



FLORIDA OFFICE OF
INSURANCE REGULATION

LEGISLATIVE SUMMARY

2019

DAVID ALTMAIER
INSURANCE COMMISSIONER





FINANCIAL SERVICES
COMMISSION

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OFFICE OF INSURANCE REGULATION

DAVID ALTMAIER
COMMISSIONER

July 25, 2019

Dear Floridians,

I am pleased to present the *2019 Legislative Summary* prepared by the Florida Office of Insurance Regulation (Office). This report provides a brief overview of insurance legislation passed by the Florida Legislature during the 2019 Regular Session with action taken by the Governor. It also includes a summary of the Office budget for Fiscal Year 2019-2020.

Additional information and legislative materials pertaining to these bills or any others can be found online at www.leg.state.fl.us.

Sincerely,

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

David Altmaier

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DAVID ALTMAIER • COMMISSIONER
200 EAST GAINES STREET • TALLAHASSEE, FLORIDA 32399-0305 • (850) 413-5914 • FAX (850) 488-3334
WEBSITE: WWW.FLOIR.COM • EMAIL: DAVID.ALTMAIER@FLOIR.COM

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TABLE OF CONTENTS

Budget	4
General Appropriations Act (SB 2500 by Appropriations)	4
Appropriations Provisos for the Office, Fiscal Year 2019-20	5
General Insurance	6
Wireless Communication While Driving (HB 107 by Toledo & Slossberg)	6
Insurance (HB 301 by Santiago)	6
Business Organizations (HB 1009 by Byrd)	6
Department of Financial Services (HB 1393 by Clemons)	8
Life and Health Insurance	9
Direct Health Care Agreements (HB 7 by Duggan)	9
Telehealth (HB 23 by Yarborough)	9
Health Plans (SB 322 by Simpson)	9
Firefighters (SB 426 by Flores)	10
Insurer Guarantee Associations (HB 673 by Fischer)	10
Health Care (HB 843 by Rodriguez)	11
Continuing Care Contracts (HB 1033 by Yarborough)	11
Health Insurance Savings Programs (HB 1113 by Renner)	11
Property and Casualty Insurance	13
Autonomous Vehicles (HB 311 by Fischer)	13
Homeowners' Insurance Policy Disclosures (HB 617 by Newton)	13
Lessor Liability Under Special Mobile Equipment Leases (SB 862 by Stargel)	13
Warranty Associations (HB 925 by Webb)	14
Insurance Assignment Agreements (HB 7065 by Rommel)	14
OGSR/Hurricane and Flood Loss Model Trade Secrets (HB 7091 by Fischer)	15
Office Administration and Operations	16
Financial Disclosure (HB 7021 by Altman)	16

**Summary of Insurance, Administrative, and Budget-Related Legislation
Enacted by the Florida Legislature during the 2019 Regular Session**

BUDGET

General Appropriations Act ([SB 2500](#) by Appropriation)

Action by Governor: Approved by the Governor (Ch. Law 2019-115)

Effective Date: 7/1/2019

The Legislature approved the FY 2019-20 General Appropriations Act on May 6, 2019, during Regular Session. The Governor signed it into law on June 21, 2019. Funds appropriated to the Office of Insurance Regulation (Office) from the Insurance Regulatory Trust are show in Table 1.

Table 1. Appropriations Overview Fiscal Year 2019-20: Office of Insurance Regulation (Office)

Positions	FY 2018-19	FY 2019-20	Over/(Under)
Full-time equivalent (FTE) positions	287	283	(4)
Funding (By Budget Category)	FY 2018-19	FY 2019-20	Over/(Under)
Salaries and Benefits	\$20,720,316	\$20,847,350	\$127,034
Other Personal Services	\$290,169	\$290,169	\$0
Expenses	\$2,479,173	\$2,479,173	\$0
Operation Capital Outlay	\$98,000	\$98,000	\$0
Contracted Services	\$1,430,726	\$1,430,726	\$0
Financial Examination Contracts*	\$4,926,763	\$4,626,763	(\$300,000)
Florida Public Hurricane Model (Enhancements)	\$969,689	\$969,689	\$0
Miami Beach Coastal Flooding Hazard Research Project**	\$327,227	\$0	(\$327,227)
Catastrophic Advanced Technology Testing**	\$750,000	\$0	(\$750,000)
Lease or Lease-Purchase of Equipment	\$27,403	\$27,403	\$0
Risk Management Insurance	\$227,229	\$156,143	(\$71,086)
DMS Human Resources Contract	\$91,939	\$91,002	(\$937)
TOTAL	\$32,338,634	\$31,016,418	(\$1,322,216)
*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 the Office, Fiscal Year 2019-20

From the funds provided in Specific Appropriations 2564, \$236,793 in salary rate shall be held in reserve. The Office of Insurance Regulation is authorized to submit budget amendments requesting release of the salary rate pursuant to the provisions of chapter 216, Florida Statutes. Request for release of salary rate is contingent upon the submission of a plan to address Compliance and Enforcement personnel retention. The plan shall identify available Salaries and Benefits budget authority to be used for the reserved salary rate. The Office shall submit the plan to the Executive Office of the Governor's Office of Policy and Budget and the chairs of the Senate Appropriations Committee and the House of Representatives Appropriations Committee.

Line #2568 – Existing Proviso (Public Hurricane Model – Enhancements) \$969,689

Funds in Specific Appropriation 2568 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 Office of Insurance Regulation (Office) shall have the ability to accurately calculate hurricane risk and project catastrophic losses, and nothing shall interfere with or supersede the Office's authority to enter into agreements with Florida International University.

GENERAL INSURANCE

Wireless Communication While Driving ([HB 107](#) by Toledo & Slossberg)

Action by Governor: Approved by the Governor (Chapter No. 2019-44)

Statute(s) Affected: 316.305, 316.306

Effective Date: July 1, 2019

House Bill 107 requires law enforcement officer to inform motor vehicle operator of certain rights; prohibits certain actions by an officer; requires an officer to record race & ethnicity of violator when issuing citation; requires law enforcement agencies to report such information to DHSMV; requires DHSMV to annually report certain data to the Governor & Legislature; and removes the requirement that enforcement be accomplished as a secondary action.

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

Insurance ([HB 301](#) by Santiago)

Action by Governor: Approved by the Governor (Chapter No. 2019-108)

Statute(s) Affected: 215.555, 319.30, 440.381, 921.0022, 624.1055, 624.155, 624.404, 624.4085, 626.914, 626.916, 626.9541, 627.0655, 627.426, 627.4555, 627.7015, 627.7295

Effective Date: July 1, 2019

House Bill 301 revises reimbursement of loss adjustment expenses by Florida Hurricane Catastrophe Fund; revises requirements for workers' compensation insurance applications; provides right of contribution of certain liability insurers against other liability insurers for defense costs; removes a provision that tolls period before civil action against insurer may be brought; specifies risk-based capital determination for certain insurers; removes cap on per-policy fees charged by filing surplus lines agent; authorizes reasonable per-policy fee charged by retail agent on surplus lines policies; and reduces the amount that must be collected from insureds before policies or binders are issued.

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

Business Organizations ([HB 1009](#) by Byrd)

Action by Governor: Approved by Governor (Chapter No. 2019-90)

Statute(s) Affected: 331.355, 339.12, 605.0102, 605.0105, 605.0112, 605.0113, 605.0114, 605.0115, 605.0116, 605.0117, 605.0118, 605.0207, 605.0209, 605.021, 605.0211, 605.0215,

605.04092, 605.041, 605.0702, 605.0706, 605.0715, 605.0716, 605.0801, 605.0803, 605.0903, 605.0904, 605.0906, 605.0907, 605.0908, 605.091, 605.0911, 605.0912, 605.1025, 605.1035, 605.1061, 605.1063, 605.1072, 607.0101, 607.0102, 607.012, 607.0121, 607.0122, 607.0123, 607.0124, 607.0125, 607.0126, 607.0127, 607.0128, 607.013, 607.01401, 607.0141, 607.0201, 607.0202, 607.0203, 607.0204, 607.0205, 607.0206, 607.0207, 607.0301, 607.0302, 607.0303, 607.0304, 607.0401, 607.0403, 607.0501, 607.0502, 607.0504, 607.0505, 607.0601, 607.0602, 607.0604, 607.062, 607.0621, 607.0622, 607.0623, 607.0624, 607.0625, 607.0626, 607.0627, 607.063, 607.0631, 607.06401, 607.0701, 607.0702, 607.0703, 607.0704, 607.0705, 607.0706, 607.0707, 607.072, 607.0721, 607.0722, 607.0723, 607.0724, 607.0725, 607.0726, 607.0728, 607.073, 607.0731, 607.0732, 607.07401, 607.0801, 607.0802, 607.0803, 607.0804, 607.0805, 607.0806, 607.0807, 607.0808, 607.0809, 607.082, 607.0821, 607.0823, 607.0824, 607.0825, 607.083, 607.0831, 607.0832, 607.0833, 607.0834, 607.08401, 607.0842, 607.085, 607.0901, 607.0902, 607.1001, 607.1002, 607.10025, 607.1003, 607.1004, 607.1005, 607.1006, 607.1007, 607.1008, 607.1009, 607.102, 607.1021, 607.1022, 607.1101, 607.1102, 607.1103, 607.1104, 607.11045, 607.1105, 607.1106, 607.1107, 607.1108, 607.1109, 607.11101, 607.1112, 607.1113, 607.1114, 607.1115, 607.1201, 607.1202, 607.1301, 607.1302, 607.1303, 607.132, 607.1321, 607.1322, 607.1323, 607.1324, 607.1326, 607.133, 607.1331, 607.1332, 607.1333, 607.1401, 607.1402, 607.1403, 607.1404, 607.1405, 607.1406, 607.1407, 607.142, 607.1421, 607.1422, 607.1423, 607.143, 607.1431, 607.1432, 607.1433, 607.1434, 607.1435, 607.1436, 607.14401, 607.1501, 607.1502, 607.1503, 607.1504, 607.1505, 607.1506, 607.1507, 607.1508, 607.1509, 607.15101, 607.152, 607.153, 607.1531, 607.15315, 607.1532, 607.1601, 607.1602, 607.1603, 607.1604, 607.1605, 607.162, 607.1621, 607.1622, 607.1701, 607.1702, 607.1711, 607.1801, 607.1907, 607.504, 607.604, 617.0302, 617.0501, 617.0831, 617.1102, 617.1108, 617.1507, 620.1108, 620.2104, 620.2108, 620.8918, 621.12, 628.53, 631.0515, 658.44, 662.15, 663.03, 694.16, 865.09, 663.403, 607.0857, 607.11921, 607.11923, 607.0143, 607.0859, 607.15092, 607.0826, 607.0747, 607.11933, 607.05032, 607.1908, 607.0853, 607.11924, 607.0851, 607.1409, 607.0749, 607.0729, 605.01125, 607.15091, 607.0858, 620.11085, 607.0709, 607.0744, 607.0745, 607.141, 607.0742, 607.0852, 607.0503, 607.11935, 607.134, 607.11934, 607.11035, 607.04021, 607.0748, 607.08411, 607.1023, 617.05015, 607.11931, 607.1408, 607.0741, 607.0746, 607.05031, 607.11922, 607.1193, 607.0854, 607.15015, 607.075, 607.08081, 605.09091, 607.1521, 607.1522, 607.0855, 607.0208, 607.11932, 607.1192, 607.1523, 607.0743

Effective Date: January 1, 2020

House Bill 1009 amends requirements relating to entities under Florida Business Corporation Act, Florida Revised Limited Liability Company Act; & corporations not for profit, & limited partnership laws.

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

Department of Financial Services ([HB 1393](#) by Clemons)

Action by Governor: Approved by the Governor (Chapter No. 2019-140)

Statute(s) Affected: 17.56, 497.263, 497.266, 497.376, 497.377, 497.38, 497.385, 497.452, 497.453, 497.458, 497.459, 497.464, 497.604, 497.606, 626.022, 626.025, 626.175, 626.207, 626.221, 626.2815, 626.321, 626.471, 626.521, 626.536, 626.6215, 626.729, 626.7355, 626.8437, 626.844, 626.8732, 627.7015, 633.216, 633.218, 633.306, 633.312, 633.52, 648.49, 717.124, 627.748

Effective Date: July 1, 2019

House Bill 1393 revises requirements for cemetery companies licenses, combination funeral director & embalmer internships, funeral establishments, embalming facilities, disposition of proceeds from preneed contracts, preneed contracts, direct disposal establishments, & cinerator facilities; requires preneed licensees to provide certain persons with written notice of intent to distribute funds under preneed contract; revises requirements for nonrenewable temporary license, lines insurance licenses, & nonresident public adjuster's licenses; authorizes luxury ground transportation network companies to elect to be regulated as transportation network companies; and establishes Florida Blockchain Task Force.

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

LIFE AND HEALTH INSURANCE

Direct Health Care Agreements ([HB 7](#) by Duggan)

Action by Governor: Approved by the Governor (Chapter No. 2019-105)

Statute(s) Affected: 624.27

Effective Date: 7/1/2019

House Bill 7 expands scope of direct primary care agreements to direct health care agreements.

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

Telehealth ([HB 23](#) by Yarborough)

Action by Governor: Approved by the Governor (Chapter No. 2019-137)

Statute(s) Affected: 456.47, 627.42396, 641.31,

Effective Date: 7/1/2019

House Bill 23 establishes standard of care for telehealth providers; authorizes telehealth providers to use telehealth to perform patient evaluations; authorizes certain telehealth providers to use telehealth to prescribe specified controlled substances; provides that a non-physician telehealth provider using telehealth & acting within scope of practice is not deemed to be practicing medicine without license; provides that a health insurer or HMO is allowed tax credit against specified tax imposed if it covers services provided by telehealth providers.

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

Health Plans ([SB 322](#) by Simpson)

Action by Governor: Approved by the Governor (Ch. Law 2018-025)

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

Effective Date: June 25, 2019

Senate Bill 322 revises eligibility requirements for multiple-employer welfare arrangements; authorizing health insurers and health maintenance organizations to create new health insurance policies and health maintenance contracts meeting certain criteria for essential health benefits under the federal Patient Protection and Affordable Care Act (PPACA); and revises applicability of requirements relating to preexisting conditions, etc.

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

Firefighters ([SB 426](#) by Flores)

Action by Governor: Approved by the Governor (Chapter No. 2019-21)

Statute(s) Affected: 112.1816, 121.735

Effective Date: 7/1/2019

Senate Bill 426 grants certain benefits to a firefighter upon receiving a diagnosis of cancer if certain conditions are met; requires an employer to make certain disability payments to a firefighter in the event of a total and permanent disability; provides for death benefits to a firefighter's beneficiary if a firefighter dies as a result of cancer or cancer treatments; and adjusts the allocation of funds to provide line-of-duty death benefits for members in the investment plan of the Florida Retirement System, etc.

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

Insurer Guarantee Associations ([HB 673](#) by Fischer)

Action by Governor: Approved by the Governor (Chapter No. 2019-83)

Statute(s) Affected: 631.713, part III of ch. 631, 631.716, 631.717, 631.718, 631.721, 631.738, 631.816, 631.818, 631.819, 631.820, 631.821

Effective Date: June 7, 2019

House Bill 673 revises membership of Florida Life & Health Insurance Guaranty Association's board; specifies requirements relating to director of Florida Health Maintenance Organization Consumer Assistance Plan to be confirmed to association's board; specifies duties of association as to potential long-term care insurer impairments or insolvencies, sharing information, & providing assistance to plan's board; requires that DFS, rather than receivership court, approve certain alternative policies or contracts; authorizes association's board to file directly for an actuarially justified rate or premium increases; specifies calculation & allocation of Class B assessments for long-term care insurance; and specifies a limit on certain assessments on a member insurer or member HMO.

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

Health Care ([HB 843](#) by Rodriguez)

Action by Governor: Approved by the Governor (Chapter No. 2019-138)

Statute(s) Affected: 381.4019, 381.40195, 395.1012, 395.1052, 395.002, 395.1055, 395.301, 400.9905, 542.336, 624.27, 627.42393, 641.31

Effective Date: July 1, 2019

House Bill 843 establishes the Dental Student Loan Repayment Program to support dentists who practice in public health programs located in certain underserved areas; requires the Department of Health to establish the Donated Dental Services Program to provide comprehensive dental care to certain eligible individuals; requires a hospital to notify a patient's primary care provider within a specified timeframe after the patient's admission; requires a licensed facility, upon placing a patient on observation status, to immediately notify the patient of such status using a specified form; and prohibits certain health maintenance organizations from employing step-therapy protocols under certain circumstances, etc.

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

Continuing Care Contracts ([HB 1033](#) by Yarborough)

Action by Governor: Approved by the Governor (Chapter No. 2019-160)

Statute(s) Affected: 651.011, 651.012, 651.013, 651.019, 651.021, 651.0215, 651.022, 651.023, 651.024, 651.0245, 651.0246, 651.026, 651.0261, 651.028, 651.033, 651.034, 651.035, 651.043, 651.051, 651.055, 651.057, 651.071, 651.091, 651.095, 651.105, 651.106, 651.1065, 651.111, 651.114, 651.1141, 651.121, 651.125

Effective Date: January 1, 2020

House Bill 1033 revises and provides provisions related to continuing care contracts including financing, refinancing, procedures & standards for certificates of authority & provisional certificates, escrowed funds, provider acquisitions, expansion of facilities, rulemaking, filing of information, management contracts, minimum standards, procedures for providers not meeting standards, & composition of Continuing Care Advisory Council.

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

Health Insurance Savings Programs ([HB 1113](#) by Renner)

Action by Governor: Signed by the Governor (Chapter No. 2019-100)

Statute(s) Affected: 110.123, 110.12303, 110.12315, chapters 99-255, 627.6387, 627.6648, 39 641.31076, 287.056

Effective Date: July 1, 2019

House Bill 1113 authorizes health insurers to provide shared savings incentive programs in which insureds receive cash payment as incentive to save on certain nonemergency health care services; provides shared savings incentive amount does not institute income to insureds; provides that shared savings incentives are not administrative expenses for insurers; and provides tax reductions for insurers.

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

PROPERTY AND CASUALTY INSURANCE

Autonomous Vehicles ([HB 311](#) by Fischer)

Action by Governor: Approved by the Governor (Chapter No. 2019-101)

Statute(s) Affected: 316.003, 316.062, 316.063, 316.065, 316.1975, 316.303, 316.305, 316.85, 319.145, 322.015, 338.2216, 339.175, 339.64, 339.83, 627.0653, 627.749, 655.960

Effective Date: July 1, 2019

House Bill 311 exempts autonomous vehicles & operators from certain prohibitions; provides that human operator is not required to operate fully autonomous vehicle; authorizes a fully autonomous vehicle to operate regardless of presence of a human operator; provides that an automated driving system is deemed operator of autonomous vehicle operating with system engaged; authorizes Florida Turnpike Enterprise to enter into agreements to fund & operate facilities; provides requirements for insurance & operation of on-demand autonomous vehicle networks; revises registration requirements for autonomous vehicles; and provides for uniformity of laws governing autonomous vehicles.

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

Homeowners' Insurance Policy Disclosures ([HB 617](#) by Newton)

Action by Governor: Approved by the Governor (Ch. Law 2019-82)

Statute(s) Affected: 627.7011

Effective Date: July 1, 2019

House Bill 617 revises circumstances under which insurers issuing homeowners' insurance policies must include a specified statement relating to flood insurance with policy documents at initial issuance & renewals.

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

Lessor Liability Under Special Mobile Equipment Leases ([SB 862](#) by Stargel)

Action by Governor: Approved by the Governor (Chapter No. 2019-104)

Statute(s) Affected: 768.092

Effective Date: July 1, 2019

Senate Bill 862 provides that a lessor of special mobile equipment that causes injury, death, or damage is not liable for certain acts of the lessee or lessee's agent if the lease agreement requires documented proof of specified insurance coverage; and provides that a lessee's failure to have in effect the required coverage does not impose liability on the lessor, etc.

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

Warranty Associations ([HB 925](#) by Webb)

Action by Governor: Approved by the Governor (Chapter No. 2019-87)

Statute(s) Affected: 634.3077, 634.346, 634.406

Effective Date: July 1, 2019

House Bill 925 revises requirements for home warranty associations including account assets, types of accounts, & compliance with laws where they operate; prohibits home warranties from excluding coverage for presence of rust or corrosion; provides requirements for coverage exclusions of certain HVAC components; and revises requirements for service warranty associations including account assets, types of accounts, & compliance with laws where they operate.

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

Insurance Assignment Agreements ([HB 7065](#) by Rommel)

Action by Governor: Approved by the Governor (Chapter No. 2019-57)

Statute(s) Affected: 627.7152, 627.7153, 627.422

Effective Date: July 1, 2019

House Bill 7065 provides requirements and limitations for property insurance assignment agreements; providing a burden of proof; providing that an assignment agreement does not affect managed repair arrangements under a property insurance policy; provides that an acceptance by an assignee of an assignment agreement is a waiver by the assignee and its subcontractors of certain claims against an insured; specifies an insured's payment obligations under an assignment agreement; and requires notice of intent to initiate litigation, etc.

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

OGSR/Hurricane and Flood Loss Model Trade Secrets ([HB 7091](#) by Fischer)

Action by Governor: Approved by the Governor (Chapter No. 2019-35)

Statute(s) Affected: 627.0628

Effective Date: October 1, 2019

House Bill 7091 removes scheduled repeal of an exemption relating to certain information related to trade secrets used to design an insurance hurricane or flood loss model

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

OFFICE ADMINISTRATION AND OPERATIONS

Financial Disclosure ([HB 7021](#) by Altman)

Action by Governor: Approved by the Governor (Chapter No. 2019-97)

Statute(s) Affected: 112.31446, 112.312, 112.3144, 112.3145, 112.31455

Effective Date: June 7, 2019

House Bill 7021 requires the Commission on Ethics to procure & test electronic filing system; provides requirements for system; provides duties of units of government, commission, & persons required to file specified form; requires forms to be electronically filed; prohibits information from being included in filings; provides that commission is not liable for release of information; requires commission to redact information; requires commission to include information in instructions for electronic filing; requires information be delivered electronically; and revises schedule to the State Constitution.

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



**FLORIDA OFFICE OF
INSURANCE REGULATION**

200 EAST GAINES STREET
TALLAHASSEE, FL 32399-0326
(850) 413-3140 (PHONE)
(850) 488-2348 (FAX)