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LEGISLATIVE ACTION

Senate

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House

The Committee on Judiciary (Ring) recommended the following:

1 **Senate Amendment to Amendment (142260) (with title**
2 **amendment)**

3
4 Between lines 66 and 67

5 insert:

6 Section 3. Paragraph (a) of subsection (1) and paragraph
7 (a) of subsection (5) of section 627.70131, Florida Statutes,
8 are amended to read:

9 627.70131 Insurer's duty to acknowledge communications
10 regarding claims; investigation.—

11 (1)(a) Upon an insurer's receiving a communication with



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12 respect to a claim, the insurer shall, within 7 ~~14~~ calendar
13 days, review and acknowledge receipt of such communication
14 unless payment is made within that period of time or unless the
15 failure to acknowledge is caused by factors beyond the control
16 of the insurer which reasonably prevent such acknowledgment. If
17 the acknowledgment is not in writing, a notification indicating
18 acknowledgment shall be made in the insurer's claim file and
19 dated. A communication made to or by an agent of an insurer with
20 respect to a claim shall constitute communication to or by the
21 insurer. If a residential property insurer receives a
22 communication in writing from a third party identified in s.
23 627.422(2) with respect to the claim requesting that the insurer
24 acknowledge the existence of a policy of insurance on the
25 property, the insurer must respond to the communication within 7
26 days after the request. If the insurer's acknowledgment is not
27 in writing, a notification indicating acknowledgment must be
28 made in the insurer's claim file and dated.

29 (5) (a) Within 45 ~~90~~ days after an insurer receives notice
30 of an initial, reopened, or supplemental property insurance
31 claim from a policyholder, the insurer shall pay or deny such
32 claim or a portion of the claim unless the failure to pay is
33 caused by factors beyond the control of the insurer which
34 reasonably prevent such payment. Any payment of an initial or
35 supplemental claim or portion of such claim made 45 ~~90~~ days
36 after the insurer receives notice of the claim, or made more
37 than 15 days after there are no longer factors beyond the
38 control of the insurer which reasonably prevented such payment,
39 whichever is later, bears interest at the rate set forth in s.
40 55.03. Interest begins to accrue from the date the insurer



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41 receives notice of the claim. The provisions of this subsection
42 may not be waived, voided, or nullified by the terms of the
43 insurance policy. If there is a right to prejudgment interest,
44 the insured shall select whether to receive prejudgment interest
45 or interest under this subsection. Interest is payable when the
46 claim or portion of the claim is paid. Failure to comply with
47 this subsection constitutes a violation of this code. However,
48 failure to comply with this subsection does not form the sole
49 basis for a private cause of action.

50 Section 4. Section 627.7142, Florida Statutes, is amended
51 to read:

52 627.7142 Homeowner Claims Bill of Rights.—An insurer
53 issuing a personal lines residential property insurance policy
54 in this state must provide a Homeowner Claims Bill of Rights to
55 a policyholder within 7 ~~14~~ days after receiving an initial
56 communication with respect to a claim, unless the claim follows
57 an event that is the subject of a declaration of a state of
58 emergency by the Governor. The purpose of the bill of rights is
59 to summarize, in simple, nontechnical terms, existing Florida
60 law regarding the rights of a personal lines residential
61 property insurance policyholder who files a claim of loss. The
62 Homeowner Claims Bill of Rights is specific to the claims
63 process and does not represent all of a policyholder's rights
64 under Florida law regarding the insurance policy. The Homeowner
65 Claims Bill of Rights does not create a civil cause of action by
66 any individual policyholder or class of policyholders against an
67 insurer or insurers. The failure of an insurer to properly
68 deliver the Homeowner Claims Bill of Rights is subject to
69 administrative enforcement by the office but is not admissible



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70 as evidence in a civil action against an insurer. The Homeowner
71 Claims Bill of Rights does not enlarge, modify, or contravene
72 statutory requirements, including, but not limited to, ss.
73 626.854, 626.9541, 627.70131, 627.7015, and 627.7074, and does
74 not prohibit an insurer from exercising its right to repair
75 damaged property in compliance with the terms of an applicable
76 policy or ss. 627.7011(5)(e) and 627.702(7). The Homeowner
77 Claims Bill of Rights must state:

78
79 HOMEOWNER CLAIMS

80 BILL OF RIGHTS

81 This Bill of Rights is specific to the claims process
82 and does not represent all of your rights under
83 Florida law regarding your policy. There are also
84 exceptions to the stated timelines when conditions are
85 beyond your insurance company's control. This document
86 does not create a civil cause of action by an
87 individual policyholder, or a class of policyholders,
88 against an insurer or insurers and does not prohibit
89 an insurer from exercising its right to repair damaged
90 property in compliance with the terms of an applicable
91 policy.

92
93 YOU HAVE THE RIGHT TO:

94 1. Receive from your insurance company an
95 acknowledgment of your reported claim within 7 ~~14~~ days
96 after the time you communicated the claim.

97 2. Upon written request, receive from your
98 insurance company within 15 ~~30~~ days after you have



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99 submitted a complete proof-of-loss statement to your
100 insurance company, confirmation that your claim is
101 covered in full, partially covered, or denied, or
102 receive a written statement that your claim is being
103 investigated.

104 3. Within 45 ~~90~~ days, subject to any dual
105 interest noted in the policy, receive full settlement
106 payment for your claim or payment of the undisputed
107 portion of your claim, or your insurance company's
108 denial of your claim.

109 4. Free mediation of your disputed claim by the
110 Florida Department of Financial Services, Division of
111 Consumer Services, under most circumstances and
112 subject to certain restrictions.

113 5. Neutral evaluation of your disputed claim, if
114 your claim is for damage caused by a sinkhole and is
115 covered by your policy.

116 6. Contact the Florida Department of Financial
117 Services, Division of Consumer Services' toll-free
118 helpline for assistance with any insurance claim or
119 questions pertaining to the handling of your claim.
120 You can reach the Helpline by phone at...(toll-free
121 phone number)..., or you can seek assistance online at
122 the Florida Department of Financial Services, Division
123 of Consumer Services' website at...(website
124 address)....

125

126 YOU ARE ADVISED TO:

127 1. Contact your insurance company before entering



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128 into any contract for repairs to confirm any managed
129 repair policy provisions or optional preferred
130 vendors.

131 2. Make and document emergency repairs that are
132 necessary to prevent further damage. Keep the damaged
133 property, if feasible, keep all receipts, and take
134 photographs of damage before and after any repairs.

135 3. Carefully read any contract that requires you
136 to pay out-of-pocket expenses or a fee that is based
137 on a percentage of the insurance proceeds that you
138 will receive for repairing or replacing your property.

139 4. Confirm that the contractor you choose is
140 licensed to do business in Florida. You can verify a
141 contractor's license and check to see if there are any
142 complaints against him or her by calling the Florida
143 Department of Business and Professional Regulation.
144 You should also ask the contractor for references from
145 previous work.

146 5. Require all contractors to provide proof of
147 insurance before beginning repairs.

148 6. Take precautions if the damage requires you to
149 leave your home, including securing your property and
150 turning off your gas, water, and electricity, and
151 contacting your insurance company and provide a phone
152 number where you can be reached.

153
154 ===== T I T L E A M E N D M E N T =====

155 And the title is amended as follows:

156 Delete line 84



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157 and insert:
158 void; amending s. 627.70131, F.S.; revising timeframes
159 and other requirements for residential property
160 insurers in responding to certain communications
161 relating to claims; revising the timeframes in which
162 residential property insurers must pay or deny certain
163 claims; amending s. 627.7142, F.S.; revising the
164 timeframe in which certain information must be
165 provided by a personal lines residential property
166 insurer in response to certain communications relating
167 to a claim; revising the timeframes applicable to
168 certain rights specified in the Homeowner Claims Bill
169 of Rights; providing an effective date.