

Bill No. CS for SB 2498

Barcode 140218

<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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Senators Atwater and Deutch moved the following amendment:

**Senate Amendment (with title amendment)**

On page 22, between lines 18 and 19,

insert:

Section 2. Paragraph (i) of subsection (1) of section 626.9541, Florida Statutes, is amended to read:

626.9541 Unfair methods of competition and unfair or deceptive acts or practices defined.--

(1) UNFAIR METHODS OF COMPETITION AND UNFAIR OR DECEPTIVE ACTS.--The following are defined as unfair methods of competition and unfair or deceptive acts or practices:

(i) Unfair claim settlement practices.--

1. Attempting to settle claims on the basis of an application, when serving as a binder or intended to become a part of the policy, or any other material document which was altered without notice to, or knowledge or consent of, the insured;

2. A material misrepresentation made to an insured or any other person having an interest in the proceeds payable

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1 under such contract or policy, for the purpose and with the  
 2 intent of effecting settlement of such claims, loss, or damage  
 3 under such contract or policy on less favorable terms than  
 4 those provided in, and contemplated by, such contract or  
 5 policy; ~~or~~

6 3. A violation of s. 627.70131(5), if the insurer's  
 7 handling of the claim is found to be dishonest or in reckless  
 8 disregard for the rights of any insured;

9 4. Failing to pay undisputed amounts of partial or  
 10 full benefits under first-party property insurance policies  
 11 within 30 days after determining the amounts of partial or  
 12 full benefits and agreeing to coverage; or

13 ~~5.3.~~ Committing or performing with such frequency as  
 14 to indicate a general business practice any of the following:

- 15 a. Failing to adopt and implement standards for the  
 16 proper investigation of claims;
- 17 b. Misrepresenting pertinent facts or insurance policy  
 18 provisions relating to coverages at issue;
- 19 c. Failing to acknowledge and act promptly upon  
 20 communications with respect to claims;
- 21 d. Denying claims without conducting reasonable  
 22 investigations based upon available information;
- 23 e. Failing to affirm or deny full or partial coverage  
 24 of claims, and, as to partial coverage, the dollar amount or  
 25 extent of coverage, or failing to provide a written statement  
 26 that the claim is being investigated, upon the written request  
 27 of the insured within 30 days after proof-of-loss statements  
 28 have been completed;
- 29 f. Failing to promptly provide a reasonable  
 30 explanation in writing to the insured of the basis in the  
 31 insurance policy, in relation to the facts or applicable law,

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1 for denial of a claim or for the offer of a compromise  
2 settlement;

3 g. Failing to promptly notify the insured of any  
4 additional information necessary for the processing of a  
5 claim; or

6 h. Failing to clearly explain the nature of the  
7 requested information and the reasons why such information is  
8 necessary.

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10 (Redesignate subsequent sections.)

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

14 And the title is amended as follows:

15 On page 1, line 10, following the semicolon

16

17 insert:

18 amending s. 626.9541, F.S.; providing  
19 additional unfair claim settlement practices;

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