

Bill No. PCS for SB 1488 (060960)

Barcode 342872

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

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

.
.
.
.
.
.

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

Senate Amendment (with title amendment)

On page 56, lines 1 through 7, delete those lines

and insert:

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

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

Bill No. PCS for SB 1488 (060960)

Barcode 342872

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.

12
13

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 4, lines 1 through 4, delete those lines

17

18 and insert:

19 insurance claim; amending s. 627.702, F.S.;

20 providing that an insurer is liable for a total

21 loss caused in part by a covered peril and in

22 part by a noncovered peril only if the covered

23 peril directly and in a natural and continuous

24 sequence produced or contributed substantially

25 to producing the total loss; providing

26 legislative intent relating to the payment of

27 policy benefits following a total loss without

28 the insured's receiving payments exceeding

29 those necessary to repair, rebuild, or replace

30 the insured structure; providing that if a

31 covered peril is a substantial contributing

Bill No. PCS for SB 1488 (060960)

Barcode 342872

1 factor to the total loss, the insurer is liable
2 for the limits for which the structure was
3 insured; providing an exception if the payment
4 amount exceeds the amount necessary to repair,
5 rebuild, or replace the structure;

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