By the Committee on Banking and Insurance; and Senator Baker

597-2109-07

1	A bill to be entitled
2	An act relating to alternative procedures for
3	resolving disputed insurance claims; amending
4	s. 627.7015, F.S.; providing a nonadversarial
5	alternative dispute-resolution procedure for
6	handling marine insurance claims; requiring the
7	Department of Financial Services to adopt by
8	rule a marine insurance mediation program to be
9	administered by the department or its designee;
10	requiring that mediators in the case of marine
11	insurance policies be certified by The Florida
12	Bar in admiralty and maritime law or have
13	certain other experience and training in that
14	area; defining the term "marine insurance" for
15	purposes of the alternative procedures for
16	dispute resolution; providing an effective
17	date.
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19	Be It Enacted by the Legislature of the State of Florida:
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21	Section 1. Subsections (1) and (4) of section
22	627.7015, Florida Statutes, are amended, and subsections (10)
23	and (11) are added to that section, to read:
24	627.7015 Alternative procedure for resolution of
25	disputed property insurance claims
26	(1) PURPOSE AND SCOPE This section sets forth a
27	nonadversarial alternative dispute resolution procedure for a
28	mediated claim resolution conference prompted by the need for
29	effective, fair, and timely handling of property and marine
30	insurance claims. There is a particular need for an informal,
31	nonthreatening forum for helping parties who elect this

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CODING: Words stricken are deletions; words underlined are additions.

procedure to resolve their claims disputes because most 2 homeowner's, marine insurance, and commercial residential insurance policies obligate insureds to participate in a 3 potentially expensive and time-consuming adversarial appraisal 4 process prior to litigation. The procedure set forth in this 5 section is designed to bring the parties together for a mediated claims settlement conference without any of the trappings or drawbacks of an adversarial process. Before resorting to these procedures, insureds and insurers are 10 encouraged to resolve claims as quickly and fairly as possible. This section is available with respect to claims 11 12 under personal lines and commercial residential and marine policies for all claimants and insurers prior to commencing the appraisal process, or commencing litigation. If requested by the insured, participation by legal counsel shall be 15 permitted. Mediation under this section is also available to 16 litigants referred to the department by a county court or circuit court. This section does not apply to commercial 18 coverages, to private passenger motor vehicle insurance coverages, or to disputes relating to liability coverages in 21 policies of property insurance.

- (4) The department shall adopt by rule a property and marine insurance mediation program to be administered by the department or its designee. The department may also adopt special rules which are applicable in cases of an emergency within the state. The rules shall be modeled after practices and procedures set forth in mediation rules of procedure adopted by the Supreme Court. The rules shall provide for:
- (a) Reasonable requirement for processing and scheduling of requests for mediation.

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1	(b) Qualifications of mediators as provided in s.
2	627.745 and in the Florida Rules of Certified and Court
3	Appointed Mediators, and for such other individuals as are
4	qualified by education, training, or experience as the
5	department determines to be appropriate, except that in the
6	case of marine insurance policies, mediators shall be civil
7	circuit mediators who:-
8	1. Are certified by the Florida Bar in admiralty and
9	maritime law; or
10	2.a. Are experienced admiralty practitioners who are
11	qualified by education, training, or experience, as the
12	department determines is appropriate; and
13	b. Have undergone training provided by the department
14	or its designee in the mediation of disputes involving marine
15	insurance law.
16	(c) Provisions governing who may attend mediation
17	conferences.
18	(d) Selection of mediators.
19	(e) Criteria for the conduct of mediation conferences.
20	(f) Right to legal counsel.
21	(10) As used in this section, the term "marine
22	insurance" means both "marine insurance" and "wet marine and
23	transportation insurance" as those terms are defined in s.
24	<u>624.607.</u>
25	(11) The provisions of this section apply to marine
26	insurance notwithstanding s. 627.021.
27	Section 2. This act shall take effect upon becoming a
28	law.
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1	STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN COMMITTEE SUBSTITUTE FOR
2	<u>Senate Bill 1782</u>
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4	The Committee Substitute provides the following changes:
5 6	<ol> <li>Revises the eligibility requirements for maritime insurance mediators by allowing civil circuit mediators who are not certified by The Florida Bar in admiralty and</li> </ol>
7	marine law, but meet other criteria established by the Department of Financial Services to serve as mediators.
8	Provides a definition for marine insurance and clarifies that s.627.7015, F.S., applies to marine insurance notwithstanding s.627.021, F.S., which provides that ch. 627, F.S., does not apply to marine insurance.
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