

Amendment No.

CHAMBER ACTION

Senate

House

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1 Representative Jenne offered the following:

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3 **Amendment to Amendment (559146) (with title amendment)**

4 Between lines 588 and 589, insert:

5 Section 13. Paragraph (i) of subsection (1) of section
6 626.9541, Florida Statutes, is amended to read:

7 626.9541 Unfair methods of competition and unfair or
8 deceptive acts or practices defined.—

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

12 (i) Unfair claim settlement practices.—

13 1. Attempting to settle claims on the basis of an
14 application, when serving as a binder or intended to become a
15 part of the policy, or any other material document which was

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16 altered without notice to, or knowledge or consent of, the
17 insured;

18 2. A material misrepresentation made to an insured or any
19 other person having an interest in the proceeds payable under
20 such contract or policy, for the purpose and with the intent of
21 effecting settlement of such claims, loss, or damage under such
22 contract or policy on less favorable terms than those provided
23 in, and contemplated by, such contract or policy; or

24 3. Committing or performing with such frequency as to
25 indicate a general business practice any of the following:

26 a. Failing to adopt and implement standards for the proper
27 investigation and adjustment of claims;

28 b. Misrepresenting pertinent facts or insurance policy
29 provisions relating to coverages at issue;

30 c. Failing to acknowledge and act promptly upon
31 communications with respect to claims;

32 d. Denying claims without conducting reasonable
33 investigations based upon available information;

34 e. Failing to affirm or deny full or partial coverage of
35 claims, and, as to partial coverage, the dollar amount or extent
36 of coverage, or failing to provide a written statement that the
37 claim is being investigated, upon the written request of the
38 insured within 30 days after proof-of-loss statements have been
39 completed;

40 f. Failing to promptly provide a reasonable explanation in
41 writing to the insured of the basis in the insurance policy, in
42 relation to the facts or applicable law, for denial of a claim
43 or for the offer of a compromise settlement;

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44 g. Failing to promptly notify the insured of any
45 additional information necessary for the processing of a claim;
46 or

47 h. Failing to clearly explain the nature of the requested
48 information and the reasons why such information is necessary.

49 4. Failing to pay undisputed amounts of partial or full
50 benefits owed under first-party property insurance policies
51 within 90 days after an insurer receives notice of a residential
52 property insurance claim, determines the amounts of partial or
53 full benefits, and agrees to coverage, unless payment of the
54 undisputed benefits is prevented by an act of God, prevented by
55 the impossibility of performance, or due to actions by the
56 insured or claimant that constitute fraud, lack of cooperation,
57 or intentional misrepresentation regarding the claim for which
58 benefits are owed.

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

62 Remove line 2708 and insert:
63 claim"; providing applicability; amending s. 626.9541,
64 F.S.; providing that it is an unfair claim settlement
65 practice for an insurer to fail to adopt and implement
66 standards for the proper adjustment of claims with such
67 frequency as to indicate a general business practice;
68 amending s. 627.0613,