



912394

LEGISLATIVE ACTION

Senate	.	House
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The Committee on Banking and Insurance (Richter) recommended the following:

Senate Amendment (with title amendment)

Delete lines 2312 - 2389
and insert:

(b) The insurer shall give the named insured written notice of nonrenewal, cancellation, or termination at least 90 ~~100~~ days before ~~prior to~~ the effective date of the nonrenewal, cancellation, or termination. ~~However, the insurer shall give at least 100 days' written notice, or written notice by June 1, whichever is earlier, for any nonrenewal, cancellation, or termination that would be effective between June 1 and November 30. The notice must include the reason or reasons for the~~



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13 ~~nonrenewal, cancellation, or termination, except that:~~

14 ~~1. The insurer shall give the named insured written notice~~
15 ~~of nonrenewal, cancellation, or termination at least 180 days~~
16 ~~prior to the effective date of the nonrenewal, cancellation, or~~
17 ~~termination for a named insured whose residential structure has~~
18 ~~been insured by that insurer or an affiliated insurer for at~~
19 ~~least a 5-year period immediately prior to the date of the~~
20 ~~written notice.~~

21 ~~1.2. If~~ When cancellation is for nonpayment of premium, at
22 least 10 days' written notice of cancellation accompanied by the
23 reason therefor must ~~shall~~ be given. As used in this
24 subparagraph, the term "nonpayment of premium" means failure of
25 the named insured to discharge when due ~~any~~ of her or his
26 obligations in connection with the payment of premiums on a
27 policy or any installment of such premium, whether the premium
28 is payable directly to the insurer or its agent or indirectly
29 under any premium finance plan or extension of credit, or
30 failure to maintain membership in an organization if such
31 membership is a condition precedent to insurance coverage. The
32 term ~~"Nonpayment of premium"~~ also means the failure of a
33 financial institution to honor an insurance applicant's check
34 after delivery to a licensed agent for payment of a premium,
35 even if the agent has previously delivered or transferred the
36 premium to the insurer. If a dishonored check represents the
37 initial premium payment, the contract and all contractual
38 obligations are ~~shall be~~ void ab initio unless the nonpayment is
39 cured within the earlier of 5 days after actual notice by
40 certified mail is received by the applicant or 15 days after
41 notice is sent to the applicant by certified mail or registered



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42 mail, and if the contract is void, any premium received by the
43 insurer from a third party must ~~shall~~ be refunded to that party
44 in full.

45 ~~2.3. If~~ ~~When~~ such cancellation or termination occurs during
46 the first 90 days ~~during which~~ the insurance is in force and the
47 insurance is canceled or terminated for reasons other than
48 nonpayment of premium, at least 20 days' written notice of
49 cancellation or termination accompanied by the reason therefor
50 must ~~shall~~ be given unless ~~except where~~ there has been a
51 material misstatement or misrepresentation or failure to comply
52 with the underwriting requirements established by the insurer.

53 ~~3.4.~~ The requirement for providing written notice ~~of~~
54 ~~nonrenewal~~ by June 1 of any nonrenewal that would be effective
55 between June 1 and November 30 does not apply to the following
56 situations, but the insurer remains subject to the requirement
57 to provide such notice at least 100 days before ~~prior to~~ the
58 effective date of nonrenewal:

59 a. A policy that is nonrenewed due to a revision in the
60 coverage for sinkhole losses and catastrophic ground cover
61 collapse pursuant to s. 627.706, ~~as amended by s. 30, chapter~~
62 ~~2007-1, Laws of Florida.~~

63 b. A policy that is nonrenewed by Citizens Property
64 Insurance Corporation, pursuant to s. 627.351(6), for a policy
65 that has been assumed by an authorized insurer offering
66 replacement or renewal coverage to the policyholder is exempt
67 from the notice requirements of paragraph (a) and this
68 paragraph. In such cases, the corporation must give the named
69 insured written notice of nonrenewal at least 45 days before the
70 effective date of the nonrenewal.



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71
72 After the policy has been in effect for 90 days, the policy may
73 ~~shall~~ not be canceled by the insurer unless ~~except when~~ there
74 has been a material misstatement, a nonpayment of premium, a
75 failure to comply with underwriting requirements established by
76 the insurer within 90 days after ~~of~~ the date of effectuation of
77 coverage, or a substantial change in the risk covered by the
78 policy or if ~~when~~ the cancellation is for all insureds under
79 such policies for a given class of insureds. This paragraph does
80 not apply to individually rated risks having a policy term of
81 less than 90 days.

82 4. Notwithstanding any other provision of law, an insurer

83
84 ===== T I T L E A M E N D M E N T =====

85 And the title is amended as follows:

86 Delete line 114

87 and insert:

88 amending s. 627.4133, F.S.; revising the requirements
89 for providing an insured with notice of nonrenewal,
90 cancellation, or termination of personal lines or
91 commercial residential property insurance; authorizing
92 an insurer to