



HB 0513

2003

1 A bill to be entitled
 2 An act relating to insurance claims and premium payments;
 3 amending s. 627.4035, F.S.; providing for the payment of
 4 insurance premiums by a debit or credit card, automatic
 5 electronic funds transfer, or payroll deduction plan;
 6 amending s. 627.7015, F.S.; defining "claim" for purposes
 7 of alternative procedures for resolution of disputed
 8 property insurance claims; amending s. 627.901, F.S.;
 9 authorizing certain agents and insurers to provide
 10 periodic payment plans, including stated administrative
 11 charges under certain circumstances; providing an
 12 effective date.

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

16 Section 1. Subsection (1) of section 627.4035, Florida
 17 Statutes, is amended to read:

18 627.4035 Cash payment of premiums; claims.--

19 (1) The premiums for insurance contracts issued in this
 20 state or covering risk located in this state shall be paid in
 21 cash consisting of coins, currency, checks, or money orders or
 22 by using a debit card, credit card, automatic electronic funds
 23 transfer, or payroll deduction plan.

24 Section 2. Subsection (9) is added to section 627.7015,
 25 Florida Statutes, to read:

26 627.7015 Alternative procedure for resolution of disputed
 27 property insurance claims.--

28 (9) For purposes of this section, the term "claim" refers
 29 to any dispute between an insurer and an insured relating to a
 30 material issue of fact other than a dispute:



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31 (a) With respect to which the insurer has a reasonable
32 basis to suspect fraud;

33 (b) Where, based on agreed-upon facts as to the cause of
34 loss, there is no coverage under the policy;

35 (c) With respect to which the insurer has a reasonable
36 basis to believe that the claimant has intentionally made a
37 material misrepresentation of fact which is relevant to the
38 claim, and the entire request for payment of a loss has been
39 denied on the basis of the material misrepresentation; or

40 (d) With respect to which the amount in controversy is
41 less than \$500, unless the parties agree to mediate a dispute
42 involving a lesser amount.

43 Section 3. Subsection (3) is added to section 627.901,
44 Florida Statutes, to read:

45 627.901 Premium financing by an insurance agent or
46 agency.--

47 (3) Notwithstanding any other provision of law, a general
48 lines agent or insurer may make available to policyholders a
49 periodic payment plan that includes stated administrative
50 charges if:

51 (a) The charges for such plan are clearly disclosed to the
52 policyholder.

53 (b) There is no debtor-creditor relationship between the
54 insurer or the agent and the policyholder.

55 (c) There is no coercion by the agent or insurer to use
56 the periodic payment plan as a method of payment of premiums.

57 (d) Participation in the periodic payment plan is optional
58 and is not a precondition to the insurer's acceptance for the
59 risk.

60 Section 4. This act shall take effect upon becoming a law.