Florida Legislative Session 2025: Early Developments and Key Bills

Power Shifts, Policy Battles, and the Future of Florida's Insurance Market

The following article is the first segment of a four-part series of updates from the 2025 State of Florida Legislative Session. The series provides an overview of key legislative developments and their potential effects on Florida's insurance landscape.

The series is authored by Conor O'Leary, president of Shelly, Middlebrooks, and O'Leary Insurance Company, based in Jacksonville, Florida and a long-serving board member of the Independent Insurance Agents of Northeast Florida (IIANF).

O'Leary brings deep industry expertise, and a keen understanding of how legislative actions impact businesses, insurers, and policyholders.

Synopsis

As Florida prepares for the 2025 Legislative Session, significant political shifts and legislative proposals have already set the stage for what promises to be a dynamic and impactful session. With key resignations among top state officials—including CFO Jimmy Patronis and Attorney General Ashley Moody—Governor Ron DeSantis faces crucial appointments that will shape the state's executive leadership. Meanwhile, speculation swirls over potential contenders for the 2026 gubernatorial race, adding to the political intrigue as lawmakers gear up for the March 4 convening.

On the legislative front, insurance remains a central issue, with several bills introduced to address windstorm coverage, residential property insurance, claims resolution, and regulatory transparency. Notable proposals include HB 13, revising Citizens Property Insurance Corporation's windstorm policies, and SB 554/HB 451, which would reinstate automatic awards of attorney's fees in property insurance disputes. Additionally, SB 224 seeks to reform mediation processes for disputed claims, while SB 328 aims to extend valued policy laws to surplus lines insurers.

These early developments signal a continued focus on stabilizing Florida's insurance market while balancing consumer protections and industry interests.

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The Florida Legislature is currently off before convening for the 2025 Legislative Session on March 4th which is slated to last until May 2nd. It has been a busy start to the year with two special sessions already called, the first by the governor and the second by the legislature.

2025 has already seen a major reorganization among top leaders as many have been appointed to higher positions within the federal government or elected to run in special elections for recently vacated seats.

- CFO Jimmy Patronis has submitted his resignation to Gov. DeSantis to run for Florida 1st Congressional District after Matt Gaetz vacated the seat. DeSantis will appoint a new Chief Financial Officer to fill out the remainder of Patronis' term, which will end after 2026.

- Attorney General Ashley Moody has replaced Secretary of State Marco Rubio in the Senate, Gov. DeSantis Chief of Staff James Uthmeier has been appointed as Florida's new Attorney General

- Lt. Gov. Jeanette Nuñez has resigned to become Interim President of Florida International University, creating yet another vacancy in Florida's Executive Branch,

And rumors swirl about First Lady Casey DeSantis' interest in succeeding her husband in 2026 or current House Representative from FL's 19th District Byron Donalds who seems to have already won President Trump's endorsement for this position.

During the final 14 days of committee weeks, a number of bills were filed, including SB 554/HB 451, revising several things relating to property insurance, including reinstating automatic awards of attorney's fees. This follows the governor's February 5, 2025, press conference about how the 2022 and 2023 insurance reforms are working and the need to stay the course.
So, no clear end in sight to the palace intrigue…

Key Bills

Here are some of the highlights of the insurance bills that have been filed during this session.
(A complete list of insurance bills is also available.)

HB 13: Windstorm Coverage by Citizens Property Insurance Corporation

- Amends Florida statutes to revise windstorm coverage offerings through the Citizens Property Insurance Corporation.
- Removes certain outdated provisions and conforming cross-references in various sections, simplifying the legislative language and eliminating obsolete elements.
- Adjusts underwriting and claims settlement requirements for windstorm coverage, incorporating administrative fees and updating claims payment methods.
- Allows homeowners to purchase windstorm coverage directly, including necessary changes to enhance consumer choice and agent interactions.
- Revamps Citizens Property Insurance Corporation's role, increasing windstorm coverage availability for both residential and commercial entities.

- Standardizes and increases transparency in policy cancellations and nonrenewal notifications, particularly regarding windstorm coverage.
- Clarifies policyholder entitlements and procedural standards for agents and policyholders engaging with the insurance market.
- Updates provisions related to insurance underwriting, claims processing, and policy issuance, ensuring clarity and consistency in delivering windstorm coverage.

SB 128: Residential Property Insurers

- Amends Section 627.7011 to impose new notification requirements on residential property insurers.
- Requires insurers to provide at least 45 days' advance notice to policyholders before policy cancellation, nonrenewal, or rate changes, utilizing mailed notifications to the policyholder's last recorded address.
- Mandates emailing the notice if an email address is available.
- Stipulates a minimum of 10 days' advance written notification for cancellations due to nonpayment of premiums, including the reason for cancellation.
- Exempts insurers from providing written cancellation notices for nonpayment if premiums are paid monthly.

SB 230: Insurance

Amends Florida statutes to update insurance claims requirements, including protocols for property damage claims, insurer and adjuster responsibilities, and limitations on cancellations and nonrenewals of certain insurance policies.

- Clarifies that claims for extracontractual damages against property insurers require an adverse court adjudication confirming policy breach.
- Specified forms for filing claims must list only alleged statutory violations and related supporting evidence.
- Excludes attorney fees, costs beyond statutory notice requirements, and non-monetary provisions from monetary damages sought against property insurers.
- Requires property insurers to request additional information from policyholders within the 60-day notice period, with an extension if the policyholder delays providing the information.
- Amends qualifications for licensing of general lines agents, reducing required hours from 200 to 60.
- Adjuster communication via text must include their appointment type in the initial message only.
- Public adjusters are prohibited from adversarial actions, such as unconsented recordings, against insurance claims personnel.
- Updates claims-handling guidelines for property insurers, stipulating procedures from claim receipt to resolution.
- Specifies insurer's and agent's ability to cancel or nonrenew policies under specified conditions without waiting for property repairs unless fraud or material misstatement is involved.
- Allows insurers to inquire about a person's HIV status and related medical treatments for underwriting purposes, excluding inquiries about negative HIV tests.
- Clarifies policy statements for insurance coverage concerning flood damage and claims payment notices already included in policy renewals or changes.

SB 224: Resolution of Disputed Property Insurance Claims

Changes the mediation process for disputed property insurance claims by making participation mandatory, a prerequisite for litigation, and accessible via teleconference or electronic means if agreed upon by both parties.

- Requires mutual agreement to conduct mediation electronically and mandates personal attendance of all insureds or their representatives at the mediation.
- Specifies that mediation is mandatory for resolving disputes prior to litigation involving personal lines and commercial residential policies.
- Stipulates that insurers must cover all mediation costs unless an additional expert or representative is requested by one of the parties, who will then bear the related costs.
- Introduces a new rule by the Department of Financial Services to possibly adopt emergency procedures in response to natural disasters.
- Requires policyholders to provide necessary claim-related documents and information to insurers within 10 days after invoking mediation.
- Allows for a 3-day rescission period for settlements reached in mediation, provided the policyholder is unrepresented by legal or adjusting counsel and has not cashed any payment as part of the dispute settlement.
- Defines specific scenarios where mediation is not applicable, involving fraud suspicion, policy coverage determination, intentional misrepresentation by the policyholder, disputes under $500 unless agreed otherwise, or non-compliance with policy claim filing procedures.

SB 328: Applicability of Valued Policy Law to Surplus Lines Insurers

Requires surplus lines insurers to adhere to the valued policy law in specific circumstances.

- Redesignates current subsections and adds new provisions to include surplus lines insurers under the term "insurer" for valued policy law.
- Dictates that these insurers must comply with valued policy laws when issuing property or casualty insurance.
- Provides definitions and conditions under which full payment is ensured for total losses, addressing both single and multiple peril situations undervalued policies.
- Specifies that the valued policy law is applicable only to structures with clearly stated insurance values on policies, excluding personal property unless tied to certain structures like mobile homes.
- The addition of these provisions aims to integrate surplus line insurers into the existing framework of valued policy law to ensure comprehensive coverage and handling of claims.

SB 554/HB 451 Court Judgment Interest Rates and Insurance Reports and Practices

- Revises calculation methods for interest in judgments and decrees by the Chief Financial Officer and mandates regular updates.
- Introduces legislative findings regarding the impact of property insurance costs on Florida's housing market and requires analysis of market conduct.
- Mandates creation of reports by the Office of Insurance Regulation on related entities and executive compensation, requiring annual public posting and submission to legislative bodies.
- Directs the Office of Insurance Regulation to use updated methods for producing reports and mandates data transparency, disallowing insurers from withholding certain financial information.

- Modifies factors considered by the Office of Insurance Regulation in insurance rate filings, including reports on executive compensation and financial relationships.
- Requires insurers to provide policyholders with a written estimate of loss within specific timelines and outlines requirements for creating and documenting such estimates.
- Establishes mandatory mediation and specified methods for determining attorney fees in property insurance disputes.
- Specifies disclosure requirements related to credits or discounts offered for mandatory binding arbitration in insurance policies.
- Reenacts certain statutes to reflect updates affecting workers' compensation, flood insurance, and sinkhole coverage insurance policies.

HB 393: My Safe Florida Condominium Pilot Program

Revises eligibility and requirements for the My Safe Florida Condominium Pilot Program concerning grants and improvements to condominiums for hurricane resistance.

- Restricts participation to condominiums at least three stories high with at least one residential unit in the structure seeking mitigation grants.
- Changes approval requirements for grant applications from unanimous consent to at least 75 percent of resident unit owners.
- Allows associations to choose their own contractors, but contractors must be properly licensed and secure necessary local permits.
- Requires associations to match grant funds, with $1 provided by the association for every $2 from the state.
- Stipulates grant use for specific improvements like opening protection and roof-related adjustments including reinforcement and water resistance enhancements.
- Prohibits using grants for previously installed improvement types or as insurance deductibles.
- Mandates completion of projects within one year of grant approval or requires requesting an extension; unfinished projects result in grant reversion to the department.
- Removes specific allocations per square foot for roof projects and per window or door for opening protections, previously included in grant calculations.

HB 6005: Statute of Repose for Actions by Condominium Associations

Extends the timeframe for condominium associations to initiate legal actions.

- Removes the statute of repose for actions by condominium and cooperative associations.
- Mandates that the statute of limitations for any legal actions will not begin until unit owners elect a majority of the board of administration members.

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