



26 | claims denials; amending s. 627.715, F.S.; requiring  
 27 | insurance agents to advise insurance applicants of  
 28 | flood risk; creating s. 627.71555, F.S.; providing  
 29 | duties of the Office of Insurance Regulation;  
 30 | requiring the Department of Financial Services to  
 31 | adopt rules regarding allegations of insurance fraud  
 32 | made by insurers or their employees or contractors;  
 33 | providing requirements for such rules; providing  
 34 | fines; requiring the Office of Program Policy Analysis  
 35 | and Government Accountability to conduct a study of  
 36 | the effectiveness of the property insurance mediation  
 37 | program; providing requirements for the study;  
 38 | requiring a report to the Legislature; amending  
 39 | chapter 2022-268, Laws of Florida; increasing an  
 40 | appropriation to the My Safe Florida Home Program;  
 41 | providing an effective date.

42 |

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

44 |

45 | Section 1. Section 11.91, Florida Statutes, is created to  
 46 | read:

47 | 11.91 Property Insurance Commission.—

48 | (1) (a) There is created the Property Insurance Commission,  
 49 | which shall consist of six members:

50 | 1. Two members appointed by the President of the Senate.

51        2. One member appointed by the Minority Leader of the  
52 Senate.

53        3. Two members appointed by the Speaker of the House of  
54 Representatives.

55        4. One member appointed by the House Minority Leader.

56        (b) Each member shall serve at the pleasure of the officer  
57 who appointed the member. A vacancy on the commission shall be  
58 filled in the same manner as the original appointment. From  
59 November of each odd-numbered year through October of each even-  
60 numbered year, the chair of the commission shall be appointed by  
61 the President of the Senate, and the vice chair of the  
62 commission shall be appointed by the Speaker of the House of  
63 Representatives. From November of each even-numbered year  
64 through October of each odd-numbered year, the chair of the  
65 commission shall be appointed by the Speaker of the House of  
66 Representatives, and the vice chair of the commission shall be  
67 appointed by the President of the Senate. The terms of members  
68 shall be for 2 years and shall run from the organization of one  
69 Legislature to the organization of the next Legislature.

70        (2) The commission shall be governed by joint rules of the  
71 Senate and the House of Representatives, which shall remain in  
72 effect until repealed or amended by concurrent resolution.

73        (3) The commission may conduct its meetings through  
74 teleconferences or other similar means.

75        (4) The commission shall be staffed by legislative staff

76 members, as assigned by the President of the Senate and the  
 77 Speaker of the House of Representatives.

78 (5) The commission has the power and duty to:

79 (a) Review and evaluate the insurance marketplace and  
 80 studies of the various insurance markets.

81 (b) Review and comment on market data produced by the  
 82 Office of Insurance Regulation.

83 (c) Review and comment on the setting of reserve  
 84 requirements for insurers.

85 (d) Exercise all other powers and perform any other duties  
 86 prescribed by the Legislature.

87 Section 2. Paragraphs (a) and (d) of subsection (3) of  
 88 section 20.121, Florida Statutes, are amended to read:

89 20.121 Department of Financial Services.—There is created  
 90 a Department of Financial Services.

91 (3) FINANCIAL SERVICES COMMISSION.—Effective January 7,  
 92 2003, there is created within the Department of Financial  
 93 Services the Financial Services Commission, composed of the  
 94 Governor, the Attorney General, the Chief Financial Officer, and  
 95 the Commissioner of Agriculture, which shall for purposes of  
 96 this section be referred to as the commission. Commission  
 97 members shall serve as agency head of the Financial Services  
 98 Commission. The commission shall be a separate budget entity and  
 99 shall be exempt from the provisions of s. 20.052. Commission  
 100 action shall be by majority vote consisting of at least three

101 affirmative votes. The commission shall not be subject to  
102 control, supervision, or direction by the Department of  
103 Financial Services in any manner, including purchasing,  
104 transactions involving real or personal property, personnel, or  
105 budgetary matters.

106 (a) Structure.—The major structural unit of the commission  
107 is the office. Each office shall be headed by a director. The  
108 following offices are established:

109 1. The Office of Insurance Regulation, which shall be  
110 responsible for all activities concerning insurers and other  
111 risk bearing entities, including licensing, rates, policy forms,  
112 market conduct, claims, issuance of certificates of authority,  
113 solvency, viatical settlements, premium financing, and  
114 administrative supervision, as provided under the insurance code  
115 or chapter 636. The head of the Office of Insurance Regulation  
116 is the Director of the Office of Insurance Regulation, who may  
117 also be known as the Commissioner of Insurance Regulation.  
118 Beginning with the general election in 2026, the Commissioner of  
119 Insurance Regulation shall be elected. The commissioner elected  
120 in 2026 shall serve a term of 2 years; thereafter, the  
121 commissioner shall serve a term of 4 years.

122 2. The Office of Financial Regulation, which shall be  
123 responsible for all activities of the Financial Services  
124 Commission relating to the regulation of banks, credit unions,  
125 other financial institutions, finance companies, and the

126 securities industry. The head of the office is the Director of  
 127 the Office of Financial Regulation, who may also be known as the  
 128 Commissioner of Financial Regulation. The Office of Financial  
 129 Regulation shall include a Bureau of Financial Investigations,  
 130 which shall function as a criminal justice agency for purposes  
 131 of ss. 943.045-943.08 and shall have a separate budget. The  
 132 bureau may conduct investigations within or outside this state  
 133 as the bureau deems necessary to aid in the enforcement of this  
 134 section. If, during an investigation, the office has reason to  
 135 believe that any criminal law of this state has or may have been  
 136 violated, the office shall refer any records tending to show  
 137 such violation to state or federal law enforcement or  
 138 prosecutorial agencies and shall provide investigative  
 139 assistance to those agencies as required.

140 (d) Appointment and qualification ~~qualifications~~ of the  
 141 Director of the Office of Financial Regulation ~~directors~~.—The  
 142 commission shall appoint or remove the each Director of the  
 143 Office of Financial Regulation by a majority vote consisting of  
 144 at least three affirmative votes, with both the Governor and the  
 145 Chief Financial Officer on the prevailing side. ~~The minimum~~  
 146 ~~qualifications of the directors are as follows:~~

147 ~~1. Prior to appointment as director, the Director of the~~  
 148 ~~Office of Insurance Regulation must have had, within the~~  
 149 ~~previous 10 years, at least 5 years of responsible private~~  
 150 ~~sector experience working full time in areas within the scope of~~

151 ~~the subject matter jurisdiction of the Office of Insurance~~  
 152 ~~Regulation or at least 5 years of experience as a senior~~  
 153 ~~examiner or other senior employee of a state or federal agency~~  
 154 ~~having regulatory responsibility over insurers or insurance~~  
 155 ~~agencies.~~

156 Before 2. ~~Prior to~~ appointment as director, the Director  
 157 of the Office of Financial Regulation must have had, within the  
 158 previous 10 years, at least 5 years of responsible private  
 159 sector experience working full time in areas within the subject  
 160 matter jurisdiction of the Office of Financial Regulation or at  
 161 least 5 years of experience as a senior examiner or other senior  
 162 employee of a state or federal agency having regulatory  
 163 responsibility over financial institutions, finance companies,  
 164 or securities companies.

165 Section 3. Section 112.3134, Florida Statutes, is created  
 166 to read:

167 112.3134 Commissioner of Insurance Regulation; Office of  
 168 Insurance Regulation.-

169 (1) A person who has served as Commissioner of Insurance  
 170 Regulation may not:

171 (a) Personally represent another person or entity for  
 172 compensation before the Office of Insurance Regulation; or

173 (b) Serve as an employee or contractor of an entity  
 174 regulated by the Office of Insurance Regulation  
 175

176 for a period of 7 years after vacating that office.

177 (2) A person who violates subsection (1) may be punished  
 178 by:

179 (a) Public censure and reprimand;

180 (b) A civil penalty not to exceed \$10,000; or

181 (c) Forfeiture of any pecuniary benefits received for  
 182 conduct that violates this section. The amount of the pecuniary  
 183 benefits must be paid to the General Revenue Fund.

184 (3) The Attorney General and Chief Financial Officer are  
 185 independently authorized to collect any penalty imposed under  
 186 this section.

187 Section 4. Subsection (2) of section 494.0026, Florida  
 188 Statutes, is amended to read:

189 494.0026 Disposition of insurance proceeds.—The following  
 190 provisions apply to mortgage loans held by a mortgagee or  
 191 assignee that is subject to part II or part III of this chapter.

192 (2)(a) Insurance proceeds received by a mortgagee or  
 193 assignee that relate to compensation for damage to property or  
 194 contents insurance coverage in which the mortgagee or assignee  
 195 has a security interest must be promptly deposited into a  
 196 segregated account of a federally insured financial institution.

197 (b) Any interest earned on insurance proceeds received by  
 198 a mortgagee or assignee that relate to compensation for damage  
 199 to property or contents insurance coverage in which the  
 200 mortgagee or assignee has a security interest must be paid to



201 the insured.

202

203 This section may not be construed to prevent an insurance  
 204 company from paying the insured directly for additional living  
 205 expenses or paying the insured directly for contents insurance  
 206 coverage if the mortgagee or assignee does not have a security  
 207 interest in the contents.

208 Section 5. Subsection (5) is added to section 624.401,  
 209 Florida Statutes, to read:

210 624.401 Certificate of authority required.—

211 (5) (a) A property insurer may not claim insolvency in this  
 212 state if the insurer still acts as an insurer, transacts  
 213 insurance, or otherwise engages in insurance activities in any  
 214 state other than this state, regardless of whether these  
 215 insurance activities are property insurance activities.

216 (b) Effective January 1, 2025, any person who acts as a  
 217 property insurer, transacts property insurance, or otherwise  
 218 engages in property insurance activities in any state other than  
 219 this state may act as an insurer, transact insurance, or  
 220 otherwise engage in insurance activities in this state only if  
 221 that person does not exclude property insurance from the  
 222 person's insurance transactions or activities.

223 Section 6. Subsection (10) is added to section 627.0629,  
 224 Florida Statutes, to read:

225 627.0629 Residential property insurance; rate filings.—

226       (10) An insurer must release to an insured all information  
 227 relating to an inspection or an underwriting report upon the  
 228 insured's request.

229       Section 7. Subsection (11) is added to section 627.701,  
 230 Florida Statutes, to read:

231       627.701 Liability of insureds; coinsurance; deductibles;  
 232 prohibited denials of claims.—

233       (11) A property insurer that issues or renews an insurance  
 234 policy or contract covering real property in this state on or  
 235 after January 1, 2025, may not use a property's preexisting  
 236 condition, a date of loss that predates the date of a claim, or  
 237 faulty installation or workmanship as a defense for denying a  
 238 claim.

239       Section 8. Subsection (8) of section 627.715, Florida  
 240 Statutes, is amended to read:

241       627.715 Flood insurance.—An authorized insurer may issue  
 242 an insurance policy, contract, or endorsement providing personal  
 243 lines residential coverage for the peril of flood or excess  
 244 coverage for the peril of flood on any structure or the contents  
 245 of personal property contained therein, subject to this section.  
 246 This section does not apply to commercial lines residential or  
 247 commercial lines nonresidential coverage for the peril of flood.  
 248 An insurer may issue flood insurance policies, contracts,  
 249 endorsements, or excess coverage on a standard, preferred,  
 250 customized, flexible, or supplemental basis.

251           (8)(a) An agent must provide a written notice to be signed  
 252 by every the applicant advising the applicant of flood risk.

253           (b) If before the agent places flood insurance coverage  
 254 with an admitted or surplus lines insurer for a property  
 255 receiving flood insurance under the National Flood Insurance  
 256 Program, the agent must also provide to the applicant, before  
 257 placing new flood coverage for the property, a written. ~~the~~  
 258 notice notifying ~~must notify~~ the applicant that, if the  
 259 applicant discontinues coverage under the National Flood  
 260 Insurance Program which is provided at a subsidized rate, the  
 261 full risk rate for flood insurance may apply to the property if  
 262 the applicant later seeks to reinstate coverage under the  
 263 program.

264           Section 9. Section 627.71555, Florida Statutes, is created  
 265 to read:

266           627.71555 Office rulemaking.—By January 1, 2025, the  
 267 office must adopt rules:

268           (1) Requiring that, each time legislation creating or  
 269 amending law to reform property insurance takes effect, property  
 270 insurers must offer mandatory premium rate reduction for their  
 271 insureds.

272           (2) Ensuring that insurance fraud committed by any person  
 273 can be easily reported, investigated, and, if necessary,  
 274 prosecuted.

275           (3) Redetermining flood zones statewide for use when

276 assigning flood risks.

277 Section 10. The Department of Financial Services shall, no  
 278 later than October 1, 2025, adopt rules regarding any allegation  
 279 made by an insurer or an employee or contractor thereof of  
 280 insurance fraud in violation of any provision listed in s.  
 281 626.9892(2), Florida Statutes. Such rules must include  
 282 requirements that:

283 (1) The Division of Investigative and Forensic Services in  
 284 the Department of Financial Services must be informed by an  
 285 insurer of any such allegation.

286 (2) The department shall promptly investigate such  
 287 allegations.

288 (3) If the department determines that there was no fraud,  
 289 the insurer alleging such fraud may be appropriately sanctioned  
 290 by a fine of up to \$100,000.

291 (4) All documents relating to such sanctions shall be  
 292 public records.

293 Section 11. (1) The Office of Program Policy Analysis and  
 294 Government Accountability (OPPAGA) shall conduct a study to  
 295 evaluate the effectiveness of the property insurance mediation  
 296 program provided pursuant to s. 627.7015, Florida Statutes. The  
 297 study's scope must include, but need not be limited to:

298 (a) Improvements in the public's awareness of the program  
 299 and the advantages of participation in the program.

300 (b) Program resource needs.

301       (2) The study must include recommendations for any changes  
302 needed to improve the efficiency of the program to maximize its  
303 usefulness as an alternative to litigation.

304       (3) In conducting the study, OPPAGA shall consult with the  
305 Department of Financial Services, insurers, and organizations  
306 representing insurance consumers.

307       (4) OPPAGA shall submit a report on its findings to the  
308 President of the Senate and the Speaker of the House of  
309 Representatives by December 1, 2025.

310       Section 12. Section 4 of chapter 2022-268, Laws of  
311 Florida, is amended to read:

312       Section 4. (1) For the 2024-2025 ~~2022-2023~~ fiscal year,  
313 the sum of \$300 ~~\$150~~ million in nonrecurring funds is  
314 appropriated from the General Revenue Fund to the Department of  
315 Financial Services for the My Safe Florida Home Program. The  
316 funds shall be placed in reserve. The department shall submit  
317 budget amendments requesting release of the funds held in  
318 reserve pursuant to chapter 216, Florida Statutes. The budget  
319 amendments shall include a detailed spending plan.

320       (2) The funds shall be allocated as follows:

321       (a) Fifty ~~Twenty-five~~ million dollars for hurricane  
322 mitigation inspections.

323       (b) Two hundred thirty ~~One hundred fifteen~~ million dollars  
324 for mitigation grants.

325       (c) Eight ~~Four~~ million dollars for education and consumer

326 awareness.

327 (d) Two ~~One~~ million dollars for public outreach for  
 328 contractors and real estate brokers and sales associates.

329 (e) Ten ~~Five~~ million dollars for administrative costs.

330 (3) Any unexpended balance of funds from this  
 331 appropriation remaining on June 30, 2025 ~~2023~~, shall revert and  
 332 is appropriated to the Department of Financial Services for the  
 333 2025-2026 ~~2023-2024~~ fiscal year for the same purpose.

334 (4) The department may adopt emergency rules pursuant to  
 335 s. 120.54, Florida Statutes, at any time, as are necessary to  
 336 implement this section and s. 215.5586, Florida Statutes, as  
 337 amended by this act. The Legislature finds that such emergency  
 338 rulemaking authority is necessary to address a critical need in  
 339 the state's problematic property insurance market. The  
 340 Legislature further finds that the uniquely short timeframe  
 341 needed to effectively implement this section for the 2024-2025  
 342 ~~2022-2023~~ fiscal year requires that the department adopt rules  
 343 as quickly as practicable. Therefore, in adopting such emergency  
 344 rules, the department need not make the findings required by s.  
 345 120.54(4)(a), Florida Statutes. Emergency rules adopted under  
 346 this section are exempt from s. 120.54(4)(c), Florida Statutes,  
 347 and shall remain in effect until replaced by rules adopted under  
 348 the nonemergency rulemaking procedures of chapter 120, Florida  
 349 Statutes, which must occur no later than July 1, 2025 ~~2023~~.

350 (5) This section shall expire on October 1, 2026 ~~2024~~.

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351 |       Section 13.   This act shall take effect July 1, 2024.       |