

MEMORANDUM

Via Electronic Mail

TO: Tom Ashley
NAIFA

FROM: Tim Meenan
Joy Ryan
Charles Smith

DATE: February 13, 2026

RE: 2026 Legislative Session -- Week 5 Report

We are past the half-way mark of the nine-week Florida Legislative session, with five weeks concluded and four weeks remaining. More than half of the filed bills have never been heard in committee, therefore are likely dead for this session. This report focuses on highlights of bills that are moving. Procedurally, on the House side for the first five weeks of session, most of the action is at the subcommittee level, then shifts to the parent committee level for weeks 6 and 7. If a bill has not moved out its first House subcommittee by the end of Week 6, it is likely dead. The Senate is proceeding slowly, passing some minor bills out of committee each week. Week 5 was the last week of regular meetings for most Senate committees, with the exception of budget committees and the Rules Committee. Once committee action is winding down, the action shifts to the floor in weeks 8 and 9.

LIFE

- 1. HB 261 - Restrictions on Employer-owned Life Insurance Policies by Rep. Gossett-Seidman**
SB 894 - Restrictions on Employer-owned Life Insurance Policies by Sen. Martin

Status: This bill is likely dead. Along with a coalition of business group allies, we met with the Senate sponsor, Jonathan Martin, on January 26 to discuss the proposed private right of action against employers contained in the bill. Senator Martin informed us that it is unlikely that the bill will be heard in the Senate. This bill has not yet been heard in committee in either chamber.

The bill contains a **new private action against employers, a significant fine on insurers,** plus the following provisions:



- Authorizes employer-owned life insurance policies for key persons of business entities, organizations, companies, and corporations under specified circumstances.
- Require employers to obtain informed, written, and revocable consent from key persons before purchasing such policies and to provide notice to the key person's spouse, next of kin, or estate within a specified period.
- Limits the number of key person policies an employer may maintain without approval by the Office of Insurance Regulation and caps death benefit amounts relative to the key person's average annual compensation.
- Prohibits employer-owned life insurance policies covering rank-and-file employees and makes such policies void as against public policy.
- Requires insurers issuing employer-owned life insurance policies to notify the Office of Insurance Regulation and provides for an online registry and annual report of notices.
- Requires employers to publicly disclose compliance with the law and to ensure employers maintain registry and reporting requirements.
- Provides that premiums, loan interest, and expenses related to employer-owned life insurance are not tax deductible and subjects death benefits received by employers to corporate income tax unless paid directly to an employee's estate or family.
- Establishes enforcement provisions including **civil penalties for employers, private rights of action for employee families, and administrative fines or potential suspension/revocation of insurer authority for violations.**
- Requires the Office of Insurance Regulation to adopt standard forms by a specified date and specifies retroactive applicability for certain policies.

Committees of Reference:

House: Insurance and Banking Subcommittee; Ways and Means; Commerce.

Senate: Banking and Insurance; Appropriations Committee on Agriculture, Environment, and General Government; Fiscal Policy.

**2. HB 1221 - Department of Financial Services by Rep. LaMarca
SB 1452 - Department of Financial Services by Sen. Truenow**

Status: SB 1452 was heard in Senate Banking & Insurance on February 4. The bill was amended and passed out of committee; it will be heard next in an appropriations subcommittee. HB 1221 was heard in Insurance & Banking on February 3. The bill was amended and passed out of committee; it will be heard next in an appropriations subcommittee.

HB 1221 and its identical companion, SB 1452, are DFS agency bills that substantially revise Florida's unclaimed property law (approximately 100 pages, Lines 1350–3856). The bills replace the term "unclaimed" with "abandoned" throughout the statute.

The bills do not change the five-year dormancy period for life insurance and annuities, but they modify dormancy periods for certain other types of property. They also revise due-diligence and DFS reporting requirements, including changes to timing, new requirements for property valued over \$1,000, and a requirement that reports be signed and verified as complete and accurate with confirmation that due diligence was performed. The required owner notice is also slightly revised.

- Allows the department to determine what property insurance coverage is necessary under specified circumstances.
- Revises the timeframe within which health care providers must petition the department to resolve utilization and reimbursement disputes.
- Revises timelines and conditions under which stock, other equity interests, or debt of a business association is considered abandoned property subject to the unclaimed property law.

Committees of Reference:

House: Insurance and Banking Subcommittee; State Administration Budget Subcommittee; Commerce Committee

Senate: Banking and Insurance; Appropriations Committee on Agriculture, Environment, and General Government; Rules

3. **See summary of OIR Agency Package in General section, which includes provisions applicable to all lines of insurers.**

HEALTH

1. **HB 1453 - State Medicaid Program by Rep. Snyder**
SB 1758 - Public Assistance/Medicaid Rx by Sen. Gaetz

Status: The Senate bill passed out of Health Policy on February 2 with 3 amendments adopted to the section preferred drug lists. The House bill has not been heard in committee and is likely dead.

These bills are the Agency for Health Care Administration's (AHCA) agency package and are "compare" bills as opposed to similar or identical. That means that while they may contain some similar provisions, not all of the provisions of one bill are included in the other.

HB 1453 by Snyder includes the following provisions:

Enhance the Florida Medicaid program by establishing mandatory work requirements for able-bodied adults, expanding coverage options, increasing oversight, and integrating dental services in certain regions.

- Authorize retrospective audits of emergency services claims for noncitizens.
- Implement mandatory work and community engagement requirements for able-bodied adult Medicaid recipients, with specified exemptions.
- Maintain cost-effective purchasing for inpatient hospital coverage and expand home- and community-based behavioral health services for adults with serious mental illness.
- **Prescription Drugs:** Expand the Medicaid Pharmaceutical and Therapeutics Committee's scope to include new drug and product lists and require prior authorization for drugs not on these lists, while directing a cost-study of the 340B Drug Pricing Program.
- **MCO Reporting:** Require managed care plans to submit broader encounter data, clarify the definition of 'overpayment' to encompass certain claims, and allow certain notices to providers via carriers other than the United States Postal Service.
- **Affiliated Entities:** Define 'affiliate' for enhanced oversight of affiliated entities and mandate affiliated payment reporting and analysis within Medicaid managed care plan contracts.
- **Dental Carve-In:** Establish an Integrated Managed Care Pilot Program to combine medical and dental coverage in designated regions, with specific performance measures and independent evaluations.

SB 1758 Public Assistance by Gaetz includes:

- Retrospective Reviews of Emergency Services by Agency: Authorizes AHCA to conduct retrospective reviews of Medicaid emergency services and other claims, even when previously approved.
- Create mandatory work and community engagement requirements for able-bodied adults ages 19 to 64, with specified exemptions, compliance verification, and notice processes for noncompliance.
- Remove the discontinuation of retrospective hospital reviews once prior authorization begins and require cost-effective inpatient hospital coverage practices.
- Establish expanded home- and community-based behavioral health services for adults with serious mental illness, contingent upon federal approval and legislative funding.
- **Prescription Drugs/PA:** Expand the **Pharmaceutical and Therapeutics Committee's role to create 3 separate PDLs for: preferred physician-administered drug list, a preferred product list, and high-cost drug list, subjecting certain drugs to prior authorization.**
- **Revise Medicaid drug purchasing to include alternative reimbursement for long-acting injectables, require a fiscal impact study of the federal 340B program, and clarify the agency's authority to conduct retrospective fraud or overpayment reviews even after prior authorization.**
- Clarify "overpayment" definitions and update notice procedures for Medicaid fraud and abuse investigations.

- Limit food assistance eligibility to certain lawful residents, require documentation (beyond self-attestation) for shelter and utility expenses, and implement a payment accuracy improvement plan seeking to reduce payment error rates below 6%.
- Require photographic identification on newly issued or reissued EBT cards to the extent permitted under federal law.
- Raise the mandatory employment and training program age for childless adults receiving food assistance from 59 to 64 and align other work requirement provisions with federal guidelines.

Committees of Reference:

House: Health Care Facilities & Systems Subcommittee; Health Care Budget Subcommittee; Health & Human Services.

Senate: Health Policy; Appropriations.

2. SB 1760 - Health Care Coverage by Sen. Brodeur

Status: This bill passed the Senate Health Policy committee on February 11, the first of its two committees, with amendments to the prescription drug section of the bill. Notably, the mandatory minimum dispensing fee for pharmacies was stripped from the bill due to its huge fiscal impact. However, specialty drug language was added to the bill to permit hospitals to perform “clear-bagging” for discharged patients. There is no exact companion measure on the House side, though it compares to a few provisions of HB 1453 State Medicaid Program by Snyder and HB 697 Drug Prices and Coverage by Rep. Kincart Jonnson. And the clear-bagging provisions have been stripped from HB1425 by Booth so there is no longer any House companion to the clear-bagging language in the Senate.

The bill includes the following provisions:

- Establish the Joint Legislative Committee on Medicaid Oversight and require the Auditor General and the Agency for Health Care Administration (AHCA) to share data for evaluating Medicaid financing, quality of care, and operations.
- Require managed care plans to provide complete encounter data, including denied claims and capitated provider payments, and direct AHCA to analyze the data for overspending, potential fraud, and payment rates above market averages.
- Revise the achieved savings rebate thresholds and prohibit certain costs, such as above-market affiliated entity payments, from being counted as allowable expenses.
- Mandate the calculation and quarterly and annual reporting of medical loss ratios for all managed care plans, including separate ratios for different Medicaid programs.
- Create new requirements for managed care plans to disclose any controlling interests, affiliates, or related parties involved in providing services or receiving payments under the Medicaid program.

- **PBM:**
 - **Affiliated manufacturers:** imposes additional contract and reporting requirements on pharmacy benefit managers, including prohibiting below-cost reimbursements, barring ownership interests with affiliated manufacturers.
 - **Minimum mandatory dispensing fee (stricken),**
 - **Clear-bagging (added)**
 - **Pharmacy refusal to dispense prescriptions; and**
 - **Specialty Pharmacy -- AWP.**

Committees of Reference:

Senate: Health Policy; Appropriations.

3. HB 693 – Out-of-Network Providers/Health and Human Services by Rep. Redondo

Status: The House bill passed the Health Care Facilities & Systems subcommittee on January 29 and is awaiting a hearing in its final committee stop, HHS. Health plans oppose the Out-of-Network provisions of the bill. Nursing homes and social services advocates testified in opposition to some of the provisions of the bill. While there is no exact companion bill in the Senate, it does contain some similar provisions to SB 1758 by Senator Gaetz. That bill was amended and passed out of Senate Health Policy on February 2.

The bill includes the following provisions:

- Revises health care provisions relating to emergency medical technicians and paramedics.
- Enacts the Emergency Medical Services Personnel Licensure Interstate Compact.
- Repeals provisions relating to the Health Facility and Services Development Act.
- Revises provisions relating to certificates-of-need, the KidCare program, and Medicaid.
- Requires the Department of Children and Families to develop and implement a food assistance payment accuracy improvement plan.
- Revises significant investigation information the Department of Health is required to report relating to certain physician assistants, emergency medical technicians, and paramedics.
- Enacts the Physician Assistant Licensure Compact.
- Revises practice requirements for autonomous advanced practice registered nurses.
- Revises remediable and delegable duties of dentists.
- **Out of Network Requirements:** Requires certain health insurers to **apply payments for services provided by nonpreferred providers toward insureds' deductibles and out-of-pocket maximums at same level as for in-network providers. Rates paid to out-of-network providers must be at a rate based on an average of preferred**

provider charges or the statewide average amount for the services based on date reported on the Florida Health Price Finder website.

Committees of Reference:

House: Health Care Facilities and Systems Subcommittee; Health and Human.

4. **HB 1449 - Statewide Provider & Health Plan Claim Dispute Resolution (IDR) by Rep. Busatta**
SB 1082 - Statewide Provider and Health Plan Claim Dispute Resolution Program by Sen. Grall

Status: The Senate bill has moved through two committees out of three and is awaiting a hearing in its final committee of reference, Rules. The House bill was amended to be identical to the Senate bill and passed out of Health Care Facilities & Systems on February 5. It only has one more stop, the HHS committee. On the Senate side, the health plans successfully fought off a successful amendment offered by the ER physicians which would have made the state dispute resolution mechanism mandatory for health plans but not for providers. There was also concern that it could be interpreted to apply to in-network claims disputes. The bill is being advocated by HCA. Both HCA and the bill sponsors made it clear that their intent is to funnel more claims to the federal IDR system. AHIP and FIC testified against the bill in both committees.

Both bills were amended to alter the underlying bill's criteria for claims to be excluded from the state's claim dispute resolution program by providing that such claims are excluded from the state process if they have been submitted to the federal dispute resolution process and meet the criteria for the federal process. The underlying bill omits the latter condition.

- Expands eligibility for the federal independent dispute resolution process for specified emergency and out-of-network services.
- Includes services initiated under s. 395.1041 or 42 U.S.C. s. 1395dd that meet federal IDR criteria.
- Covers out-of-network provider claims that meet federal IDR criteria.

Committees of Reference:

House: Health Care Facilities and Systems Subcommittee; Health & Human Services

Senate: Health Policy; Banking and Insurance; Rules

5. **HB 697 - Drug Prices and Coverage by Rep. Kincart Jonsson**
SB 1158 - Drug Prices and Coverage by Sen. Grall

Status: The House bill has passed two of its three committees of reference and goes next to the Health & Human Services Committee. The bill did not make the HHS agenda for

February 2 so it will not be up in committee again until the week of February 9 at the earliest. Despite significant opposition testimony from various groups, no amendments were offered at the first or second stops. The Senate bill has not yet been heard in committee and we do not expect it to be heard in the near future.

The bill includes the following provisions:

- Requires prescription drug manufacturer permit holders to annually report international drug price data to the Agency for Health Care Administration (AHCA).
- Requires AHCA to contract with an entity to designate reference price source countries and analyze data.
- Requires AHCA to publish annual prescription drug and product reference prices.
- Requires pharmacies to charge cash-paying customers up to the reference prices for prescribed drugs and products.
- Requires contracts between pharmacy benefit managers and pharmacy benefit plans to prohibit certain formularies.
- Requires health insurers, Medicaid managed care plans, state group insurance programs, and HMOs to provide reimbursement for covered prescription drugs and products up to reference prices.
- Requires that savings from reimbursement limits be used for specified purposes.
- Limits changes that health insurance policies and health maintenance organization contracts can make relating to prescription drug formularies.

Committees of Reference:

House: Health Care Facilities and Systems Subcommittee; Health and Human Services; Budget.

Senate Health Policy; Appropriations Committee on Health and Human Services; Rules.

**6. HB 723 - Rural Counties by Rep. Abbott
SB 250 - Rural Communities by Sen. Simon**

Status: The Senate bill has passed the floor and is in messages to the House. The House bill has not yet been heard in committee.

The bill includes the following provisions:

- Requires the state land planning agency to give preference for technical assistance funding to local governments located in a rural area of opportunity.
- Revises the conditions required for a county to be considered a fiscally constrained county.
- Creates the Office of Rural Prosperity within the Department of Commerce.
- Requires the Office of Rural Prosperity to administer the Renaissance Grants Program to provide block grants to eligible communities.

- Creates the Public Infrastructure Smart Technology Grant Program within the Office of Rural Prosperity.
- Creates the Florida Arterial Road Modernization Program within the Department of Transportation.
- Revises tax distribution requirements to include transfers to fiscally constrained counties and directs specified uses for such revenue.
- Includes multiple rural development initiatives such as funding mechanisms for infrastructure, economic development strategy grants, and rural transit block grants.

Medicaid Amendment adopted on January 13 to SB 250:

- Appropriates recurring funds to AHCA to establish a DRG reimbursement methodology for critical access hospitals and establishes new DRG inpatient payments comparable to Medicare rates for those hospitals. **Requires Statewide Medicaid Managed Care plans to pass additional rate increase funds on to providers.**

Committees of Reference:

House: Ways & Means; State Affairs; Commerce; Budget.

Senate: Appropriations.

**7. HB 1015 - Private Right of Action against Health Insurers by Rep. Cassel
SB 1130 - Claims Payments/Downcoding/PRA by Sen. Massullo**

Status: These bills have not yet been heard in committee.

Provisions of these bills include:

- **Claims Dispute Resolution System (IDR):** Changes current state optional IDR to a mandatory system.
- Prohibits insurers from downcoding, tightens prior authorization rules, expedites claims payment timeframes, and grants providers enforceable rights to challenge violations.
- Bars health insurers from **downcoding** billed services unless explicitly allowed in a provider's participation agreement and only after reviewing medical records, with notice and justification required and an added private cause of action for wrongful downcoding.
- Strengthen **prior authorization rules**, including **mandatory** electronic authorization systems, disclosure of criteria, set timeframes, and a ban on new or amended PA requirements without sufficient notice, while upholding coverage of emergency health care services without prior authorization.
- Shorten claims processing and payment deadlines, prohibit requests for duplicated or irrelevant information, increase applicable interest rates on late or reduced

payments, and provide a private cause of action for providers experiencing violations of these provisions.

- Clarify that once a provider grants an insurer or HMO access to a patient's electronic record, the claim is deemed fully substantiated, and the insurer or HMO cannot deny or delay payment for alleged missing documentation.

Committees of Reference:

House: Insurance & Banking Subcommittee; Health Care Facilities & Systems Subcommittee; Commerce.

Senate: Banking & Insurance; Appropriations Committee on Agriculture, Environment, and General Government; Fiscal Policy.

**8. HB 1185 - Health Care Services Jurisdiction & Reimbursement by Rep. Gonzalez Pittman
SB 1086 - Private Right of Action by Sen. Rodriguez**

Status: These bills have not yet been heard in committee. The Senate sponsor told us this week that she does not intend to move forward with her bill.

- Expand Florida courts' jurisdiction over certain insurers and prohibited balance billing for emergency health care services.
- **Subjects out-of-state insurers providing coverage to Florida residents or patients receiving emergency services in Florida to the jurisdiction of Florida courts.**
- Prohibits nonparticipating health care providers from collecting from or billing patients for sums owed by insurers or HMOs for emergency services rendered.
- **New Private Right of Action: Authorizes nonparticipating health care providers (hospitals, ambulance services, etc.) to pursue *quantum meruit* claims against insurers or HMOs for the reasonable value of emergency services provided.**
- Clarifies that these provisions are cumulative and do not regulate pricing, routes, or services of licensed air ambulance providers.

Committees of Reference:

House: Health Care Facilities & Systems Subcommittee; Insurance & Banking Subcommittee; Civil Justice & Claims Subcommittee; Health & Human Services.

Senate: Banking & Insurance; Judiciary; Rules.

**9. HB 1209 – Pharmacy Audits by Rep. Esposito
SB 1256 – Pharmacy Audits by Sen. Grall**

Status: HB1209 has still not been heard in committee, The Senate bill passed the Banking & Insurance committee on February 11 and has two committee stops remaining.

These bills are advocated for by the Florida Pharmacy Association to revise and strengthen requirements, procedures, and penalties against PBMs for conducting pharmacy audits.

Provisions of these bills include:

- Require uniform audit standards and prohibit stricter methods for nonaffiliated pharmacies than for affiliated ones.
- Increase notice periods, limit the scope of audits, and require audits to be conducted by or in consultation with a Florida-licensed pharmacist.
- Allow documentation flexibility (including electronic records) to validate claims and limit retroactive claim denials for minor errors.
- Restrict targeted audits to cases of documented fraud, waste, or abuse and require written justification for such designations.
- Disallow excessive or repeated documentation requests beyond state and federal requirements for inventory or copayment proof.
- Authorize the Office of Insurance Regulation to investigate complaints, issue penalties and fines, order restitution, and suspend or revoke a pharmacy benefit manager's registration for violations.

Committees of Reference:

House: Health Care Facilities & Systems Subcommittee; Health Care Budget Subcommittee; Health & Human Services.

Senate: Banking & Insurance; Appropriations Committee on Agriculture, Environment, and General Government; Rules.

10. **See summary of OIR Agency Package in General section, which includes provisions applicable to all lines of insurers.**

DENTAL

1. **HB 363 - Dental Therapy by Rep. Chaney**

Status: This bill has no Senate companion. Related provisions are also contained in HB693 by Redondo which move out of its first committee this week. HB 363 passed the House Floor and it is now in messages to the Senate. See also HB 693 HHS by Redondo which contains dental therapy provisions.

The bill includes the following provisions:

- Authorizes Medicaid to reimburse for dental services provided by certain mobile dental units.
- Creates a Council on Dental Therapy to oversee aspects of dental therapist practice.

- Specifies licensure requirements, services that can be provided by dental therapists, limitations on practice, and prohibitions.
- Requires the Department of Health, in consultation with the Board of Dentistry and the Agency for Health Care Administration, to submit reports to the Legislature.

Committees of Reference:

House: Health Professions & Programs Subcommittee; Health & Human Services.

**2. HB 1507 - Medicaid Dental Pilot Program by Rep. Harris
SB 1640 - Medicaid Dental Pilot Program for Persons with Disabilities by Sen. Smith**

Status: This legislation has not yet been heard in committee.

The bill includes the following provisions:

- Requires the Agency for Health Care Administration to establish and operate a 3-year Medicaid dental pilot program in a specified region (Region B/E) for persons with disabilities.
- Provides eligibility criteria for participation in the pilot and specifies which dental services are covered, including routine diagnostic, preventive, basic, major, and emergency dental care.
- Requires reimbursement to dental providers at a specified rate and mandates participation by licensed dental managed care organizations.
- Directs AHCA to seek any necessary federal approvals to implement the pilot program.
- Requires AHCA to collect data on access, utilization, expenditures, and oral health outcomes and to report to the Governor and Legislature regarding the pilot's effectiveness.
- The pilot program expires and is scheduled to end after three years unless extended.

Committees of Reference:

House: Health Care Facilities & Systems Subcommittee; Budget Committee; Health & Human Services.

Senate: Health Policy; Appropriations Committee on Health and Human Services; Appropriations.

**3. HB 253 - Dental Care for Veterans by Rep. Edmonds
SB 96 - Veterans Dental Care Grant Program by Sen. Sharief**

Status: This bill passed its first two committees of reference in the House and is awaiting a hearing in the State Affairs Committee. The Senate bill was amended and passed out of its last committee, Appropriations, on February 12, and is now eligible to go to the floor.

The bill includes the following provisions:

- Creates a Veterans Dental Care Program within the Department of Veterans' Affairs to provide specified dental services to eligible veterans.
- Authorizes the Department of Veterans' Affairs to provide services directly or through contracts or other arrangements.
- Provides that funding for the program is subject to legislative appropriation and authorizes seeking federal matching funds, private donations, or grants.
- Requires the Department of Veterans' Affairs to submit an annual report to the Governor and Legislature including specified information about the program.
- Requires the Department of Veterans' Affairs to adopt rules to implement the program.

Committees of Reference:

House: Intergovernmental Affairs Subcommittee; Health Care Budget; State Affairs

Senate: Military and Veterans Affairs, Space, and Domestic Security; Appropriations Committee on Health and Human Services; Appropriations

4. **Medicaid Dental Carve-In -- See HB 1453 by Rep. Snyder under HEALTH Section of this report.**
5. **See summary of OIR Agency Package in General section, which includes provisions applicable to all lines of insurers.**

PROPERTY & CASUALTY

1. **HB 1399 - Property Insurance Affiliates by Rep. Berfield**
SB 234 - Insurers' Financial Transactions by Sen. Smith (Compare)

Status: The House bill, which is a leadership issue, passed off the House floor on February 4 and is in messages to the Senate and has been referred to Senate Rules Committee. The Senate bill has not yet been heard in committee. While these bills are likely dead, there are other insurance bills moving that could incorporate similar concepts.

The legislation includes the following **new oversight provisions for insurer affiliates:**

- Requires affiliate financials to be part of a rate filing.
- Creates new definition of "Fair and Reasonable" which is the current law standard for what insurer affiliate contracts must meet in terms of compensation. The definition grants the OIR power look at the financial condition of the insurer, debt levels, dividends made by affiliates, and actual cost of services in determining if a contract is "fair and reasonable."
- Insurers must annually provide audits of affiliates demonstrating the arrangements are fair and reasonable.

- All Affiliate contracts terminate every 3 years to give the OIR the point of entry to review the fair and reasonable standard.
- No affiliate may declare or pay a dividend without OIR approval.
- New affiliate registration requirement for all insurer affiliates requiring detailed information. The registrations can be revoked for cause.
- Operating with an unregistered affiliate is a first-degree misdemeanor.

Committees of Reference:

House: Insurance & Banking Subcommittee; Commerce.

Senate: Banking and Insurance; Appropriations Committee on Agriculture, Environment, and General Government; Fiscal Policy.

**2. HB 767 - Transparency: Residential Property Insurance by Rep. Benarroch
SB 832 - Residential Property Insurance by Sen. Avila**

Status: The House bill passed out of all committees and is headed to the House floor. The Senate bill has been heard in one committee of three references. The transparency provisions in this bill, though originally drafted by OIR, are now a priority for House leadership. OIR amended similar transparency language onto HB1263 and HB1265 that has no clear Senate vehicle, so we may see some amendments on this bill as they seek to create an alternate vehicle.

An amendment was adopted on February 10 that does the following:

The rate transparency report requirement was removed. New disclosures about hurricane mitigation discounts for secondary water resistance features for roofs and the OIR website about property insurance were added to the bill in committee. Provisions in the underlying bill requiring OIR to create a website with information about property insurance and not including the value of land in property insurance was kept in the bill.

The legislation includes the following provisions:

- Every Rate filing must include a Rate Transparency Report (pie chart), which then is provided at renewal or with an offer of coverage to new consumers.
- The report must include the percentages of the following components:
 - Cost of Reinsurance
 - Cost of claims
 - Defense containment and costs
 - Fees and commissions
 - Profit and contingency of insurer
 - Anything else the OIR Requests, and they must total 100%

- Rate filings must include information on all affiliates used to process or provide services and the total premium percentage paid to all affiliates.
- OIR directed to develop a detailed website with information to help insureds shop for and understand homeowners insurance, and include insurer specific and other information, including county rating examples.
- Statewide average rate change and county rating examples are deemed not trade secret.

Committees of Reference:

House: Insurance & Banking Subcommittee; State Administration Budget Subcommittee; Commerce.

Senate: Banking and Insurance; Appropriations Committee on Agriculture, Environment, and General Government; Fiscal Policy.

**3. HB 427 - Public Adjuster Contracts by Rep. Melo
SB 266 - Public Adjuster Contracts by Sen. Burton**

Status: The House and Senate bills have each passed one committee each. The Senate bill is stuck in its second committee which may not meet again.

The bill allows vulnerable adults and people who lack capacity to consent (as well as their legal representatives) to cancel public adjuster contracts without penalty at any time. Additionally, the bill gives the Department of Financial Services the authority to take disciplinary action against public adjusters who solicit or otherwise take advantage of vulnerable adults.

Committees of Reference:

House: Insurance & Banking Subcommittee; Commerce.

Senate: Banking and Insurance; Children, Families, and Elder Affairs; Rules.

**4. HB 99 - Reinsurance Intermediary Managers by Rep. Gentry
SB 394 - Reinsurance Intermediary Managers by Sen. Leek**

Status: The Senate bill has been heard in two committees and has one remaining committee stop. The House bill has passed all committees and is headed to the House floor. These bills are in a position to pass.

The legislation includes the following provisions:

The bill exempts from licensure requirements certain underwriting managers who manage reinsurers' facultative risks, which is a type of reinsurance in which each individual risk, such as a specific vehicle or home, is separately negotiated and covered. This exemption applies only if the facultative reinsurance business managed by the

underwriting manager is less than 10% of the assumed annual gross written premium of the reinsurer.

Committees of Reference:

House: Insurance & Banking; Commerce.

Senate: Banking and Insurance; Appropriations Committee on Agriculture, Environment, and General Government; Rules.

**5. HB 943 - Citizens Property Insurance Corporation by Rep. Redondo
SB 1028 - Citizens Property Insurance Corporation by Sen. Gruters**

Status: The House bill was heard and amended in Insurance & Banking on February 3. The Senate bill was heard in Fiscal Policy on February 12 amended. This legislation seeks to undo the mandatory arbitration provision for Citizens, which was a priority for the Governor two sessions ago. These bills are in a position to pass. If this bill were to reach his desk, the Governor is unlikely to sign a repeal of this law.

The Senate amendment does:

- Prohibits Citizens from issuing or renewing certain commercial coverage if an approved surplus lines insurer's rate is within 20% of Citizens' total cost unless an equalization adjustment is paid.
- Requires establishing a commercial lines clearinghouse to encourage private coverage offers and sets new eligibility thresholds.
- Clarifies agent commissions, policy information sharing, and coverage selection procedures.
- Allows policyholders to remain with Citizens if private offers exceed thresholds but requires payment of any adjustment if within 20%.

The House amendment includes the following:

- Created the term "premium equalization adjustment" to mean the difference in total cost between Citizens' offer and an approved surplus lines insurer's offer that is within 120% of Citizens' offer.
- Provided that any applied premium equalization adjustment expires at the end of the policy term.
- Required Citizens to contract with an administrator to establish and maintain a commercial clearinghouse for approved surplus lines insurers within 90 days of the bill becoming law.
- Clarified that Citizens must establish a commercial clearinghouse for authorized insurers on or before January 1, 2028.
- Required OIR to verify surplus lines clearinghouse insurers within 5 business days of the administrator's recommendation.

- Provided that a commercial lines clearinghouse administrator may charge approved surplus lines clearinghouse insurers participating in the program reasonable transaction, technology, administration, and other similar fees.
- Provided that every application to the commercial clearinghouse is subject to a 5 business day period when participating insurers may select the application for coverage prior to Citizens extending an offer.

The bill includes the following provisions:

- Creates a clearinghouse for Commercial Residential and Commercial risks. The clearinghouse is designed to give insurers and surplus lines insurers a chance to make an offer of coverage before a commercial residential or commercial risk enters Citizens Property Insurance Corporation.
- New risks must not enter Citizens and leave if offer by private carrier is within 20%...Or get covered by Citizens and accept a rate increased to that amount. If rate is at or below Citizens' rate, the risk may not accept an offer of coverage.
- Risks must wait inside the Clearinghouse for 5 days before obtaining an offer of coverage from CPIC, to give private insurers and chance to underwrite and make an offer of coverage on each risk.
- Citizens to select Commercial lines clearinghouse administrator.
- Surplus lines agents must enter limited agent agreements with producing agents bringing commercial risks if a surplus lines insurer makes an offer of coverage inside the clearinghouse.

Committees of Reference:

House: Insurance and Banking Subcommittee; Commerce Committee.

Senate: Banking and Insurance; Appropriations Committee on Agriculture, Environment, and General Government; Fiscal Policy.

6. **HB 863 - Arbitration for Disputes with Citizens Property Insurance Corporation by Rep. Benarroch**
SB 1716 - Dispute Resolutions Involving Citizens Property Insurance Corporation by Sen. Martin

Status: The House bill has passed all committees of reference and read and passed the House floor on February 4. It is now in messages to the Senate. The Senate bill has not yet been heard in committee. These bills are unlikely to pass.

The bill removes Citizens Property Insurance Corporations' (Citizens) ability to require policyholders to resolve claim disputes before the Division of Administrative Hearings (DOAH) without the policyholders' consent. The bill provides Citizens' policyholders the option to accept or decline resolving claim disputes through binding arbitration before DOAH. Policyholders must make this election at the issuance or renewal of their policy

and it cannot be amended mid-term. The bill also requires policyholders to receive a bold, standardized disclosure of this election. The bill repeals the provision allowing Citizens to contract with DOAH to resolve claim disputes.

Committees of Reference:

House: Insurance and Banking Subcommittee; Commerce.

Senate: Banking and Insurance; Appropriations Committee on Agriculture, Environment, and General Government; Rules.

**7. HB 275 - Rates for Citizens Property Insurance Corporation Coverage by Rep. Alvarez
SB 634 - Rates for Citizens Property Insurance Corporation Coverage by Sen. DiCeglie**

Status: This bill has not yet been heard in committee. It seeks to loosen caps on Citizens rates, which is not supported by the Governor. These bills are unlikely to pass.

The bill includes the following provisions:

- Eliminates the 14% Renewal business and the 50% new business rate caps for all new policies issued after June 1, 2026.
- However, rate caps remain for counties where OIR determines there is not a reasonable degree of competition.

Committees of Reference:

House: Insurance and Banking Subcommittee; Commerce.

Senate: Banking and Insurance; Appropriations Committee on Agriculture, Environment, and General Government Appropriations.

**8. HB 883 - Protected Cell Captive Insurance Companies by Rep. Fabricio
SB 990 - Protected Cell Captive Insurance Companies by Sen. Leek**

Status: The bills have been heard in one committee each. The House bill was amended on February 11th.

The House bill was amended to do the following:

Establishes new minimum capital, net asset, and surplus requirements for certain captive insurers.

- Requires at least \$200,000 in capital for protected cell captive insurers.
- Retains \$100,000 capital for pure captive insurers and \$200,000 for industrial insured captives.
- Sets \$250,000 net asset requirement for nonprofit protected cell captives.
- Allows the office to determine special purpose captive amounts.
- Adds a \$150,000 unimpaired surplus threshold for protected cell captives.

The underlying bill authorizes protected cell captive insurance companies to operate and be domiciled in Florida and creates a regulatory framework for such companies. A protected cell is a separate account established by a protected cell captive insurance company, which segregates a participant's assets and liabilities from other participants.

The bill's regulatory framework addresses the following areas:

- Formation of a captive cell captive insurance company.
- Capital and surplus requirements.
- Segregation of assets and liabilities.
- Reinsurance contracts.
- Requirements to write business in Florida.
- Conservation, rehabilitation, and liquidation.
- Legal proceedings against protected cell captive insurance companies.
- Conversion.
- Financial Reporting

Committees of Reference:

House: Insurance and Banking; Civil Justice and Claims; Commerce.

Senate: Banking and Insurance; Appropriations Committee on Agriculture, Environment, and General Government; Rules.

**9. HB 1263 – OIR Agency Package: Insurer Transparency Provisions by Rep. Chaney
SB 1306 - OIR Agency Package Criminal Activity of Insur. Professionals by Sen. Truenow**

Status: The House bill passed the Insurance & Banking subcommittee on February 11 and with an amendment which includes tighter regulations and transparency measures for affiliates and reciprocals. Note that the Senate bill has not yet been heard in committee and is likely dead, so we anticipate that OIR will be seeking other vehicles in the Senate. As filed, the Senate bill only included the background provisions. See also linked bill **HB 1265** creating accompanying public records exemptions and privilege provisions for this information.

The adopted House amendment includes provisions applicable to various lines as follows:

- **All Lines:**
 - **Data Breach:** requires that reports of data security breaches provided to the state attorney general must also be copied to OIR where the breached entity is regulated by OIR.
 - **Company License Revocation:** provides increased powers to the OIR and DFS to issue cease and desist orders to unlicensed entities or persons under the insurance code.
 - **Background checks:** Grants specific authority to the Florida Department of Law enforcement regarding fingerprinting and background checks for organizers,

incorporators, officers, employees, contractors, stockholders, directors, owners, manager, or volunteers involved in the organization, operation or management of any insurer authorized to sell insurance.

- **Group Capital:** Requires the Ultimate Controlling person of an insurer to file a Group Capital Calculation Report, under NAIC rules regarding such filings. After the first filing, insurers and groups may be exempt from future filings if the OIR determines the holding company system writes less than \$1 billion in premium, has no insurers domiciled outside the U.S., does not own a banking or depository institution, and there have been no material changes in the transactions between insurers and non-insurers in the group.
- **Reciprocals:**
 - **Attorney in Fact:** Creates a new regulatory framework requiring registration and regulation of Attorneys' in Fact which are operating a Reciprocal insurer. Filings include an annual financial statement of the AIF, fingerprint and background information on owners officers and directors of the AIF, etc. Grants regulatory authority to discipline AIF's that violate the insurance code or are operating with bad business practices. Allows revocation or suspension of an AIF registration, authorizes substantial fines in lieu of suspension including \$5000 per violation for an aggregate of \$50,000 for all nonwillful violations arising out of the same action; \$25,000 with an aggregate of \$250,000 for all Willful violations arising out of the same action, and up to \$1 million for actions occurring during a state of emergency. Fines may not be paid by the reciprocal insurer.
- **Auto:**
 - **Rate filings:**
 - CAT Losses: after January 1, 2027, catastrophe losses must be estimated and modeled using a model approved by the Florida Commission on Hurricane Loss Projection Methodology. Makes other automobile changes in statute to require rate filings to include catastrophe modeling.
 - Must file a full rate filing after 2 years of consecutive annual rate certifications submitted to OIR.
 - **Data Call:** Beginning January 1, 2027, a new private passenger automobile data call on claims, policyholder data, and other information will be required.
- **Homeowners:**
 - **Rate Filings:**
 - Allows insurers to file for new additional credits to rates which involve mitigation and construction techniques which lower rates.
 - Must file a full rate filing after 2 years of consecutive annual rate certifications submitted to OIR.
 - **Reporting:** Eliminates the obsolete annual reporting for AOB claims and payments.

Committees of Reference:

House: Insurance & Banking Subcommittee; Commerce.

Senate: Criminal Justice; Banking and Insurance; Appropriations.

10. HB 1265 - Public Records/ Office of Insurance Regulation by Rep. Chaney

This bill is linked to HB 1263.

Status: This bill passed the first of its three committees of reference on February 11. There is no Senate companion measure.

The House bill as amended does the following:

- Creates s. 624.28, F.S., granting privilege and confidentiality for documents and materials obtained by the Office of Insurance Regulation or the National Association of Insurance Commissioners during examinations or analyses of insurance companies.
- Prohibits the Commissioner of Insurance Regulation and certain other persons from testifying in private civil actions regarding privileged information.
- Authorizes the commissioner to share documentation under specific conditions, ensuring recipients maintain confidentiality.
- Secures reciprocity by recognizing similar privileges granted by other jurisdictions.
- Exempts from public records requirements certain proprietary business information related to group capital calculations, liquidity stress tests, and biographical statements or affidavits.
- Sets future legislative review and potential repeal of these privileges unless reenacted.

Committees of Reference:

House: Insurance & Banking Subcommittee; State Affairs; Commerce.

**11. HB 1343 - Insurance Customer Representative Licensing Qualifications by Rep. Hodgers
SB 1504 - Insurance Customer Representative Licensing Qualifications by Sen. Calatayud**

Status: The House bill was heard and passed out of Commerce on February 10. The Senate bill was heard in Appropriations Committee on Agriculture, Environment, and General Government on February 12. This bill is in a position to pass.

The bills have been amended to do the following:

- Mandates development of a half-credit insurance and personal finance course and requires its completion for certain license applicants.
- Directs the Department of Education, with the Department of Financial Services, to finalize the course by January 1, 2027.
- Requires coverage of basic property and casualty lines consistent with s. 626.7351(3).
- Allows applicants to qualify with either this high school course or an accredited degree.

The legislation includes the following provisions:

- Expands the licensing qualifications for insurance customer representatives by adding a new high school diploma option.
- Allows Florida high school graduates who have completed specific half-credit courses in personal finance, economics, and insurance to qualify for the customer representative license in addition to existing professional designations.

Committees of Reference:

House: Insurance & Banking Subcommittee; Careers & Workforce Subcommittee; Commerce.

Senate: Banking and Insurance; Appropriations Committee on Agriculture, Environment, and General Government; Rules.

12. SB 582 - Required Reports of the Office of Insurance Regulation by Sen. Gaetz

Status: This bill has not yet been heard in committee. Currently, there is no House companion.

The bill includes the following provisions:

- Requires OIR to develop and publish a report for each insurer providing a list of all affiliated entities and the financial relationship between the entities and the insurance company.
- OIR is required to create a separate report detailing the compensation of executive officers for each insurer or affiliate, including salary, bonus, stock options, benefits, and other taxable payments. The report must also list the profits and losses of the corporate entities and the industry average compensation for executive officers.
- Information in these reports is deemed not to be a trade secret. The OIR must utilize the information in the two reports in ratemaking.

Committees of Reference:

Senate: Banking and Insurance; Appropriations Committee on Agriculture, Environment, and General Government; Fiscal Policy.

**13. HB 815 - Roofing Requirements for Property Insurance by Rep. Gottlieb
SB 808 - Roofing Requirements for Property Insurance by Sen. Simon**

Status: The House bill has not yet been heard in committee. The Senate bill was temporarily postponed in Banking & Insurance on January 28 and has not reemerged.

The legislation includes the following provisions:

- Revises the definition of the term “authorized inspector” to include certain roof consultants and roof observers.
- Prohibits an insurer from refusing to issue or renew a property insurance policy insuring a residential structure solely because the roof’s age is below a specified threshold.
- Requires an insurer to differentiate coverage offers between low-slope and steep-slope roofs for roofs above a certain age.
- Requires insurers to allow a property owner to obtain a roof inspection by an authorized inspector before requiring roof replacement as a condition of policy issuance or renewal.
- Applies to property insurance policies rather than only homeowner’s policies.

Committees of Reference:

House: Insurance & Banking Subcommittee; Commerce.

Senate: Banking and Insurance; Regulated Industries; Rules.

**14. HB 909 - Coverage by Citizens Property Insurance Corporation by Rep. Mooney
SB 1024 - Coverage by Citizens Property Insurance Corporation by Sen. Rodriguez**

Status: This legislation has not yet been heard in committee.

Raises the dwelling replacement cost threshold from \$1 million to \$1.5 million in counties without sufficient competition.

- Limits rate increases to 10% in such counties.
- Flood requirements relaxed in Zone X or structures elevated at least 1 foot above the flood zone minimum base flood elevation in such counties.

Committees of Reference:

House: Insurance and Banking Subcommittee; Commerce

Senate: Banking and Insurance; Appropriations Committee on Agriculture, Environment, and General Government; Rules.

**15. HB 1349 - Florida Hurricane Catastrophe Fund by Rep. Cassel
SB 1448 - Florida Hurricane Catastrophe Fund by Sen. DiCeglie**

Status: This legislation has not yet been heard in committee.

- Resets the CAT Fund Retention multiple to the 2006 level of \$4.5 billion
- Increases LAE payments by CAT Fund from 10 % to the lesser of 15% of total LAE before reimbursement or the total actual LAE.

- Requires the State Board of Administration to utilize the average results of all models accepted by the Commission on Hurricane loss Projection Methodology when setting the CAT Fund reimbursement premium rates.
- Reduces the rapid cash buildup factor to 0 for 2026-2027 year.

Committees of Reference:

House: Insurance and Banking Subcommittee; State Administration Budget Subcommittee; Commerce.

Senate: Banking and Insurance; Appropriations Committee on Agriculture, Environment, and General Government; Appropriations

**16. HB 1157 - Litigation Financing Consumer Protection by Rep. Basabe
SB 1396 - Litigation Financing Consumer Protection by Sen. Burton**

Status: The Senate bill was amended and passed out of Rules on February 3 and is now on the floor. The House bill has not been heard. This bill is unlikely to pass.

The amendment adds that an attorney's contingency fee agreement that complies with the professional rules of his or her state is not a litigation financing agreement regulated by this bill. The amendment adds that funding provided in a foreign class action, where the party domiciled in the United States is a member of the class, is not a litigation financing agreement regulated by this bill. The amendment limits the disclosure requirements applicable to a foreign litigation financier to only apply to a legal proceeding filed in the United States

SB 1396 creates the "Litigation Investment Safeguards and Transparency Act," to regulate litigation financing activities and to require disclosure if a foreign investor is involved.

To regulate litigation financing activities, the bill provides that a litigation financier may not:

- Direct the course of legal proceedings.
- Contract for or receive a share of the proceeds of a legal proceeding that exceeds the share collectively recovered by the plaintiffs.
- Pay or offer to pay a referral fee or commission to any person.
- Assign or securitize a litigation financing agreement.
- Receive anything other than the authorized share of the proceeds.

To provide transparency, the bill requires that the existence of a litigation financing agreement be disclosed if the agreement involves a foreign person, foreign principal, or sovereign wealth fund. The disclosure of the existence of the agreement, however, is not required to include the specific terms of the agreement.

The bill provides for general enforcement pursuant to the Florida Deceptive and Unfair Trade Practices Act. A litigation financing agreement that violates the Act is void. Additionally, a court may consider the existence of a litigation financing agreement when determining adequacy of a class action plaintiff representatives or class counsel.

The bill's disclosure requirements apply to legal proceedings pending on or commenced on or after, July 1, 2026. The remainder of the bill applies to a litigation financing agreement entered on or after July 1, 2026

Committees of Reference:

House: Civil Justice & Claims Subcommittee; Judiciary

Senate: Judiciary; Rules

17. **HB 1553 - Evidence of Damages to Prove or Rebut Medical Expenses in Personal Injury or Wrongful Death Actions by Rep. Brackett**
SB 1558 - Admissible Evidence in Personal Injury or Wrongful Death Actions by Sens. Massullo and Gaetz

Status: This bill is an effort by the trial bar to roll back the Accuracy in Damages bill enacted in 2003 around the evidence that can be admitted to prove past and future medical damages in a personal injury or wrongful death lawsuit. Business groups oppose this bill. The Senate bill has not been heard. The bill is unlikely to pass. The House bill passed its first committee on January 29 and a PCS amendment was adopted that does the following:

PCS for HB 1553 amends s. 768.0427, F.S., to clarify certain requirements on the admissible evidence that may be presented at trial to determine the values of past unpaid medical treatments or services and future medical treatments or services in a personal injury or wrongful death action. Specifically, the bill clarifies that the types of evidence that must be admitted by the court do not have to be offered by either party. The bill clarifies that either party is allowed, but is not required to, offer any evidence provided under s. 768.0427.

Committees of Reference:

House: Civil Justice & Claims Subcommittee; Judiciary

Senate: Judiciary; Banking and Insurance; Rules

AUTO

**1. HB 1263 – OIR Agency Package: Insurer Transparency Provisions by Rep. Chaney
SB 1306 - OIR Agency Package Criminal Activity of Insur. Professionals by Sen. Truenow**

Status: The House bill passed the Insurance & Banking subcommittee on February 11 and with an amendment which includes tighter regulations and transparency measures for affiliates and reciprocals. Note that the Senate bill has not yet been heard in committee and is likely dead, so we anticipate that OIR will be seeking other vehicles in the Senate. As filed, the Senate bill only included the background provisions. See also linked bill **HB1265** creating accompanying public records exemptions and privilege provisions for this information.

The adopted House amendment includes provisions applicable to various lines as follows:

- **All Lines:**
 - **Data Breach:** requires that reports of data security breaches provided to the state attorney general must also be copied to OIR where the breached entity is regulated by OIR.
 - **Company License Revocation:** provides increased powers to the OIR and DFS to issue cease and desist orders to unlicensed entities or persons under the insurance code.
 - **Background checks:** Grants specific authority to the Florida Department of Law enforcement regarding fingerprinting and background checks for organizers, incorporators, officers, employees, contractors, stockholders, directors, owners, manager, or volunteers in involved in the organization, operation or management of any insurer authorized to sell insurance.
 - **Group Capital:** Requires the Ultimate Controlling person of an insurer to file a Group Capital Calculation Report, under NAIC rules regarding such filings. After the first filing, insurers and groups may be exempt from future filings if the OIR determines the holding company system writes less than \$1 billion in premium, has no insurers domiciled outside the U.S., does not own a banking or depository institution, and there have been no material changes in the transactions between insurers and non-insurers in the group.
- **Auto:**
 - **Rate filings:**
 - CAT Losses: after January 1, 2027, catastrophe losses must be estimated and modeled using a model approved by the Florida Commission on Hurricane Loss Projection Methodology. Makes other automobile changes in statute to require rate filings to include catastrophe modeling.
 - Must file a full rate filing after 2 years of consecutive annual rate certifications submitted to OIR.

- **Data Call:** Beginning January 1, 2027, a new private passenger automobile data call on claims, policyholder data, and other information will be required.

Committees of Reference:

House: Insurance & Banking Subcommittee; Commerce.

Senate: Criminal Justice; Banking and Insurance; Appropriations.

**2. HB 35 - Habitual Traffic Offender Designation by Rep. Barnaby
SB 1370 - Habitual Traffic Offender Designation by Sen. Martin**

Status: The House bill was heard and passed out of its final committee, State Affairs, on February 10. It has been placed on the House Calendar for second reading. The Senate bill was heard and passed out of Transportation on February 3. It was also heard and passed out of Criminal Justice on February 11. This bill is in a position to pass.

The legislation includes the following provisions:

The bill amends the definition of “habitual traffic offender” to add the offense of driving a motor vehicle without a valid license to the list of offenses for which a specified number of convictions within a five-year period requires the Department of Highway Safety and Motor Vehicles (DHSMV) to designate a person as a habitual traffic offender. Generally, once a person is designated as a habitual traffic offender, he or she can be prosecuted for a third degree felony for thereafter driving a motor vehicle.

Committees of Reference:

House: Criminal Justice Subcommittee; House State Affairs.

Senate: Transportation; Criminal Justice; Rules.

**3. HB 37 - Removal, Storage, and Cleanup of Electric Vehicles by Rep. Nix, Jr.
SB 260 - Removal, Storage, and Cleanup of Electric Vehicles by Sen. Burgess**

Status: The House bill is in its last committee stop. The Senate bill was heard and amended in Community Affairs on February 10. The House bill has not been amended. This bill is in a position to pass.

The February 10 Senate bill amendment:

Limits the extra EV storage fee to only EVs with visible damage to the battery or battery compartment or battery or battery compartment was submerged in salt water. It also keeps the cap for the extra storage fee for EVs with damaged batteries or salt water intrusion at 3 times a day more than for other vehicles – the 3 times a day cap was in the original bill.

Expands the Office of Insurance Regulation's oversight of insurers and related entities and updates rate-making, reporting, and compliance standards.

- Requires copying OIR on data breach notices and authorizes cease-and-desist orders for unlicensed activity.
- Adds administrators to market conduct examinations and reintroduces a market conduct handbook rule.
- Mandates background checks for certain insurance personnel.
- Directs OIR to adopt new flood and auto rate modeling methods.
- Requires database filing of mitigation forms and monthly auto insurer reporting.
- Creates group capital rules, liquidity stress tests, and registration for attorneys in fact of reciprocal insurers.

The February 3 amendment:

- Clarifies in order for an electric vehicle to be charged three times the daily administration fee for storage, there must be visible damage to the batteries or battery compartment, or the batteries or battery compartment has been submerged, for any length of time, in salt water.
- Clarifies that the bill is specific to storage only and does not include towing.

The underlying legislation has the following provisions:

The bill requires counties, and authorizes municipalities, to establish a daily administration fee for the proper storage of electric vehicles that have been involved in an accident. This fee may be up to three times the daily vehicle storage rate adopted by the county or municipality for the removal and storage of wrecked or disabled vehicles or vessels generally. The bill defines "proper storage" of a damaged electric vehicle as separating the vehicle from combustibles and structures by 50 feet on all sides or by having a barrier of earth, steel, concrete, or solid masonry. A wrecker service, towing-storage operator, or wrecker operator may only charge the fee if the damaged electric vehicle is properly stored. The bill clarifies that the storage provisions for electric vehicles do not require a motor vehicle insurer to pay any costs beyond what is covered under the contract between the insurer and the insured.

Committee of Reference:

House: Intergovernmental Affairs Subcommittee; Industries & Professional Activities Subcommittee; State Affairs.

Senate: Transportation; Community Affairs; Rules.

**4. HB 1247 - Commercial Motor Vehicles Operated by Unauthorized Aliens by Rep. Shoaf
SB 86 - Commercial Motor Vehicles Operated by Unauthorized Aliens by Sen. Gaetz**

Status: The Senate bill has passed two committees. The House bill has not been heard and was referred to 4 committees. This bill is unlikely to pass. While it has no exact Senate companion, some of the provisions match up to SB 86. The crackdown on driving by unauthorized aliens also matches up to stated positions by CFO Blaise Ingoglia.

The Senate bill has a delete everything amendment filed which will do the following.

- The amendment strengthens enforcement against unauthorized aliens operating commercial motor vehicles by restructuring administrative hearing rights and imposing new driver eligibility requirements, including lawful presence, valid licensure, and English proficiency. It authorizes law enforcement to detain unauthorized drivers, impound vehicles, penalize carriers that allow such operators with a \$50,000 fine and out-of-service orders, and directs penalty revenues to the Highway Safety Operating Trust Fund for training and technology improvements.
- Prohibits unauthorized aliens from operating commercial motor vehicles and imposes penalties on motor carriers and owners for violations.
- Requires law enforcement to take into custody any unauthorized alien operating a commercial motor vehicle and transfer them to a federal immigration agency.
- Mandates the impoundment of the vehicle if it was operated by an unauthorized alien, with a \$50,000 fine plus all impoundment costs payable by the vehicle's owner before its release.
- Bars any motor carrier that owns or operates a commercial motor vehicle driven by an unauthorized alien from conducting business in Florida.

Committees of Reference:

House: Government Operations Subcommittee; Judiciary; Budget; State Affairs.

Senate: Transportation; Criminal Justice; Fiscal Policy.

**5. HB 1307 – Liability: Auto Insurance & Workers Comp re Unauthorized Aliens by Rep. Jaques
SB 1380 - Unauthorized Aliens by Sen. Martin**

Status: The House bill has been heard and amended in one committee. The Senate bill temporarily postponed in the Banking & Insurance Committee on February 11. This bill is unlikely to pass.

The House bill amendment does the following:

Expands restrictions on unauthorized aliens regarding licensure, loans, insurance, driver's licenses, and imposes new penalties on employers.

- Prohibits issuing professional licenses or certifications to unauthorized aliens and grants counties authority to require legal status proof for certain assistance.
- Restricts down payment help, claims, and workers' compensation coverage for unauthorized aliens; mandates English-only driver licensing.
- Requires E-Verify checks before workers' compensation claims; imposes fines, license suspensions, or revocations for employers hiring unauthorized aliens.
- Disallows specific IDs for financial services; demands foreign remittance verification; presumes fault in accidents caused by unauthorized out-of-state drivers.

The underlying bill includes the following provisions:

- **Auto:** Create a rebuttable presumption of fault against out-of-state drivers with invalid licenses, requiring insurers to deny claims from such drivers and imposing reporting and regulatory requirements.
- **Workers Comp:**
 - Allow the Division of Risk Management to approve claims by unauthorized alien minors while requiring denial of claims for unauthorized alien adults.
 - Exclude unauthorized aliens from the statutory definition of 'employee' for workers' compensation purposes and hold employers personally liable for workplace injuries to unauthorized employees, barring insurers from covering such costs.
 - Require employers to verify an employee's eligibility through E-Verify before filing workers' compensation claims, imposing personal liability for noncompliance.
 - Establish escalating fines, license suspensions, and possible revocations for employers who knowingly hire unauthorized aliens, including civil liability if injuries or death occur.

Committees of Reference:

House: Commerce; State Affairs; Judiciary.

Senate: Banking & Insurance; Appropriations; Rules.

**6. HB 101 - Utility Terrain Vehicles by Rep. Gentry
SB 356 - Utility Terrain Vehicles by Sen. Wright**

Status: The House bill has not been heard in committee. The Senate bill was Postponed by Appropriations Committee on Transportation, Tourism, and Economic Development on January 21 and has not moved since. Concerns have been raised by vehicle manufacturers and auto insurers that these bills are not safe to drive on roads. This bill is unlikely to pass.

This bill includes the following provisions:

- Authorizes utility terrain vehicles on certain roads under specified conditions, establishes equipment and licensing requirements, allows local restrictions, and amends existing registration provisions.
- Creates s. 316.21275, F.S., defining utility terrain vehicles, allowing their operation during all hours, and regulating their use on specific roads based on speed limits when designated by local governments.
- Authorizes crossing of state highways at designated angles and empowers the Department of Transportation to prohibit UTV operation where necessary for safety.
- Requires operators to hold proper licenses, carry proof of ownership, meet insurance requirements, and display a license plate issued under s. 320.0847.
- Allows counties and municipalities to enact more restrictive ordinances or prohibit UTVs if needed for public safety.
- Amends s. 320.0847, F.S., to require issuing license plates for UTVs and clarifies license plate specifications.

Committees of Reference:

House: Government Operations Subcommittee; Intergovernmental Affairs Subcommittee; State Affairs.

Senate: Transportation; Appropriations Committee on Transportation, Tourism, and Economic Development

**7. HB 243 - Electric Bicycles, Scooters, and Motorcycles by Rep. Benarroch
SB 382 - Electric Bicycles, Scooters, And Motorcycles by Sen. Truenow**

Status: The House bill was heard and passed out of all committees and is now on the House floor to be heard on February 17. The Senate bill was heard and passed out of Fiscal Policy on February 5. It is now on the Senate Floor. *These bills are in a position to pass.*

The House bill was amended which does the following:

- Created an Electric Bicycle (e-bike) Safety Task Force, adjunct to the Department of Highway Safety and Motor Vehicles (DHSMV).
- Created an e-bike crash data collection and reporting process that requires law enforcement agencies to collect and submit specified information related to crashes involving e-bikes to DHSMV.
- Required DHSMV to submit a report to the Governor and the Legislature that summarizes the submitted e-bike crash data reports.
- Provided a penalty for operating an e-bike on a sidewalk or other area designated for pedestrian use, at a certain speed.
- Removed provisions relating to electric motorcycles and motorized scooters.
- Removed provisions related to modifying e-bikes, licensure requirements for e-bikes, and driver education

The Senate bill was amended with a delete all amendment (barcode #820148) that does the following:

- Removes various provisions in the bill relating to equipment and operational requirements governing electric bicycles, scooters and motorcycles.
- Provides that a person operating an electric bicycle on certain shared pathways must adhere to certain protocols.
- Provides that a person operating an electric bicycle on a sidewalk or other area designated for pedestrians may not operate the electric bicycle at a speed greater than 10 miles per hour if a pedestrian is within 50 feet of the electric bicycle.
- Creates the Electric Bicycle Safety Task Force, adjunct to the Department of Highway Safety and Motor Vehicles and provides certain requirements for membership and administrative requirements related to data collection and reporting.

The original bill included the following provisions:

- Strengthen regulations for electric bicycles, scooters, and motorcycles by defining electric motorcycles, revising licensing and reporting requirements, and imposing penalties for unauthorized modifications.
- Define “electric motorcycle” and revise the term “motorcycle” to encompass electric motorcycles under various statutes.
- Require crash reports to note if a motorized scooter, electric bicycle, or electric motorcycle was involved and maintain separate statistics on these incidents.
- Prohibit unauthorized electric bicycle modifications and establish fines for repeated violations.
- Mandate a valid learner’s or driver license to operate a class 3 electric bicycle and require proof of licensure on demand.
- Require electric bicycle operators on shared pathways to yield to pedestrians and provide an audible signal when overtaking.
- Prohibit persons under 16 from operating a motorcycle with an electric motor of 750 watts or more.
- Expand driver education course content for a learner’s license to include sharing the road with bikes, scooters, and other vulnerable road users.
- Add test questions focusing on safe electric bicycle and motorized scooter operation to the Class E driver license exam.

Committee of Reference:

House: Government Operations Subcommittee; Transportation & Economic Development Budget Subcommittee; State Affairs.

Senate: Transportation; Appropriations.

**8. HB 357 - Motor Vehicle Operator Privacy by Rep. Gossett-Seidman
SB 942 - Motor Vehicle Operator Privacy by Sen. Calatayud**

Status: The legislation has not been heard in committee. This bill is likely dead.

The legislation includes the following provisions:

- Prohibits the sale or sharing of certain personal information and e-mail addresses of motor vehicle operators with a third-party company, foreign country of concern, or foreign principal.
- Provides for retroactive application of the prohibitions.
- Establishes penalties for a third-party company that uses or releases protected motor vehicle operator information for a prohibited purpose.

Committees of Reference:

House: Government Operations Subcommittee; State Affairs.

Senate: Transportation; Governmental Oversight and Accountability; Rules.

**9. HB 769 – PIP Repeal: Motor Vehicle Insurance by Rep. Weinberger & Alvarez
SB 522 – PIP Repeal: Motor Vehicle Insurance by Sen. Grall**

Status: The legislation has not been heard in committee. This bill is likely dead.

The legislation includes the following provisions:

- Repeals statutory provisions comprising the Florida Motor Vehicle No-Fault Law.
- Revises garage liability insurance requirements for recreational vehicle dealer license applicants.
- Revises minimum liability coverage requirements for motor vehicle owners and operators.
- Revises requirements for motor vehicle liability insurance policies, including coverage provisions and exclusions for certain drivers and vehicles.
- Revises coverages that may allow for reductions in motor vehicle insurance policy premiums under specified circumstances.
- Revises the legal liability of an uninsured motorist coverage insurer.
- Provides new prohibitions, requirements, applicability, and rules of construction relating to motor vehicle insurance policies as of a specified date.

Committees of Reference:

House: Civil Justice & Claims Subcommittee; Insurance & Banking Subcommittee; Judiciary.

Senate: Banking and Insurance; Appropriations Committee on Agriculture, Environment, and General Government; Rules.

10. HB 585 - Transportation Network Company, Driver, and Vehicle Owner Insurance by Rep. Fabricio
SB 632 - Transportation Network Company, Driver, and Vehicle Owner Insurance by Sen. DiCeglie

Status: The House bill has not been heard in committee. The Senate bill was originally on the agenda on January 13 in Banking and Insurance but was **postponed** when the sponsor was absent. It was brought back up again in the Banking & Insurance Committee on February 11. This bill is likely dead.

The bill includes the following provisions:

- Revises automobile insurance requirements applicable to transportation network companies (TNCs).
- Revises insurance coverage requirements for TNC drivers operating on a digital network.
- Revises insurance requirements for vehicle owners providing vehicles for use by TNC drivers.

Committees of Reference:

House: Insurance & Banking Subcommittee; Commerce.

Senate: Banking and Insurance (On Agenda); Transportation; Rules.

11. HB 1241 - Hands-free Driving by Rep. Blanco
SB 1152 - Traffic Offenses by Sen. Grall

Status: The House bill passed one committee with an amendment, but the Senate bill has not been heard. This bill is likely dead. Last session, the Senate bill passed the floor but the House bill was never heard in its first committee due to objections of the chair.

The PCS amendment does the following:

- Creates additional penalties for any person who commits careless driving while using a wireless communications device in a handheld manner: a fine of \$60 and one additional point assessed to the person's driver license.
- Authorizes first time offenders to participate in a wireless communications device driving safety program, in lieu of the imposition of additional penalties.
- The bill was significantly watered down by the PCS. While strengthening penalties, the bill now allows an out for those who are charged with careless driving while using a handheld device, allowing them to complete a driver education program and avoid higher fines and points penalties.

Committees of Reference:

House: Government Operations Subcommittee; State Affairs.

Senate: Transportation; Appropriations Committee on Transportation, Tourism, and Economic Development; Rule.

**12. HB 937 - Transportation by Rep. Yarkosky
SB 488 - Highway Safety by Rep. Massullo**

Status: The House bill had 4 committee references but one was removed. The bill has moved through two committees out of three. The Senate bill was heard and passed out of its last committee, Fiscal Policy on February 5. It has been placed on the Senate floor calendar for second reading. This bill is in a position to pass.

The legislation includes the following insurance provisions, among other general updates:

- Raises the crash property damage threshold that triggers a law enforcement report requirement from \$500 to \$2,000.
- Clarifies which commercial and qualified motor vehicles must carry specified minimum liability insurance coverage.

Committee of Reference:

House: Government Operations Subcommittee; Ways & Means; Transportation & Economic Development Budget Subcommittee; State Affairs.

Senate: Transportation Committee; Appropriations Committee on Transportation, Tourism, and Economic Development; Appropriations.

13. HB 637 - Farm Equipment by Rep. Griffitts
SB 386 - Farm Equipment Warranty Remedies by Sen. Trumbull

Status: The Senate bill has been heard in all committees of reference and passed off the Senate floor. It is now in messages to the House. The House bill has been heard in one committee. This bill could pass.

The legislation includes the following provisions:

- Defines procedures for consumers to report defective farm equipment that does not conform to applicable express written warranties to manufacturers or their authorized service agents.
- Requires manufacturers or their authorized agents to make needed repairs to conform the defective equipment to the warranty within a specified timeframe.
- **Tort Remedy:** Provides affirmative defenses, preserves additional consumer rights, and **allows civil action to remedy violations.**

The House Bill was amended (#732489) to include the following provisions:

- The amendment affirms that any consumer who suffers a loss due to a violation of this subsection (F.S 604.40 (3)) **may bring a civil action** to enforce the law. This subsection contains the following provisions:
- The amendment requires that all reasonable attempts by a manufacturer to bring farm equipment into compliance with its warranty must occur within 18 months after the consumer reports the defect to the manufacturer.
- The amendment restricts when a statutory “**presumption**” (described in paragraph (c)) may be applied against a manufacturer. The presumption cannot apply unless the manufacturer or its authorized agent has received prior direct written notice of the alleged defect and been given an opportunity to cure the defect.
- Provides **affirmative defenses for defects** that do not substantially impair use and market value or that result from abuse or unauthorized modifications.
- The amendment expressly states that this subsection does not limit or impair any rights or remedies already available to consumers under Chapter 681, Florida’s Lemon Law.

Committees of Reference:

House: Housing, Agriculture & Tourism; Civil Justice & Claims Subcommittee;
Commerce

Senate: Agriculture; Commerce and Tourism; Rules.

**14. HB 1255 - Portable Wireless Device Repair by Rep. Johnson
SB 806 - Consumers' Right to Repair Certain Equipment by Sen. Truenow**

Status: The Senate bill was passed the floor on February 11 and is now in messages to the House. The House bill has not been heard in committee. This bill is unlikely to pass. The business community spoke in opposition to SB806, stating that it **would allow intellectual property that is developed and owned by manufacturers to be readily available for distribution by entities not associated with the manufacturer, which could result in higher repair costs for products from smart phones to heavy equipment.**

The legislation includes the following provisions:

- Expand repair access for owners and independent repair providers of portable wireless devices and agricultural equipment by requiring manufacturers to provide necessary parts, tools, and documentation for certain repairs.
- Creates a new “Digital Right to Repair” part in chapter 559, mandating that portable wireless device manufacturers provide on fair and reasonable terms the documentation, parts, and tools needed for repairs.
- Prohibits manufacturers from forcing authorized repair providers to purchase proprietary repair information when a standardized, more favorable option is available.
- Allows owners or independent repair providers to file a complaint and imposes deceptive and unfair trade practice penalties for noncompliance.
- Protects trade secrets except to the extent needed to facilitate required repair information sharing.
- Establishes similar requirements for agricultural equipment by obligating original equipment manufacturers to make diagnostic and repair information accessible to independent repair providers and owners.

Committees of Reference:

House: Industries & Professional Activities Subcommittee; Civil Justice & Claims Subcommittee; Commerce.

Senate: Commerce and Tourism; Agriculture; Rules

**15. HB 521 – Red Light Cameras: Violations by Rep. Yeager
SB 654 - Traffic Infraction Enforcement by Sen. DiCeglie**

Status: The Senate bill has passed two committees out of three. The House bill received four committee references and has yet to be heard. This bill is likely dead.

The Senate bill has been amended twice to include the following:

- Clarifies provisions regarding the use of camera data to determine civil or criminal liability.
- Provides a timeline to implement changes related to a commission prohibition for speed detection systems and interlocal agreements for school bus infraction detection system.
- Requires annual reports regarding speed detection systems in school zones to provide the number of violations issued outside of the authorized enforcement period.
- Provides that camera enforced traffic violations are not admissible as character evidence in judicial proceedings.
- Provides that the clerks of court receive 10 percent of penalties assessed for infractions detected by a school bus infraction detection system; and
- Clarifies that the affidavit to extend the time limitation of a camera-enforced traffic violation must be received by the appropriate county, municipality, or law enforcement agency.

This legislation includes the following provisions:

- Revises the periods during which a county or municipality may enforce school zone speed limits using a speed detection system.
- Prohibits the use of a traffic infraction detector for remote surveillance.
- Requires district school board authorization and a public hearing process before a school district may place, install, operate, or contract with a vendor to install, operate, and maintain school bus infraction detection systems.
- Revises the periods for which a county or municipality may authorize a traffic infraction enforcement officer to issue certain uniform traffic citations.
- HB 521 authorizes counties or municipalities to issue fines for certain violations detected by traffic infraction detectors and requires that fines be accompanied by a photograph or image.

Committees of Reference:

House: Government Operations Subcommittee; Intergovernmental Affairs Subcommittee; Budget Committee; State Affairs

Senate: Transportation; Appropriations Committee on Transportation, Tourism, and Economic Development; Fiscal Policy

- 16. HB 961 - Salvage Certificates of Title and Certificates of Destruction by Rep. Albert SB 684 - Electronic Signatures Associated with Total Loss Vehicles and Vessels by Sen. McClain**

Status: The Senate bill was heard and passed out of Banking & Insurance on February 4 and now goes to its last committee. The House bill has been heard in two committees and amended to add "The insurance company or its authorized agent shall implement

control” to the underlying bill. It is now awaiting to be heard in its last committee State Affairs. This bill is in a position to pass.

The bill includes the following provisions:

- Requires insurance companies to implement specified control processes and procedures for electronic signatures in connection with total loss vehicles and vessels.
- Deletes the requirement that electronic signatures on odometer disclosures submitted through insurance companies be executed in a specified manner.
- Amends section 319.30, Florida Statutes, to address the use of electronic signatures associated with salvage certificates of title and certificates of destruction for total loss vehicles and vessels.
- Aims to align state law with contemporary electronic signature practices and federal guidance on electronic signatures and documentation processes.

Committees of Reference:

House: Government Operations Subcommittee; Insurance & Banking Subcommittee; State Affairs

Senate: Transportation; Banking and Insurance; Rules

**17. HB 807 - Noncriminal Traffic Infractions Resulting in Vehicle Crashes by Rep. Melo
SB 1054 - Traffic Infractions Resulting in a Crash with Another Vehicle by Sen. Martin**

Status: The House bill has been heard in one committee. The Senate bill has been heard in two committees.

The Senate bill was amended on January 26 to include the following:

- Revises coverage requirements for certain motor vehicle owners and operators.
- Requires owners or operators under paragraph (a) to carry at least \$350,000 in coverage for three years.
- Requires owners or operators under paragraph (b) to carry the coverage for at least one year.
- Specifies that owners or operators with no DUI or felony traffic convictions for three years after reinstatement may revert to lower coverage.

The underlying legislation does the following:

The bills require a mandatory hearing for a person who commits one of the following traffic infractions that results in a crash with another vehicle:

- A driver running a red light.
- A driver failing to obey a traffic control device or sign.

- A driver failing to yield under specified conditions.

For a first offense, there is a civil penalty of \$500, in addition to other penalties. For a second offense, there is a civil penalty of \$1,000, in addition to any other penalties, and the person's driver license must be suspended for six months. For a third or subsequent offense, there is a civil penalty of \$1,000, in addition to any other penalties, and the person's driver license must be suspended for one year.

The bill also requires persons found to have committed one of the traffic infractions identified above resulting in a crash with another vehicle to carry the same additional motor vehicle liability insurance as is required for convictions and certain pleas relating to driving under the influence for a period of one year. The bill reduces the length of time persons convicted of or entering into plea agreements for driving under the influence would be required to maintain the additional insurance levels from three years to one year.

Committees of Reference:

House: Government Operations Subcommittee; Insurance and Banking Subcommittee; State Affairs

Senate: Transportation; Judiciary; Rules

**18. HB 433 - Department of Agriculture and Consumer Services by Reps. Alvarez & Johnson
SB 290 - Department of Agriculture and Consumer Services by Sen. Truenow**

Status: The Senate bill has passed all committees and is now in House messages. The House bill has passed two committees out of three. The House bill was amended by Commerce to include the language below. The Senate bill has been amended several times. This bill is in a position to pass

The bill clarifies definitions by aligning "subcontractor" and "supplier" with existing law, then creates a new offense prohibiting contractors from knowingly or willfully failing, without reasonable cause, to pay subcontractors or suppliers within 30 days of receiving payment for their services. Violations are a first-degree misdemeanor, or a third-degree felony if the unpaid services are valued at \$20,000 or more.

New Senate bill language -- CS/CS/CS/SB 290 makes a number of changes to laws related to the Department of Agriculture and Consumer Services (department) and related topics. Some of the pertinent changes are:

- Adds penalties for contractors who fail to timely compensate their subcontractors and suppliers.
- Adds criminal penalties for receiving or providing unauthorized assistance on a commercial driver license (CDL) exam.

- Increases insurance requirements and maximum fine amounts for fumigation providers.
- Adds obstruction to the prohibited acts involving permitting entry or inspection.
- Prohibits commercial solicitation on properties that comply with “no solicitation” signage requirements and provides penalties for violation.
- Allows the department to reorganize itself upon approval of the commissioner.
- Allows the FFS to pay the CDL renewal costs for employees whose positions require them to operate equipment requiring a CDL.
- Adds “concealed weapon permit” or “concealed weapon permit holder” to the list of words a person is prohibited from wearing or displaying with the intention to mislead, and provides criminal penalties for violation.

Committees of Reference:

House: Commerce; State Affairs; Agriculture & Natural Resources Budget Subcommittee

Senate: Agriculture; Fiscal Policy; Rules

TECHNOLOGY: ARTIFICIAL INTELLIGENCE, CYBERSECURITY

1. **HB 527 - Mandatory Human Reviews of Insurance Claim Denials by Rep. Cassel**
SB 202 - Mandatory Human Reviews of Insurance Claim Denials by Sen. Bradley

Status: The House bill has passed one committee of reference and is now in its last committee. The Senate bill has yet to move. This bill is unlikely to pass.

The House bill was amended with a delete everything amendment that does the following:

- Expanded the scope of the bill to include workers’ compensation and health maintenance organizations (HMOs).
- Explicitly allowed insurers, workers’ compensation carriers, and HMOs to use algorithms, artificial intelligence systems, or machine learning systems to assist in claims handling, including the generation of recommendations to approve or deny a claim.
- Clarified that the qualified human professional is only required to review denials, partial denials, and claims where the payment is reduced.
- Created penalties for workers’ compensation carriers who violate the bill’s requirements.
- Provided that insurers, workers’ compensation carriers, and HMOs must provide the unique identifier of the qualified human professional to the policyholder instead of the professional’s name.

The underlying bill includes the following provisions:

- Prohibits insurers, workers' compensation carriers, and HMOs from using algorithms, artificial intelligence, or machine learning systems as the sole basis for denying, reducing, or partially reducing a claim.
- Requires that decisions to deny or reduce a claim be made by qualified human professionals.
- Specifies duties for qualified human professionals in claim review processes.
- Requires carriers, insurers, and HMOs to include specified information in denial communications to claimants.
- Authorizes the Department of Financial Services and the Office of Insurance Regulation to conduct examinations and investigations related to claim denial practices.

Committees of Reference:

House: Insurance and Banking Subcommittee; Commerce.

Senate: Banking and Insurance; Appropriations Committee on Agriculture, Environment, and General Government; Rules.

2. HB 1395 - Artificial Intelligence by Rep. Rizzo
SB 482 - Artificial Intelligence Bill of Rights by Sen. Leek

Status: The Senate bill passed in its first committee of reference on January 21. The House bill was referenced to 4 committees (a tough hill to climb) and has not yet been heard in committee. **No insurance-specific provisions are included in this bill.** This bill is a priority of Governor DeSantis. This bill is unlikely to pass.

The bill includes the following provisions:

- Establishes an Artificial Intelligence Bill of Rights, restricts government contracts with foreign-controlled AI entities, mandates transparency and parental consent for minors' use of companion chatbots, and forbids unauthorized commercial use of AI-generated personal likenesses.
- Defines "artificial intelligence" in state contracting laws and prohibits governmental entities from renewing or entering contracts with foreign-controlled AI providers.
- Creates part IX of chapter 501, known as the "Artificial Intelligence Bill of Rights," declaring Floridians' rights regarding AI use, data collection, and personal privacy.
- Requires companies offering companion chatbots to minors to obtain parental consent, allow parental controls, and implement safeguards to prevent harmful or inappropriate content.
- Mandates that bot operators disclose to users they are interacting with nonhuman systems at the start of, and periodically during, any such interaction.
- Restricts AI technology companies from selling or disclosing personal information unless it is properly deidentified, and imposes penalties for attempts to reidentify such data.

- Authorizes the Department of Legal Affairs to investigate, issue subpoenas, and bring civil actions for violations of the AI provisions under state deceptive and unfair trade practice laws.
- Prohibits unauthorized commercial use of a person's name, image, or likeness that is generated by AI, setting penalties for misuse and providing special protections for servicemembers and their survivors.

Committees of Reference:

House: Information Technology Budget & Policy Subcommittee; Civil Justice & Claims Subcommittee; State Affairs; Commerce.

Senate: Commerce and Tourism; Appropriations.

**3. HB 659 - CHATBOTS: Interactions with Artificial Intelligence by Rep. Hunschofsky
SB 1344 - Companion Artificial Intelligence Chatbots by Sen. Burton**

Status: The legislation has not been heard in committee. This bill is unlikely to pass.

The legislation includes the following provisions:

- Requires operators of companion chatbot platforms to require individuals seeking access to create a user account before interacting with the chatbot.
- Requires operators to take certain actions if the age verification process determines that a user is a minor.
- Requires operators to protect the confidentiality of age verification information provided by users.
- Requires operators to display specified information on any application, browser, or format used to access companion AI chatbots.
- Provides that violations of the act are deemed deceptive and unfair trade practices.
- Authorizes the Department of Legal Affairs to bring actions and collect civil penalties, reasonable attorney fees, and court costs for violations.
- Specifies applicability of civil penalties and investigative authority for enforcement.

Committees of Reference:

House: Industries and Professional Activities Subcommittee; Information Technology Budget and Policy Subcommittee; Commerce

Senate: Commerce and Tourism; Appropriations Committee on Criminal and Civil Justice; Rules

**4. HB 635 - Cybersecurity – Protection from Incident Liability by Rep. Giallombardo
SB 692 - Cybersecurity by Sen. Leek**

Status: Both bills are in their last committee of reference. This legislation has been around for several years It made it over the finish line a few years ago but then was vetoed by the Governor. The bill never moved last year but may be in a position to pass this year.

Both bills were amended to do the following:

- Removed the requirement for a local government to only adopt cybersecurity standards consistent with cybersecurity standards and processes established by the Florida Digital Service (FLDS) within the Department of Management Services.
- Removed the requirement for vendors to comply with the standards and processes established by The National Institute of Standards and Technology (NIST) Cybersecurity Framework 2.0.
- Prohibited local governments from imposing cybersecurity standards or processes on a vendor that exceed the standards or processes established by the FLDS unless otherwise required by certain industry specific requirements or to comply with state or federal laws.
- Prohibited local governments from adopting or enforcing any cybersecurity standards or processes for contracts entered into or amended on or after July 1, 2026, if inconsistent with the standards or processes established by the FLDS

The bill includes the following provisions:

Provides liability protections for compliant entities such as vendors in the event of cybersecurity incidents.

- Establishes a presumption against liability for certain covered entities and third-party agents that substantially comply with recognized cybersecurity frameworks or applicable regulations.
- Requires periodic updates to cybersecurity programs within 1 year of revisions to applicable standards or laws to maintain liability protection.
- Clarifies that no private cause of action is created and that the availability of a liability shield cannot be used as evidence of negligence.

Committees of Reference:

House: Information Technology Budget and Policy Subcommittee; Civil Justice & Claims Subcommittee; State Affairs.

Senate: Governmental Oversight and Accountability; Judiciary; Appropriations.

GENERAL

1. **HB 1263 - OIR Agency Package: Insurer Transparency Provisions by Rep. Chaney**
SB 1306 - OIR Agency Package Criminal Activity of Insur. Professionals by Sen. Truenow

Status: The House bill passed the Insurance & Banking subcommittee on February 11 and with an amendment which includes tighter regulations and transparency measures for affiliates and reciprocals. Note that the Senate bill has not yet been heard in committee and is likely dead, so we anticipate that OIR will be seeking other vehicles in the Senate. As filed, the Senate bill only included the background provisions. See also linked bill **HB 1265** creating accompanying public records exemptions and privilege provisions for this information.

The adopted House amendment includes provisions applicable to various lines as follows:

- **All Lines:**
 - **Data Breach:** requires that reports of data security breaches provided to the state attorney general must also be copied to OIR where the breached entity is regulated by OIR.
 - **Company License Revocation:** provides increased powers to the OIR and DFS to issue cease and desist orders to **unlicensed** entities or persons under the insurance code.
 - **Background checks:** Grants specific authority to the Florida Department of Law enforcement regarding fingerprinting and background checks for organizers, incorporators, officers, employees, contractors, stockholders, directors, owners, manager, or volunteers in involved in the organization, operation or management of any insurer authorized to sell insurance.
 - **Group Capital:** Requires the Ultimate Controlling person of an insurer to file a Group Capital Calculation Report, under NAIC rules regarding such filings. After the first filing, insurers and groups may be exempt from future filings if the OIR determines the holding company system writes less than \$1 billion in premium, has no insurers domiciled outside the U.S., does not own a banking or depository institution, and there have been no material changes in the transactions between insurers and non-insurers in the group.
- **Administrators (TPAs including PBMs):** Authorizes the OIR to conduct market conduct exams of Administrator licensees.
- **Life Insurers:**
 - **Liquidity Stress Test:** Requires filing of a liquidity stress test framework for Life Insurers meeting the scope criteria under NAIC rules.
- **Reciprocals:**
 - **Attorney in Fact:** Creates a new regulatory framework requiring registration and regulation of Attorneys' in Fact which are operating a Reciprocal insurer. Filings include an annual financial statement of the AIF, fingerprint and background information on owners officers and directors of the AIF, etc. Grants regulatory authority to discipline AIF's that violate the insurance code or are operating with bad business practices. Allows revocation or suspension of an AIF registration, authorizes substantial fines in lieu of suspension including \$5000 per violation for

an aggregate of \$50,000 for all nonwillful violations arising out of the same action; \$25,000 with an aggregate of \$250,000 for all Willful violations arising out of the same action, and up to \$1 million for actions occurring during a state of emergency. Fines may not be paid by the reciprocal insurer.

- **Auto:**
 - **Rate filings:**
 - CAT Losses: after January 1, 2027, catastrophe losses must be estimated and modeled using a model approved by the Florida Commission on Hurricane Loss Projection Methodology. Makes other automobile changes in statute to require rate filings to include catastrophe modeling.
 - Must file a full rate filing after 2 years of consecutive annual rate certifications submitted to OIR.
 - **Data Call:** Beginning January 1, 2027, a new private passenger automobile data call on claims, policyholder data, and other information will be required.
- **Homeowners:**
 - **Rate Filings:**
 - Allows insurers to file for new additional credits to rates which involve mitigation and construction techniques which lower rates.
 - Must file a full rate filing after 2 years of consecutive annual rate certifications submitted to OIR.
 - **Reporting:** Eliminates the obsolete annual reporting for AOB claims and payments.

Committees of Reference:

House: Insurance & Banking Subcommittee; Commerce.

Senate: Criminal Justice; Banking and Insurance; Appropriations.

2. HB 1265 - Public Records/ Office of Insurance Regulation by Rep. Chaney

This bill is linked to HB1263.

Status: This bill passed the first of its three committees of reference on February 11. There is no Senate companion measure.

The House bill as amended does the following:

- Creates s. 624.28, F.S., granting privilege and confidentiality for documents and materials obtained by the Office of Insurance Regulation or the National Association of Insurance Commissioners during examinations or analyses of insurance companies.
- Prohibits the Commissioner of Insurance Regulation and certain other persons from testifying in private civil actions regarding privileged information.
- Authorizes the commissioner to share documentation under specific conditions, ensuring recipients maintain confidentiality.
- Secures reciprocity by recognizing similar privileges granted by other jurisdictions.

- Exempts from public records requirements certain proprietary business information related to group capital calculations, liquidity stress tests, and biographical statements or affidavits.
- Sets future legislative review and potential repeal of these privileges unless reenacted.

Committees of Reference:

House: Insurance & Banking Subcommittee; State Affairs; Commerce.

3. **HB 7017 - OGSR/Trade Secrets (Formerly PCB GOS10) by Government Operations Subcommittee, Rep. Sapp**
SB 7026 - OGSR/Trade Secret Held by an Agency by Governmental Oversight and Accountability

Status: Both bills have passed all committees and are now on their respective calendars for second reading. The Senate bill has been placed on the Special Order calendar to be voted on by the Senate. These are part of a mandatory review after 5 years of any public records exemptions. We expect the exemptions to be preserved.

The legislation includes the following provisions:

- Maintain the existing public records exemption for trade secrets by removing its scheduled repeal and eliminating references to trade secrets from multiple statutes.
- Retain the public records exemption for trade secrets in s. 119.0715, F.S., by deleting the provision that would have repealed it under the Open Government Sunset Review Act.
- Remove references to trade secrets from various statutory sections, including definitions and exemptions related to proprietary or confidential business information.
- Revise multiple public records exemptions to no longer separately classify trade secrets as exempt information

Committees of Reference:

House: Commerce; State Affairs.

Senate: Governmental Oversight and Accountability.