

By Senator Brandes

24-00756B-19

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1 A bill to be entitled
2 An act relating to insurance; providing a short title;
3 amending s. 624.155, F.S.; revising circumstances
4 under which a person may not bring a civil action
5 against an insurer; amending s. 626.9541, F.S.;
6 providing that provisions relating to unfair methods
7 of competition and unfair or deceptive insurance acts
8 or practices do not prohibit insurers or agents from
9 offering or giving to insureds certain free or
10 discounted services or offerings relating to loss
11 control or loss mitigation; amending s. 627.0655,
12 F.S.; revising circumstances under which insurers or
13 certain authorized persons may provide certain premium
14 discounts to insureds; amending s. 627.4555, F.S.;
15 requiring life insurers that are required to provide a
16 specified notice to policyowners of an impending lapse
17 in coverage to also notify the policyowner's agent of
18 record within a certain timeframe; providing that the
19 agent is not responsible for any lapse in coverage;
20 exempting the insurer from the requirement under
21 certain circumstances; amending s. 627.7015, F.S.;
22 adding circumstances under which certain property
23 insurers may provide required notice to policyholders
24 of their right to participate in a certain mediation
25 program; providing an effective date.

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

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29 Section 1. This act may be cited as "Omnibus Prime."

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30 Section 2. Paragraph (d) of subsection (3) of section
31 624.155, Florida Statutes, is amended to read:

32 624.155 Civil remedy.—

33 (3)

34 (d) An ~~No~~ action may not be brought ~~shall lie~~ if, within 60
35 days after filing the notice, the damages are paid; the
36 appraisal is in process and a payment, if required, is timely
37 made; or the circumstances giving rise to the violation are
38 corrected.

39 Section 3. Subsection (5) is added to section 626.9541,
40 Florida Statutes, to read:

41 626.9541 Unfair methods of competition and unfair or
42 deceptive acts or practices defined.—

43 (5) LOSS CONTROL OR LOSS MITIGATION SERVICES OR OFFERINGS;
44 CONSTRUCTION.—This section does not prohibit an insurer or agent
45 from offering or giving to an insured, for free or at a
46 discounted price, services or other offerings relating to loss
47 control or loss mitigation with respect to the risks covered
48 under the policy.

49 Section 4. Section 627.0655, Florida Statutes, is amended
50 to read:

51 627.0655 Policyholder loss or expense-related premium
52 discounts.—An insurer or person authorized to engage in the
53 business of insurance in this state may include, in the premium
54 charged an insured for any policy, contract, or certificate of
55 insurance, a discount based on the fact that another policy,
56 contract, or certificate of any type has been purchased by the
57 insured from:

58 (1) The same insurer or insurer group, or another insurer

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59 under a joint marketing agreement;

60 (2) The Citizens Property Insurance Corporation created
61 under s. 627.351(6), if the same insurance agent is servicing
62 both policies;~~or~~

63 (3) An insurer that has removed the policy from the
64 Citizens Property Insurance Corporation or issued a policy
65 pursuant to the clearinghouse program under s. 627.3518, if the
66 same insurance agent is servicing both policies.

67 Section 5. Section 627.4555, Florida Statutes, is amended
68 to read:

69 627.4555 Secondary notice.—

70 (1) Except as provided in this section, a contract for life
71 insurance issued or issued for delivery in this state on or
72 after October 1, 1997, covering a natural person 64 years of age
73 or older, which has been in force for at least 1 year, may not
74 be lapsed for nonpayment of premium unless, after expiration of
75 the grace period, and at least 21 days before the effective date
76 of any such lapse, the insurer has mailed a notification of the
77 impending lapse in coverage to the policyowner and to a
78 specified secondary addressee if such addressee has been
79 designated in writing by name and address by the policyowner. An
80 insurer issuing a life insurance contract on or after October 1,
81 1997, shall notify the applicant of the right to designate a
82 secondary addressee at the time of application for the policy,
83 on a form provided by the insurer, and at any time the policy is
84 in force, by submitting a written notice to the insurer
85 containing the name and address of the secondary addressee. For
86 purposes of any life insurance policy that provides a grace
87 period of more than 51 days for nonpayment of premiums, the

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88 notice of impending lapse in coverage required by this section
89 must be mailed to the policyowner and the secondary addressee at
90 least 21 days before the expiration of the grace period provided
91 in the policy. This section does not apply to any life insurance
92 contract under which premiums are payable monthly or more
93 frequently and are regularly collected by a licensed agent or
94 are paid by credit card or any preauthorized check processing or
95 automatic debit service of a financial institution.

96 (2) If the policyowner has a life agent of record or any
97 agent of record, the insurer must also notify the agent of the
98 impending lapse in coverage or mail or send electronically a
99 copy of the notification of the impending lapse in coverage
100 under subsection (1) to the agent at least 21 days before the
101 effective date of such lapse. Receipt of such notice does not
102 make the agent responsible for any lapse in coverage. An insurer
103 is not required to notify the agent under this subsection if any
104 of the following applies:

105 (a) The insurer maintains an online system that allows an
106 agent to independently determine if a policy has lapsed.

107 (b) The insurer has no record of the current agent of
108 record.

109 (c) The agent is employed by the insurer or an affiliate of
110 the insurer.

111 Section 6. Subsection (2) of section 627.7015, Florida
112 Statutes, is amended to read:

113 627.7015 Alternative procedure for resolution of disputed
114 property insurance claims.—

115 (2) Either at the time a first-party claim within the scope
116 of this section is filed by the policyholder or at the time

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117 coverage is applied and payment is determined, the insurer shall
118 notify the policyholder of its right to participate in the
119 mediation program under this section. The department shall
120 prepare a consumer information pamphlet for distribution to
121 persons participating in mediation.

122 Section 7. This act shall take effect July 1, 2019.