



161206

LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
02/16/2016	.	
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The Committee on Banking and Insurance (Margolis) recommended the following:

Senate Amendment (with title amendment)

Delete lines 56 - 70

and insert:

Section 2. Section 627.716, Florida Statutes, is created to read:

627.716 Prohibited practices related to repair, mitigation, and restoration services; penalties.—

(1) A person or entity may not directly or indirectly offer, deliver, receive, or accept any compensation, inducement,



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11 or reward greater than \$25 for the referral of any business for
12 the repair, mitigation, or restoration of property for which
13 property insurance proceeds are payable.

14 (2) An entity or person, including a contractor licensed
15 under part I of chapter 489 or a subcontractor to the
16 contractor, that provides emergency remediation or restoration
17 services for an insured under a property insurance policy in
18 this state must:

19 (a) Provide an insured with a scope of services and
20 materials to be provided for repairs undertaken pursuant to a
21 property insurance claim before the agreement authorizing such
22 repairs is executed.

23 (b) Notify the insured in writing that any assignment
24 accepted by the person or entity is limited to the scope of the
25 work indicated therein; that the insured may have other claims
26 under their homeowner's insurance policy that are not covered by
27 this assignment; and that the insured may wish to contact a
28 public adjuster or attorney to evaluate other claims and
29 coverages. Nothing in this section prohibits the use of post-
30 loss, partial assignments in homeowner's insurance claims.

31 (3) The department may, in a proceeding initiated pursuant
32 to chapter 120, seek a cease and desist order, and if a cease
33 and desist order is violated, impose an administrative fine of
34 not more than \$10,000 per violation against any person found in
35 the proceeding to have violated this section. Any cease and
36 desist order or administrative fine levied by the department
37 under this subsection may be enforced by the department by
38 appropriate proceedings in the circuit court of the county in
39 which the person resides. The department may recommend to the



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40 appropriate licensing agency or board that disciplinary action
41 be taken against persons licensed by other agencies or boards.

42
43 ===== T I T L E A M E N D M E N T =====

44 And the title is amended as follows:

45 Delete lines 6 - 12

46 and insert:

47 627.716, F.S.; prohibiting a person or entity from
48 certain actions relating to the referral of certain
49 business related to certain repair, mitigation, and
50 restoration services; specifying requirements for an
51 entity or person that provides certain emergency
52 remediation or restoration services; authorizing the
53 Department of Financial Services to seek a cease and
54 desist order and administrative fines for certain
55 violations; authorizing the department to enforce such
56 penalties in a specified circuit court; authorizing
57 the department to recommend disciplinary action to
58 other licensing agencies or boards; providing an
59 effective date.