

# FLORIDA SURPLUS LINES

● SERVICE OFFICE ●

FSLSO Bulletin 09-001

**TO: FLORIDA SURPLUS LINES AGENTS AND ELIGIBLE SURPLUS  
LINES INSURERS**  
**FROM: GARY D. PULLEN, EXECUTIVE DIRECTOR  
FLORIDA SURPLUS LINES SERVICE OFFICE**  
**DATE: JUNE 26, 2009**  
**SUBJECT: CHANGES TO THE FLORIDA SURPLUS LINES LAW -  
POLICY NOTIFICATION REQUIREMENTS (HB 853)**

The purpose of this bulletin is to provide information regarding some of the changes to the Florida Surplus Lines Law as implemented in House Bill 853, passed by the Florida Legislature during the 2009 Legislative Session and signed into law by Governor Crist on June 11, 2009.

**These changes apply to policies issued on or after October 1, 2009.**

**Section 626.924 (2), Florida Statutes**, requires surplus lines policies issued on or after October 1, 2009 to have stamped or printed on the face of the 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.**

**Section 626.9374(1), Florida Statutes**, requires surplus lines, personal lines residential property insurance policies issued on or after October 1, 2009, containing a separate hurricane or wind deductible to have on the face of the policy 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.**

**Section 626.9374 (2), Florida Statutes**, requires surplus lines, personal lines residential property insurance policies issued on or after October 1, 2009, containing a coinsurance provision applicable to hurricane or wind losses to include the following statement on the face of the policy in 14-point, boldface type: **THIS POLICY CONTAINS A CO-PAY PROVISION THAT MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU.**

If you have any questions regarding these changes, please call the Service Office at 1-800-562-4496, then press 1 for Agent Services, or 2 for Insurer Services and FSLSO staff will assist you.

## **Frequently Asked Questions:**

**Question:** Can surplus lines agents stamp the required language on the face of the policy?

**Answer:** Yes, if surplus lines agents are issuing policies on behalf of surplus lines insurers.

**Question:** Does the face of the policy mean the declaration page?

**Answer:** The “face” of the surplus lines policy refers to the front page.

**Question:** What alternative do we have if the face of the policy is the declaration page and there is not sufficient space for the required statements?

**Answer:** If the declaration page is currently the face page of the policy and there is insufficient space to include the required statements, then a separate page may be attached to the front of the policy with the required notification statements.

**Question:** Can the language be contained on the declaration page?

**Answer:** The required information can be placed on the declaration page if there is sufficient room and the declaration page is the face page of the policy.

**Question:** What if I do not want to make a separate cover page, but all of the required information does not fit on the front of the declaration page?

**Answer:** If the language is not on the face of the policy, the notification requirements of the surplus lines law have not been met.

**Question:** Is there a problem with implementing these changes prior to October 1, 2009 to provide for renewal notifications?

**Answer:** No. The changes may be implemented immediately, if necessary to meet the October renewal notification requirements.

**Note:** The FLSO is not involved in the business of giving legal advice. Whenever questions arise, you are urged to seek the counsel of a competent attorney licensed in Florida and familiar with the Florida Insurance Code.

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