



Week Two – March 11-15, 2019

The main movement on property insurance legislation this week was the omnibus bill sponsored by [Representative Santiago \(R-Deltona\)](#) and [Senator Brandes \(R-St. Petersburg\)](#). Our priority legislation relating to Assignment of Benefits (AOB) by [Chairman Rommel \(R-Naples\)](#) has been referred to the [House Insurance and Banking](#) and [Judiciary](#) committees and will be heard on Tuesday in Insurance and Banking. The companion bill sponsored by [Chairman Broxson \(R-Pensacola\)](#) will be heard on Monday in the [Senate Judiciary Committee](#). [Chief Financial Officer Jimmy Patronis](#) continues to lead the charge on passing meaningful AOB reform this Session. CFO Patronis wrote a [letter to the Florida Bar](#) pleading for them to address the bad behavior of some of their members and to come to the table with solutions. Citizens' lobbying team continues to engage in discussions in crafting a final bill which will pass muster in both the Senate and House of Representatives.

A new [Quinnipiac University poll](#) released this week shows Florida voters solidly approve of Governor Ron DeSantis' first two months in office with an overall approval rating of 59 percent. This approval rating is the highest approval rating of a Governor in the last 10 years.

The following is a brief snapshot of the most important bills for Citizens which had action this week.

On Monday the [Senate Banking and Insurance Committee](#) took up [SB 714](#) by [Senator Brandes \(R-St. Petersburg\)](#) which is the annual omnibus insurance package. The following are the key provisions contained in the committee substitute.

- Revises the reimbursement that insurers receive from the FHCF for loss adjustment expenses from 5 percent of losses to the lesser of 15 percent of losses or the uniform loss adjustment percentage established by rule
- Deletes a requirement that workers compensation insurance applicants and their agents must have their sworn statements notarized
- Prohibits filing during the first 60 days of the appraisal process outlined in the insurance contract a civil remedy notice for a bad faith action under s. 624.155, F.S.
- Repeals current law that allows the Department of Financial Services to return for lack of specificity a civil remedy notice

The bill passed 8-0. The bill is now in the [Senate Judiciary Committee](#). The bill would take effect on July 1, 2019.

On Wednesday, the [House Civil Justice Committee](#) took up [HB 301](#) by [Representative Santiago \(R-Deltona\)](#) which is the companion to SB 714. One amendment offered by Representative Santiago was adopted and prohibits an individual from filing a civil remedy notice for 60 days with the Department of Financial Service (DFS) while a damaged property is being appraised. The bill contains the following key provisions:

- Allows homeowner's property insurance for a residential dwelling with a replacement cost of \$700,000 or more to be exported to a surplus lines insurer following a single coverage rejection. This is a reduction from three to one, the number of coverage rejections required prior to exportation for homes valued between \$700,000 and \$1,000,000. This aligns with the coverage limitation from Citizens in the majority of Florida and may mitigate the volume of coverage Citizens writes in Miami-Dade and Monroe.

- Adds another exception, authorizing an insurer to offer and give insureds goods or services for the purposes of loss control or loss mitigation related to covered risks
- Expands allowance of multiple policy discounts to also allow premium discounts for:
 - An insured's purchase of policies from insurers operating under a joint marketing arrangement
 - Where the same agent is servicing policies for an insured where one was obtained through the Citizens clearinghouse process
 - The same agent is servicing policies the insured purchased from multiple insurers
 - The agent's receipt of the notice required by the bill does not make the agent responsible for the lapse
- Allows insurer to issue the required notice of right to mediate at the time the insurer decides that a loss is covered and is issuing payment (which is an outcome the insured may disagree with) or, as currently provided, at the time a claim is filed (which is before the insurer has taken any action that the insured may disagree with)

The bill passed on a 15-0 vote and heads to the Commerce Committee next. The bill would take effect on July 1, 2019.

On Thursday, the [House Commerce Committee](#) took up two bill relating to public records and trade secrets.

[HB 759](#) by [Representative Massullo \(R-Beverly Hills\)](#) repeals most public record exemptions for trade secrets under current law, all associated processes for designating a trade secret, and most references to trade secrets contained in definitions for proprietary business information. The bill passed unanimously and now heads to the [State Affairs Committee](#) before going to the Floor.

[HB 761](#) by [Representative Massullo \(R-Beverly Hills\)](#) creates a new uniform public record exemption for trade secrets that applies to most agencies, including Citizens that are subject to public record requirements. The bill defines the term "trade secret" and creates a process for an individual, or entity, to follow when submitting a trade secret to an agency. The bill also passed unanimously and heads to the State Affairs Committee before going to the Floor.

On Deck – Week 3

The [Senate Judiciary Committee](#) will be meeting on Monday, March 18, at 4 p.m., and will hear [SB 122](#) by [Chairman Broxson \(R-Pensacola\)](#) relating to Assignment of Benefits (AOB).

The [Senate Banking and Insurance Committee](#) will be meeting on Monday, March 18, at 4 p.m. No Citizens specific bills are being heard.

The [House Insurance and Banking Committee](#) will meet on Tuesday, March 19, at 3:30 p.m. [HB 7065](#) by Chairman Rommel relating to Assignment of Benefits will be heard.

The [House Judiciary Committee](#) will meet on Thursday, March 21, at 8 a.m. The agenda has not yet been released.

The [House Commerce Committee](#) will meet on Thursday, March 21, at Noon. The agenda has not yet been released.

Committee Meeting Notice Requirements

House of Representatives – Two days prior to committee meeting date

Senate – Three days prior to committee meeting date

News of Note – Week Two

[Jimmy Patronis irate over Florida Bar president's letter](#)

Florida Politics

[Demotech: Expect 2018 Catastrophe Losses to Impact Florida-Based Insurers](#)

Insurance Journal

[Disaster-stricken communities aren't receiving the funds they were promised](#)

The Hill

[Broxson shepherds AOB reform](#)

Northwest Florida Daily News

[Ormond Heritage \\$66 million hurricane damage bill headed off by residents](#)

Daytona Beach News Journal

[Senate bill could serve as Michael recovery omnibus package](#)

Florida Watchdog

[Citizens rate hike hearing scheduled in South Florida](#)

Sun-Sentinel