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# **Insurance & Banking Subcommittee**

## **Action Packet**

**Tuesday, April 5, 2011**

**4:00 PM - 6:00 PM**

**404 HOB**

**COMMITTEE MEETING REPORT**  
**Insurance & Banking Subcommittee**

**4/5/2011 4:00:00PM**

**Location:** 404 HOB

**Summary:**

**Insurance & Banking Subcommittee**

*Tuesday April 05, 2011 04:00 pm*

PCS for HB 803 Favorable With Amendments (3)

Yeas: 12 Nays: 3

Committee meeting was reported out: Tuesday, April 05, 2011 7:44:23PM

**COMMITTEE MEETING REPORT**  
**Insurance & Banking Subcommittee**

**4/5/2011 4:00:00PM**

**Location:** 404 HOB

**Attendance:**

	<i>Present</i>	<i>Absent</i>	<i>Excused</i>
Bryan Nelson (Chair)	X		
Ben Albritton	X		
Mack Bernard	X		
Jim Boyd	X		
Rachel V. Burgin	X		
Janet Cruz	X		
Daniel Davis	X		
Erik Fresen	X		
Bill Hager	X		
Clay Ingram	X		
Evan Jenne	X		
John Julien	X		
Perry Thurston, Jr.	X		
John Wood	X		
Ritch Workman	X		
<b>Totals:</b>	<b>15</b>	<b>0</b>	<b>0</b>

Committee meeting was reported out: Tuesday, April 05, 2011 7:44:23PM

**COMMITTEE MEETING REPORT**  
**Insurance & Banking Subcommittee**

**4/5/2011 4:00:00PM**

**Location:** 404 HOB

**PCS for HB 803 : Property and Casualty Insurance**

*Favorable With Amendments (3)*

	<i>Yea</i>	<i>Nay</i>	<i>No Vote</i>	<i>Absentee Yea</i>	<i>Absentee Nay</i>
Ben Albritton	X				
Mack Bernard	X				
Jim Boyd	X				
Rachel V. Burgin	X				
Janet Cruz		X			
Daniel Davis	X				
Erik Fresen	X				
Bill Hager	X				
Clay Ingram	X				
Evan Jenne		X			
John Julien	X				
Perry Thurston, Jr.		X			
John Wood	X				
Ritch Workman	X				
Bryan Nelson (Chair)	X				
<b>Total Yeas: 12</b>		<b>Total Nays: 3</b>			

**Appearances:**

Property and Casualty Insurance

Gerald C. Wester (Lobbyist) - Waive In Support

American Insurance Association

101 E. College Ave.

Tallahassee FL 32301

Phone: 850-222-9075

Property and Casualty Insurance

Carlson, Michael (Lobbyist) - Waive In Support

Executive Director, Personal Insurance Federation of Florida

215 S. Monroe Street, Suite 835

Tallahassee FL 32301

Phone: 850-544-9576

Property and Casualty Insurance

Gonzalez, Jose (Lobbyist) - Waive In Support

Associated Industries of Florida

516 N. Adams Street

Tallahassee FL 32301

Phone: (850) 224-7173

Property and Casualty Insurance

Reeves, Trye, Policy Director (Lobbyist) - Waive In Support

Florida Chamber of Commerce

136 S. Bronough Street

Tallahassee FL 32301

Phone: 850-521-1235

Committee meeting was reported out: Tuesday, April 05, 2011 7:44:23PM

**COMMITTEE MEETING REPORT**  
**Insurance & Banking Subcommittee**

**4/5/2011 4:00:00PM**

**Location:** 404 HOB

Property and Casualty Insurance  
Stander, William, Asst. Vice President (Lobbyist) - Proponent  
Property Casualty Insurers Association Of America  
P.O. Box 11174  
Tallahassee FL 32302  
Phone: (850)681-2615

Property and Casualty Insurance  
Jed Thomas - Proponent  
Marshall Thomas Burnett  
200 North Pierce Street  
Tampa FL  
Phone: 813-221-2525

Property and Casualty Insurance  
Mayer, Ashley (Lobbyist) (State Employee) - Information Only  
Department of Financial Services  
Capitol - PL 11  
Tallahassee Florida 32399  
Phone: 850-413-2863

Property and Casualty Insurance  
Garcia, Reginald (Lobbyist) - Information Only  
Florida Justice Association  
P.O. Box 11069  
Tallahassee FL 32302  
Phone: (850)933-7150

Property and Casualty Insurance  
Delegal, Mark (Lobbyist) - Proponent  
State Farm Florida Insurance Company  
215 S. Monroe Street, #200  
Tallahassee FL  
Phone: (850)222-3533

Property and Casualty Insurance  
Donald Brown (Lobbyist) - Proponent  
Self  
P.O. Box 866  
Defuniak Springs FL 32435  
Phone: 850-865-9280

Property and Casualty Insurance  
Sam Bearman - Information Only  
Law Office of Samuel Bearman  
820 N. 12th Avenue  
Pensacola FL 32501

Property and Casualty Insurance  
Mark Boardman, President (Lobbyist) - Information Only  
Insured's Public Action Coalition  
P.O. Box 940608  
Maitland FL 32794  
Phone: 407-834-7157

Committee meeting was reported out: Tuesday, April 05, 2011 7:44:23PM

**COMMITTEE MEETING REPORT**  
**Insurance & Banking Subcommittee**

**4/5/2011 4:00:00PM**

**Location:** 404 HOB

Property and Casualty Insurance

Kyle Ulrich, SVP (Lobbyist) - Waive In Support

FL. Assoc. of Insurance Agents

3159 Shamrock South

Tallahassee FL 32309

Phone: 850-893-4155

Committee meeting was reported out: Tuesday, April 05, 2011 7:44:23PM

1

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. PCS for HB 803 (2011)

Amendment No.

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<input type="checkbox"/>	(Y/N)
ADOPTED AS AMENDED	<input type="checkbox"/>	(Y/N)
ADOPTED W/O OBJECTION	<input checked="" type="checkbox"/>	(Y/N)
FAILED TO ADOPT	<input type="checkbox"/>	(Y/N)
WITHDRAWN	<input type="checkbox"/>	(Y/N)
OTHER	<input type="checkbox"/>	

1 Committee/Subcommittee hearing bill: Insurance & Banking  
 2 Subcommittee

3 Representative(s) Wood offered the following:

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5 **Amendment**

6 Remove line 159 and insert:

7 a residential structure or its contents ~~and shall exclude~~

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

2

Amendment No.

Bill No. PCS for HB 803

COUNCIL/COMMITTEE 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 Council/Committee hearing bill: Insurance & Banking  
 2 Subcommittee  
 3 Representative Jenne offered the following:

**Amendment (with title amendment)**

Remove lines 286-294

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

Remove line(s) 12-13 and insert:  
 amending s. 626.854, F.S.; providing



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HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No.

Bill No. PCS for HB 803

COUNCIL/COMMITTEE ACTION

ADOPTED	___	(Y/N)
ADOPTED AS AMENDED	___	(Y/N)
ADOPTED W/C OBJECTION	___	(Y/N)
FAILED TO ADOPT	<input checked="" type="checkbox"/>	(Y/N)
WITHDRAWN	___	(Y/N)
OTHER	_____	

1 Council/Committee hearing bill: Insurance & Banking  
 2 Subcommittee

3 Representative Jenne offered the following:  
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5 **Amendment (with title amendment)**

6 Remove lines 312-330 and insert:

7 contract with the insured or claimant. The contracts described  
 8 in this paragraph are not subject to the limitations in  
 9 paragraph (b).

10 (b) A public adjuster may not charge, agree to, or accept  
 11 any compensation, payment, commission, fee, or other thing of  
 12 318 value in excess of:

13 1. Ten percent of the amount of insurance claim payments  
 14 made by the insurer for claims based on events that are the  
 15 subject of a declaration of a state of emergency by the  
 16 Governor. This provision applies to claims made during the  
 17 period of 1 year after the declaration of emergency.

18 2. Twenty percent of the amount of all other insurance  
 19 claim payments.  
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Amendment No.

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**T I T L E   A M E N D M E N T**

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Remove line(s) 13-16 and insert:

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Licensure; amending s. 626.854, F.S.; providing application;

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providing statements that may be

(4)

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No.

Bill No. PCS for HB 803

COUNCIL/COMMITTEE ACTION

ADOPTED	___	(Y/N)
ADOPTED AS AMENDED	___	(Y/N)
ADOPTED W/O OBJECTION	___	(Y/N)
FAILED TO ADOPT	<input checked="" type="checkbox"/>	(Y/N)
WITHDRAWN	___	(Y/N)
OTHER	_____	

1 Council/Committee hearing bill: Insurance & Banking  
 2 Subcommittee  
 3 Representative Jenne offered the following:

**Amendment (with title amendment)**

Remove lines 401-428.

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

Remove line(s) 16-22 and insert:  
 supplemental claim; requiring certain persons who act on behalf  
 of

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No.

Bill No. PCS for HB 803

COUNCIL/COMMITTEE ACTION

ADOPTED	___	(Y/N)
ADOPTED AS AMENDED	___	(Y/N)
ADOPTED W/O OBJECTION	___	(Y/N)
FAILED TO ADOPT	<input checked="" type="checkbox"/>	(Y/N)
WITHDRAWN	___	(Y/N)
OTHER	_____	

1 Council/Committee hearing bill: Insurance & Banking  
 2 Subcommittee  
 3 Representative Jenne offered the following:

**Amendment (with directory and title amendments)**

Remove lines 487-563 and insert:

7 (14) The provisions of subsections (5)-(13) apply only to  
 8 residential property insurance policies and condominium unit  
 9 owner policies as defined in s. 718.111(11).

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

Remove line(s) 22-51 and insert:  
 disclaimer; amending s. 627.062, F.S.; deleting an

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COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No.PCS for HB 803 (2011)

Amendment No.

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<input type="checkbox"/>	(Y/N)
ADOPTED AS AMENDED	<input type="checkbox"/>	(Y/N)
ADOPTED W/O OBJECTION	<input type="checkbox"/>	(Y/N)
FAILED TO ADOPT	<input type="checkbox"/>	(Y/N)
WITHDRAWN	<input checked="" type="checkbox"/>	(Y/N)
OTHER	<input type="checkbox"/>	

1 Committee/Subcommittee hearing bill: Insurance & Banking  
 2 Subcommittee

3 Representative(s) Abruzzo offered the following:  
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5 **Amendment (with title amendment)**

6 Between lines 545 and 546, insert:

7 Section 8. Subsection (4) of section 626.8651, is amended  
 8 to read:

9 (4) An applicant must have received designation as an  
 10 Accredited Claims Adjuster (ACA) ), as a Certified Adjuster  
 11 (CA), or as a Certified Claims Adjuster (CCA) after completion  
 12 of training that qualifies the applicant to engage in the  
 13 business of a public adjuster apprentice fairly and without  
 14 injury to the public. Such training and instruction must address  
 15 adjusting damages and losses under insurance contracts, the  
 16 terms and effects of insurance contracts, and knowledge of the  
 17 laws of this state relating to insurance contracts.  
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COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No.PCS for HB 803 (2011)

Amendment No.

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**T I T L E   A M E N D M E N T**

Remove line 45 and insert:

licensed public adjuster; providing an exception; amending s.  
626.8651, F.S.; revising requirements for a public adjuster  
apprentice license to add additional designations; creating

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HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No.

Bill No. PCS for HB 803

COUNCIL/COMMITTEE 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 Council/Committee hearing bill: Insurance & Banking  
 2 Subcommittee  
 3 Representative Jenne offered the following:

**Amendment (with title amendment)**

Remove lines 546 - 563

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

Remove line(s) 45-51 and insert:  
 licensed public adjuster; providing an exception; amending s.  
 627.062, F.S.; deleting an

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No.

Bill No. PCS for HB 803

COUNCIL/COMMITTEE 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 Council/Committee hearing bill: Insurance & Banking  
 2 Subcommittee  
 3 Representative Jenne offered the following:  
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**Amendment (with title amendment)**

Remove lines 570 - 610 and insert:

(2) As to all such classes of insurance:

(a) Insurers or rating organizations shall establish and use rates, rating schedules, or rating manuals that ~~to~~ allow the insurer a reasonable rate of return on the ~~such~~ classes of insurance written in this state. A copy of rates, rating schedules, rating manuals, premium credits or discount schedules, and surcharge schedules, and changes thereto, must ~~shall~~ be filed with the office under one of the following procedures except as provided in subparagraph 3.:

1. If the filing is made at least 90 days before the proposed effective date and ~~the filing~~ is not implemented during the office's review of the filing and any proceeding and judicial review, ~~then~~ such filing is ~~shall be~~ considered a "file and use" filing. In such case, the office shall finalize its review by issuance of an approval ~~a notice of intent to approve~~



Amendment No.

22 or a notice of intent to disapprove within 90 days after receipt  
23 of the filing. The approval ~~notice of intent to approve~~ and the  
24 notice of intent to disapprove constitute agency action for  
25 purposes of the Administrative Procedure Act. Requests for  
26 supporting information, requests for mathematical or mechanical  
27 corrections, or notification to the insurer by the office of its  
28 preliminary findings does ~~shall~~ not toll the 90-day period  
29 during any such proceedings and subsequent judicial review. The  
30 rate shall be deemed approved if the office does not issue an  
31 approval ~~a notice of intent to approve~~ or a notice of intent to  
32 disapprove within 90 days after receipt of the filing.

33 2. If the filing is not made in accordance with ~~the~~  
34 ~~provisions~~ of subparagraph 1., such filing must ~~shall~~ be made as  
35 soon as practicable, but within ~~no later than~~ 30 days after the  
36 effective date, and is ~~shall be~~ considered a "use and file"  
37 filing. An insurer making a "use and file" filing is potentially  
38 subject to an order by the office to return to policyholders  
39 those portions of rates found to be excessive, as provided in  
40 paragraph (h).

41 3. For all property insurance filings ~~made or submitted~~  
42 ~~after January 25, 2007, but before December 31, 2010~~, an insurer  
43 seeking a rate that is greater than the rate most recently  
44 approved by the office shall make a "file and use" filing. For  
45 purposes of this subparagraph, motor vehicle collision and  
46 comprehensive coverages are not considered to be property  
47 coverages.

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Amendment No.

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**T I T L E   A M E N D M E N T**

Remove line(s) 51 and insert:  
applicability; amending s. 627.062, F.S.; requiring an approval  
of a rate filing by the office; requiring insurers to use a  
"file and use" rate filing for property insurance; deleting an

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

9

Amendment No.

Bill No. PCS for HB 803

COUNCIL/COMMITTEE ACTION

ADOPTED	___	(Y/N)
ADOPTED AS AMENDED	___	(Y/N)
ADOPTED W/O OBJECTION	___	(Y/N)
FAILED TO ADOPT	<input checked="" type="checkbox"/>	(Y/N)
WITHDRAWN	___	(Y/N)
OTHER	_____	

1 Council/Committee hearing bill: Insurance & Banking

2 Subcommittee

3 Representative Jenne offered the following:

**Amendment (with title amendment)**

6 Remove lines 761-771 and insert:

7 chapter, the office may ~~shall~~ not, directly or indirectly

8 prohibit any insurer, including any residual market plan or

9 joint underwriting association, from paying acquisition costs

10 based on the full amount of premium, as defined in s. 627.403,

11 applicable to any policy, or prohibit any such insurer from

12 including the full amount of acquisition costs in a rate filing.

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Amendment No.

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**T I T L E   A M E N D M E N T**

Remove line(s) 53-56 and insert:

Regulation from, directly or indirectly, prohibiting any insurer  
from paying acquisition costs or including acquisition costs in  
a rate filing; deleting obsolete provisions

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HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No.

Bill No. PCS for HB 803

COUNCIL/COMMITTEE 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 Council/Committee hearing bill: Insurance & Banking  
 2 Subcommittee  
 3 Representative Jenne offered the following:

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 5 **Amendment (with title amendment)**  
 6 Remove lines 1003-1069.

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

16 Remove line(s) 56-58 and insert:  
 17 and casualty insurance;  
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HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No.

Bill No. PCS for HB 803

COUNCIL/COMMITTEE 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 Council/Committee hearing bill: Insurance & Banking  
 2 Subcommittee  
 3 Representative Jenne offered the following:

**Amendment**

Remove lines 1099-1110 and insert:

(d) The commission may adopt rules and forms pursuant

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COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. PCS for HB 803 (2011)

Amendment No.

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	—	(Y/N)
ADOPTED AS AMENDED	—	(Y/N)
ADOPTED W/O OBJECTION	—	(Y/N)
FAILED TO ADOPT	<input checked="" type="checkbox"/>	(Y/N)
WITHDRAWN	—	(Y/N)
OTHER	_____	

1 Committee/Subcommittee hearing bill: Insurance & Banking  
2 Subcommittee

3 Representative(s) Jenne offered the following:

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5 **Amendment (with title amendment)**

6 Remove lines 1145-1187 and insert:

7 the rate filing. All insurance companies must make a rate filing  
8 which includes the credits, discounts, or other rate  
9 differentials or reductions in deductibles by February 28, 2003.  
10 By July 1, 2007, the office shall reevaluate the discounts,  
11 credits, other rate differentials, and appropriate reductions in  
12 deductibles for fixtures and construction techniques that meet  
13 the minimum requirements of the Florida Building Code, based  
14 upon actual experience or any other loss relativity studies  
15 available to the office. The office shall determine the  
16 discounts, credits, other rate differentials, and appropriate  
17 reductions in deductibles that reflect the full actuarial value  
18 of such revaluation, which may be used by insurers in rate  
19 filings.

COMMITTEE/SUBCOMMITTEE AMENDMENT  
Bill No. PCS for HB 803 (2011)

Amendment No.

20 (b) By February 1, 2011, the Office of Insurance  
21 Regulation, in consultation with the Department of Financial  
22 Services and the Department of Community Affairs, shall develop  
23 and make publicly available a proposed method for insurers to  
24 establish discounts, credits, or other rate differentials for  
25 hurricane mitigation measures which directly correlate to the  
26 numerical rating assigned to a structure pursuant to the uniform  
27 home grading scale adopted by the Financial Services Commission  
28 pursuant to s. 215.55865, including any proposed changes to the  
29 uniform home grading scale. By October 1, 2011, the commission  
30 shall adopt rules requiring insurers to make rate filings for  
31 residential property insurance which revise insurers' discounts,  
32 credits, or other rate differentials for hurricane mitigation  
33 measures so that such rate differentials correlate directly to  
34 the uniform home grading scale. The rules may include such  
35 changes to the uniform home grading scale as the commission  
36 determines are necessary, and may specify the minimum required  
37 discounts, credits, or other rate differentials. Such rate  
38 differentials must be consistent with generally accepted  
39 actuarial principles and wind-loss mitigation studies. The rules  
40 shall allow a period of at least 2 years after the effective  
41 date of the revised mitigation discounts, credits, or other rate  
42 differentials for a property owner to obtain an inspection or  
43 otherwise qualify for the revised credit, during which time the  
44 insurer shall continue to apply the mitigation credit that was  
45 applied immediately prior to the effective date of the revised  
46 credit. Discounts, credits, and other rate differentials  
47 established for rate filings under this paragraph shall



COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. PCS for HB 803 (2011)

Amendment No.

48 | supersede, after adoption, the discounts, credits, and other  
49 | rate differentials included in rate filings under paragraph (a).

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**T I T L E   A M E N D M E N T**

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Remove lines 59-67 and insert:

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conforming provisions to

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

13

Amendment No.

Bill No. PCS for HB 803

COUNCIL/COMMITTEE ACTION

ADOPTED	<input type="checkbox"/>	(Y/N)
ADOPTED AS AMENDED	<input type="checkbox"/>	(Y/N)
ADOPTED W/O OBJECTION	<input type="checkbox"/>	(Y/N)
FAILED TO ADOPT	<input checked="" type="checkbox"/>	(Y/N)
WITHDRAWN	<input type="checkbox"/>	(Y/N)
OTHER	<input type="checkbox"/>	

1 Council/Committee hearing bill: Insurance & Banking  
 2 Subcommittee  
 3 Representative Jenne offered the following:

**Amendment (with title amendment)**

Remove lines 1292-1304.

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

Remove line(s) 69-72 and insert:  
creating s.

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HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No.

Bill No. PCS for HB 803

COUNCIL/COMMITTEE ACTION

ADOPTED	—	(Y/N)
ADOPTED AS AMENDED	—	(Y/N)
ADOPTED W/O OBJECTION	—	(Y/N)
FAILED TO ADOPT	<input checked="" type="checkbox"/>	(Y/N)
WITHDRAWN	—	(Y/N)
OTHER	_____	

1 Council/Committee hearing bill: Insurance & Banking  
 2 Subcommittee  
 3 Representative Jenne offered the following:

**Amendment (with directory and title amendments)**

Remove lines 1305-1357.

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

Remove line(s) 72-82 and insert:  
the interests of the public or policyholders; amending s.  
627.7011,

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

15

Amendment No.

Bill No. PCS for HB 803

COUNCIL/COMMITTEE ACTION

ADOPTED	___	(Y/N)
ADOPTED AS AMENDED	___	(Y/N)
ADOPTED W/O OBJECTION	___	(Y/N)
FAILED TO ADOPT	<input checked="" type="checkbox"/>	(Y/N)
WITHDRAWN	___	(Y/N)
OTHER	_____	

1 Council/Committee hearing bill: Insurance & Banking  
 2 Subcommittee  
 3 Representative Jenne offered the following:

**Amendment (with title amendment)**

Remove lines 1419 - 1440 and insert:

(3) In the event of a loss for which a dwelling or  
 personal property is insured on the basis of replacement costs,  
 the insurer shall pay the replacement cost without reservation  
 or holdback of any depreciation in value, whether or not the  
 insured replaces or repairs the dwelling or property.

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

Remove line(s) 83-93 and insert:

F.S; deleting obsolete provision; amending s. 627.70131, F.S.;

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COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. PCS for HB 803 (2011)

Amendment No.

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: Insurance & Banking  
2 Subcommittee

3 Representative Bernard offered the following:

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**Amendment (with title amendment)**

Remove lines 1509-1543 and insert:

Section 15. The Legislature finds and declares:

(1) There is a compelling state interest in maintaining a viable and orderly private-sector market for property insurance in this state. The lack of a viable and orderly property market reduces the availability of property insurance coverage to state residents, increases the cost of property insurance, and increases the state's reliance on a residual property insurance market and its potential for imposing assessments on policyholders throughout the state.

(2) Sections 16 through 22 of this act revise and adopt new technical or scientific definitions in order to implement and advance the Legislature's intended reduction of sinkhole claims and disputes. Certain other revisions to ss. 627.706-

COMMITTEE/SUBCOMMITTEE AMENDMENT

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20 627.7074, Florida Statutes, are enacted to advance legislative  
21 intent to rely on scientific or technical determinations  
22 relating to sinkholes and sinkhole claims, reduce the number and  
23 cost of disputes relating to sinkhole claims, and ensure that  
24 repairs are made commensurate with the scientific and technical  
25 determinations and insurance claims payments.

26 (3) Sections 16 through 22 of this act affect only claims  
27 under policies issued on or after July 1, 2011.

28  
29  
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**T I T L E   A M E N D M E N T**

33 Remove lines 96-98 and insert:  
34 payments; providing legislative intent with respect to  
35 statutory changes in the act relating to sinkhole  
36 insurance coverage; providing applicability; amending s.

Amendment No.

Bill No. PCS for HB 803

COUNCIL/COMMITTEE ACTION

ADOPTED	___	(Y/N)
ADOPTED AS AMENDED	___	(Y/N)
ADOPTED W/O OBJECTION	___	(Y/N)
FAILED TO ADOPT	___	(Y/N)
WITHDRAWN	<input checked="" type="checkbox"/>	(Y/N)
OTHER	_____	

1 Council/Committee hearing bill: Insurance & Banking  
 2 Subcommittee  
 3 Representative Jenne offered the following:

**Amendment (with title amendment)**

Remove lines 1623-1647.

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

Remove line(s) 103-104 and insert:  
revising definitions; placing a 3-year statute of repose on  
claims for

18

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No.

Bill No. PCS for HB 803

COUNCIL/COMMITTEE 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 Council/Committee hearing bill: Insurance & Banking  
 2 Subcommittee  
 3 Representative Jenne offered the following:

**Amendment (with title amendment)**

Remove lines 1689-1694

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

Remove line(s) 104-105 and insert:  
 damage"; repealing s. 627.7065, F.S., relating to



19

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No.

Bill No. PCS for HB 803

COUNCIL/COMMITTEE 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 Council/Committee hearing bill: Insurance & Banking  
 2 Subcommittee  
 3 Representative Jenne offered the following:

**Amendment (with title amendment)**

Remove lines 1695-1696

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

Remove line(s) 105-106 and insert:  
 sinkhole coverage; amending s.

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No.

Bill No. PCS for HB 803

COUNCIL/COMMITTEE ACTION

ADOPTED	___	(Y/N)
ADOPTED AS AMENDED	___	(Y/N)
ADOPTED W/O OBJECTION	___	( <del>Y</del> /N)
FAILED TO ADOPT	<input checked="" type="checkbox"/>	(Y/N)
WITHDRAWN	___	(Y/N)
OTHER	_____	

1 Council/Committee hearing bill: Insurance & Banking  
 2 Subcommittee  
 3 Representative Jenne offered the following:

**Amendment (with title amendment)**

Remove lines 1808-1816

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

12 Remove line(s) 115-120 and insert:  
 13 exceptions; limiting a policyholder's  
 14

Amendment No.

Bill No. PCS for HB 803

COUNCIL/COMMITTEE ACTION

ADOPTED	___	(Y/N)
ADOPTED AS AMENDED	___	(Y/N)
ADOPTED W/O OBJECTION	___	(Y/N)
FAILED TO ADOPT	<input checked="" type="checkbox"/>	(Y/N)
WITHDRAWN	___	(Y/N)
OTHER	_____	

1 Council/Committee hearing bill: Insurance & Banking  
 2 Subcommittee  
 3 Representative Jenne offered the following:

**Amendment (with title amendment)**

Remove lines 1916-1929

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

Remove line(s) 129-131 and insert:  
 and other specific information; amending s. 627.7074, F.S.;  
 revising

22

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No.

Bill No. PCS for HB 803

COUNCIL/COMMITTEE 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 Council/Committee hearing bill: Insurance & Banking  
 2 Subcommittee  
 3 Representative Jenne offered the following:

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 5  
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**Amendment**

Remove lines 2018-2024

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

23

Amendment No.

Bill No. PCS for HB 803

COUNCIL/COMMITTEE ACTION

ADOPTED	___	(Y/N)
ADOPTED AS AMENDED	___	(Y/N)
ADOPTED W/O OBJECTION	___	(Y/N)
FAILED TO ADOPT	<input checked="" type="checkbox"/>	(Y/N)
WITHDRAWN	___	(Y/N)
OTHER	_____	

1 Council/Committee hearing bill: Insurance & Banking  
 2 Subcommittee  
 3 Representative Jenne offered the following:

**Amendment (with title amendment)**

Remove lines 2130-2131

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

Remove line(s) 142-143 and insert:  
 report;

COMMITTEE/SUBCOMMITTEE AMENDMENT

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Amendment No.

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<input checked="" type="checkbox"/>	(Y/N)
ADOPTED AS AMENDED	<input type="checkbox"/>	(Y/N)
ADOPTED W/O OBJECTION	<input type="checkbox"/>	(Y/N)
FAILED TO ADOPT	<input type="checkbox"/>	(Y/N)
WITHDRAWN	<input type="checkbox"/>	(Y/N)
OTHER	<input type="checkbox"/>	

1 Committee/Subcommittee hearing bill: Insurance & Banking  
 2 Subcommittee

3 Representative(s) Wood offered the following:

4

5 **Amendment**

6 Remove lines 1837-1838 and insert:

7 property insurance on the basis of filing of claims for sinkhole  
 8 ~~partial loss caused by sinkhole damage or clay shrinkage~~ if as  
 9 ~~long as~~

25

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. PCS HB 803 (2011)

Amendment No.

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<input checked="" type="checkbox"/> (Y/N)
ADOPTED AS AMENDED	<input type="checkbox"/> (Y/N)
ADOPTED W/O OBJECTION	<input type="checkbox"/> (Y/N)
FAILED TO ADOPT	<input type="checkbox"/> (Y/N)
WITHDRAWN	<input type="checkbox"/> (Y/N)
OTHER	<input type="checkbox"/>

1 Committee/Subcommittee hearing bill: Insurance & Banking  
2 Subcommittee  
3 Representative(s) Wood offered the following:

4  
5 **Amendment**  
6 Remove lines 2192-2193 and insert:  
7 act, this act shall take effect upon becoming a law.

26

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. PCS HB 803 (2011)

Amendment No.

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<input type="checkbox"/>	(Y/N)
ADOPTED AS AMENDED	<input type="checkbox"/>	(Y/N)
ADOPTED W/O OBJECTION	<input type="checkbox"/>	(Y/N)
FAILED TO ADOPT	<input type="checkbox"/>	(Y/N)
WITHDRAWN	<input checked="" type="checkbox"/>	(Y/N)
OTHER	<input type="checkbox"/>	

1 Committee/Subcommittee hearing bill: Insurance & Banking  
 2 Subcommittee

3 Representative(s) Davis offered the following:

4  
 5 **Amendment (with title amendment)**

6 Remove lines 1211-1304 and insert:

7 (2) With respect to any personal lines or commercial  
 8 residential property insurance policy, including, but not  
 9 limited to, any homeowner's, mobile home owner's, farmowner's,  
 10 condominium association, condominium unit owner's, apartment  
 11 building, or other policy covering a residential structure or  
 12 its contents:

13 (b) The insurer shall give the named insured written  
 14 notice of nonrenewal, cancellation, or termination at least 90  
 15 ~~100~~ days before ~~prior to~~ the effective date of the nonrenewal,  
 16 cancellation, or termination. ~~However, the insurer shall give at~~  
 17 ~~least 100 days' written notice, or written notice by June 1,~~  
 18 ~~whichever is earlier, for any nonrenewal, cancellation, or~~  
 19 ~~termination that would be effective between June 1 and November~~



26

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. PCS HB 803 (2011)

Amendment No.

20 30. The notice must include the reason or reasons for the  
21 nonrenewal, cancellation, or termination, ~~except that:~~

22 ~~1. The insurer shall give the named insured written notice~~  
23 ~~of nonrenewal, cancellation, or termination at least 180 days~~  
24 ~~prior to the effective date of the nonrenewal, cancellation, or~~  
25 ~~termination for a named insured whose residential structure has~~  
26 ~~been insured by that insurer or an affiliated insurer for at~~  
27 ~~least a 5-year period immediately prior to the date of the~~  
28 ~~written notice.~~

29 1.2. ~~If~~ When cancellation is for nonpayment of premium, at  
30 least 10 days' written notice of cancellation accompanied by the  
31 reason therefor must ~~shall~~ be given. As used in this  
32 subparagraph, the term "nonpayment of premium" means failure of  
33 the named insured to discharge when due ~~any of~~ her or his  
34 obligations in connection with the payment of premiums on a  
35 policy or any installment of such premium, whether the premium  
36 is payable directly to the insurer or its agent or indirectly  
37 under any premium finance plan or extension of credit, or  
38 failure to maintain membership in an organization if such  
39 membership is a condition precedent to insurance coverage. The  
40 term "Nonpayment of premium" also means the failure of a  
41 financial institution to honor an insurance applicant's check  
42 after delivery to a licensed agent for payment of a premium,  
43 even if the agent has previously delivered or transferred the  
44 premium to the insurer. If a dishonored check represents the  
45 initial premium payment, the contract and all contractual  
46 obligations are ~~shall be~~ void ab initio unless the nonpayment is  
47 cured within the earlier of 5 days after actual notice by

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. PCS HB 803 (2011)

Amendment No.

48 certified mail is received by the applicant or 15 days after  
49 notice is sent to the applicant by certified mail or registered  
50 mail, and if the contract is void, any premium received by the  
51 insurer from a third party must ~~shall~~ be refunded to that party  
52 in full.

53 ~~2.3. If~~ When such cancellation or termination occurs  
54 during the first 90 days ~~during which~~ the insurance is in force  
55 and the insurance is canceled or terminated for reasons other  
56 than nonpayment of premium, at least 20 days' written notice of  
57 cancellation or termination accompanied by the reason therefor  
58 must ~~shall~~ be given unless ~~except~~ where there has been a  
59 material misstatement or misrepresentation or failure to comply  
60 with the underwriting requirements established by the insurer.

61 ~~4. The requirement for providing written notice of~~  
62 ~~nonrenewal by June 1 of any nonrenewal that would be effective~~  
63 ~~between June 1 and November 30 does not apply to the following~~  
64 ~~situations, but the insurer remains subject to the requirement~~  
65 ~~to provide such notice at least 100 days prior to the effective~~  
66 ~~date of nonrenewal:~~

67 ~~— a. A policy that is nonrenewed due to a revision in the~~  
68 ~~coverage for sinkhole losses and catastrophic ground cover~~  
69 ~~collapse pursuant to s. 627.706, as amended by s. 30, chapter~~  
70 ~~2007-1, Laws of Florida.~~

71 ~~— b. A policy that is nonrenewed by Citizens Property~~  
72 ~~Insurance Corporation, pursuant to s. 627.351(6), for a policy~~  
73 ~~that has been assumed by an authorized insurer offering~~  
74 ~~replacement or renewal coverage to the policyholder.~~

26

COMMITTEE/SUBCOMMITTEE AMENDMENT

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Amendment No.

75 After the policy has been in effect for 90 days, the policy may  
 76 ~~shall~~ not be canceled by the insurer unless ~~except when~~ there  
 77 has been a material misstatement, a nonpayment of premium, a  
 78 failure to comply with underwriting requirements established by  
 79 the insurer within 90 days after ~~of~~ the date of effectuation of  
 80 coverage, or a substantial change in the risk covered by the  
 81 policy or if ~~when~~ the cancellation is for all insureds under  
 82 such policies for a given class of insureds. This paragraph does  
 83 not apply to individually rated risks having a policy term of  
 84 less than 90 days.

85 3. Notwithstanding any other provision of law, an insurer  
 86 may cancel or nonrenew a property insurance policy after at  
 87 least 45 days' notice if the office finds that the early  
 88 cancellation of some or all of the insurer's policies is  
 89 necessary to protect the best interests of the public or  
 90 policyholders and the office approves the insurer's plan for  
 91 early cancellation or nonrenewal of some or all of its policies.  
 92 The office may base such finding upon the financial condition of  
 93 the insurer, lack of adequate reinsurance coverage for hurricane  
 94 risk, or other relevant factors. The office may condition its  
 95 finding on the consent of the insurer to be placed under  
 96 administrative supervision pursuant to s. 624.81 or to the  
 97 appointment of a receiver under chapter 631.

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COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. PCS HB 803 (2011)

Amendment No.

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**T I T L E   A M E N D M E N T**

Between lines 68 and 69, insert:  
reducing the notice time for nonrenewal, cancellation, or  
termination; removing exceptions to the notice of nonrenewal,  
cancellation, or termination;

**INSURANCE & BANKING SUBCOMMITTEE**

**PCS for HB 803 by Rep. Wood  
Property and Casualty Insurance**

**AMENDMENT SUMMARY #3  
April 5, 2011**

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**Amendment 27** by Rep. Fresen (Lines 546-563):

- Removes the 3-year time period for filing a notice of claim, supplemental claim, or re-opened claims due to hurricanes or windstorms.
- Requires lawsuits for breach of a property insurance contract to be filed within 5 years from the date of loss, rather than 5 years from the breach of the insurance contract by the insurer.

27

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. PCS for HB 803 (2011)

Amendment No.

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: Insurance & Banking  
 2 Subcommittee

3 Representative Fresen offered the following:  
 4

**Amendment (with title amendment)**

Remove lines 546-563 and insert:

7 Section 8. Paragraph (e) is added to subsection (2) of  
 8 section 95.11, Florida Statutes, to read:

9 95.11 Limitations other than for the recovery of real  
 10 property.—Actions other than for recovery of real property shall  
 11 be commenced as follows:

12 (2) WITHIN FIVE YEARS.—

13 (e) An action for breach of an original property insurance  
 14 contract shall be commenced within 5 years from the date of  
 15 loss.

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COMMITTEE/SUBCOMMITTEE AMENDMENT  
Bill No. PCS for HB 803 (2011)

Amendment No.

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**T I T L E   A M E N D M E N T**

Remove lines 45-51 and insert:  
licensed public adjuster; providing an exception; amending s.  
95.11, F.S.; requiring the commencement of an action for the  
breach of certain property insurance contracts within a  
specified time from the date of loss; amending s. 627.062, F.S.;  
deleting an