



LEGISLATIVE SUMMARY 2020



**Florida Office of
Insurance Regulation**

David Altmaier, Insurance Commissioner





FINANCIAL SERVICES
COMMISSION

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OFFICE OF INSURANCE REGULATION

DAVID ALTMAIER
COMMISSIONER

August 4, 2020

Dear Floridians,

I am pleased to present the *2020 Legislative Summary* prepared by the Florida Office of Insurance Regulation (OIR). This report provides a brief overview of insurance legislation passed by the Florida Legislature during the 2020 Regular Session with action taken by the Governor. It also includes a summary of the OIR budget for Fiscal Year 2020-2021. Additional information and legislative materials pertaining to these bills or any others can be found online at www.leg.state.fl.us.

I encourage you to review this report and visit our website for more information about the OIR's role in promoting a stable and competitive insurance market that allows *reliable* insurance products to be *available* to Florida consumers at *affordable* prices.

Sincerely,

A handwritten signature in blue ink that reads "David Altmaier".

David Altmaier

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**Summary of Insurance, Administrative, and Budget-Related Legislation
Enacted by the Florida Legislature during the 2020 Regular Session
BUDGET**

General Appropriations Act ([HB 5001](#) by Appropriation)

Action by Governor: Approved by the Governor (Chapter No. [2020-111](#))

Effective Date: 7/1/2020

The Legislature approved the FY 2020-21 General Appropriations Act on 3/24/20, during Regular Session. The Governor signed it into law on 6/29/20. Funds appropriated to the Florida Office of Insurance Regulation (OIR) from the Insurance Regulatory Trust Fund are shown in Table 1.

Table 1. Appropriations Overview Fiscal Year 2020-21: Office of Insurance Regulation (OIR)

Positions	FY 2019-20	FY 2020-21	Over/(Under)
Full-time equivalent (FTE) positions	283	283	0
Funding (By Budget Category)	FY 2019-20	FY 2020-21	Over/(Under)
Salaries and Benefits	\$20,847,350	\$21,039,617	\$92,267
Other Personal Services	\$290,169	\$290,169	\$0
Expenses	\$2,479,173	\$2,469,173	(\$10,000)
Operation Capital Outlay	\$98,000	\$98,000	\$0
Contracted Services	\$1,430,726	\$1,780,726	\$350,000
Financial Examination Contracts*	\$4,926,763	\$4,626,763	(\$300,000)
Florida Public Hurricane Model (Enhancements)	\$969,689	\$969,689	\$0
Lease or Lease-Purchase of Equipment	\$27,403	\$37,403	\$10,000
Risk Management Insurance	\$156,143	\$182,751	\$26,608
DMS Human Resources Contract	\$91,002	\$90,647	(\$355)
TOTAL	\$31,016,418	\$31,584,938	\$568,520

*Budget authority for financial examinations of property and casualty, and life and health insurance companies. Insurance companies reimburse the Insurance Regulatory Trust Fund for examination costs. The Trust Fund acts as a pass through.

**Funds are nonrecurring and disbursed directly to Florida International University (FIU).

Appropriations Proviso for OIR, Fiscal Year 2020-21

Line #2543 – Existing Proviso (Public Hurricane Model – Enhancements) \$969,689

Funds in Specific Appropriation 2543 shall be transferred to Florida International University and utilized to promote and enhance collaborative research among state universities. The Florida Public Hurricane Loss Model located at Florida International University may consult with the private sector and the Florida Catastrophic Storm Risk Management Center located at The Florida State University to enhance the marketability, viability, and applications of the Florida Public Hurricane Loss Model. The Florida Office of Insurance Regulation (OIR) shall have the ability to accurately calculate hurricane risk and project catastrophic losses, and nothing shall interfere with or supersede the OIR's authority to enter into agreements with Florida International University.

GENERAL INSURANCE

Insurance Claims Data ([SB 292](#) by Broxson)

Action by Governor: Approved by Governor (Chapter No. [2020-51](#))

Statute(s) Affected: 626.9202, 627.444

Effective Date: January 1, 2021

Defining the terms “loss run statement” and “provide;” requiring surplus lines and authorized insurers, respectively, to provide insureds either a loss run statement or certain information within a certain timeframe after receipt of the insured’s written request; requiring insurers to provide notice to the agent of record after providing a loss run statement; prohibiting insurers from charging a fee to prepare and provide one loss run statement annually, etc.

For a copy of the final Senate staff analysis, please [click here](#).

Insurance Administration ([SB 1606](#) by Perry)

Action by Governor: Approved by Governor (Chapter No. [2020-63](#))

Statute(s) Affected: 319.3, 440.12, 440.2, 624.155, 624.307, 624.315, 624.422, 626.321, 627.062, 627.0651, 627.41, 627.714, 627.7295, 647.01, 647.02, 647.03, 647.04, 647.05, 647.06, 647.07, 647.08.

Effective Date: July 1, 2020

Insurance Administration; Revising a certain electronic signature requirement for a motor vehicle salvage certificate of title; authorizing the payment of certain workers’ compensation benefits to be transmitted to the employee’s account with a licensed money transmitter; revising criteria for assessing a residential condominium unit owner’s loss assessment coverage; specifying sales practice requirements, prohibited sales practices, and authorized sales practices relating to travel insurance, etc.

For a copy of the final Senate staff analysis, please [click here](#).

LIFE AND HEALTH INSURANCE

Genetic Information for Insurance Purposes ([HB 1189](#) by Sprowls)

Action by Governor: Approved by Governor (Chapter No. [2020-159](#))

Statute(s) Affected: 627.4301

Effective Date: July 1, 2020

Prohibits life insurers and long-term care insurers from canceling, limiting, or denying coverage, or establishing differentials in premium rates based on genetic information; prohibits such insurers from taking certain actions relating to genetic information for any insurance purpose.

For a copy of the final House staff analysis, please [click here](#).

Mental Health and Substance Abuse ([SB 7012](#) by Rouson)

Action by Governor: Approved by Governor (Chapter No. [2020-39](#))

Statute(s) Affected: 624.438, 627.443, 627.6045, 627.6046, 627.65612, 627.6426, 627.6525, 627.654, 641.31

Effective Date: 7/1/2020

Providing additional duties for the Statewide Office for Suicide Prevention; requiring the Department of Transportation to work with the office in developing a plan relating to evidence-based suicide deterrents in certain locations; requiring that certain information be provided to the guardian or representative of a minor patient released from involuntary examination; requiring the maintenance of psychotropic medications to specified defendants under certain circumstances, etc.

For a copy of the final Senate staff analysis, please [click here](#).

PROPERTY AND CASUALTY INSURANCE

Insurance Guaranty Associations ([HB 529](#) by Donalds, Webb)

Action by Governor: Approved by Governor (Chapter No. [2020-155](#))

Statute(s) Affected: 631.57

Effective Date: July 1, 2020

Revises obligations of Florida Insurance Guaranty Association, Incorporated, for policies covering condominium associations & homeowners' associations; revises percentage limits on emergency assessments levied against insurers by OIR.

For a copy of the final House staff analysis, please [click here](#).

Insurance Guaranty Associations ([SB 540](#) by Rader)

Action by Governor: Approved by Governor (Chapter No. [2020-54](#))

Statute(s) Affected: 625.012, 626.8621, 631.54, 631.57, 631.59, 631.912, 631.914

Effective Date: July 1, 2020

Authorizing certain guaranty association employees to adjust losses for the Florida Insurance Guaranty Association if certain conditions are met; redefining the term “net direct written premiums” as “direct written premiums” and revising the definition of that term; deleting a calculation of initial estimated assessments levied by the Office of Insurance Regulation on insurers in the Florida Insurance Guaranty Association; deleting a calculation of initial estimated assessments levied by the office on insurers in the Florida Workers’ Compensation Insurance Guaranty Association, etc.

For a copy of the final Senate staff analysis, please [click here](#).

Transportation Network Companies ([HB 1039](#) by Rommel)

Action by Governor: Approved by Governor (Chapter No. [2020-87](#))

Statute(s) Affected: 627.748

Effective Date: Upon becoming law

Removes for-hire vehicles from list of vehicles that are not considered transportation network carriers or are not exempt from certain registration; provides insurance maintained by TNC vehicle owners may satisfy required insurance coverages; authorizes TNC drivers to contract with companies to install TNC digital advertising devices on TNC vehicles; provides immunity from certain liability for TNC drivers, TNC vehicle owners, owners & operators of TNC digital advertising devices, & certain TNCs; authorizes entities to elect to be regulated as luxury ground TNCs by notifying DFS; provides for preemption over local law on governance of luxury ground

TNCs, luxury ground TNC drivers, & luxury ground TNC vehicles; provides that TNCs are not liable for certain harm to persons or property if certain conditions are met.

For a copy of the final House staff analysis, please [click here](#).