

Amendment No. a4

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED \_\_\_\_\_ (Y/N)  
 ADOPTED AS AMENDED \_\_\_\_\_ (Y/N)  
 ADOPTED W/O OBJECTION \_\_\_\_\_ (Y/N)  
 FAILED TO ADOPT \_\_\_\_\_ (Y/N)  
 WITHDRAWN \_\_\_\_\_ (Y/N)  
 OTHER \_\_\_\_\_

1 Committee/Subcommittee hearing bill: Regulatory Affairs  
 2 Committee

3 Representative Rouson offered the following:

4  
 5 **Amendment to Amendment (294587) by Representative Artiles**

6 Remove lines 824-891 of the amendment and insert:

7 (1) FEES AND EXPENSES.-

8 (a) The fees charged by an umpire must be reasonable and  
 9 consistent with the nature of the case.

10 (b) In determining fees, an umpire:

11 1. Must charge on an hourly basis and may bill only for  
 12 actual time spent on or allocated for the appraisal.

13 2. May not charge, agree to, or accept as compensation or  
 14 reimbursement any payment, commission, or fee that is based on a  
 15 percentage of the value of the claim or that is contingent upon  
 16 a specified outcome.

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17 3. May charge for costs actually incurred, and no other  
18 costs.

19 (c) The appraisers may assign the duty to pay the umpire's  
20 fee to, and the umpire is entitled to receive payment directly  
21 from, the insurer and the insured if the insurer and the insured  
22 have acknowledged and accepted the duty and agreed in writing to  
23 be responsible for payment.

24 (2) MAINTENANCE OF RECORDS.—An umpire shall maintain  
25 records necessary to support charges for services and expenses,  
26 and, upon request, shall provide an accounting of all applicable  
27 charges to the insurer and insured. An umpire shall retain  
28 original or true copies of any contracts engaging his or her  
29 services, appraisal reports, and supporting data assembled and  
30 formulated by the umpire in preparing appraisal reports for at  
31 least 5 years. The umpire shall make the records available to  
32 the department for inspection and copying within 7 business days  
33 of a request. If an appraisal has been the subject of, or has  
34 been admitted as evidence in, a lawsuit, reports and records  
35 related to the appraisal must be retained for at least 2 years  
36 after the date that the trial ends.

37 (3) ADVERTISING.—An umpire may not engage in marketing  
38 practices that contain false or misleading information. An  
39 umpire shall ensure that any advertisement of his or her  
40 qualifications, services to be rendered, or the appraisal  
41 process are accurate and honest. An umpire may not make claims

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42 of achieving specific outcomes or promises implying favoritism  
43 for the purpose of obtaining business.

44 (4) INTEGRITY AND IMPARTIALITY.—

45 (a)1. An umpire may not accept an appraisal unless he or  
46 she can serve competently, promptly commence the appraisal and,  
47 thereafter, devote the time and attention to its completion in  
48 the manner expected by all persons involved in the appraisal.

49 2. An umpire shall conduct the appraisal process in a  
50 manner that advances the fair and efficient resolution of issues  
51 that arise.

52 3. An umpire shall deliberate and decide all issues within  
53 the scope of the appraisal, but may not render a decision on any  
54 other issues. An umpire shall decide all matters justly,  
55 exercising independent judgment. An umpire may not delegate his  
56 or her duties to any other person. An umpire who considers the  
57 opinion of an independent expert does not violate this  
58 paragraph.

59 (b) An umpire may not engage in any business, provide any  
60 service, or perform any act that would compromise his or her  
61 integrity or impartiality.

62 (5) SKILL AND EXPERIENCE.—An umpire shall decline or  
63 withdraw from an appraisal or request appropriate assistance  
64 when the facts and circumstances of the appraisal prove to be  
65 beyond his or her skill or experience.

66 (6) GIFTS AND SOLICITATION.— An umpire or any individual