

1 A bill to be entitled
 2 An act relating to home warranty transfers; amending
 3 s. 634.312, F.S.; providing requirements for home
 4 warranties transferred to subsequent home purchasers;
 5 amending ss. 634.327 and 634.331, F.S.; conforming
 6 provisions to changes made by the act; making
 7 technical changes; amending s. 634.336, F.S.; revising
 8 the definition of the term "unfair methods of
 9 competition and unfair or deceptive acts or practices"
 10 to include failure to continue to perform obligations
 11 under home warranties transferred to subsequent home
 12 purchasers; providing an effective date.

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

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 16 Section 1. Subsections (2) through (6) of section 634.312,
 17 Florida Statutes, are renumbered as subsections (6) through
 18 (10), respectively, and subsection (1) of that section is
 19 amended to read:

20 634.312 Transfers; forms; required provisions and
 21 procedures.—

22 (1) If a residential real property covered by a home
 23 warranty is conveyed to a new owner, the home warranty in force
 24 on that residential real property:

25 (a) Is automatically transferred to the new owner; and

26 (b) Continues in effect as if the new owner was the
 27 original purchaser of the home warranty.

28 (2) The home warranty association or the insurer that
 29 issued the home warranty shall continue to be obligated under
 30 the terms of the home warranty for a home warranty transferred
 31 to a subsequent home purchaser under this subsection.

32 (3) The transfer of the home warranty to a subsequent home
 33 purchaser under this subsection does not extend the remaining
 34 term of the home warranty.

35 (4) The seller of the residential real property, the home
 36 warranty association, or the insurer, as applicable, shall
 37 deliver a paper or electronic copy of the home warranty to the
 38 subsequent home purchaser within 15 days after the home is sold
 39 or transferred ~~All home warranty contracts are assignable in a~~
 40 ~~consumer transaction and must contain a statement informing the~~
 41 ~~purchaser of the home warranty of her or his right to assign it,~~
 42 ~~at least within 15 days from the date the home is sold or~~
 43 ~~transferred, to a subsequent retail purchaser of the home~~
 44 ~~covered by the home warranty and all conditions on such right of~~
 45 ~~transfer. The home warranty company may charge an assignment fee~~
 46 ~~not to exceed \$40.~~

47 (5) Home warranty transfers under this section assignments
 48 include, but are not limited to, the transfer of a home warranty
 49 ~~assignment~~ from a home builder who purchased the home warranty
 50 to a subsequent home purchaser.

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51 Section 2. Section 634.327, Florida Statutes, is amended
52 to read:

53 634.327 Applicability to warranty on new home.—Except as
54 provided in s. 634.312(1), this part does ~~shall~~ not apply to any
55 program offering a warranty on a new home which is underwritten
56 by an insurer licensed to do business in the state when the
57 insurance policy underwriting such program has been filed with
58 and approved by the office as required by law.

59 Section 3. Section 634.331, Florida Statutes, is amended
60 to read:

61 634.331 Coverage of property for sale.—A home warranty may
62 provide coverage of residential property during the listing
63 period of such property for a period not to exceed 12 months,
64 provided that the home warranty company charges the warranty
65 purchaser a separately identifiable charge for the listing
66 period coverage in an amount equal to at least 15 percent of the
67 annual premium charged for the home warranty and the charge for
68 such coverage is due at the ~~earlier of the~~ end of the listing
69 period ~~or the date the sale of the residential property is~~
70 ~~closed.~~ The requirements in s. 634.312(1) apply to the home
71 warranty that is transferred to the home purchaser.

72 Section 4. Subsections (6) through (9) of section 634.336,
73 Florida Statutes, are renumbered as subsections (7) through
74 (10), respectively, and a new subsection (6) is added to that
75 section to read:

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76 634.336 Unfair methods of competition and unfair or
77 deceptive acts or practices defined.—The following methods,
78 acts, or practices are defined as unfair methods of competition
79 and unfair or deceptive acts or practices:

80 (6) FAILURE TO CONTINUE TO PERFORM OBLIGATIONS UNDER
81 TRANSFERRED HOME WARRANTIES.—Failing to continue to perform
82 obligations under the terms of a home warranty transferred to a
83 subsequent home purchaser as required in s. 634.312(1).

84 Section 5. This act shall take effect July 1, 2024.