

Insurance & Banking Subcommittee

Wednesday, January 14, 2026
4:00 PM - 6:00 PM
Morris Hall (17 HOB)

Meeting Packet

Daniel Perez
Speaker

Bradford Yeager
Chair

Committee Meeting Notice

HOUSE OF REPRESENTATIVES

Insurance & Banking Subcommittee

Start Date and Time: Wednesday, January 14, 2026 04:00 PM

End Date and Time: Wednesday, January 14, 2026 06:00 PM

Location: Morris Hall (17 HOB)

Duration: 2.00 hrs

Consideration of the following bill(s):

HB 645 Limited Agent Licenses by Smith
HB 863 Arbitration for Disputes with Citizens Property Insurance Corporation by Benarroch

NOTICE FINALIZED on 01/12/2026 4:30PM by Young.Kimberly

HB 645

FLORIDA HOUSE OF REPRESENTATIVES
BILL ANALYSIS

This bill analysis was prepared by nonpartisan committee staff and does not constitute an official statement of legislative intent.

BILL #: HB 645	**COMPANION BILL:** None
TITLE: Limited Agent Licenses	**LINKED BILLS:** None
SPONSOR(S): Smith	**RELATED BILLS:** SB 772 (Burgess)

Committee References

Insurance & Banking ➤ Commerce

SUMMARY

Effect of the Bill:
The bill expands the scope of limited agent licenses to include eyewear insurance, explicitly covering both smart glasses and non-electronic eyewear. The bill also extends claims processing exemptions specifically for portable electronic device insurance claims to eyewear insurance claims.

Fiscal or Economic Impact:
The bill may have an indeterminate fiscal impact on the state and private sector.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

The bill expands the scope of practice for portable electronics insurance limited agent licenses by allowing such limited agent licensees to sell eyewear insurance. (Section 1)

The bill establishes defines "eyewear" to include "smart glasses" and "nonelectronic eyewear." The bill also defines "nonelectronic eyewear" to encompass "prescription and nonprescription eyeglasses and sunglasses." (Section 1)

The bill expands claims processing exemptions for portable electronic device insurance claims to also include eyewear insurance claims. (Section 4)

The bill provides an effective date of July 1, 2026. (Section 5)

FISCAL OR ECONOMIC IMPACT:

STATE GOVERNMENT:

There may be an indeterminate fiscal impact on the Department of Financial Services associated with the administration and regulation of limited agent licenses for eyewear insurance.

PRIVATE SECTOR:

The bill may have an indeterminate impact on the insurance marketplace by authorizing the offering of a new insurance product recognized under state law.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Limited Agent Licenses

Limited agent licenses are insurance licenses that allow an individual or business to sell, solicit, or service only specific, limited classes of insurance, rather than the full range of insurance products.[1] The Department of Financial Services currently issues limited agent licenses for the following insurance types: [2]

- motor vehicle physical damage and mechanical breakdown;
- industrial fire or burglary;
- travel;
- motor vehicle rental;
- credit;
- crop hail and multiple-peril crop;
- in-transit and storage personal property;
- portable electronics; and
- preneed funeral agreement.

Applicants for limited agent licenses for portable electronics insurance, travel, motor vehicle rental, credit, or in-transit and storage of personal property are not required to pass a written examination as a condition of licensure.[3] Additionally, applicants for these limited agent insurance licenses are not subject to knowledge, experience, or instructional requirements as a condition of licensure.[4] Portable electronic insurance limited agent licensees are also exempt from fingerprinting requirements.[5]

Definition of Portable Electronic Devices

"Portable electronics" are defined as personal, self-contained, easily transportable, battery-operated electronic devices used for communication, viewing, listening, recording, gaming, computing or global positioning. The term includes, but is not limited to, cellular or satellite phones, pagers, personal global positioning units, portable computers, portable audio -listening devices, video-viewing or recording equipment, digital cameras, video camcorders, portable gaming systems, docking stations, automatic answering devices, and other similar devices with their accessories and service related to the use of such devices.[6]

Portable Electronics Insurance Limited Agent Licenses

Portable electronics insurance limited agent licenses authorize the sale, solicitation, and servicing of property or inland marine insurance that specifically provides coverage for the loss, theft, mechanical failure, malfunction or damage of portable electronic devices.[7]

Licensure may only be issued to employees or authorized representatives of licensed general lines agents,[8]or the lead business location of a retail vendor who sells portable electronics insurance and has a contract with a general lines agent.[9]

Employees and authorized representatives of licensed vendors may sell or offer portable electronics insurance without obtaining individual insurance agent licenses, provided that sales occur at licensed locations or properly appointed branch locations.[10]

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[1] S. 626.321(1), F.S.
[2] S. 626.321, F.S.
[3] S. 626.221(2)(b), F.S.
[4] S. 626.732(7), F.S.
[5] *Id.*
[6] S. 626.321(1)(h), F.S.
[7] *Id.*
[8] "General lines agent" means an agent authorized to transact any one or more of the following insurances: property, casualty, surety, health, or marine. *See* S. 626.311(7), F.S. They also may sell portable electronics insurance at licensed agency locations without a separate license. S. 626.321(1)(h), F.S.
[9] S. 626.321(1)(h), F.S.
[10] "Branch location" means any physical location in Florida at which a licensee offers its products or services for sale. A location may be authorized to transact insurance under the associated lead business location licensee. A portable electronics insurance limited agent license is required if the location is not otherwise licensed to transact insurance. S. 626.321(1)(h), F.S.

Sales must be directly supervised by the issuing insurer or by a general lines agent appointed by the insurer. Additionally, the issuing insurer or appointed general lines agent must provide oversight of the training program for individuals engaged in soliciting insurance products.[11]

Individuals who are not licensed may not receive commissions based on insurance products sales. However, licensees may incorporate incidental compensations for insurance product sales into a broader employee compensation structure that also includes salary or wages and compensation for noninsurance product sales.[12]

At each point of sale, the licensee is required to make written consumer disclosures available to all prospective clients, which may also describe related service warranties or incidental benefits.[13] Written, mandatory disclosures to consumers must: [14]

- notify that coverage may duplicate insurance under homeowners, renters, or other polices;
- clarify that insurance coverage is not a condition of purchasing or leasing a portable electronic or related service;
- summarize policy terms, including the insurer, deductibles, key coverage benefits and trigger;
- provide an outline of the claims process, including any requirements or associated fees; and
- provide a statement of the consumer's right to cancel coverage at any time with a refund of unearned premium.[15]

Licensees are authorized to bill and collect premiums. When insurance coverage is included with the purchase or lease of portable electronic devices, the licensee must clearly disclose that coverage is included and separately disclose the stand-alone premium cost. When coverage is optional, the premium must be separately itemized at sale. Collected premiums must be tracked, remitted to the insurer or supervising entity within 60 days, and treated as trust funded held for the insurer. Licensees may be compensated for billing and collection activities.[16]

Portable Electronics Insurance Claims Processing Exemptions

Generally, individuals need a license to handle insurance claims. However, individuals processing portable electronics insurance claims do not need an individual license if they only collect or enter claims information, work for a licensed insurance business, or are supervised by a licensed insurance adjuster[17]or agent. No more than 25 unlicensed individuals can be supervised by any one licensed adjuster or agent.[18] A Canadian resident cannot obtain a Florida nonresident adjuster license to handle portable electronics claims unless they have already obtained an adjuster's license in another U.S. state.[19]

Unlicensed individuals can use an automated claims adjudication system[20] for portable electronic claims, given that system is only used by licensed or supervised individuals, compliant with all Florida insurance code claim payment requirements, and certified as compliant by a licensed adjuster who is an officer of the business entity.[21]

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[11] S. 626.321(1)(h), F.S.
[12] *Id.*
[13] *Id.*
[14] *Id.*
[15] Policy terms provide the framework for coverage modification or termination. Required notices and correspondences can be delivered electronically if proof of transmission is maintained and customers are informed that providing an email address constitutes consent to electronic delivery. S. 626.321(1)(h), F.S.
[16] S. 626.321(1)(h), F.S.
[17] "Adjuster" means a public adjuster defined in s. 626.854, F.S. or an all-lines adjuster as defined in s. 626.8548, F.S.. S. 626.015(2), F.S.
[18] S. 626.8685(1), F.S.
[19] S. 626.8685(2), F.S.
[20] "Automated claims adjudication system" means a preprogrammed computer system designed to fully, electronically resolve claims. *See* S. 626.8685(1), F.S.
[21] S. 626.8685(1), F.S.

Eyewear Insurance vs. Current Insurance Marketplace Options

There is currently no statutory or regulatory framework establishing "eyewear insurance" as a licensed insurance product in Florida.[22] Products marketed as such are limited warranties or protection plans provided by the retailer or manufacturer to cover defects or accidental damage under contract terms.[23] As such, products do not have the regulatory status, obligations, or consumer protections of true insurance products.

Vision insurance is designed to cover routine eye care exams and corrective eyewear.[24] While coverage can vary by plan, most plans include coverage for routine eye exams, allowances for eyeglass frames and/or prescription lenses every 1-2 years, and allowances for contact lenses. Vision insurance typically excludes eligibility for non-prescriptive eyeglasses, contact lenses, sunglasses, and reading glasses.[25]

Smart Glasses

Early research in wearable computing and optics took place in the early 1990s, with researchers developing head-mounted devices that are largely credited to be the foundational work for smart glasses. The first widely recognized smart glasses were released in 2013 as wearable tech with a heads-up display, voice control, and camera.[26]

The following years have led to the development of prescriptive and nonprescriptive eyewear that can enable augmented reality overlays, calls, video conferencing, and sending/receiving messages through microphones, speakers, and Bluetooth or Wi-fi, photo and video capture through high resolution cameras, real-time digital streaming, voice recognition controls, and AI assistance, among other features.[27]

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Insurance & Banking Subcommittee			Brackett	Veigle
Commerce Committee				

[22] *See* Ch. 626, F.S.
[23] *See* Ch. 501, F.S.
[24] Dawson, C., *Medical Insurance vs. Vision Insurance*, St. Lucie Eye, (September 25, 2024), https://www.stlucieeye.com/medical-insurance-vs-vision-insurance/ (last visited January 7, 2026).
[25] Peralta, S., *Vision Insurance: A guide to plans, costs, and benefits*. All About Vision, (September 9, 2025), https://www.allaboutvision.com/vision-insurance/coverage-benefits/what-is-vision-insurance (last visited January 7, 2026).
[26] Kelley, S., *The Future of Wearables: What Are Smart Glasses?* All About Vision, (November 11, 2025), https://www.allaboutvision.com/eyewear/specialty/smart-glasses/ (last visited January 7, 2026).
[27] Sotech, *What Do Smart Glasses Actually Do?* (August 14, 2025), https://www.sotech-vision.com/What-Do-Smart-Glasses-Actually-Do-id49482696.html? (last visited January 7, 2026).

A bill to be entitled

An act relating to limited agent licenses; amending s. 626.321, F.S.; renaming "portable electronics insurance" as "portable electronics and eyewear insurance" to include eyewear for purposes of insurance coverages and licenses; defining the term "eyewear"; removing the obsolete definition of the term "portable electronics transaction"; amending ss. 626.221, 626.732, and 626.8685, F.S.; conforming provisions to changes made by the act; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Paragraph (h) of subsection (1) and subsection (4) of section 626.321, Florida Statutes, are amended to read:

626.321 Limited licenses and registration.—

(1) The department shall issue to a qualified applicant a license as agent authorized to transact a limited class of business in any of the following categories of limited lines insurance:

(h) Portable electronics and eyewear insurance.—License for property insurance or inland marine insurance that covers only loss, theft, mechanical failure, malfunction, or damage for portable electronics and eyewear.

1. The license may be issued only to:

a. Employees or authorized representatives of a licensed general lines agent; or

b. The lead business location of a retail vendor that sells portable electronics and eyewear insurance. The lead business location must have a contractual relationship with a general lines agent.

2. Employees or authorized representatives of a licensee under subparagraph 1. may sell or offer for sale portable electronics and eyewear coverage without being subject to licensure as an insurance agent if:

a. Such insurance is sold or offered for sale at a licensed location or at one of the licensee's branch locations if the branch location is appointed by the licensed lead business location or its appointing insurers;

b. The insurer issuing the insurance directly supervises or appoints a general lines agent to supervise the sale of such insurance, including the development of a training program for the employees and authorized representatives of vendors that are directly engaged in the activity of selling or offering the insurance; and

c. At each location where the insurance is offered, brochures or other written materials that provide the information required by this subparagraph are made available to all prospective customers. The brochures or written materials

may include information regarding portable electronics and eyewear insurance, service warranty agreements, or other incidental services or benefits offered by a licensee.

3. Individuals not licensed to sell portable electronics and eyewear insurance may not be paid commissions based on the sale of such coverage. However, a licensee who uses a compensation plan for employees and authorized representatives which includes supplemental compensation for the sale of noninsurance products, in addition to a regular salary or hourly wages, may include incidental compensation for the sale of portable electronics and eyewear insurance as a component of the overall compensation plan.

4. Brochures or other written materials related to portable electronics and eyewear insurance must:

a. Disclose that such insurance may duplicate coverage already provided by a customer's homeowners insurance policy, renters insurance policy, or other source of coverage;

b. State that enrollment in insurance coverage is not required in order to purchase or lease portable electronics and eyewear or services;

c. Summarize the material terms of the insurance coverage, including the identity of the insurer, the identity of the supervising entity, the amount of any applicable deductible and how it is to be paid, the benefits of coverage, and key terms and conditions of coverage, such as whether portable electronics

and eyewear may be repaired or replaced with similar make and model reconditioned or nonoriginal manufacturer parts or equipment;

d. Summarize the process for filing a claim, including a description of how to return portable electronics and eyewear and the maximum fee applicable if the customer fails to comply with equipment return requirements; and

e. State that an enrolled customer may cancel coverage at any time and that the person paying the premium will receive a refund of any unearned premium.

5. A licensed and appointed general lines agent is not required to obtain a portable electronics and eyewear insurance license to offer or sell portable electronics and eyewear insurance at locations already licensed as an insurance agency, but may apply for a portable electronics and eyewear insurance license for branch locations not otherwise licensed to sell insurance.

6. A portable electronics and eyewear license authorizes the sale of individual policies or certificates under a group or master insurance policy. The license also authorizes the sale of service warranty agreements covering only portable electronics and eyewear to the same extent as if licensed under s. 634.419 or s. 634.420.

7. A licensee may bill and collect the premium for the purchase of portable electronics and eyewear insurance provided

that:

a. If the insurance is included with the purchase or lease of portable electronics or eyewear or related services, the licensee clearly and conspicuously discloses that insurance coverage is included with the purchase. Disclosure of the stand-alone cost of the premium for same or similar insurance must be made on the customer's bill and in any marketing materials made available at the point of sale. If the insurance is not included, the charge to the customer for the insurance must be separately itemized on the customer's bill.

b. Premiums are incidental to other fees collected, are maintained in a manner that is readily identifiable, and are accounted for and remitted to the insurer or supervising entity within 60 days of receipt. Licensees are not required to maintain such funds in a segregated account.

c. All funds received by a licensee from an enrolled customer for the sale of the insurance are considered funds held in trust by the licensee in a fiduciary capacity for the benefit of the insurer. Licensees may receive compensation for billing and collection services.

8. Notwithstanding any other provision of law, the terms for the termination or modification of coverage under a policy of portable electronics and eyewear insurance are those set forth in the policy.

9. Notice or correspondence required by the policy, or

otherwise required by law, may be provided by electronic means if the insurer or licensee maintains proof that the notice or correspondence was sent. Such notice or correspondence may be sent on behalf of the insurer or licensee by the general lines agent appointed by the insurer to supervise the administration of the program. For purposes of this subparagraph, an enrolled customer's provision of an electronic mail address to the insurer or licensee is deemed to be consent to receive notices and correspondence by electronic means if a conspicuously located disclosure is provided to the customer indicating the same.

10. The fingerprinting requirements in s. 626.171(4) do not apply to licenses issued to qualified entities under this paragraph.

11. A branch location that sells portable electronics and eyewear insurance may, in lieu of obtaining an appointment from an insurer or warranty association, obtain a single appointment from the associated lead business location licensee and pay the prescribed appointment fee under s. 624.501 if the lead business location has a single appointment from each insurer or warranty association represented and such appointment applies to the lead business location and all of its branch locations. Branch location appointments shall be renewed 24 months after the initial appointment date of the lead business location and every 24 months thereafter. Notwithstanding s. 624.501, the renewal

fee applicable to such branch location appointments is $30 per appointment.

12. For purposes of this paragraph:

a. "Branch location" means any physical location in this state at which a licensee offers its products or services for sale.

b. "Eyewear" means smart glasses and nonelectronic eyewear. As used in this sub-subparagraph, the term "nonelectronic eyewear" includes prescription and nonprescription eyeglasses and sunglasses.

c.~~b.~~ "Portable electronics" means personal, self-contained, easily carried by an individual, battery-operated electronic communication, viewing, listening, recording, gaming, computing or global positioning devices, including cell or satellite phones, pagers, personal global positioning satellite units, portable computers, portable audio listening, video viewing or recording devices, digital cameras, video camcorders, portable gaming systems, docking stations, automatic answering devices, and other similar devices and their accessories, and service related to the use of such devices.

~~c. "Portable electronics transaction" means the sale or lease of portable electronics or a related service, including portable electronics insurance.~~

(4) Except as otherwise expressly provided, a person applying for or holding a limited license is subject to the same

applicable requirements and responsibilities that apply to general lines agents in general if licensed as to motor vehicle physical damage and mechanical breakdown insurance, industrial fire insurance or burglary insurance, motor vehicle rental insurance, credit insurance, crop hail and multiple-peril crop insurance, in-transit and storage personal property insurance, or portable electronics and eyewear insurance; or as apply to life agents or health agents in general, as applicable, if licensed as to travel insurance.

Section 2. Paragraph (b) of subsection (2) of section 626.221, Florida Statutes, is amended to read:

626.221 Examination requirement; exemptions.—

(2) However, an examination is not necessary for any of the following:

(b) An applicant for a limited license as agent for travel insurance, motor vehicle rental insurance, credit insurance, in-transit and storage personal property insurance, or portable electronics and eyewear insurance under s. 626.321.

Section 3. Subsection (7) of section 626.732, Florida Statutes, is amended to read:

626.732 Requirement as to knowledge, experience, or instruction.—

(7) This section does not apply to an individual holding only a limited license for travel insurance, motor vehicle rental insurance, credit insurance, in-transit and storage

personal property insurance, or portable electronics and eyewear insurance.

Section 4. Section 626.8685, Florida Statutes, is amended to read:

626.8685 Portable electronics and eyewear insurance claims; exemption; licensure restriction.—

(1) This part does not apply to any individual who collects claims information from, or furnishes claims information to, insureds or claimants, and who conducts data entry, including entering data into an automated claims adjudication system, provided that the individual is an employee of a business entity licensed under this chapter, or its affiliate, and no more than 25 such persons are under the supervision of one licensed independent adjuster or licensed agent who is exempt from licensure pursuant to s. 626.862. For purposes of this subsection, the term "automated claims adjudication system" means a preprogrammed computer system designed for the collection, data entry, calculation, and final resolution of portable electronics and eyewear insurance claims that:

(a) May be used only by a licensed independent adjuster, licensed agent, or supervised individual operating pursuant to this subsection;

(b) Must comply with all claims payment requirements of the insurance code; and

(c) Must be certified as compliant with this subsection by a licensed independent adjuster that is an officer of a licensed business entity under this chapter.

(2) Notwithstanding any other provision of law, a resident of Canada may not be licensed as a nonresident independent adjuster for purposes of adjusting portable electronics insurance and eyewear claims unless the person has successfully obtained an adjuster's license in another state.

Section 5. This act shall take effect July 1, 2026.

HB 863

FLORIDA HOUSE OF REPRESENTATIVES
BILL ANALYSIS

This bill analysis was prepared by nonpartisan committee staff and does not constitute an official statement of legislative intent.

BILL #: HB 863 **TITLE:** Arbitration for Disputes with Citizens Property Insurance Corporation **SPONSOR(S):** Benarroch	**COMPANION BILL:** None **LINKED BILLS:** None **RELATED BILLS:** None

Committee References

Insurance & Banking ➤ Commerce

SUMMARY

Effect of the Bill:
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

Fiscal or Economic Impact:
There may be an indeterminate state fiscal impact.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

The bill repeals Citizens Property Insurance Corporations' (Citizens) ability to require policyholders to resolve claim disputes before the Division of Administrative Hearings (DOAH). (Section 1)

The bill authorizes Citizens to adopt policy forms that provide policyholders the option to select arbitration before DOAH for resolving claim disputes. Under the bill, DOAH retains full authority to arbitrate claim disputes when the policyholder elects arbitration before DOAH. However, Citizens is unable to require policyholders to use binding arbitration to resolve claim disputes without the policyholders' consent. (Section 1)

The bill requires each policyholder be notified in writing at policy inception and renewal that they must decide whether or not to resolve disputes through arbitration before DOAH. The notification must be in at least 12-point bold font immediately before the policyholder's signature within the policy documents, and must be substantially in the following form: (Section 1)

> "AN INSURED MUST CHOOSE AT THE TIME OF ENTERING INTO THIS POLICY OR UPON RENEWAL WHETHER TO RESOLVE DISPUTES THROUGH ARBITRATION BEFORE THE DIVISION OF ADMINISTRATIVE HEARINGS. THE INSURED MUST INDICATE THIS SELECTION BY MARKING "ACCEPT" OR "DECLINE" BELOW. THIS DECISION CANNOT BE CHANGED DURING THE TERM OF THE POLICY.
> [ ] ACCEPT
> [ ] DECLINE"

The bill repeals the provision authorizing Citizens to contract with DOAH to resolve claim disputes. (Section 1)

The bill provides an effective date of July 1, 2026. (Section 2)

FISCAL OR ECONOMIC IMPACT:

STATE GOVERNMENT:

The bill may have an indeterminate fiscal impact on DOAH if policyholders decline arbitration. Additionally, Citizens will no longer be able contract with DOAH to resolve claim disputes. The bill may have an indeterminate fiscal impact on circuit courts if policyholders decline arbitration.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Citizens Property Insurance Corporation (Citizens)
Citizens is a state-created, not-for-profit, tax-exempt governmental entity whose public purpose is to provide property insurance coverage to those unable to find affordable coverage in the voluntary market.[1] Citizens was created in 2002 by the Florida Legislature by combining the Florida Residential Property and Casualty Joint Underwriting Association and the Florida Windstorm Underwriting Association.[2]

As of December 26, 2025, Citizens reports 395,912 active policies.[3] By the end of 2025, Citizens' policy count is expected to fall to around 385,000. This would be the lowest reported policy count for Citizens since inception.[4]

From January 1 through September 30, 2025, Citizens was served with 4,307 lawsuits (roughly 479 suits/month). Of these, 96% are first-party residential property suits, 1% are first-party commercial property suits, and 3% are third-party liability suits. As of September 30, 2025, the total pending volume of lawsuits was 8,823. This is a 47% decrease in total pending volume of 16,518 lawsuits from the same time period in 2024.[5]

Division of Administrative Hearings (DOAH)
DOAH is a state agency that employs full-time administrative law judges to conduct hearings in which the substantial interests of a person are determined by an agency and involve a disputed issue of material fact.[6] Generally, when a state agency proposes an action that may adversely affect an individual, that person is entitled to request an administrative hearing.[7] Requests for hearings are initially submitted to the relevant state agency.[8]

If the matter does not involve disputed issues of fact, the agency conducts the proceeding itself and issues a decision.[9] However, if the requesting party disputes the facts underlying the proposed agency action, the case is

[1] S. 627.351(6)(a)1, F.S.
[2] Florida Office of Insurance Regulation, *Market Conduct Final Examination Report of Citizens Property Insurance Corporation* (January 11, 2021), https://floir.gov/docs-sf/property-casualty-libraries/market-regulation/2021/citizens-property-insurance-corporation-1-11-2021.pdf (last visited January 5, 2026).
[3] Citizens Property Insurance Corporation, *Policies in Force: Current Snapshot*: *December 26, 2025*. https://www.citizensfla.com/policies-in-force (last visited January 5, 2026).
[4] Citizens Property Insurance Corporation, *Press Release* (December 10, 2025), https://www.citizensfla.com/-/20251210-citizens-recommends-rate-cuts-for-most-policyholders (last visited January 5, 2026).
[5]Citizens Property Insurance Corporation, *Litigated Claims Update* (November 20, 2025), https://www.citizensfla.com/documents/20702/38933326/20251120+03+Litigated+Claims+Update.pdf/2626361d-17ea-60ab-64d8-64ece4e943ff?version=1.0&t=1762966917511&d (last visited January 5, 2026).
[6] Ch.120, F.S..
[7] S. 120.68(1), F.S.
[8] Rule 28-106.201 (1), F.A.C.
[9] S. 120.57(2), F.S.

typically referred to DOAH for a formal hearing before an independent and neutral administrative law judge.[10] As of October 27, 2025, DOAH employs 44 administrative law judges throughout Florida.[11]

Following the hearing, the administrative law judge issues either a recommended order or a final order, which is provided to the agency and the parties. When a recommended order is issued, the agency reviews it and then enters a final order, generally adopting the judge's factual findings (though the agency may modify or reject certain legal conclusions or recommended penalties under limited circumstances). If the final order is averse to the non-agency party, the party may appeal the decision to the appropriate District Court of Appeal.[12]

Mandatory Binding Arbitration

A property insurance policy issued in Florida, except for those issued by Citizens, may not require that a policyholder participate in mandatory binding arbitration unless all of the following apply: [13]

- The arbitration requirement is included in a separate endorsement attached to the policy.
- The policyholder's premium reflects a credit or premium discount for accepting the arbitration endorsement.
- The policyholder signs a form agreeing to the mandatory binding arbitration, which clearly explains the rights they are relinquishing, including the right to a trial by jury.
- The endorsement establishes that the insurer will comply with statutory mediation provisions.
- The insurer provides the policyholder an alternative that does not require mandatory binding arbitration.

Citizens DOAH Program

Beginning in 2023, Citizens could require policyholders to resolve claim disputes through binding arbitration before DOAH without the consent of policyholders.[14] Citizens is not required to utilize DOAH, but has the option if they choose to do so.[15] Starting on October 1, 2023, Citizens was approved to insert an endorsement form entitled "Alternative Dispute Resolution Division of Administrative Hearings" for all new and renewal non-commercial policies.[16] By virtue of its quasi-governmental status, Citizens is the only insurer permitted to conduct arbitration before DOAH.[17]

Prior to 2023, disputes between Citizens and a policyholder that were not resolved via informal negotiation, Department of Financial Services mediation, or demand appraisal, resulted in the filing of a civil suit in circuit court.[18]

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[10] S. 120.57(1), F.S.
[11] *Division of Administrative Hearings v. Citizens Property Insurance Corporation* and *Martin A. Alvarez,* No. 2D2025-2789, Emergency Petition for Writ of Prohibition (Fla. 2d DCA Oct. 27, 2025).
[12] S. 120.68(2)(a), F.S.
[13] S. 627.70154, F.S.
[14] Ch. 2023-175, Laws of Fla.
[15] Citizens Property Insurance Corporation, *Executive Summary: Division of Administrative Hearings* (December 7, 2022), https://www.citizensfla.com/documents/20702/28368994/20221207+9B+Action+Item+-+DOAH+COMBINED.pdf/d1c3df8e-dffd-be99-f770-91d29adc8b2c?version=1.0&t=1668827787450&d (last visited January 5, 2026).
[16] Citizens Property Insurance Corporation, *Executive Summary: Division of Administrative Hearings* (December 4, 2024), https://www.citizensfla.com/documents/20702/31300530/20241204+09A+DOAH+Consent+Item+combined.pdf/96b3177a-8c6e-6e64-1c4d-3f6185a56cb1?version=1.0&t=1732029217029&d (last visited January 5, 2026).
[17] Citizens Property Insurance Corporation, *Minutes of the Claims Committee Meeting, Thursday, November, 16, 2023* (March 28, 2024),https://www.citizensfla.com/documents/20702/30844688/20240328%2B01%2BApproval%2Bof%2BPrior%2BClaims%2BCommittee%2BMeeting%2BMinutes%2B11.16.23.pdf (last visited January 5, 2026).
[18] Citizens Property Insurance Corporation, *Minutes of the Claims Committee Meeting, Thursday, November, 16, 2023* (March 28, 2024),https://www.citizensfla.com/documents/20702/30844688/20240328%2B01%2BApproval%2Bof%2BPrior%2BClaims%2BCommittee%2BMeeting%2BMinutes%2B11.16.23.pdf (last visited January 5, 2026).

Since 2014, Citizens has contracted with DOAH to provide dispute resolution services, specifically for any bid protests.[19] In July of 2022, Citizens' Board of Governors approved pursuing alternative dispute resolutions for claims disputes involving the use of DOAH. The Board authorized the use of up to $2,000,000 in 2023 for these proceedings.[20] In December of 2023, the Board approved extending the same $2,000,000 authorization through 2024.[21] In December of 2024, Citizens and DOAH renewed the same contract for $19,300,000 to fund the arbitration program through 2027. This $19.3 million allots for upwards of 320 claims per month in 2025, 2026, and 2027.[22]

The contract provides for compensation to DOAH based on the cost of DOAH resources dedicated exclusively to property insurance disputes.[23] As of October 27, 2025, DOAH employs 12 full-time administrative law judges, as well as other support staff, dedicated exclusively to arbitrating Citizens policy disputes.[24]

As of October 14, 2025, Citizens has referred 1,662 cases to DOAH in 2025, with 1,204 having been fully resolved. A majority of cases have been resolved through voluntary settlement (80%), including 49% of cases where insureds accept a "nominal settlement amount ($500 or less)".[25] Citizens cites that the average resolution time is 93 days in the DOAH process as compared to 618 days in the state court process.[26] The remaining 20% of cases move towards hearings, where 9% abandon their disputes prior to final hearing, and 11% proceed.[27] According to news reports, as of July 21, 2025, Citizens has won in more than 90% of the cases that made it to a final DOAH hearing where both sides presented their case. According to news reports, records released by Citizens showed that in traditional circuit court trials Citizens wins around 55% of the time.[28]

Notable Court Activity

In 2025, several separate court cases have been filed against Citizens challenging the mandatory DOAH arbitration clause within their policies. Plaintiffs allege the arbitration endorsement is unconstitutional, depriving them of due process, meaningful access to courts, and jury trial rights.[29]

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[19] Citizens Property Insurance Corporation, *Executive Summary: Division of Administrative Hearings* (December 7, 2022) https://www.citizensfla.com/documents/20702/28368994/20221207+9B+Action+Item+-+DOAH+COMBINED.pdf/d1c3df8e-dffd-be99-f770-91d29adc8b2c?version=1.0&t=1668827787450&d (last visited January 5, 2026).

[20] *Id.*

[21] Citizens Property Insurance Corporation, *Executive Summary: Division of Administrative Hearings* (November 16, 2023), https://www.citizensfla.com/documents/20702/30165071/20231116+06C+Division+of+Administrative+Hearings.pdf/dccfe011-0812-3508-7f1c-333af0fb2ac5?version=1.0&t=1706019939485&d (last visited January 5, 2026).

[22] Citizens Property Insurance Corporation, *Executive Summary: Division of Administrative Hearings* (December 4, 2024), https://www.citizensfla.com/documents/20702/31300530/20241204+09A+DOAH+Consent+Item+combined.pdf/96b3177a-8c6e-6e64-1c4d-3f6185a56cb1?version=1.0&t=1732029217029&d (last visited January 5, 2026).

[23] *Id.*

[24] *Division of Administrative Hearings v. Citizens* and *Alvarez,* No. 2D2025-2789, Emergency Petition for Writ of Prohibition (Fla. 2d DCA Oct. 27, 2025).

[25] Citizens Property Insurance Corporation, *Litigated Claims Update* (November 20, 2025) https://www.citizensfla.com/documents/20702/38933326/20251120+03+Litigated+Claims+Update.pdf/2626361d-17ea-60ab-64d8-64ece4e943ff?version=1.0&t=1762966917511&d (last visited January 5, 2026).

[26] *Id.*

[27] *Id.*

[28] Ariza, M. *A Florida Home Insurer Was Allowed to Bypass the Courts During Claim Disputes. It Won More Than 90% of the Time,* ProPublica (September 15, 2025), https://www.propublica.org/article/citizens-property-insurance-florida-arbitration-cases (last visited December 21, 2025); Conte, A. *Homeowners Are Losing 90% of Cases Against Florida's Biggest Insurer-Here's Why,* Realtor.com, (September 29, 2025) https://www.realtor.com/advice/finance/citizens-insurance-florida-claim-disputes-doah (last visited January 5, 2026); Hurtibise, R. *A 'stacked deck': Citizens' alternative dispute system unfair to policyholders, attorneys say,* South Florida Sun-Sentinel (July 12, 2025).

[29] *Alvarez v. Citizens*, No. 25-CA-006626, Complaint (Fla. 13th Cir. Ct. July 11, 2025); *Lombana v. Citizens*, No. 2025CA001675, Complaint (Fla. 2d Cir. Ct. July 16, 2025); *Williams v. Citizens*, No. 1:25-cv-23097, Complaint (S.D. Fla. July 10, 2025).

In *Alvarez v. Citizens*, the judge in the Thirteenth Judicial Circuit issued a temporary injunction on August 1, 2025, halting all arbitration before DOAH on the grounds the plaintiff (Alvarez) demonstrated a substantial likelihood of success on the merits of his claims that Citizens' ability to require mandatory arbitration violates policyholders' constitutional rights to due process and access to courts.[30] The case was voluntarily dismissed in December 2025.[31]

In *Lombana v. Citizens*, the judge in the Second Judicial Circuit ordered DOAH to resume arbitration for 400+ pending Citizens cases on November 14, 2025. The judge ruled that the injunction issued in *Alvarez* was notably broad and that the non-final determination of a single trial court lacks binding effect on other trial courts.[32] The order is currently being appealed in the First District Court of Appeal.[33]

Two class action lawsuits have also been filed against Citizens alleging that its arbitration endorsement is unconstitutional by virtue of being mandatory, non-negotiable, and imposed through adhesion contracts without reduction in premiums. The plaintiffs further allege that Citizens' systematic invocation of DOAH proceedings compels policyholders into an administrative forum that lacks meaningful discovery, motion practice, or judicial review.[34] No rulings have been issued to date.

RECENT LEGISLATION:

YEAR	BILL #/SUBJECT	HOUSE/*SENATE* SPONSOR(S)	OTHER INFORMATION
2025	CS/CS/HB 643/ Relating to Insurance	Commerce Committee, Insurance & Banking Subcommittee, Synder	The bill passed the House, but died in the Senate.

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Insurance & Banking Subcommittee			Brackett	Veigle
Commerce Committee				

[30] *Alvarez v. Citizens*, No. 25-CA-006626, Order Granting Plaintiff's Petition for Temporary Injunction (Fla. 13th Cir. Ct. Aug. 1, 2025).
[31] *Alvarez v. Citizens,* No. 25-CA-006626, Motion to Voluntarily Dismissal (Fla. 13th Cir. Ct. Dec. 8, 2025).
[32] *Lombana v. Citizens,* 2025CA001675, Order Granting Petition for Writ of Mandamus (Fla. 2d Cir. Ct. Nov. 14, 2025).
[33] *Lombana v. Citizens, Division of Administrative Hearings*, 1D2025-3195, Notice of Appeal (Fla. 1st DCA Dec. 4, 2025).
[34] *Jamie Alverio v. Citizens,* No. 2025CA001978, Class-Action Complaint for Declaratory Relief (Fla. 18th Cir. Ct. Aug. 27, 2025); *Idelmis and Jesus Martinez v. Citizens*, No.2025-017067-CA-01, Class-Action Complaint for Declaratory Relief (Fla. 11th Cir. Ct. Sept. 1, 2025).

A bill to be entitled

An act relating to arbitration for disputes with Citizens Property Insurance Corporation; amending s. 627.351, F.S.; requiring notification of arbitration before the Division of Administrative Hearings as an option for dispute resolution procedures under Citizens Property Insurance Corporation; removing obsolete language; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Paragraph (ll) of subsection (6) of section 627.351, Florida Statutes, is amended to read:

627.351 Insurance risk apportionment plans.—

(6) CITIZENS PROPERTY INSURANCE CORPORATION.—

(ll)1. In addition to any other method of alternative dispute resolution authorized by state law, the corporation may adopt policy forms that provide an option for the insured to select, at the time of entering into the policy or upon renewal, to have disputes regarding the corporation's claim determinations ~~for the resolution of disputes regarding its claim determinations~~, including disputes regarding coverage for, or the scope and value of, a claim, resolved through arbitration ~~in a proceeding~~ before the Division of Administrative Hearings. Each insured must be notified in writing, at the time of

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

entering into a policy with the corporation and upon each renewal, that the insured must decide whether to resolve disputes through arbitration before the Division of Administrative Hearings. Such notification must be in at least 12-point boldfaced type, immediately preceding the insured's signature, in substantially the following form:

AN INSURED MUST CHOOSE AT THE TIME OF ENTERING INTO THIS POLICY OR UPON RENEWAL WHETHER TO RESOLVE DISPUTES THROUGH ARBITRATION BEFORE THE DIVISION OF ADMINISTRATIVE HEARINGS. THE INSURED MUST INDICATE THIS SELECTION BY MARKING "ACCEPT" OR "DECLINE" BELOW. THIS DECISION CANNOT BE CHANGED DURING THE TERM OF THE POLICY.

[ ] ACCEPT
[ ] DECLINE

2. Any such policies are not subject to s. 627.70154. All arbitrations before ~~proceedings in~~ the Division of Administrative Hearings pursuant to such policies are subject to ss. 57.105 and 768.79 as if filed in the courts of this state and are not considered chapter 120 administrative proceedings. Rule 1.442, Florida Rules of Civil Procedure, applies to any offer served pursuant to s. 768.79, except that, notwithstanding any provision in Rule 1.442, Florida Rules of Civil Procedure, to the contrary, an offer shall not be served earlier than 10

days after filing the request for hearing with the Division of Administrative Hearings and shall not be served later than 10 days before the date set for the final hearing. The administrative law judge in such arbitrations ~~proceedings~~ shall award attorney fees and other relief pursuant to ss. 57.105 and 768.79. The corporation may not seek, and the office may not approve, a maximum hourly rate for attorney fees.

~~2. The corporation may contract with the division to conduct proceedings to resolve disputes regarding its claim determinations as may be provided for in the applicable policies of insurance. This subparagraph expires July 1, 2026.~~

Section 2. This act shall take effect July 1, 2026.