

Bill No. PCS for SB 1488 (960506)

Barcode 134230

	CHAMBER ACTION	
<u>Senate</u>		<u>House</u>

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11 The Committee on Banking and Insurance (Campbell) recommended  
 12 the following amendment:

14 **Senate Amendment (with title amendment)**

15 On page 54, lines 12 through 18, delete those lines

17 and insert:

18 (b) The legislative intent of this subsection is to  
 19 require payment of policy benefits otherwise due in the event  
 20 of a total loss only when the covered peril is a substantial  
 21 contributing factor to the total loss. In furtherance of this  
 22 intent, when a loss is caused in part by a covered peril and  
 23 in part by a noncovered peril, the insurer is liable under  
 24 this section only if the covered peril directly and in a  
 25 natural and continuous sequence produced or contributed  
 26 substantially to producing a total loss.

27 (c) The legislative intent of this subsection is to  
 28 ensure payment of policy benefits due in the event of a total  
 29 loss without allowing an insured to receive any payments  
 30 exceeding those necessary to repair, rebuild, or replace the  
 31 insured structure following the total loss. In furtherance of

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1 this intent, when a covered peril is a substantial  
2 contributing factor to a total loss and that total loss is  
3 caused in part by a noncovered peril, the insurer's liability  
4 under this section shall be for the amount of money for which  
5 the property was insured. However, if payment of this amount  
6 exceeds the amount necessary to repair, rebuild, or replace  
7 the structure following the total loss, the insurer's  
8 liability shall be in such lesser amount as would, when added  
9 together with all other benefits actually paid for the subject  
10 loss, satisfy the total cost to repair, rebuild, or replace  
11 the structure.

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

15 And the title is amended as follows:

16       On page 3, lines 26 through 29, delete those lines

17

18 and insert:

19       s. 627.702, F.S.; providing that an insurer is  
20       liable for a total loss caused in part by a  
21       covered peril and in part by a noncovered peril  
22       only if the covered peril directly and in a  
23       natural and continuous sequence produced or  
24       contributed substantially to producing the  
25       total loss; providing legislative intent  
26       relating to the payment of policy benefits  
27       following a total loss without the insured's  
28       receiving payments exceeding those necessary to  
29       repair, rebuild, or replace the insured  
30       structure; providing that if a covered peril is  
31       a substantial contributing factor to the total

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1           loss, the insurer is liable for the limits for  
2           which the structure was insured; providing an  
3           exception if the payment amount exceeds the  
4           amount necessary to repair, rebuild, or replace  
5           the structure; creating s. 627.711, F.S.;  
6           requiring

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