



1 limits as directed in writing by that insured has no further  
2 duty to settle claims under this paragraph or otherwise  
3 applicable common law principles. In the case of liability  
4 claims against insureds, such an offer may be made through a  
5 defense lawyer of the insured and shall remain confidential  
6 pursuant to the attorney client privilege unless waived by the  
7 insured or unless raised by the insurer in defending against a  
8 claim based on any alleged failure to settle the claims;

9         2. Making claims payments to insureds or beneficiaries  
10 not accompanied by a statement setting forth the coverage  
11 under which payments are being made; or

12         3. Except as to liability coverages, failing to  
13 promptly settle claims, when the obligation to settle a claim  
14 has become reasonably clear, under one portion of the  
15 insurance policy coverage in order to influence settlements  
16 under other portions of the insurance policy coverage.

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18 Notwithstanding the provisions of the above to the contrary, a  
19 person pursuing a remedy under this section need not prove  
20 that such act was committed or performed with such frequency  
21 as to indicate a general business practice.

22         (7) The civil remedy specified in this section does  
23 not preempt any other remedy or cause of action provided for  
24 pursuant to any other statute or pursuant to the common law of  
25 this state. Any person may obtain a judgment under either the  
26 common-law remedy of bad faith or this statutory remedy, but  
27 shall not be entitled to a judgment under both remedies. This  
28 section shall not be construed to create a common-law cause of  
29 action. The damages recoverable pursuant to this section  
30 shall include those damages which are a reasonably foreseeable  
31 result of a specified violation of this section by the insurer

1 and may include an award or judgment in an amount that exceeds  
2 the policy limits. However, notwithstanding any other  
3 provision of law, an insurer is liable for damages not covered  
4 by its policy or damages exceeding its policy limits only if  
5 the insurer's conduct was the proximate cause of such damages.  
6 An insurer is not liable for extra contractual damages as to a  
7 first-party claim or for attorney's fees under this section  
8 when the court finds that the insurer had a good-faith and  
9 reasonable basis for its denial of a claim.

10 Section 2. Paragraph (f) of subsection (4) of section  
11 627.736, Florida Statutes, 1998 Supplement, is repealed.

12 Section 3. This act shall take effect upon becoming a  
13 law.

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15 SENATE SUMMARY

16 Provides that an insurer that has offered an insured in  
17 writing to pay its applicable policy limits as directed  
18 by the insured has any duty to settle claims under the  
19 requirements of s. 624.155, F.S. Provides that an insurer  
20 is liable for damages not covered by its policy or  
21 damages exceeding its policy limits only if the insurer's  
22 conduct was the proximate cause of the damage. Repeals s.  
23 627.736(4)(f), F.S., relating to when personal injury  
24 protection benefits are due from an insurer.  
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