

1 A bill to be entitled

2 An act relating to property insurance appraisal  
3 umpires and property insurance appraisers; creating  
4 part XXVII of chapter 468, F.S., relating to property  
5 insurance appraisal umpires; creating the property  
6 insurance appraisal umpire licensing program within  
7 the Department of Business and Professional  
8 Regulation; providing legislative findings; providing  
9 applicability; authorizing the department to adopt  
10 rules; providing definitions; authorizing the  
11 department to establish fees; providing licensing  
12 application requirements; providing authority and  
13 procedures regarding submission and processing of  
14 fingerprints; providing examination requirements;  
15 providing application requirements for licensure as a  
16 property insurance appraisal umpire; providing  
17 licensure renewal requirements; authorizing the  
18 department to adopt rules; providing continuing  
19 education requirements; providing requirements for the  
20 inactivation of a license by a licensee; providing  
21 requirements for renewing an inactive license;  
22 establishing license reactivation fees; providing for  
23 certification of partnerships and corporations  
24 offering property insurance appraisal umpire services;  
25 providing grounds for compulsory refusal, suspension,  
26 or revocation of an umpire's license; providing

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

27 grounds for discretionary denial, suspension, or  
28 revocation of an umpire's license; providing ethical  
29 standards for property insurance appraisal umpires;  
30 creating part XXVIII of chapter 468, F.S., relating to  
31 property insurance appraisers; creating the property  
32 insurance appraiser licensing program within the  
33 Department of Business and Professional Regulation;  
34 providing legislative findings; providing  
35 applicability; authorizing the department to adopt  
36 rules; providing definitions; authorizing the  
37 department to establish fees; limiting fee amounts;  
38 providing licensing application requirements;  
39 providing authority and procedures regarding  
40 submission and processing of fingerprints; providing  
41 examination requirements; providing application  
42 requirements for licensure as a property insurance  
43 appraiser; providing licensure renewal requirements;  
44 authorizing the department to adopt rules; providing  
45 continuing education requirements; providing  
46 requirements for the inactivation of a license by a  
47 licensee; providing requirements for renewing an  
48 inactive license; establishing license reactivation  
49 fees; providing for certification of partnerships and  
50 corporations offering property insurance appraiser  
51 services; providing grounds for compulsory refusal,  
52 suspension, or revocation of an appraiser's license;

53 providing grounds for discretionary denial,  
 54 suspension, or revocation of an appraiser's license;  
 55 providing ethical standards; providing requirements  
 56 for certain residential or commercial property  
 57 insurance contracts that provide for the process of  
 58 appraisal when the insured and the insurer fail to  
 59 mutually agree to the actual cash value, the amount of  
 60 loss, or the cost of repair or replacement of property  
 61 for which a claim has been filed; providing for the  
 62 selection of appraisers and umpires; providing for  
 63 compensation; providing applicability with respect to  
 64 the Florida Arbitration Code; prohibiting the  
 65 appraisal process from addressing issues involving  
 66 coverage or lack thereof under an insurance contract;  
 67 providing an effective date.

68

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

70

71 Section 1. Part XXVII of chapter 468, Florida Statutes,  
 72 consisting of sections 468.85 through 468.8519, is created to  
 73 read:

74

PART XXVII

75

PROPERTY INSURANCE APPRAISAL UMPIRES

76

468.85 Property insurance appraisal umpire licensing

77

program; legislative purpose; scope of part.-

78

(1) The property insurance appraisal umpire licensing

79 program is created within the Department of Business and  
 80 Professional Regulation.

81 (2) The Legislature finds it necessary in the interest of  
 82 the public safety and welfare to prevent damage to real and  
 83 personal property, to avert economic injury to the residents of  
 84 this state, and to regulate persons and companies that hold  
 85 themselves out to the public as qualified to perform as property  
 86 insurance appraisal umpires.

87 (3) This part applies to residential and commercial  
 88 residential property insurance contracts and to the umpires and  
 89 appraisers who participate in the appraisal process.

90 (4) The department may adopt rules to administer this  
 91 part.

92 468.851 Definitions.—As used in this part, the term:

93 (1) "Appraisal" means the process of estimating or  
 94 evaluating actual cash value, the amount of loss, or the cost of  
 95 repair or replacement of property for the purpose of quantifying  
 96 the monetary value of a property loss claim when an insurer and  
 97 an insured have failed to mutually agree on the value of the  
 98 loss pursuant to a residential or commercial residential  
 99 property insurance contract that is required in such contracts  
 100 for the resolution of a claim dispute by appraisal.

101 (2) "Competent" means properly licensed, sufficiently  
 102 qualified, and capable of performing an appraisal.

103 (3) "Department" means the Department of Business and  
 104 Professional Regulation.

105       (4) "Independent" means not subject to control,  
106 restriction, modification, and limitation by the appointing  
107 party. An independent umpire shall conduct his or her  
108 investigation, evaluation, and estimation without instruction by  
109 an appointing party.

110       (5) "Property insurance appraisal umpire" or "umpire"  
111 means a competent, independent, licensed, and impartial third  
112 party selected by the licensed appraisers for the insurer and  
113 the insured to resolve issues that the licensed appraisers are  
114 unable to reach an agreement during the course of the appraisal  
115 process pursuant to a residential or commercial property  
116 insurance contract that is required to provide for resolution of  
117 a claim dispute by appraisal.

118       (6) "Property insurance loss appraiser" or "appraiser"  
119 means a competent, licensed, and independent and impartial third  
120 party selected by an insurer or an insured to develop an  
121 appraisal for purposes of the appraisal process under a  
122 residential or commercial property insurance contract that  
123 provides for resolution of a claim dispute by appraisal.

124       (7) "Uniform application" means the uniform application of  
125 the National Association of Insurance Commissioners for  
126 nonresident agent licensing, effective January 15, 2001, or  
127 subsequent versions adopted by rule by the department.

128       468.8511 Fees.—

129       (1) The department, by rule, may establish fees to be paid  
130 for application, examination, reexamination, licensing and

131 renewal, inactive status application, reactivation of inactive  
132 licenses, and application for providers of continuing education.  
133 The department may also establish by rule a delinquency fee.  
134 Fees shall be based on department estimates of the revenue  
135 required to implement the provisions of this part. Fees shall be  
136 remitted with the application, examination, reexamination,  
137 licensing and renewal, inactive status application, and  
138 reactivation of inactive licenses, and application for providers  
139 of continuing education.

140 (2) The application fee shall not exceed \$200 and is  
141 nonrefundable. The examination fee shall not exceed \$200 plus  
142 the actual per applicant cost to the department to purchase the  
143 examination, if the department chooses to purchase the  
144 examination. The examination fee shall be in an amount that  
145 covers the cost of obtaining and administering the examination  
146 and shall be refunded if the applicant is found ineligible to  
147 sit for the examination.

148 (3) The fee for an initial license shall not exceed \$250.

149 (4) The fee for an initial certificate of authorization  
150 shall not exceed \$250.

151 (5) The fee for a biennial license renewal shall not  
152 exceed \$500.

153 (6) The fee for application for inactive status shall not  
154 exceed \$125.

155 (7) The fee for reactivation of an inactive license shall  
156 not exceed \$250.

157 (8) The fee for applications from providers of continuing  
 158 education may not exceed \$600.

159 (9) The fee for fingerprinting shall be included in the  
 160 department's costs for each background check.

161 468.85115 Application for license as a property insurance  
 162 appraisal umpire.-

163 (1) The department shall not issue a license as a property  
 164 insurance appraisal umpire to any person except upon written  
 165 application previously filed with the department, with  
 166 qualification and advance payment of all applicable fees. Any  
 167 such application shall be made under oath or affirmation and  
 168 signed by the applicant. The department shall accept the uniform  
 169 application for a nonresident property insurance appraisal  
 170 umpire. The department may adopt revised versions of the uniform  
 171 application by rule.

172 (2) In the application, the applicant shall set forth:

173 (a) His or her full name, age, social security number,  
 174 residence address, business address, mailing address, contact  
 175 telephone numbers, including a business telephone number, and e-  
 176 mail address.

177 (b) Proof that he or she has completed or is in the  
 178 process of completing any required prelicensing course.

179 (c) Whether he or she has been refused or has voluntarily  
 180 surrendered or has had suspended or revoked a professional  
 181 license by the supervising officials of any state.

182 (d) Proof that the applicant meets the requirements for

183 licensure as a property insurance appraisal umpire as required  
184 under ss. 468.8511 and 468.8512, and this section.

185 (e) The applicant's gender.

186 (f) The applicant's native language.

187 (g) The applicant's highest achieved level of education.

188 (h) All education requirements that the applicant has  
189 completed to qualify as a property insurance appraisal umpire,  
190 including the name of the course, the course provider, and the  
191 course completion dates.

192 (3) Each application shall be accompanied by payment of  
193 any applicable fee.

194 (4) At the time of application, the applicant must be  
195 fingerprinted by a law enforcement agency or other entity  
196 approved by the department and he or she must pay the  
197 fingerprint processing fee in s. 468.8511. Fingerprints must be  
198 processed by the Department of Law Enforcement.

199 (5) The Department of Law Enforcement may, to the extent  
200 provided for by federal law, exchange state, multistate, and  
201 federal criminal history records with the department or office  
202 for the purpose of the issuance, denial, suspension, or  
203 revocation of a certificate of authority, certification, or  
204 license to operate in this state.

205 (6) The Department of Law Enforcement may accept  
206 fingerprints of any other person required by statute or rule to  
207 submit fingerprints to the department or office or any applicant  
208 or licensee regulated by the department or office who is



209 required to demonstrate that he or she has not been convicted of  
 210 or pled guilty or nolo contendere to a felony or a misdemeanor.

211 (7) The Department of Law Enforcement shall, upon receipt  
 212 of fingerprints from the department or office, submit the  
 213 fingerprints to the Federal Bureau of Investigation for a  
 214 federal criminal history records check.

215 (8) Statewide criminal records obtained through the  
 216 Department of Law Enforcement, federal criminal records obtained  
 217 through the Federal Bureau of Investigation, and local criminal  
 218 records obtained through local law enforcement agencies shall be  
 219 used by the department and office for the purpose of issuance,  
 220 denial, suspension, or revocation of certificates of authority,  
 221 certifications, or licenses issued to operate in this state.

222 (9) The department shall develop and maintain as a public  
 223 record a current list of licensed property insurance appraisal  
 224 umpires.

225 468.8512 Examinations.-

226 (1) A person desiring to be licensed as a property  
 227 insurance appraisal umpire must apply to the department after  
 228 satisfying the examination requirements of this part.

229 (2) An applicant may practice in this state as a property  
 230 insurance appraisal umpire if he or she passes the required  
 231 examination, is of good moral character, and meets one of the  
 232 following requirements:

233 (a) The applicant is currently licensed, registered,  
 234 certified, or approved as an engineer as defined in s. 471.005

235 or as a retired professional engineer as defined in s. 471.005,  
236 and has taught or successfully completed 4 hours of classroom  
237 coursework, approved by the department, specifically related to  
238 construction, building codes, appraisal procedures, appraisal  
239 preparation, and any other related material deemed appropriate  
240 by the department.

241 (b) The applicant is currently or, within the 5 years  
242 immediately preceding the date on which the application is filed  
243 with the department, has been licensed, registered, certified,  
244 or approved as a general contractor, building contractor, or  
245 residential contractor as defined in s. 489.105 and has taught  
246 or successfully completed 4 hours of classroom coursework,  
247 approved by the department, specifically related to  
248 construction, building codes, appraisal procedure, appraisal  
249 preparation, and any other related material deemed appropriate  
250 by the department.

251 (c) The applicant is currently or, within the 5 years  
252 immediately preceding the date on which the application is filed  
253 with the department, has been licensed or registered as an  
254 architect to engage in the practice of architecture pursuant to  
255 part I of chapter 481 and has taught or successfully completed 4  
256 hours of classroom coursework, approved by the department,  
257 specifically related to construction, building codes, appraisal  
258 procedure, appraisal preparation, and any other related material  
259 deemed appropriate by the department.

260 (d) The applicant is currently or, within the 5 years

261 immediately preceding the date on which the application is filed  
262 with the department, has been a qualified geologist or  
263 professional geologist as defined in s. 492.102 and has taught  
264 or successfully completed 4 hours of classroom coursework,  
265 approved by the department, specifically related to  
266 construction, building codes, appraisal procedure, appraisal  
267 preparation, and any other related material deemed appropriate  
268 by the department.

269 (e) The applicant is currently or, within the 5 years  
270 immediately preceding the date on which the application is filed  
271 with the department, has been licensed as a certified public  
272 accountant as defined in s. 473.302 and has taught or  
273 successfully completed 4 hours of classroom coursework, approved  
274 by the department, specifically related to construction,  
275 building codes, appraisal procedure, appraisal preparation, and  
276 any other related material deemed appropriate by the department.

277 (f) The applicant is currently or, within the 5 years  
278 immediately preceding the date on which the application is filed  
279 with the department, has been a licensed attorney in this state  
280 and has taught or successfully completed 4 hours of classroom  
281 coursework, approved by the department, specifically related to  
282 construction, building codes, appraisal procedure, appraisal  
283 preparation, and any other related material deemed appropriate  
284 by the department.

285 (g) The applicant has received a baccalaureate degree from  
286 an accredited 4-year college or university in the field of

287 engineering, architecture, or building construction and has  
288 taught or successfully completed 4 hours of classroom  
289 coursework, approved by the department, specifically related to  
290 construction, building codes, appraisal procedure, appraisal  
291 preparation, and any other related material deemed appropriate  
292 by the department.

293 (h) The applicant is a currently licensed adjuster whose  
294 license covers all lines of insurance except the life and  
295 annuities class. The adjuster's license must include the  
296 property and casualty class of insurance. The currently licensed  
297 adjuster must be licensed for at least 5 years to qualify for a  
298 property insurance appraisal umpire's license.

299 (i) The applicant has received a minimum of 8 semester  
300 hours or 12 quarter hours of credit from an accredited college  
301 or university in the field of accounting, geology, engineering,  
302 architecture, or building construction.

303 (j) The applicant has successfully completed 40 hours of  
304 classroom coursework, approved by the department, specifically  
305 related to construction, building codes, appraisal procedure,  
306 appraisal preparation, property insurance, and any other related  
307 material deemed appropriate by the department.

308 (3) The department shall review and approve courses of  
309 study for the continuing education of property insurance  
310 appraisal umpires.

311 (4) The department may not issue a license as a property  
312 insurance appraisal umpire to any individual found by it to be

313 untrustworthy or incompetent or who:

314 (a) Has not filed an application with the department in  
 315 accordance with s. 485.85115.

316 (b) Is not a natural person who is at least 18 years of  
 317 age.

318 (c) Is not a United States citizen or legal alien who  
 319 possesses work authorization from the United States Citizenship  
 320 and Immigration Services.

321 (d) Has not completed the education, experience, or  
 322 licensing requirements of this section.

323 (5) An incomplete application expires 6 months after the  
 324 date it is received by the department.

325 (6) An applicant seeking to become licensed under this  
 326 part may not be rejected solely by virtue of membership or lack  
 327 of membership in any particular appraisal organization.

328 468.8513 Licensure.-

329 (1) The department shall license any applicant who the  
 330 department certifies has completed the requirements of ss.  
 331 468.8511, 468.85115, and 468.8512.

332 (2) The department shall not issue a license by  
 333 endorsement to any applicant for a property insurance appraisal  
 334 umpire license who is under investigation in another state for  
 335 any act that would constitute a violation of this part until  
 336 such time that the investigation is complete and disciplinary  
 337 proceedings have been terminated.

338 468.8514 Renewal of license.-

339       (1) The department shall renew a license upon receipt of  
 340 the renewal application and fee and upon certification by the  
 341 department that the licensee has satisfactorily completed the  
 342 continuing education requirements of s. 468.8515.

343       (2) The department shall adopt rules establishing a  
 344 procedure for the biennial renewal of licenses.

345       468.8515 Continuing education.—

346       (1) The department may not renew a license until the  
 347 licensee submits satisfactory proof to the department that,  
 348 during the 2 years before his or her application for renewal,  
 349 the licensee completed at least 30 hours of continuing education  
 350 in addition to 5 hours of ethics. Criteria and course content  
 351 shall be approved by the department by rule.

352       (2) The department may prescribe by rule additional  
 353 continuing professional education hours, not to exceed 25  
 354 percent of the total required hours, for failure to complete the  
 355 required hours by the end of the renewal period.

356       (3) Each umpire course provider, instructor, and classroom  
 357 course must be approved by and registered with the department  
 358 before prelicensure courses for property insurance appraisal  
 359 umpires may be offered. Each classroom course must include a  
 360 written examination at the conclusion of the course and must  
 361 cover all of the material contained in the course. A student may  
 362 not receive credit for the course unless the student achieves a  
 363 grade of at least 75 on the examination.

364       (4) The department shall adopt rules establishing:

365 (a) Standards for the approval, registration, discipline,  
366 or removal from registration of course providers, instructors,  
367 and courses. The standards must be designed to ensure that  
368 instructors have the knowledge, competence, and integrity to  
369 fulfill the educational objectives of the prelicensure  
370 requirements of this part.

371 (b) A process for determining compliance with the  
372 prelicensure requirements of this part.

373

374 The department shall adopt rules prescribing the forms necessary  
375 to administer the prelicensure requirements of this part.

376 (5) Approval to teach prescribed or approved appraisal  
377 courses does not entitle the instructor to teach any courses  
378 outside the scope of this part.

379 468.8516 Inactive license.-

380 (1) A licensee may request that his or her license be  
381 placed on inactive status by filing an application with the  
382 department.

383 (2) A license that has become inactive may be reactivated  
384 upon application to the department. The department may prescribe  
385 by rule continuing education requirements as a condition for  
386 reactivation of an inactive license. The continuing education  
387 requirements for reactivating a license may not exceed 14 hours  
388 for each year the license was inactive.

389 (3) The department shall adopt rules relating to licenses  
390 that have become inactive and for the renewal of inactive

391 licenses. The department shall prescribe by rule a fee not to  
 392 exceed \$250 for the reactivation of an inactive license and a  
 393 fee not to exceed \$250 for the renewal of an inactive license.

394 468.8517 Certification of partnerships, corporations, and  
 395 other business entities.-The practice of or the offer to  
 396 practice as a property insurance appraisal umpire by licensees  
 397 through a partnership, corporation, or other business entity  
 398 offering property insurance appraisal umpire services to the  
 399 public, or by a partnership, corporation, or other business  
 400 entities through licensees under this part as agents, employees,  
 401 officers, or partners is permitted, subject to the provisions of  
 402 this part. This section does not allow a corporation or other  
 403 business entities to hold a license to practice property  
 404 insurance appraisal umpire services. A partnership, corporation,  
 405 or other business entity is not relieved of responsibility for  
 406 the conduct or acts of it agents, employees, or officers by  
 407 reason of its compliance with this section. An individual  
 408 practicing as a property insurance appraisal umpire is not  
 409 relieved of responsibility for professional services performed  
 410 by reason of his or her employment or relationship with a  
 411 partnership, corporation, or other business entity.

412 468.8518 Grounds for compulsory refusal, suspension, or  
 413 revocation of an umpire's license.-The department shall deny an  
 414 application for, suspend, revoke, or refuse to renew or continue  
 415 the license or appointment of any applicant, property insurance  
 416 appraisal umpire or licensee and shall suspend or revoke the



417 eligibility to hold a license or appointment of any such person  
418 if it finds that any one or more of the following applicable  
419 grounds exist:

420 (1) Lack of one or more of the qualifications for the  
421 license as specified in this part.

422 (2) Material misstatement, misrepresentation, or fraud in  
423 obtaining the license or in attempting to obtain the license or  
424 appointment.

425 (3) Failure to pass to the satisfaction of the department  
426 any examination required under this chapter.

427 (4) That the license or appointment was willfully used, or  
428 will be used, to circumvent any of the requirements or  
429 prohibitions of this chapter.

430 (5) Demonstrated a lack of fitness or trustworthiness to  
431 engage as a property insurance appraisal umpire.

432 (6) Demonstrated a lack of reasonably adequate knowledge  
433 and technical competence to engage in the transactions  
434 authorized by the license.

435 (7) Fraudulent or dishonest practices in the conduct of  
436 business under the license.

437 (8) Willful failure to comply with, or willful violation  
438 of, any proper order or rule of the department or willful  
439 violation of any provision of this chapter.

440 (9) Having been found guilty of or having plead guilty or  
441 nolo contendere to a felony or a crime punishable by  
442 imprisonment of 1 year or more under the law of the United

443 States or of any state thereof or under the law of any other  
444 country which involves moral turpitude, without regard to  
445 whether a judgment of conviction has been entered by the court  
446 having jurisdiction of such cases.

447 (10) (a) Violated a duty imposed upon her or him by law or  
448 by the terms of a contract, whether written, oral, expressed, or  
449 implied, in an appraisal;

450 (b) Has aided, assisted, or conspired with any other  
451 person engaged in any such misconduct and in furtherance  
452 thereof; or

453 (c) Has formed an intent, design, or scheme to engage in  
454 such misconduct and committed an overt act in furtherance of  
455 such intent, design, or scheme.

456  
457 It is immaterial to a finding that a licensee has committed a  
458 violation of this subsection that the victim or intended victim  
459 of the misconduct has sustained no damage or loss, that the  
460 damage or loss has been settled and paid after the discovery of  
461 misconduct, or that such victim or intended victim was a  
462 customer or a person in a confidential relationship with the  
463 licensee or was an identified member of the general public.

464 (11) (a) Had a registration, license, or certification as  
465 an umpire revoked, suspended, or otherwise acted against;

466 (b) Has had his or her registration, license, or  
467 certificate to practice or conduct any regulated profession,  
468 business, or vocation revoked or suspended by this or any other

469 state, any nation, or any possession or district of the United  
470 States; or

471 (c) Has had an application for such registration,  
472 licensure, or certification to practice or conduct any regulated  
473 profession, business, or vocation denied by this or any other  
474 state, any nation, or any possession or district of the United  
475 States.

476 (12) (a) Made or filed a report or record, written or oral,  
477 which the licensee knows to be false;

478 (b) Has willfully failed to file a report or record  
479 required by state or federal law;

480 (c) Has willfully impeded or obstructed such filing; or

481 (d) Has induced another person to impede or obstruct such  
482 filing.

483 (13) Accepted an appointment as an umpire if the  
484 appointment is contingent upon the umpire reporting a  
485 predetermined result, analysis, or opinion, or if the fee to be  
486 paid for the services of the umpire is contingent upon the  
487 opinion, conclusion, or valuation reached by the umpire.

488 468.85185 Grounds for discretionary denial, suspension, or  
489 revocation of an umpire's license.-The department may deny an  
490 application for and suspend, revoke, or refuse to renew or  
491 continue a license as a property insurance appraisal umpire if  
492 the applicant or licensee has:

493 (1) Failed to timely communicate with the appraisers  
494 without good cause.

495 (2) Failed or refused to exercise reasonable diligence in  
 496 submitting recommendations to the appraisers.

497 (3) Violated any ethical standard for property insurance  
 498 appraisal umpires set forth in s. 468.8519.

499 (4) Failed to inform the department in writing within 30  
 500 days after pleading guilty or nolo contendere to, or being  
 501 convicted or found guilty of, a felony.

502 (5) Failed to timely notify the department of any change  
 503 in business location, or has failed to fully disclose all  
 504 business locations from which he or she operates as a property  
 505 insurance appraisal umpire.

506 468.8519 Ethical standards for property insurance  
 507 appraisal umpires.—

508 (1) CONFIDENTIALITY.—An umpire shall maintain  
 509 confidentiality of all information revealed during an appraisal  
 510 except where disclosure is required by law.

511 (2) RECORDKEEPING.—An umpire shall maintain  
 512 confidentiality in the storage and disposal of records and may  
 513 not disclose any identifying information when materials are used  
 514 for research, training, or statistical compilations.

515 (3) FEES AND EXPENSES.—Fees charged for appraisal services  
 516 shall be reasonable and consistent with the nature of the case.  
 517 An umpire shall be guided by the following in determining fees:

518 (a) All charges for services as an umpire based on time  
 519 may not exceed actual time spent or allocated.

520 (b) Charges for costs shall be for those actually

521 incurred.

522 (c) An umpire may not charge, agree to, or accept as  
523 compensation or reimbursement any payment, commission, or fee  
524 that is based on a percentage basis, or that is contingent upon  
525 arriving at a particular value or any future happening or  
526 outcome of the assignment.

527 (4) MAINTENANCE OF RECORDS.—An umpire shall maintain  
528 records necessary to support charges for services and expenses,  
529 and upon request shall provide an accounting of all applicable  
530 charges to the parties. An umpire licensed under this part shall  
531 retain original or true copies of any contracts engaging the  
532 umpire's services, appraisal reports, and supporting data  
533 assembled and formulated by the umpire in preparing appraisal  
534 reports for at least 5 years. The period for retaining the  
535 records applicable to each engagement starts on the date of the  
536 submission of the appraisal report to the client. The records  
537 must be made available by the umpire for inspection and copying  
538 by the department upon reasonable notice to the umpire. If an  
539 appraisal has been the subject of, or has been admitted as  
540 evidence in, a lawsuit, reports, and records the appraisal must  
541 be retained for at least 2 years after the date that the trial  
542 ends.

543 (5) ADVERTISING.—An umpire may not engage in marketing  
544 practices that contain false or misleading information. An  
545 umpire shall ensure that any advertisements of the umpire's  
546 qualifications, services to be rendered, or the appraisal

547 process are accurate and honest. An umpire may not make claims  
 548 of achieving specific outcomes or promises implying favoritism  
 549 for the purpose of obtaining business.

550 (6) INTEGRITY AND IMPARTIALITY.—An umpire may not engage  
 551 in any business, provide any service, or perform any act that  
 552 would compromise the umpire's integrity or impartiality.

553 (7) SKILL AND EXPERIENCE.—An umpire shall decline an  
 554 appointment or selection, withdraw, or request appropriate  
 555 assistance when the facts and circumstances of the appraisal are  
 556 beyond the umpire's skill or experience.

557 (8) GIFTS AND SOLICITATION.—An umpire may not give or  
 558 accept any gift, favor, loan, or other item of value in an  
 559 appraisal process except for the umpire's reasonable fee. During  
 560 the appraisal process, an umpire may not solicit or otherwise  
 561 attempt to procure future professional services.

562 Section 2. Part XXVIII of chapter 468, Florida Statutes,  
 563 consisting of sections 468.86 through 468.862, is created to  
 564 read:

565 PART XXVIII

566 PROPERTY INSURANCE APPRAISERS

567 468.86 Property insurance appraiser licensing program;  
 568 legislative purpose; scope of part.—

569 (1) The property insurance appraiser licensing program is  
 570 created within the Department of Business and Professional  
 571 Regulation.

572 (2) The Legislature finds it necessary and in the interest

573 of the public safety and welfare, to prevent damage to real and  
 574 personal property, to avert economic injury to the residents of  
 575 this state, and to regulate persons and companies that hold  
 576 themselves out to the public as qualified to perform as a  
 577 property insurance appraiser.

578 (3) This part applies to residential and commercial  
 579 residential property insurance contracts and to the umpires and  
 580 appraisers who participate in the appraisal process.

581 (4) The department may adopt rules to administer the  
 582 requirements of this part.

583 468.861 Definitions.—As used in this part, the term:

584 (1) "Appraisal" means the process of estimating or  
 585 evaluating actual cash value, the amount of loss, or the cost of  
 586 repair or replacement of property for the purpose of quantifying  
 587 the monetary value of a property loss claim when an insurer and  
 588 an insured have failed to mutually agree on the value of the  
 589 loss pursuant to a residential or commercial residential  
 590 property insurance contract that is required in such contracts  
 591 for the resolution of a claim dispute by appraisal.

592 (2) "Competent" means properly licensed, sufficiently  
 593 qualified, and capable to performing an appraisal.

594 (3) "Department" means the Department of Business and  
 595 Professional Regulation.

596 (4) "Independent" means not subject to control,  
 597 restriction, modification, and limitation by the appointing  
 598 party.

599       (5) "Property insurance appraisal umpire" or "umpire"  
600 means a competent, independent, licensed, and impartial third  
601 party selected by the licensed appraisers for the insurer and  
602 the insured to resolve issues that the licensed appraisers are  
603 unable to reach an agreement during the course of the appraisal  
604 process pursuant to a residential or commercial property  
605 insurance contract that is required to provide for resolution of  
606 a claim dispute by appraisal.

607       (6) "Property insurance loss appraiser" or "appraiser"  
608 means a competent, licensed, and independent and impartial third  
609 party selected by an insurer or an insured to develop an  
610 appraisal for purposes of the appraisal process under a  
611 residential or commercial property insurance contract that  
612 provides for resolution of a claim dispute by appraisal.

613       (7) "Uniform application" means the uniform application of  
614 the National Association of Insurance Commissioners for  
615 nonresident agent licensing, effective January 15, 2001, or  
616 subsequent versions adopted by rule by the department.

617       468.8611 Fees.—

618       (1) The department, by rule, may establish fees to be paid  
619 for application, examination, reexamination, licensing and  
620 renewal, inactive status application, reactivation of inactive  
621 licenses, and application for providers of continuing education.  
622 The department may also establish by rule a delinquency fee.  
623 Fees shall be based on department estimates of the revenue  
624 required to implement the provisions of this part. Fees shall be



625 remitted with the application, examination, reexamination,  
626 licensing and renewal, inactive status application, and  
627 reactivation of inactive licenses, and application for providers  
628 of continuing education.

629 (2) The application fee shall not exceed \$200 and is  
630 nonrefundable. The examination fee shall not exceed \$200 plus  
631 the actual per applicant cost to the department to purchase the  
632 examination, if the department chooses to purchase the  
633 examination. The examination fee shall be in an amount that  
634 covers the cost of obtaining and administering the examination  
635 and shall be refunded if the applicant is found ineligible to  
636 sit for the examination.

637 (3) The fee for an initial license shall not exceed \$250.

638 (4) The fee for an initial certificate of authorization  
639 shall not exceed \$250.

640 (5) The fee for a biennial license renewal shall not  
641 exceed \$500.

642 (6) The fee for application for inactive status shall not  
643 exceed \$125.

644 (7) The fee for reactivation of an inactive license shall  
645 not exceed \$250.

646 (8) The fee for applications from providers of continuing  
647 education may not exceed \$600.

648 (9) The fee for fingerprinting shall be included in the  
649 department's costs for the background check.

650 468.86115 Application for license as a property insurance

651 appraiser.—

652 (1) The department shall not issue a license as a property  
653 insurance appraiser to any person except upon written  
654 application previously filed with the department, with  
655 qualification and advance payment of all applicable fees. Any  
656 such application shall be made under oath or affirmation of and  
657 signed by the applicant. The department shall accept the uniform  
658 application for a nonresident property insurance appraiser. The  
659 department may adopt revised versions of the uniform application  
660 by rule.

661 (2) In the application, the applicant shall set forth:

662 (a) His or her full name, age, social security number,  
663 residence address, business address, mailing address, contact  
664 telephone numbers, including a business telephone number, and e-  
665 mail address.

666 (b) Proof that he or she has completed or is in the  
667 process of completing any required prelicensing course.

668 (c) Whether he or she has been refused or has voluntarily  
669 surrendered or has had suspended or revoked a professional  
670 license by the supervising officials of any state.

671 (d) Proof that the applicant meets the requirements of  
672 licensure as a property insurance appraiser as required under  
673 ss. 468.8611 and 468.8612, and this section.

674 (e) The applicant's gender.

675 (f) The applicant's native language.

676 (g) The applicant's highest achieved level of education.

677 (h) All education requirements that the applicant has  
678 completed to qualify as a property insurance appraiser,  
679 including the name of the course, the course provider, and the  
680 course completion dates.

681 (3) Each application shall be accompanied by payment of  
682 any applicable fee.

683 (4) At the time of application, the applicant must be  
684 fingerprinted by a law enforcement agency or other entity  
685 approved by the department and he or she must pay the  
686 fingerprint processing fee in s. 468.8611. Fingerprints must be  
687 processed by the Department of Law Enforcement.

688 (5) The Department of Law Enforcement may, to the extent  
689 provided for by federal law, exchange state, multistate, and  
690 federal criminal history records with the department or office  
691 for the purpose of the issuance, denial, suspension, or  
692 revocation of a certificate of authority, certification, or  
693 license to operate in this state.

694 (6) The Department of Law Enforcement may accept  
695 fingerprints of any other person required by statute or rule to  
696 submit fingerprints to the department or office or any applicant  
697 or licensee regulated by the department or office who is  
698 required to demonstrate that he or she has not been convicted of  
699 or pled guilty or nolo contendere to a felony or a misdemeanor.

700 (7) The Department of Law Enforcement shall, upon receipt  
701 of fingerprints from the department or office, submit the  
702 fingerprints to the Federal Bureau of Investigation for a

703 federal criminal history records check.

704 (8) Statewide criminal records obtained through the  
 705 Department of Law Enforcement, federal criminal records obtained  
 706 through the Federal Bureau of Investigation, and local criminal  
 707 records obtained through local law enforcement agencies shall be  
 708 used by the department and office for the purpose of issuance,  
 709 denial, suspension, or revocation of certificates of authority,  
 710 certifications, or licenses issued to operate in this state.

711 (9) The department shall develop and maintain as a public  
 712 record a current list of licensed property insurance appraisers.

713 468.8612 Examinations -

714 (1) A person desiring to be licensed as a property  
 715 insurance appraiser must apply to the department after  
 716 satisfying the examination requirements of this part.

717 (2) An applicant may practice in this state as a property  
 718 insurance appraiser if he or she passes the required  
 719 examination, is of good moral character, and meets one of the  
 720 following requirements:

721 (a) The applicant is currently licensed, registered,  
 722 certified, or approved as an engineer as defined in s. 471.005  
 723 or as a retired professional engineer as defined in s. 471.005,  
 724 and has taught or successfully completed 4 hours of classroom  
 725 coursework, approved by the department, specifically related to  
 726 construction, building codes, appraisal procedures, appraisal  
 727 preparation, and any other related material deemed appropriate  
 728 by the department.

729 (b) The applicant is currently or, within the 5 years  
 730 immediately preceding the date on which the application is filed  
 731 with the department, has been licensed, registered, certified,  
 732 or approved as a general contractor, building contractor, or  
 733 residential contractor as defined in s. 489.105 and has taught  
 734 or successfully completed 4 hours of classroom coursework,  
 735 approved by the department, specifically related to  
 736 construction, building codes, appraisal procedure, appraisal  
 737 preparation, and any other related material deemed appropriate  
 738 by the department.

739 (c) The applicant is currently or, within the 5 years  
 740 immediately preceding the date on which the application is filed  
 741 with the department, has been licensed or registered as an  
 742 architect to engage in the practice of architecture pursuant to  
 743 part I of chapter 481 and has taught or successfully completed 4  
 744 hours of classroom coursework, approved by the department,  
 745 specifically related to construction, building codes, appraisal  
 746 procedure, appraisal preparation, and any other related material  
 747 deemed appropriate by the department.

748 (d) The applicant is currently or, within the 5 years  
 749 immediately preceding the date on which the application is filed  
 750 with the department, has been a qualified geologist or  
 751 professional geologist as defined in s. 492.102 and has taught  
 752 or successfully completed 4 hours of classroom coursework,  
 753 approved by the department, specifically related to  
 754 construction, building codes, appraisal procedure, appraisal

755 preparation, and any other related material deemed appropriate  
756 by the department.

757 (e) The applicant is currently or, within the 5 years  
758 immediately preceding the date on which the application is filed  
759 with the department, has been licensed as a certified public  
760 accountant as defined in s. 473.302 and has taught or  
761 successfully completed 4 hours of classroom coursework, approved  
762 by the department, specifically related to construction,  
763 building codes, appraisal procedure, appraisal preparation, and  
764 any other related material deemed appropriate by the department.

765 (f) The applicant is currently or, within the 5 years  
766 immediately preceding the date on which the application is filed  
767 with the department, has been a licensed attorney in this state  
768 and has taught or successfully completed 4 hours of classroom  
769 coursework, approved by the department, specifically related to  
770 construction, building codes, appraisal procedure, appraisal  
771 preparation, and any other related material deemed appropriate  
772 by the department.

773 (g) The applicant has received a baccalaureate degree from  
774 an accredited 4-year college or university in the field of  
775 engineering, architecture, or building construction and has  
776 taught or successfully completed 4 hours of classroom  
777 coursework, approved by the department, specifically related to  
778 construction, building codes, appraisal procedure, appraisal  
779 preparation, and any other related material deemed appropriate  
780 by the department.

781 (h) The applicant is a currently licensed adjuster whose  
 782 license covers all lines of insurance except the life and  
 783 annuities class. The adjuster's license must include the  
 784 property and casualty class of insurance. The currently licensed  
 785 adjuster must be licensed for at least 3 years to qualify for a  
 786 property insurance appraiser's license.

787 (i) The applicant has received a minimum of 8 semester  
 788 hours or 12 quarter hours of credit from an accredited college  
 789 or university in the field of accounting, geology, engineering,  
 790 architecture, or building construction.

791 (j) The applicant has successfully completed 40 hours of  
 792 classroom coursework, approved by the department, specifically  
 793 related to construction, building codes, appraisal procedure,  
 794 appraisal preparation, property insurance, and any other related  
 795 material deemed appropriate by the department.

796 (3) The department shall review and approve courses of  
 797 study for the continuing education of property insurance  
 798 appraisers.

799 (4) The department may not issue a license as a property  
 800 insurance appraiser to any individual found by it to be  
 801 untrustworthy or incompetent or who:

802 (a) Has not filed an application with the department in  
 803 accordance with s. 485.86115.

804 (b) Is not a natural person who is at least 18 years of  
 805 age.

806 (c) Is not a United States citizen or legal alien who

807 possesses work authorization from the United States Citizenship  
808 and Immigration Services.

809 (d) Has not completed the education, experience, or  
810 licensing requirements in this section.

811 (5) An incomplete application expires 6 months after the  
812 date it is received by the department.

813 (6) An applicant seeking to become licensed under this  
814 part may not be rejected solely by virtue of membership or lack  
815 of membership in any particular appraisal organization.

816 468.8613 Licensure.—

817 (1) The department shall license any applicant who the  
818 department certifies has completed the requirements of ss.  
819 468.8611, 468.86115, and 468.8612.

820 (2) The department shall not issue a license by  
821 endorsement to any applicant for a property insurance appraiser  
822 license who is under investigation in another state for any act  
823 that would constitute a violation of this part until such time  
824 that the investigation is complete and disciplinary proceedings  
825 have been terminated.

826 468.8614 Renewal of license.—

827 (1) The department shall renew a license upon receipt of  
828 the renewal application and fee and upon certification by the  
829 department that the licensee has satisfactorily completed the  
830 continuing education requirements of s. 468.8615.

831 (2) The department shall adopt rules establishing a  
832 procedure for the biennial renewal of licenses.



833 468.8615 Continuing education.—

834 (1) The department may not renew a license until the  
835 licensee submits satisfactory proof to the department that,  
836 during the 2 years before his or her application for renewal,  
837 the licensee completed at least 30 hours of continuing education  
838 in addition to 5 hours of ethics. Criteria and course content  
839 shall be approved by the department by rule.

840 (2) The department may prescribe by rule additional  
841 continuing professional education hours, not to exceed 25  
842 percent of the total required hours, for failure to complete the  
843 required hours for renewal by the end of the renewal period.

844 (3) Each appraiser course provider, instructor, and  
845 classroom course must be approved by and registered with the  
846 department before prelicensure courses for property insurance  
847 appraisers may be offered. Each classroom course must include a  
848 written examination at the conclusion of the course and must  
849 cover all of the material contained in the course. A student may  
850 not receive credit for the course unless the student achieves a  
851 grade of at least 75 on the examination.

852 (4) The department shall adopt rules establishing:

853 (a) Standards for the approval, registration, discipline,  
854 or removal from registration of course providers, instructors,  
855 and courses. The standards must be designed to ensure that  
856 instructors have the knowledge, competence, and integrity to  
857 fulfill the educational objectives of the prelicensure  
858 requirements of this part.

859 (b) A process for determining compliance with the  
 860 prelicensure requirements of this part.

861  
 862 The department shall adopt rules prescribing the forms necessary  
 863 to administer the prelicensure requirements of this part.

864 (5) Approval to teach prescribed or approved appraisal  
 865 courses does not entitle the instructor to teach any courses  
 866 outside the scope of this part.

867 468.8616 Inactive license.-

868 (1) A licensee may request that his or her license be  
 869 placed on inactive status by filing an application with the  
 870 department.

871 (2) A license that has become inactive may be reactivated  
 872 upon application to the department. The department may prescribe  
 873 by rule continuing education requirements as a condition for  
 874 reactivation of an inactive license. The continuing education  
 875 requirements for reactivating a license may not exceed 14 hours  
 876 for each year the license was inactive.

877 (3) The department shall adopt rules relating to licenses  
 878 that have become inactive and for the renewal of inactive  
 879 licenses. The department shall prescribe by rule a fee not to  
 880 exceed \$250 for the reactivation of an inactive license and a  
 881 fee not to exceed \$250 for the renewal of an inactive license.

882 468.8617 Certification of partnerships, corporations, and  
 883 other business entities.-The practice of or the offer to  
 884 practice as a property insurance appraiser by licensees through

885 a partnership, corporation, or other business entity offering  
886 property insurance appraiser services to the public, or by a  
887 partnership, corporation, or other business entity through  
888 licensees under this part as agents, employees, officers, or  
889 partners is permitted subject to the provisions of this part.  
890 This section does not allow a corporation or other business  
891 entity to hold a license to practice property insurance  
892 appraiser services. A partnership, corporation, or other  
893 business entity is not relieved of responsibility for the  
894 conduct or acts of its agents, employees, or officers by reason  
895 of its compliance with this section. An individual practicing as  
896 a property insurance appraiser is not relieved of responsibility  
897 for professional services performed by reason of his or her  
898 employment or relationship with a partnership, corporation, or  
899 other business entity.

900 468.8618 Grounds for compulsory refusal, suspension, or  
901 revocation of an appraiser's license.—The department shall deny  
902 an application for, suspend, revoke, or refuse to renew or  
903 continue the license or appointment of any applicant, property  
904 insurance appraiser or licensee and shall suspend or revoke the  
905 eligibility to hold a license or appointment of any such person  
906 if it finds that any one or more of the following applicable  
907 grounds exist:

908 (1) Lack of one or more of the qualifications for the  
909 license as specified in this part.

910 (2) Material misstatement, misrepresentation, or fraud in

911 obtaining the license or in attempting to obtain the license or  
 912 appointment.

913 (3) Failure to pass to the satisfaction of the department  
 914 any examination required under this act.

915 (4) That the license or appointment was willfully used, or  
 916 will be used, to circumvent any of the requirements or  
 917 prohibitions of this code.

918 (5) Demonstrated a lack of fitness or trustworthiness to  
 919 engage as a property insurance appraiser.

920 (6) Demonstrated a lack of reasonably adequate knowledge  
 921 and technical competence to engage in the transactions  
 922 authorized by the license.

923 (7) Fraudulent or dishonest practices in the conduct of  
 924 business under the license.

925 (8) Willful failure to comply with, or willful violation  
 926 of, any proper order or rule of the department or willful  
 927 violation of any provision of this act.

928 (9) Having been found guilty of or having plead guilty or  
 929 nolo contendere to a felony or a crime punishable by  
 930 imprisonment of 1 year or more under the law of the United  
 931 States or of any state thereof or under the law of any other  
 932 country which involves moral turpitude, without regard to  
 933 whether a judgment of conviction has been entered by the court  
 934 having jurisdiction of such cases.

935 (10) Violated a duty imposed upon her or him by law or by  
 936 the terms of a contract, whether written, oral, expressed, or

937 implied, in an appraisal; has aided, assisted, or conspired with  
938 any other person engaged in any such misconduct and in  
939 furtherance thereof; or has formed an intent, design, or scheme  
940 to engage in such misconduct and committed an overt act in  
941 furtherance of such intent, design, or scheme. It is immaterial  
942 to a finding that a licensee has committed a violation of this  
943 subsection that the victim or intended victim of the misconduct  
944 has sustained no damage or loss, that the damage or loss has  
945 been settled and paid after the discovery of misconduct, or that  
946 such victim or intended victim was a customer or a person in a  
947 confidential relationship with the licensee or was an identified  
948 member of the general public.

949 (11) Had a registration, license, or certification as an  
950 appraiser revoked, suspended, or otherwise acted against; has  
951 had his or her registration, license, or certificate to practice  
952 or conduct any regulated profession, business, or vocation  
953 revoked or suspended by this or any other state, any nation, or  
954 any possession or district of the United States; or has had an  
955 application for such registration, licensure, or certification  
956 to practice or conduct any regulated profession, business, or  
957 vocation denied by this or any other state, any nation, or any  
958 possession or district of the United States.

959 (12) (a) Made or filed a report or record, written or oral,  
960 which the licensee knows to be false;

961 (b) Has willfully failed to file a report or record  
962 required by state or federal law;

963 (c) Has willfully impeded or obstructed such filing; or  
 964 (d) Has induced another person to impede or obstruct such  
 965 filing.

966 (13) Accepted an appointment as an appraiser if the  
 967 appointment is contingent upon the appraiser reporting a  
 968 predetermined result, analysis, or opinion, or if the fee to be  
 969 paid for the services of the appraiser is contingent upon the  
 970 opinion, conclusion, or valuation reached by the appraiser.

971 468.86185 Grounds for discretionary denial, suspension, or  
 972 revocation of an appraiser's license.-The department may deny an  
 973 application for and suspend, revoke, or refuse to renew or  
 974 continue a license as a property insurance appraiser if the  
 975 applicant or licensee has:

976 (1) Failed to timely communicate with the opposing party's  
 977 appraiser without good cause.

978 (2) Failed or refused to exercise reasonable diligence in  
 979 submitting recommendations to the opposing party's appraiser.

980 (3) Violated any ethical standard for property insurance  
 981 appraisers set forth in s. 468.8619.

982 (4) Failed to inform the department in writing within 30  
 983 days after pleading guilty or nolo contendere to, or being  
 984 convicted or found guilty of, a felony.

985 (5) Failed to timely notify the department of any change  
 986 in business location, or has failed to fully disclose all  
 987 business locations from which he or she operates as a property  
 988 insurance appraiser.

989 468.8619 Ethical standards for property insurance  
 990 appraisers.-

991 (1) CONFIDENTIALITY.-An appraiser shall maintain  
 992 confidentiality of all information revealed during an appraisal  
 993 except to the party that hired the appraiser and except where  
 994 disclosure is required by law.

995 (2) RECORDKEEPING.-An appraiser shall maintain  
 996 confidentiality in the storage and disposal of records and may  
 997 not disclose any identifying information when materials are used  
 998 for research, training, or statistical compilations.

999 (3) FEES AND EXPENSES.-Fees charged for appraisal services  
 1000 shall be reasonable and consistent with the nature of the case.  
 1001 An appraiser shall be guided by the following in determining  
 1002 fees:

1003 (a) All charges for services as an appraiser based on time  
 1004 may not exceed actual time spent or allocated.

1005 (b) Charges for costs shall be for those actually  
 1006 incurred.

1007 (4) MAINTENANCE OF RECORDS.-An appraiser shall maintain  
 1008 records necessary to support charges for services and expenses,  
 1009 and upon request shall provide an accounting of all applicable  
 1010 charges to the parties. An appraiser licensed under this part  
 1011 shall retain for at least 5 years original or true copies of any  
 1012 contracts engaging the appraiser's services, appraisal reports,  
 1013 and supporting data assembled and formulated by the appraiser in  
 1014 preparing appraisal reports. The period for retaining the

1015 records applicable to each engagement starts on the date of the  
1016 submission of the appraisal report to the client. The records  
1017 must be made available by the appraiser for inspection and  
1018 copying by the department upon reasonable notice to the  
1019 appraiser. If an appraisal has been the subject of, or has been  
1020 admitted as evidence in, a lawsuit, reports, and records the  
1021 appraisal must be retained for at least 2 years after the date  
1022 that the trial ends.

1023 (5) ADVERTISING.—An appraiser may not engage in marketing  
1024 practices that contain false or misleading information. An  
1025 appraiser shall ensure that any advertisements of the  
1026 appraiser's qualifications, services to be rendered, or the  
1027 appraisal process are accurate and honest. An appraiser may not  
1028 make claims of achieving specific outcomes or promises implying  
1029 favoritism for the purpose of obtaining business.

1030 (6) INTEGRITY AND IMPARTIALITY.—An appraiser may not  
1031 accept any engagement, provide any service, or perform any act  
1032 that would compromise the appraiser's integrity or impartiality.

1033 (a) An appraiser may not accept an appointment unless he  
1034 or she can:

1035 1. Serve impartially;

1036 2. Serve independently from the party appointing him or  
1037 her;

1038 3. Serve competently; and

1039 4. Be available to promptly commence the appraisal, and  
1040 thereafter devote the time and attention to its completion in a



1041 manner expected by all involved parties.

1042 (b) An appraiser shall conduct the appraisal process in a  
1043 manner that advances the fair and efficient resolution of the  
1044 matters submitted for decision. A licensed appraiser shall make  
1045 all reasonable efforts to prevent delays in the appraisal  
1046 process, the harassment of parties or other participants, or  
1047 other abuse or disruption of the appraisal process.

1048 (c) Once a licensed appraiser has accepted an appointment,  
1049 the appraiser may not withdraw or abandon the appointment unless  
1050 compelled to do so by unanticipated circumstances that would  
1051 render it impossible or impracticable to continue.

1052 (d) The licensed appraiser shall, after careful  
1053 deliberation, decide all issues submitted for determination and  
1054 no other issues. A licensed appraiser shall decide all matters  
1055 justly, exercising independent judgment, and may not allow  
1056 outside pressure to affect the decision. An appraiser may not  
1057 delegate the duty to decide to any other person.

1058 (7) SKILL AND EXPERIENCE.—An appraiser shall decline an  
1059 appointment or selection, withdraw, or request appropriate  
1060 assistance when the facts and circumstances of the appraisal are  
1061 beyond the appraiser's skill or experience.

1062 (8) GIFTS AND SOLICITATION.—An appraiser may not give or  
1063 accept any gift, favor, loan, or other item of value in an  
1064 appraisal process except for the appraiser's reasonable fee.  
1065 During the appraisal process, an appraiser may not solicit or  
1066 otherwise attempt to procure future professional services.

1067 (9) COMMUNICATIONS WITH PARTIES.—

1068 (a) If an agreement of the parties establishes the manner  
1069 or content of the communications between the appraisers, the  
1070 parties and the umpire, the appraisers shall abide by such  
1071 agreement. In the absence of agreement, an appraiser may not  
1072 discuss a proceeding with any party or with the umpire in the  
1073 absence of any other party, except in the following  
1074 circumstances:

1075 1. If the appointment of the appraiser or umpire is being  
1076 considered, the prospective appraiser or umpire may ask about  
1077 the identities of the parties, counsel, and the general nature  
1078 of the case, and may respond to inquiries from a party, its  
1079 counsel or an umpire designed to determine his or her  
1080 suitability and availability for the appointment;

1081 2. To consult with the party who appointed the appraiser  
1082 concerning the selection of a neutral umpire.

1083 3. To make arrangements for any compensation to be paid by  
1084 the party who appointed the appraiser; or

1085 4. To make arrangements for obtaining materials and  
1086 inspection of the property with the party who appointed the  
1087 appraiser. Such communication is limited to scheduling and the  
1088 exchange of materials.

1089 (b) There may be no communications whereby a party  
1090 dictates to an appraiser what the result of the proceedings must  
1091 be, what matters or elements may be included or considered by  
1092 the appraiser, or what actions the appraiser may take.

1093        468.862 Residential or commercial property insurance loss  
 1094 appraisal.—The Legislature has determined that our court system  
 1095 is overwhelmed with litigation better served in the property  
 1096 insurance appraisal process. Appraisal is the preferred method  
 1097 of resolving disputes involving the scope of the damages  
 1098 occurring as the result of a covered loss. When the insured and  
 1099 the insurer agree that a residential or commercial residential  
 1100 property has been damaged by a covered peril in the policy, the  
 1101 best method to resolve the issues of scope will be the property  
 1102 insurance appraisal process.

1103        (1) When the only issue remaining between an insured and  
 1104 an insurer on a residential or commercial residential property  
 1105 is the actual cash value, the amount of loss, or the cost of  
 1106 repair or replacement of property for which a claim has been  
 1107 filed, that process shall be governed by this section.

1108        (2) Either party may submit a written demand to enter into  
 1109 the process of appraisal.

1110        (3) The insurer may refuse to accept the demand only if  
 1111 the insured materially fails to comply with the proof-of-loss  
 1112 obligations of the insured as set forth in the policy  
 1113 conditions.

1114        (4) The insurer is deemed to have waived its right to  
 1115 demand an appraisal if it fails to invoke an appraisal within 30  
 1116 days after the insured substantially complies with the proof-of-  
 1117 loss obligation as set forth in the policy conditions.

1118        (5) Each party shall select a competent, licensed, and

1119 independent appraiser and notify the other party of the  
1120 appraiser selected within 20 days after the date of the demand  
1121 for an appraisal. The appraisers shall select a competent,  
1122 independent, and impartial umpire who is on the department's  
1123 list of licensed property insurance appraisal umpires as  
1124 qualified under s. 468.85. If the appraisers are unable to agree  
1125 on an umpire within 15 days, the insured or the insurer may file  
1126 a petition with a county or circuit court in the jurisdiction in  
1127 which the covered property is located to designate a licensed  
1128 property insurance appraisal umpire for the appraisal.

1129 (6) Appraisal proceedings are informal unless the insured  
1130 and the insurer mutually agree otherwise. For purposes of this  
1131 section, "informal" means that no formal discovery shall be  
1132 conducted, including depositions, interrogatories, requests for  
1133 admission, or other forms of formal civil discovery; no formal  
1134 rules of evidence shall be applied; and no court reporter shall  
1135 be used for the proceedings. However, either appraiser may rely  
1136 on experts in reaching the value of loss.

1137 (7) Within 60 days after being appointed, each appraiser  
1138 shall appraise the loss and submit a written report to the other  
1139 appraiser, separately stating the cost of the loss, the actual  
1140 cash value, or the cost to repair or replace each item. Within  
1141 30 days after submitting the reports, the appraisers shall  
1142 attempt to resolve any differences in the appraisals and reach a  
1143 mutual agreement on all matters. If the appraisers are unable to  
1144 agree, they shall, within 5 days, submit the differences in

1145 their findings in writing to the umpire. However, the appraisers  
1146 have an additional 60 days after appointment to appraise the  
1147 loss and submit a written report if the loss is covered under a  
1148 commercial residential property insurance policy and the insured  
1149 structure is 10,000 square feet or more, or is covered under a  
1150 commercial residential or residential insurance policy and the  
1151 claim is based on and made subsequent to a hurricane designated  
1152 by the National Hurricane Center or a declared emergency by the  
1153 Governor.

1154 (8) The umpire shall review any differences in appraisals  
1155 submitted by the appraisers and determine the amount of the loss  
1156 for each item submitted. Within 10 days after receipt of any  
1157 differences in appraisals, the umpire shall submit the umpire's  
1158 conclusions in writing to each appraiser.

1159 (9) If either appraiser agrees with the conclusions of the  
1160 umpire, an itemized written appraisal award signed by the umpire  
1161 and the appraiser shall be filed with the insurer and shall  
1162 determine the amount of the loss.

1163 (10) The appraisal award is binding on the insurer and the  
1164 insured with regard to the amount of the loss. If the insurance  
1165 policy so provides, the insurer may assert that there is no  
1166 coverage under the policy for the loss as a whole or that there  
1167 has been a violation of the policy conditions with respect to  
1168 fraud, lack of notice, or failure to cooperate.

1169 (11) Each appraiser shall be paid by the party who selects  
1170 the appraiser and the expenses of the appraisal and fees of the

1171 umpire shall be paid by the parties equally, except that if the  
1172 final determination of the amount of the loss is 50 percent  
1173 greater than the insurer's preappraisal estimate of the loss  
1174 communicated to the insured in writing, the insurer shall pay  
1175 all the expenses, including any fees and expenses charged by the  
1176 insured's appraiser and all fees and expenses of the umpire.  
1177 This subsection does not affect an insured's claim for  
1178 attorney's fees under s. 627.428.

1179 (12) The provisions of the Florida Arbitration Code do not  
1180 apply to residential and commercial residential property  
1181 insurance loss appraisal proceedings. However, the provisions  
1182 regarding proceedings to compel and stay arbitration in s.  
1183 682.03; procedures for correcting, vacating, or modifying an  
1184 award in ss. 682.10, 682.13, and 682.14; procedures for entry of  
1185 judgment on the award in s. 682.15; and procedures regarding  
1186 confirmation of an award in s. 682.12 do apply.

1187 (13) The appraisal process may not address issues  
1188 involving whether or not the loss or damage is covered under the  
1189 terms of the insurance contract. However, the appraisers and the  
1190 umpire may consider causation issues, if necessary, to determine  
1191 the amount of loss.

1192 Section 3. This act shall take effect July 1, 2015.