:

2147 713.78 Liens for recovering, towing, or storing vehicles
 2148 and vessels.—

2149 (4)(a) Any person regularly engaged in the business of
 2150 recovering, towing, or storing vehicles or vessels who comes

2151 into possession of a vehicle or vessel pursuant to subsection
2152 (2), and who claims a lien for recovery, towing, or storage
2153 services, shall give notice to the registered owner, the
2154 insurance company insuring the vehicle ~~notwithstanding the~~
2155 ~~provisions of s. 627.736~~, and to all persons claiming a lien
2156 thereon, as disclosed by the records in the Department of
2157 Highway Safety and Motor Vehicles or as disclosed by the records
2158 of any corresponding agency in any other state in which the
2159 vehicle is identified through a records check of the National
2160 Motor Vehicle Title Information System or an equivalent
2161 commercially available system as being titled or registered.

2162 (b) Whenever any law enforcement agency authorizes the
2163 removal of a vehicle or vessel or whenever any towing service,
2164 garage, repair shop, or automotive service, storage, or parking
2165 place notifies the law enforcement agency of possession of a
2166 vehicle or vessel pursuant to s. 715.07(2)(a)2., the law
2167 enforcement agency of the jurisdiction where the vehicle or
2168 vessel is stored shall contact the Department of Highway Safety
2169 and Motor Vehicles, or the appropriate agency of the state of
2170 registration, if known, within 24 hours through the medium of
2171 electronic communications, giving the full description of the
2172 vehicle or vessel. Upon receipt of the full description of the
2173 vehicle or vessel, the department shall search its files to
2174 determine the owner's name, the insurance company insuring the
2175 vehicle or vessel, and whether any person has filed a lien upon

2176 the vehicle or vessel as provided in s. 319.27(2) and (3) and
 2177 notify the applicable law enforcement agency within 72 hours.
 2178 The person in charge of the towing service, garage, repair shop,
 2179 or automotive service, storage, or parking place shall obtain
 2180 such information from the applicable law enforcement agency
 2181 within 5 days after the date of storage and shall give notice
 2182 pursuant to paragraph (a). The department may release the
 2183 insurance company information to the requestor ~~notwithstanding~~
 2184 ~~the provisions of s. 627.736.~~

2185 (c) Notice by certified mail shall be sent within 7
 2186 business days after the date of storage of the vehicle or vessel
 2187 to the registered owner, the insurance company insuring the
 2188 vehicle ~~notwithstanding the provisions of s. 627.736,~~ and all
 2189 persons of record claiming a lien against the vehicle or vessel.
 2190 It shall state the fact of possession of the vehicle or vessel,
 2191 that a lien as provided in subsection (2) is claimed, that
 2192 charges have accrued and the amount thereof, that the lien is
 2193 subject to enforcement pursuant to law, and that the owner or
 2194 lienholder, if any, has the right to a hearing as set forth in
 2195 subsection (5), and that any vehicle or vessel which remains
 2196 unclaimed, or for which the charges for recovery, towing, or
 2197 storage services remain unpaid, may be sold free of all prior
 2198 liens after 35 days if the vehicle or vessel is more than 3
 2199 years of age or after 50 days if the vehicle or vessel is 3
 2200 years of age or less.

2201 Section 48. Paragraph (a) of subsection (1), paragraph (c)
 2202 of subsection (7), and subsections (8), (9), and (10) of section
 2203 817.234, Florida Statutes, are amended to read:

2204 817.234 False and fraudulent insurance claims.—

2205 (1)(a) A person commits insurance fraud punishable as
 2206 provided in subsection (11) if that person, with the intent to
 2207 injure, defraud, or deceive any insurer:

2208 1. Presents or causes to be presented any written or oral
 2209 statement as part of, or in support of, a claim for payment or
 2210 other benefit pursuant to an insurance policy or a health
 2211 maintenance organization subscriber or provider contract,
 2212 knowing that such statement contains any false, incomplete, or
 2213 misleading information concerning any fact or thing material to
 2214 such claim;

2215 2. Prepares or makes any written or oral statement that is
 2216 intended to be presented to any insurer in connection with, or
 2217 in support of, any claim for payment or other benefit pursuant
 2218 to an insurance policy or a health maintenance organization
 2219 subscriber or provider contract, knowing that such statement
 2220 contains any false, incomplete, or misleading information
 2221 concerning any fact or thing material to such claim;

2222 3.a. Knowingly presents, causes to be presented, or
 2223 prepares or makes with knowledge or belief that it will be
 2224 presented to any insurer, purported insurer, servicing
 2225 corporation, insurance broker, or insurance agent, or any

2226 employee or agent thereof, any false, incomplete, or misleading
 2227 information or written or oral statement as part of, or in
 2228 support of, an application for the issuance of, or the rating
 2229 of, any insurance policy, or a health maintenance organization
 2230 subscriber or provider contract; or

2231 b. Knowingly conceals information concerning any fact
 2232 material to such application; or

2233 4. Knowingly presents, causes to be presented, or prepares
 2234 or makes with knowledge or belief that it will be presented to
 2235 any insurer a claim for payment or other benefit under a motor
 2236 vehicle ~~personal injury protection~~ insurance policy if the
 2237 person knows that the payee knowingly submitted a false,
 2238 misleading, or fraudulent application or other document when
 2239 applying for licensure as a health care clinic, seeking an
 2240 exemption from licensure as a health care clinic, or
 2241 demonstrating compliance with part X of chapter 400.

2242 (7)

2243 (c) An insurer, or any person acting at the direction of
 2244 or on behalf of an insurer, may not change an opinion in a
 2245 mental or physical report ~~prepared under s. 627.736(7)~~ or direct
 2246 the physician preparing the report to change such opinion;
 2247 however, this provision does not preclude the insurer from
 2248 calling to the attention of the physician errors of fact in the
 2249 report based upon information in the claim file. Any person who
 2250 violates this paragraph commits a felony of the third degree,

2251 punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

2252 (8)(a) It is unlawful for any person intending to defraud
 2253 any other person to solicit or cause to be solicited any
 2254 business from a person involved in a motor vehicle accident for
 2255 the purpose of making, adjusting, or settling motor vehicle tort
 2256 claims or claims ~~for personal injury protection benefits~~
 2257 ~~required by s. 627.736~~. Any person who violates the provisions
 2258 of this paragraph commits a felony of the second degree,
 2259 punishable as provided in s. 775.082, s. 775.083, or s. 775.084.
 2260 A person who is convicted of a violation of this subsection
 2261 shall be sentenced to a minimum term of imprisonment of 2 years.

2262 (b) A person may not solicit or cause to be solicited any
 2263 business from a person involved in a motor vehicle accident by
 2264 any means of communication other than advertising directed to
 2265 the public for the purpose of making motor vehicle tort claims
 2266 or claims ~~for personal injury protection benefits required by s.~~
 2267 ~~627.736~~, within 60 days after the occurrence of the motor
 2268 vehicle accident. Any person who violates this paragraph commits
 2269 a felony of the third degree, punishable as provided in s.
 2270 775.082, s. 775.083, or s. 775.084.

2271 (c) A lawyer, health care practitioner as defined in s.
 2272 456.001, or owner or medical director of a clinic required to be
 2273 licensed pursuant to s. 400.9905 may not, at any time after 60
 2274 days have elapsed from the occurrence of a motor vehicle
 2275 accident, solicit or cause to be solicited any business from a

2276 person involved in a motor vehicle accident by means of in
 2277 person or telephone contact at the person's residence, for the
 2278 purpose of making motor vehicle tort claims or claims ~~for~~
 2279 ~~personal injury protection benefits required by s. 627.736~~. Any
 2280 person who violates this paragraph commits a felony of the third
 2281 degree, punishable as provided in s. 775.082, s. 775.083, or s.
 2282 775.084.

2283 (d) Charges for any services rendered by any person who
 2284 violates this subsection in regard to the person for whom such
 2285 services were rendered are noncompensable and unenforceable as a
 2286 matter of law.

2287 (9) A person may not organize, plan, or knowingly
 2288 participate in an intentional motor vehicle accident ~~crash~~ or a
 2289 scheme to create documentation of a motor vehicle accident ~~crash~~
 2290 that did not occur for the purpose of making motor vehicle tort
 2291 claims or claims ~~for personal injury protection benefits as~~
 2292 ~~required by s. 627.736~~. Any person who violates this subsection
 2293 commits a felony of the second degree, punishable as provided in
 2294 s. 775.082, s. 775.083, or s. 775.084. A person who is convicted
 2295 of a violation of this subsection shall be sentenced to a
 2296 minimum term of imprisonment of 2 years.

2297 (10) A licensed health care practitioner who is found
 2298 guilty of insurance fraud under this section for an act relating
 2299 to a motor vehicle ~~personal injury protection~~ insurance policy
 2300 loses his or her license to practice for 5 years and may not

2301 receive reimbursement for motor vehicle insurance coverage
 2302 ~~personal injury protection~~ benefits for 10 years.

2303 Section 49. Except as otherwise expressly provided in this
 2304 act and except for this section, which shall take effect upon
 2305 this act becoming a law, this act shall take effect January 1,
 2306 2019.

COMMERCE COMMITTEE

**HB 19 by Rep. Grall
Motor Vehicle Insurance**

**AMENDMENT SUMMARY
November 7, 2017**

Amendment 1 by Rep. Grall (Line 482): The amendment makes a technical change to preserve certain statutory provisions related to the administration of personal injury protection (PIP) claims arising under a policy with PIP coverage during the transition.

Amendment 2 by Rep. Grall (Line 1976): The amendment maintains current law governing motor vehicle insurance data reporting.



Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	___	(Y/N)
ADOPTED AS AMENDED	___	(Y/N)
ADOPTED W/O OBJECTION	___	(Y/N)
FAILED TO ADOPT	___	(Y/N)
WITHDRAWN	___	(Y/N)
OTHER	_____	

1 Committee/Subcommittee hearing bill: Commerce Committee
 2 Representative Grall offered the following:

Amendment (with title amendment)

Remove lines 482-483 and insert:

6 627.7405, and ss. 400.9905, 400.991, 456.057, 456.072, 627.7263,
 7 627.9541(1)(i), 817.234(7)(c), and 817.234(8) remain in full
 8 force and effect for motor vehicle accidents covered under a
 9 policy issued under the Florida Motor No-Fault Law prior to
 10 January 1, 2019, until that policy is renewed, nonrenewed, or
 11 canceled.

13 -----
 14 **T I T L E A M E N D M E N T**

15 Remove line 16 and insert:
16



Amendment No. 1

17 providing applicability; amending s. 324.021, F.S.; revising



Amendment No. 2

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	___	(Y/N)
ADOPTED AS AMENDED	___	(Y/N)
ADOPTED W/O OBJECTION	___	(Y/N)
FAILED TO ADOPT	___	(Y/N)
WITHDRAWN	___	(Y/N)
OTHER	_____	

1 Committee/Subcommittee hearing bill: Commerce Committee

2 Representative Grall offered the following:

4 **Amendment (with title amendment)**

5 Remove lines 1976-2009

8 -----

9 **T I T L E A M E N D M E N T**

10 Remove line 54 and insert:

11 627.748, 627.8405, 628.909, 705.184, 713.78,