

## CHAPTER 2014-76

### Senate Bill No. 490

An act relating to motor vehicle liability policy requirements; amending s. 627.7275, F.S.; extending the period during which the policy may be cancelled by the insurer; specifying minimum limits for such policy; deleting a provision requiring an insured who obtains additional coverage to obtain a new 6-month noncancelable policy; providing an effective date.

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

Section 1. Subsection (2) of section 627.7275, Florida Statutes, is amended to read:

627.7275 Motor vehicle liability.—

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

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

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

(b) The policies described in paragraph (a) shall be issued for a ~~period of~~ at least 6 months and, as to the minimum coverages required under this section, ~~may shall not be canceled~~ cancelable by the insured for any reason or by the insurer after ~~60 a period not to exceed 30 days~~, during which ~~period~~ the insurer is completing the ~~must complete~~ underwriting of the policy. After the insurer has completed underwriting the policy ~~within the 30-day period~~, the insurer shall notify the Department of Highway Safety and Motor Vehicles that the policy is in full force and effect and ~~is the policy shall not be~~ cancelable for the remainder of the policy period. A premium shall be collected and the coverage is ~~shall be~~ in effect for the ~~60-day~~ 30-day period during which the insurer is completing the underwriting of the policy whether or not the person's driver license, motor vehicle tag, and motor

vehicle registration are in effect. Once the noncancelable provisions of the policy become effective, the coverages for bodily injury, property damage, and personal injury protection may not be reduced below the minimum limits required under s. 324.021 or s. 324.023 coverage or risk shall not be changed during the policy period and the premium shall be nonrefundable. If, during the pendency of the 2-year proof of insurance period required under s. 324.0221 or during the 3-year proof of financial responsibility required under s. 324.131, whichever is applicable, the insured obtains additional coverage or coverage for an additional risk or changes territories, the insured must obtain a new 6-month noncancelable policy in accordance with the provisions of this section. However, if the insured must obtain a new 6-month policy and obtains the policy from the same insurer, the policyholder shall receive credit on the new policy for any premium paid on the previously issued policy.

(c) This subsection controls to the extent of any conflict with any other section.

(d) An insurer issuing a policy subject to this section may cancel the policy if, during the policy term, the named insured, or any other operator, who resides in the same household or customarily operates an automobile insured under the policy, has his or her driver driver's license suspended or revoked.

(e) ~~Nothing in~~ This subsection does not require requires an insurer to offer a policy of insurance to an applicant if such offer would be inconsistent with the insurer's underwriting guidelines and procedures.

Section 2. This act shall take effect July 1, 2014.

Approved by the Governor June 13, 2014.

Filed in Office Secretary of State June 13, 2014.