

CHAPTER 2017-19

Committee Substitute for Committee Substitute for House Bill No. 805

An act relating to insurance policy transfers; amending s. 627.4133, F.S.; authorizing an insurer to transfer a residential property insurance policy to another authorized insurer upon expiration of the policy term if specified conditions are met; providing an effective date.

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

Section 1. Subsection (8) of section 627.4133, Florida Statutes, is amended to read:

627.4133 Notice of cancellation, nonrenewal, or renewal premium.—

(8) Upon expiration of the policy term, an insurer may transfer a personal lines residential, commercial residential, or commercial lines policy to another authorized insurer that is a member of the same group or owned by the same holding company as the transferring insurer. The transfer constitutes a renewal of the policy and may not be treated as a cancellation or a nonrenewal of the policy. The insurer must provide notice of its intent to transfer the policy at least 45 days before the effective date of the transfer along with the financial rating of the authorized insurer to which the policy is being transferred. Such notice may be provided in the notice of renewal premium. This subsection does not apply to a policy providing personal lines residential or commercial residential property insurance coverage, except for farmowners insurance, unless:

(a) The authorized insurer to which the policy is being transferred is admitted in this state and other states and writing residential property insurance in multiple states, is not converting the policy to a surplus lines policy, and has been determined by the office to have the same or better financial strength than the transferring insurer;

(b) The transfer results in substantially similar coverage;

(c) The authorized insurer to which the policy is being transferred provides a notice of change in policy terms to the policyholder in compliance with s. 627.43141, which must also include notice of the policy transfer and the authorized insurer's financial rating. Such notice must be provided with the notice of renewal premium. The notice and information provided under this paragraph must be provided to the insured at least 60 days before the effective date of the transfer and may replace any other notice required by this subsection;

(d) The policyholder of the policy being transferred has been selected on a nondiscriminatory basis; and

(e) The office has approved the transfer ~~and commercial general liability policies providing farm coverage or commercial property policies providing farm coverage.~~

Section 2. This act shall take effect July 1, 2017.

Approved by the Governor May 9, 2017.

Filed in Office Secretary of State May 9, 2017.