

Bill No. HB 7077, 2nd Eng.

Barcode 790212

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

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Senators Atwater and Deutch moved the following amendment:

Senate Amendment (with title amendment)

Between lines 2181 and 2182,

insert:

Section 20. 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), where 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 an undisputed amount of partial or
10 full benefits under a first-party property insurance policy
11 within 30 days after determining the amount of partial or full
12 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 | Line 68, after the first semicolon,

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17 | insert:

18 | amending s. 626.9541, F.S.; including
19 | additional violations and actions in the
20 | definition of unfair claim settlement
21 | practices;

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