

Amendment No. (for drafter's use only)

CHAMBER ACTION

Senate

House

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1 Representative Ross offered the following:

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3 **Amendment (with title amendment)**

4 Between lines 216 and 217 insert:

5 Section 4. Section 627.4141, Florida Statutes, is created  
6 to read:

7 627.4141 Mandatory arbitration clauses in certain life  
8 policies.--

9 (1) In order to facilitate the fair, prompt, economical,  
10 and efficient resolution of disputes, an insurer may deliver or  
11 issue for delivery to residents of this state a life insurance  
12 policy, including group life and certificates of coverage, with  
13 a death benefit of \$50,000 or less that contains a provision  
14 requiring the resolution of claims or disputes involving the  
15 insurance policy through the use of mandatory binding

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16 arbitration, provided that such provision complies with the  
17 requirements of this section.

18 (2) The arbitration provision shall be set forth in the  
19 policy or a separate endorsement and shall provide:

20 (a) A description of the arbitration process.

21 (b) A reasonable method for the selection of an impartial  
22 arbitrator and, if the parties cannot agree upon an arbitrator  
23 within 30 days of the demand for arbitration, the appointment of  
24 an impartial arbitrator by the American Arbitration Association  
25 or a similar organization.

26 (c) For payment by the insurer of the fees and expenses of  
27 the arbitrator and administrative expenses of the arbitration.

28 (d) For commencement of the arbitration hearing within 90  
29 days after the commencement of the arbitration process and for  
30 the rendering of the decision within a 30 days thereafter unless  
31 waived by the person initiating the arbitration.

32 (e) The arbitration hearing will be conducted in the  
33 county of residence of the person demanding arbitration unless  
34 the parties agree to a different location.

35 (f) That the arbitrator apply the arbitration rules,  
36 applicable policy provisions, and applicable law.

37 (g) The insurer provide a method of obtaining the rules  
38 governing the arbitration without cost to the insured.

39 (3) The arbitration provision may contain other reasonable  
40 provisions consistent with the fair, prompt, economical, and  
41 efficient resolution of disputes.

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42 (4) At the time of the application for a policy or  
43 endorsement containing a mandatory arbitration clause, the  
44 applicant must be provided with and sign a separate disclosure  
45 statement that in clear and prominent language, displayed in 12  
46 point type, capitalized, and in bold print discloses the  
47 following, where applicable that:

48 (a) The policy contains a binding arbitration agreement  
49 that requires that all disputes related to the policy be  
50 resolved through binding arbitration rather in a court of law.

51 (b) The results of the arbitration are binding on the  
52 insured and the insurer.

53 (c) The arbitrator, who is independent and neutral, will  
54 render a decision after listening to the positions of the  
55 parties.

56 (d) Generally, courts are unwilling to review and change  
57 decisions arising from binding arbitration.

58 (e) By accepting the insurance policy containing the  
59 mandatory arbitration provision, the insured agrees to resolve  
60 all disputes related to the policy through arbitration rather  
61 than a court and that the insured waives all rights to a trial  
62 by jury.

63 ===== T I T L E A M E N D M E N T =====

64 Remove line 17 and insert:  
65 plans; providing a definition; creating s. 627.4141, F.S. ;  
66 providing for mandatory arbitration clauses in certain life  
67 insurance policies; providing requirements for such arbitration;

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HOUSE AMENDMENT

Bill No. HB 1451

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68 | providing for disclosures to consumers of such provisions;  
69 | amending s. 636.044, F.S.;

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