

## Summary of CS/HB 853

**Section 626.913, F.S. as amended added subsection (4).** This section specifies that surplus lines insurance authorized under ss.626.913-626.937, the Surplus Lines Law is exempted from the provisions of chapter 627, F.S., except where specifically stated. This amendment is retroactive to the regulation of surplus lines insurers from October 1, 1988, except with respect to lawsuits that are filed on or before May 15, 2009.

There were other requirements imposed on surplus lines insurers, effective October 1, 2009, which are similar to some of the provisions governing admitted insurers in ch. 627, F.S. Those requirements are:

**Amendment to Section 626.924 (2), as amended** requires surplus lines insurers to include on the face of each surplus lines policy the following statement in at least 14-point boldface type: **SURPLUS LINES INSURERS' POLICY RATES AND FORMS ARE NOT APPROVED BY ANY FLORIDA REGULATORY AGENCY.** This amendment is effective October 1, 2009.

**Section 626.9371, F.S. (NEW) "Payment of premiums and claims**

Provides methods an insured and insurers may use for payment of premiums and claims on surplus lines policies issued on or after **October 1, 2009**. The methods of payment shall be cash consisting of coins, currency, checks, money orders, debit card, credit card, automatic electronic funds transfer, or payroll deduction plan.

**Section 626.9372, F.S. (New) – Disclosure statement of certain information required- liability claims--** This section requires surplus lines insurers who provide liability insurance coverage to pay all or a portion of any claim that might be made on or after October 1, 2009, shall provide, within 60 days after a written request from the insured a statement of a corporate officer, or claims manager, etc setting forth certain information about the liability policy.

**Section 626.9373, F.S. (NEW) – Attorney's fees:** This amendment allows the appellate court to adjudge or decree against a surplus insurer reasonable attorney's fees if a recovery is awarded in favor of an insured. If awarded, attorney's fees shall be included in the judgment or decree rendered in the case.

**Section 626.9374, F.S. (NEW) – Liability of insureds; deductible and co-insurance.—**This amendment requires surplus lines insurers to print on the face of all personal lines residential property policies containing a separate hurricane or wind deductible the following statement in at least 14-point, boldface type: **THIS POLICY CONTAINS A SEPARATE DEDUCTIBLE FOR HURRICANE OR WIND LOSSES, WHICH MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU.** This amendment is effective October 1, 2009

(2) A Surplus lines personal lines residential property insurance policy issued on or after October 1, 2009, containing a coinsurance provision applicable to hurricane or wind losses must include the following language on the face of the policy in 14-point font:

**THIS POLICY CONTAINS A CO-PAY PROVISION THAT MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU.**