

By Representative Jones

1                                   A bill to be entitled  
2           An act relating to motor vehicle insurance;  
3           amending s. 627.743, F.S.; requiring insurers  
4           to search for liens before making payment on  
5           certain claims; providing an exception to joint  
6           payment requirements under certain  
7           circumstances; providing an effective date.

8  
9   Be It Enacted by the Legislature of the State of Florida:

10  
11           Section 1. Section 627.743, Florida Statutes, is  
12   amended to read:

13           627.743 Payment of ~~third-party~~ claims.--Before making  
14   any payment on a first-party or third-party claim for damage  
15   to an automobile for a partial or total loss, if the damage  
16   exceeds \$500 regardless of amount, which automobile is owned  
17   ~~by a person who is not named as an insured in the policy under~~  
18   ~~which payment is made~~, the insurer shall first cause a search  
19   of the records of the Department of Highway Safety and Motor  
20   Vehicles to be made in order to determine whether the damaged  
21   vehicle is subject to any liens. If the search discloses the  
22   existence of any liens, payment of the claim shall be made  
23   jointly to the owner of the damaged vehicle and the first  
24   lienholder of record. The insurer shall not be subject to the  
25   requirements of this section if the lienholder is located or  
26   licensed in this state ~~owner of the damaged vehicle presents~~  
27   ~~to the insurer a title certificate for such vehicle.~~

28           Section 2. This act shall take effect October 1, 1997.  
29  
30  
31

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31

\*\*\*\*\*

HOUSE SUMMARY

Requires insurers to search for the existence of liens on any claim for automobile damage exceeding \$500. Exempts insurers from paying jointly to an owner and first lienholder if the lienholder is located or licensed in this state. See bill for details.