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LEGISLATIVE ACTION

Senate

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House

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Floor: WD/3R

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Senator Farmer moved the following:

**Senate Amendment (with title amendment)**

Delete everything after the enacting clause  
and insert:

Section 1. Subsection (2) of section 177.041, Florida  
Statutes, is amended to read:

177.041 Boundary survey and title certification required.-  
Every plat or replat of a subdivision submitted to the approving  
agency of the local governing body must be accompanied by:

(2) A title opinion of an attorney at law licensed in  
Florida or a property information report ~~certification by an~~



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12 ~~abstractor or a title company~~ showing that record title to the  
13 land as described and shown on the plat is in the name of the  
14 person, persons, corporation, or entity executing the  
15 dedication. The title opinion or property information report  
16 ~~must certification shall~~ also show all mortgages not satisfied  
17 or released of record nor otherwise terminated by law.

18 Section 2. Subsection (16) of section 177.091, Florida  
19 Statutes, is amended to read:

20 177.091 Plats made for recording.—Every plat of a  
21 subdivision offered for recording shall conform to the  
22 following:

23 (16) Location and width of proposed easements and existing  
24 easements identified in the title opinion or property  
25 information report certification required by s. 177.041(2) must  
26 ~~shall~~ be shown on the plat or in the notes or legend, and their  
27 intended use shall be clearly stated. Where easements are not  
28 coincident with property lines, they must be labeled with  
29 bearings and distances and tied to the principal lot, tract, or  
30 right-of-way.

31 Section 3. Paragraph (a) of subsection (5) of section  
32 197.502, Florida Statutes, is amended to read:

33 197.502 Application for obtaining tax deed by holder of tax  
34 sale certificate; fees.—

35 (5) (a) The tax collector may contract with a title company  
36 or an abstract company to provide the minimum information  
37 required in subsection (4), consistent with rules adopted by the  
38 department. If additional information is required, the tax  
39 collector must make a written request to the title or abstract  
40 company stating the additional requirements. The tax collector



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41 may select any title or abstract company, regardless of its  
42 location, as long as the fee is reasonable, the minimum  
43 information is submitted, and the title or abstract company is  
44 authorized to do business in this state. The tax collector may  
45 advertise and accept bids for the title or abstract company if  
46 he or she considers it appropriate to do so.

47 1. The property information ~~ownership and encumbrance~~  
48 report must include the letterhead of the person, firm, or  
49 company that makes the search, and the signature of the  
50 individual who makes the search or of an officer of the firm.  
51 The tax collector is not liable for payment to the firm unless  
52 these requirements are met. The report may be submitted to the  
53 tax collector in an electronic format.

54 2. The tax collector may not accept or pay for any title  
55 search or abstract if financial responsibility is not assumed  
56 for the search. However, reasonable restrictions as to the  
57 liability or responsibility of the title or abstract company are  
58 acceptable. Notwithstanding s. 627.7843(3), the tax collector  
59 may contract for higher maximum liability limits.

60 3. In order to establish uniform prices for property  
61 information ~~ownership and encumbrance~~ reports within the county,  
62 the tax collector must ensure that the contract for property  
63 information ~~ownership and encumbrance~~ reports include all  
64 requests for title searches or abstracts for a given period of  
65 time.

66 Section 4. Paragraph (b) of subsection (6) of section  
67 215.555, Florida Statutes, is amended to read:

68 215.555 Florida Hurricane Catastrophe Fund.—

69 (6) REVENUE BONDS.—



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70 (b) *Emergency assessments.*—

71 1. If the board determines that the amount of revenue  
72 produced under subsection (5) is insufficient to fund the  
73 obligations, costs, and expenses of the fund and the  
74 corporation, including repayment of revenue bonds and that  
75 portion of the debt service coverage not met by reimbursement  
76 premiums, the board shall direct the Office of Insurance  
77 Regulation to levy, by order, an emergency assessment on direct  
78 premiums for all property and casualty lines of business in this  
79 state, including property and casualty business of surplus lines  
80 insurers regulated under part VIII of chapter 626, but not  
81 including any workers' compensation premiums or medical  
82 malpractice premiums. As used in this subsection, the term  
83 "property and casualty business" includes all lines of business  
84 identified on Form 2, Exhibit of Premiums and Losses, in the  
85 annual statement required of authorized insurers by s. 624.424  
86 and any rule adopted under this section, except for those lines  
87 identified as accident and health insurance and except for  
88 policies written under the National Flood Insurance Program. The  
89 assessment shall be specified as a percentage of direct written  
90 premium and is subject to annual adjustments by the board in  
91 order to meet debt obligations. The same percentage applies to  
92 all policies in lines of business subject to the assessment  
93 issued or renewed during the 12-month period beginning on the  
94 effective date of the assessment.

95 2. A premium is not subject to an annual assessment under  
96 this paragraph in excess of 6 percent of premium with respect to  
97 obligations arising out of losses attributable to any one  
98 contract year, and a premium is not subject to an aggregate



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99 annual assessment under this paragraph in excess of 10 percent  
100 of premium. An annual assessment under this paragraph continues  
101 as long as the revenue bonds issued with respect to which the  
102 assessment was imposed are outstanding, including any bonds the  
103 proceeds of which were used to refund the revenue bonds, unless  
104 adequate provision has been made for the payment of the bonds  
105 under the documents authorizing issuance of the bonds.

106 3. Emergency assessments shall be collected from  
107 policyholders. Emergency assessments shall be remitted by  
108 insurers as a percentage of direct written premium for the  
109 preceding calendar quarter as specified in the order from the  
110 Office of Insurance Regulation. The office shall verify the  
111 accurate and timely collection and remittance of emergency  
112 assessments and shall report the information to the board in a  
113 form and at a time specified by the board. Each insurer  
114 collecting assessments shall provide the information with  
115 respect to premiums and collections as may be required by the  
116 office to enable the office to monitor and verify compliance  
117 with this paragraph.

118 4. With respect to assessments of surplus lines premiums,  
119 each surplus lines agent shall collect the assessment at the  
120 same time as the agent collects the surplus lines tax required  
121 by s. 626.932, and the surplus lines agent shall remit the  
122 assessment to the Florida Surplus Lines Service Office created  
123 by s. 626.921 at the same time as the agent remits the surplus  
124 lines tax to the Florida Surplus Lines Service Office. The  
125 emergency assessment on each insured procuring coverage and  
126 filing under s. 626.938 shall be remitted by the insured to the  
127 Florida Surplus Lines Service Office at the time the insured



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128 pays the surplus lines tax to the Florida Surplus Lines Service  
129 Office. The Florida Surplus Lines Service Office shall remit the  
130 collected assessments to the fund or corporation as provided in  
131 the order levied by the Office of Insurance Regulation. The  
132 Florida Surplus Lines Service Office shall verify the proper  
133 application of such emergency assessments and shall assist the  
134 board in ensuring the accurate and timely collection and  
135 remittance of assessments as required by the board. The Florida  
136 Surplus Lines Service Office shall annually calculate the  
137 aggregate written premium on property and casualty business,  
138 other than workers' compensation and medical malpractice,  
139 procured through surplus lines agents and insureds procuring  
140 coverage and filing under s. 626.938 and shall report the  
141 information to the board in a form and at a time specified by  
142 the board.

143         5. Any assessment authority not used for a particular  
144 contract year may be used for a subsequent contract year. If,  
145 for a subsequent contract year, the board determines that the  
146 amount of revenue produced under subsection (5) is insufficient  
147 to fund the obligations, costs, and expenses of the fund and the  
148 corporation, including repayment of revenue bonds and that  
149 portion of the debt service coverage not met by reimbursement  
150 premiums, the board shall direct the Office of Insurance  
151 Regulation to levy an emergency assessment up to an amount not  
152 exceeding the amount of unused assessment authority from a  
153 previous contract year or years, plus an additional 4 percent  
154 provided that the assessments in the aggregate do not exceed the  
155 limits specified in subparagraph 2.

156         6. The assessments otherwise payable to the corporation



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157 under this paragraph shall be paid to the fund unless the Office  
158 of Insurance Regulation and the Florida Surplus Lines Service  
159 Office received a notice from the corporation and the fund,  
160 which shall be conclusive and upon which they may rely without  
161 further inquiry, that the corporation has issued bonds and the  
162 fund has no agreements in effect with local governments under  
163 paragraph (c). On or after the date of the notice and until the  
164 date the corporation has no bonds outstanding, the fund shall  
165 have no right, title, or interest in or to the assessments,  
166 except as provided in the fund's agreement with the corporation.

167       7. Emergency assessments are not premium and are not  
168 subject to the premium tax, to the surplus lines tax, to any  
169 fees, or to any commissions. An insurer is liable for all  
170 assessments that it collects and must treat the failure of an  
171 insured to pay an assessment as a failure to pay the premium. An  
172 insurer is not liable for uncollectible assessments.

173       8. If an insurer is required to return an unearned premium,  
174 it shall also return any collected assessment attributable to  
175 the unearned premium. A credit adjustment to the collected  
176 assessment may be made by the insurer with regard to future  
177 remittances that are payable to the fund or corporation, but the  
178 insurer is not entitled to a refund.

179       9. If a surplus lines insured or an insured who has  
180 procured coverage and filed under s. 626.938 is entitled to the  
181 return of an unearned premium, the Florida Surplus Lines Service  
182 Office shall provide a credit or refund to the agent or such  
183 insured for the collected assessment attributable to the  
184 unearned premium before remitting the emergency assessment  
185 collected to the fund or corporation.



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186           ~~10. The exemption of medical malpractice insurance premiums~~  
187 ~~from emergency assessments under this paragraph is repealed May~~  
188 ~~31, 2019, and medical malpractice insurance premiums shall be~~  
189 ~~subject to emergency assessments attributable to loss events~~  
190 ~~occurring in the contract years commencing on June 1, 2019.~~

191           Section 5. Subsection (1) of section 624.407, Florida  
192 Statutes, is amended to read:

193           624.407 Surplus required; new insurers.—

194           (1) To receive authority to transact any one kind or  
195 combinations of kinds of insurance, as defined in part V of this  
196 chapter, an insurer applying for its original certificate of  
197 authority in this state shall possess surplus as to  
198 policyholders at least the greater of:

199           (a) For a property and casualty insurer, \$5 million, or  
200 \$2.5 million for any other insurer;

201           (b) For life insurers, 4 percent of the insurer's total  
202 liabilities;

203           (c) For life and health insurers, 4 percent of the  
204 insurer's total liabilities, plus 6 percent of the insurer's  
205 liabilities relative to health insurance;

206           (d) For all insurers other than life insurers and life and  
207 health insurers, 10 percent of the insurer's total liabilities;

208           (e) Notwithstanding paragraph (a) or paragraph (d), for a  
209 domestic insurer that transacts residential property insurance  
210 and is:

211           1. Not a wholly owned subsidiary of an insurer domiciled in  
212 any other state, \$15 million.

213           2. A wholly owned subsidiary of an insurer domiciled in any  
214 other state, \$50 million; ~~or~~





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215 (f) Notwithstanding paragraphs (a), (d), and (e), for a  
216 domestic insurer that only transacts limited sinkhole coverage  
217 insurance for personal lines residential property pursuant to s.  
218 627.7151, \$7.5 million; or

219 (g) Notwithstanding paragraphs (a), (b), and (e), for an  
220 insurer that only transacts residential property insurance in  
221 the form of renter's insurance, tenant's coverage, cooperative  
222 unit owner insurance, or any combination thereof, \$10 million.

223 Section 6. Paragraph (c) of subsection (8) of section  
224 624.424, Florida Statutes, is amended to read:

225 624.424 Annual statement and other information.-

226 (8)

227 (c) The board of directors of an insurer shall hire the  
228 certified public accountant that prepares the audit required by  
229 this subsection and the board shall establish an audit committee  
230 of three or more directors of the insurer or an affiliated  
231 company. The audit committee shall be responsible for discussing  
232 audit findings and interacting with the certified public  
233 accountant with regard to her or his findings. The audit  
234 committee shall be comprised ~~solely~~ of members who are free from  
235 any relationship that, in the opinion of its board of directors,  
236 would interfere with the exercise of independent judgment as a  
237 committee member. The audit committee shall report to the board  
238 any findings of adverse financial conditions or significant  
239 deficiencies in internal controls that have been noted by the  
240 accountant. The insurer may request the office to waive this  
241 requirement of the audit committee membership based upon unusual  
242 hardship to the insurer.

243 Section 7. Subsection (15) of section 625.012, Florida



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244 Statutes, is amended to read:

245       625.012 "Assets" defined.—In any determination of the  
246 financial condition of an insurer, there shall be allowed as  
247 "assets" only such assets as are owned by the insurer and which  
248 consist of:

249       (15) (a) Assessments levied pursuant to s. 631.57(3) (a) and  
250 (e) or s. 631.914 which ~~that~~ are paid before policy surcharges  
251 are collected and result in a receivable for policy surcharges  
252 to be collected in the future. This amount, to the extent it is  
253 likely that it will be realized, meets the definition of an  
254 admissible asset as specified in the National Association of  
255 Insurance Commissioners' Statement of Statutory Accounting  
256 Principles No. 4. The asset shall be established and recorded  
257 separately from the liability regardless of whether it is based  
258 on a retrospective or prospective premium-based assessment. If  
259 an insurer is unable to fully recoup the amount of the  
260 assessment because of a reduction in writings or withdrawal from  
261 the market, the amount recorded as an asset shall be reduced to  
262 the amount reasonably expected to be recouped.

263       (b) Assessments levied as monthly installments pursuant to  
264 s. 631.57(3) (e)3. or s. 631.914 which ~~that~~ are paid after policy  
265 surcharges are collected so that the recognition of assets is  
266 based on actual premium written offset by the obligation to the  
267 Florida Insurance Guaranty Association or the Florida Workers'  
268 Compensation Insurance Guaranty Association, Incorporated.

269       Section 8. Paragraph (e) of subsection (7) of section  
270 627.062, Florida Statutes, is amended, and subsection (11) is  
271 added to that section, to read:

272       627.062 Rate standards.—



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273 (7) The provisions of this subsection apply only to rates  
274 for medical malpractice insurance and control to the extent of  
275 any conflict with other provisions of this section.

276 (e) For medical malpractice rates subject to paragraph  
277 (2) (a), the medical malpractice insurer shall make an annual  
278 base a rate filing in accordance with s. 627.0645 ~~under this~~  
279 ~~section~~, sworn to by at least two executive officers of the  
280 insurer, ~~at least once each calendar year.~~

281 (11) Attorney fees and costs paid by a property insurer  
282 pursuant to s. 627.428 may not be included in the property  
283 insurer's rate base and may not be used to justify a rate  
284 increase or rate change.

285 Section 9. Subsection (1) of section 627.0645, Florida  
286 Statutes, is amended to read:

287 627.0645 Annual filings.—

288 (1) Each rating organization filing rates for, and each  
289 insurer writing, any line of property or casualty insurance to  
290 which this part applies, except:

291 (a) Workers' compensation and employer's liability  
292 insurance;

293 (b) Insurance as defined in ss. 624.604 and 624.605,  
294 limited to coverage of commercial risks other than commercial  
295 residential multiperil and medical malpractice insurance that is  
296 subject to s. 627.062(2) (a) and (f); or

297 (c) Travel insurance, if issued as a master group policy  
298 with a situs in another state where each certificateholder pays  
299 less than \$30 in premium for each covered trip and where the  
300 insurer has written less than \$1 million in annual written  
301 premiums in the travel insurance product in this state during



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302 the most recent calendar year,

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304 shall make an annual base rate filing for each such line with  
305 the office no later than 12 months after its previous base rate  
306 filing, demonstrating that its rates are not inadequate.

307 Section 10. Section 627.4035, Florida Statutes, is amended  
308 to read:

309 627.4035 ~~Cash~~ Payment of premiums; claims.—

310 (1) (a) The premiums for insurance contracts issued in this  
311 state or covering risk located in this state must ~~shall~~ be paid  
312 in cash consisting of coins, currency, checks, electronic  
313 checks, drafts, or money orders or by using a debit card, credit  
314 card, automatic electronic funds transfer, or payroll deduction  
315 plan. ~~By July 1, 2007,~~ Insurers issuing personal lines  
316 residential and commercial property policies shall provide a  
317 premium payment plan option to their policyholders which allows  
318 for a minimum of quarterly and semiannual payment of premiums.  
319 Insurers may, but are not required to, offer monthly payment  
320 plans. Insurers issuing such policies must submit their premium  
321 payment plan option to the office for approval before use.

322 (b) If, due to insufficient funds, a payment of premium  
323 under this subsection by debit card, credit card, electronic  
324 funds transfer, or electronic check is returned, is declined, or  
325 cannot be processed, the insurer may impose an insufficient  
326 funds fee of up to \$15 per occurrence pursuant to the policy  
327 terms. However, the insurer may not charge the policyholder an  
328 insufficient funds fee if the failure in payment resulted from  
329 fraud or misuse on the policyholder's account from which the  
330 payment was made and such fraud or misuse was not attributed to



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331 the policyholder.

332 (2) Subsection (1) is not applicable to:

333 (a) Reinsurance agreements;

334 (b) Pension plans;

335 (c) Premium loans, whether or not subject to an automatic  
336 provision;

337 (d) Dividends, whether to purchase additional paid-up  
338 insurance or to shorten the dividend payment period;

339 (e) Salary deduction plans;

340 (f) Preauthorized check plans;

341 (g) Waivers of premiums on disability;

342 (h) Nonforfeiture provisions affording benefits under  
343 supplementary contracts; or

344 (i) Such other methods of paying for life insurance as may  
345 be permitted by the commission pursuant to rule or regulation.

346 (3) All payments of claims made in this state under any  
347 contract of insurance shall be paid:

348 (a) In cash consisting of coins, currency, checks, drafts,  
349 or money orders and, if by check or draft, shall be in such form  
350 as will comply with the standards for cash items adopted by the  
351 Federal Reserve System to facilitate the sorting, routing, and  
352 mechanized processing of such items; or

353 (b) If authorized in writing by the recipient or the  
354 recipient's representative, by debit card or any other form of  
355 electronic transfer. Any fees or costs to be charged against the  
356 recipient must be disclosed in writing to the recipient or the  
357 recipient's representative at the time of written authorization.  
358 However, the written authorization requirement may be waived by  
359 the recipient or the recipient's representative if the insurer



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360 verifies the identity of the insured or the insured's recipient  
361 and does not charge a fee for the transaction. If the funds are  
362 misdirected, the insurer remains liable for the payment of the  
363 claim.

364 Section 11. Subsection (5) is added to section 627.421,  
365 Florida Statutes, to read:

366 627.421 Delivery of policy.-

367 (5) An electronically delivered document satisfies any  
368 font, size, color, spacing, or other formatting requirement for  
369 printed documents if the format in the electronically delivered  
370 document has reasonably similar proportions or emphasis of the  
371 characters relative to the rest of the electronic document or is  
372 otherwise displayed in a reasonably conspicuous manner.

373 Section 12. Subsection (9) of section 627.7295, Florida  
374 Statutes, is amended to read:

375 627.7295 Motor vehicle insurance contracts.-

376 ~~(9) (a) In addition to the methods provided in s.~~

377 ~~627.4035(1), premium for motor vehicle insurance contracts~~  
378 ~~issued in this state or covering risk located in this state may~~  
379 ~~be paid in cash in the form of a draft or drafts.~~

380 ~~(b) If, due to insufficient funds, payment of premium under~~  
381 ~~this subsection by debit card, credit card, electronic funds~~  
382 ~~transfer, or electronic check is returned, is declined, or~~  
383 ~~cannot be processed, the insurer may impose an insufficient~~  
384 ~~funds fee of up to \$15 per occurrence pursuant to the policy~~  
385 ~~terms.~~

386 Section 13. Section 627.7843, Florida Statutes, is amended  
387 to read:

388 627.7843 Property information reports ~~Ownership and~~



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389 ~~encumbrance reports.-~~

390 (1) As used in this section, the term "property information  
391 report" means any report that contains the limitations of this  
392 section and discloses documents or information appearing in the  
393 Official Records as described in s. 28.222, in the records of a  
394 county tax collector pertaining to ad valorem real property  
395 taxes and special assessments imposed by a governmental  
396 authority against real property, in the Secretary of State  
397 filing office, or in another governmental filing office  
398 pertaining to real or personal property. A property information  
399 report may be issued by any person, including a Florida-licensed  
400 title insurer, title agent, or title agency ~~"ownership and~~  
401 ~~encumbrance report"~~ means a report that discloses certain  
402 defined documents imparting constructive notice and appearing in  
403 the official records relating to specified real property.

404 (2) A property information ~~An ownership and encumbrance~~  
405 ~~report may not directly or indirectly set forth or imply any~~  
406 ~~opinion, warranty, guarantee, insurance, or other similar~~  
407 ~~assurance and does not constitute title insurance as defined in~~  
408 ~~s. 624.608 as to the status of title to real property.~~

409 (3) The contractual liability of the issuer of a property  
410 information report is limited to the person or persons expressly  
411 identified by name in the property information report as the  
412 recipient or recipients of the property information report and  
413 may not exceed the amount paid for the property information  
414 report. Only contractual remedies are available for an error or  
415 omission that arises from a property information report. A  
416 property information report must contain the following language:

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418 "This report is not title insurance. Pursuant to s. 627.7843,  
419 Florida Statutes, the maximum liability of the issuer of this  
420 property information report for errors or omissions in this  
421 property information report is limited to the amount paid for  
422 this property information report, and is further limited to the  
423 person(s) expressly identified by name in the property  
424 information report as the recipient(s) of the property  
425 information report." ~~Any ownership and encumbrance report or~~  
426 ~~similar report that is relied on or intended to be relied on by~~  
427 ~~a consumer must be on forms approved by the office, and must~~  
428 ~~provide for a maximum liability for incorrect information of not~~  
429 ~~more than \$1,000.~~

430 (4) This section is not applicable to an opinion of title  
431 issued by an attorney.

432 Section 14. Section 627.422, Florida Statutes, is amended  
433 to read:

434 627.422 Assignment of policies or post-loss benefits.-A  
435 policy may be assignable, or not assignable, as provided by its  
436 terms.

437 (1) LIFE OR HEALTH INSURANCE POLICIES.-Subject to its terms  
438 relating to assignability, any life or health insurance policy  
439 under the terms of which the beneficiary may be changed upon the  
440 sole request of the policyowner may be assigned either by pledge  
441 or transfer of title, by an assignment executed by the  
442 policyowner alone and delivered to the insurer, whether or not  
443 the pledgee or assignee is the insurer. Any such assignment  
444 shall entitle the insurer to deal with the assignee as the owner  
445 or pledgee of the policy in accordance with the terms of the  
446 assignment, until the insurer has received at its home office





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447 written notice of termination of the assignment or pledge or  
448 written notice by or on behalf of some other person claiming  
449 some interest in the policy in conflict with the assignment.

450 (2) POST-LOSS BENEFITS UNDER CERTAIN PROPERTY INSURANCE  
451 POLICIES.—A personal lines residential property insurance  
452 policy, a commercial residential property insurance policy, or a  
453 commercial property insurance policy may not prohibit or limit  
454 the post-loss assignment of benefits. This subsection does not  
455 affect the assignment of benefits in other insurance policies.

456 (a) An agreement to assign post-loss benefits under this  
457 subsection is not valid unless the agreement:

458 1. Is in writing between the policyholder and assignee and  
459 is delivered to the insurer as provided in paragraph (c);

460 2. Is limited to claims for work performed or to be  
461 performed by the assignee for damages claimed to be covered;

462 3. Allows the policyholder to unilaterally cancel the  
463 assignment of post-loss benefits without penalty or obligation  
464 within 7 days after the execution of the assignment by an  
465 insured; provided, however, that the policyholder or insurer may  
466 be responsible for payment for work already performed during  
467 such period;

468 4. Contains an accurate and up-to-date statement of the  
469 scope of work to be performed;

470 5. Includes proof that the assignee possesses a valid  
471 certification from an entity that requires water damage  
472 remediation to be performed according to a standard approved by  
473 the American National Standards Institute; and

474 6. Contains the following notice in at least 14-point,  
475 capitalized type:



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476  
477 YOU ARE AUTHORIZING THE ASSIGNEE OF YOUR POLICY TO COMMUNICATE  
478 WITH YOUR INSURANCE COMPANY ON YOUR BEHALF. THIS ASSIGNMENT  
479 GIVES YOUR ASSIGNEE THE PRIMARY AUTHORITY TO NEGOTIATE WITH YOUR  
480 INSURANCE COMPANY ON YOUR BEHALF. PLEASE READ AND UNDERSTAND  
481 THIS DOCUMENT BEFORE SIGNING IT. YOU HAVE THE RIGHT TO CANCEL  
482 THIS AGREEMENT WITHOUT PENALTY OR OBLIGATION WITHIN 7 DAYS AFTER  
483 THE DATE THIS AGREEMENT IS EXECUTED. SHOULD YOU CANCEL THIS  
484 AGREEMENT, YOU OR YOUR INSURER MAY BE RESPONSIBLE FOR ANY WORK  
485 THAT HAS ALREADY BEEN PERFORMED. THIS AGREEMENT DOES NOT CHANGE  
486 YOUR OBLIGATION TO PERFORM THE DUTIES UNDER YOUR PROPERTY  
487 INSURANCE POLICY.

488 (b) An assignee of post-loss benefits under this  
489 subsection:

490 1. Must provide the policyholder with accurate and up-to-  
491 date revised statements of the scope of work to be performed as  
492 supplemental or additional repairs are required, and must  
493 provide to the policyholder and insurer a final invoice and bill  
494 for service rendered within 7 business days after the date on  
495 which the work was completed;

496 2. Must guarantee to the policyholder that the work  
497 performed conforms to current and accepted industry standards;

498 3. May not charge the policyholder more than the applicable  
499 deductible contained in the policy unless the policyholder opts  
500 for additional work or betterment of materials at the  
501 policyholder's own expense;

502 4. May not pay referral fees totaling more than \$250 in  
503 connection with the assignment; and

504 5. May not charge the policyholder directly, except for



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505 additional work not covered under the policy which includes:  
506 a. Work performed that is rightfully denied as not covered;  
507 and  
508 b. Betterments or additional work not part of the loss.  
509 (c) An insurer shall provide on its website and in the  
510 policy its contact information for receiving the agreement that  
511 meets the requirements of paragraph (a). The contact information  
512 must include at least a dedicated facsimile number. After  
513 executing the assignment agreement, the assignee must deliver  
514 the agreement to the insurer within the later of:  
515 1. If a state of emergency was declared under s. 252.36 for  
516 a hurricane or other natural disaster and the property covered  
517 under the policy was damaged as a result of the hurricane or  
518 natural disaster, 7 days after the state of emergency is  
519 terminated; or  
520 2. Seven business days after execution of the agreement.  
521 (d) Notwithstanding s. 627.70131, upon receiving the  
522 agreement in paragraph (a), the insurer must make any initial  
523 inspections of the covered property within the later of:  
524 1. If a state of emergency was declared under s. 252.36 for  
525 a hurricane or other natural disaster and the property covered  
526 under the policy was damaged as a result of the hurricane or  
527 natural disaster, 7 days after the state of emergency is  
528 terminated; or  
529 2. Seven business days after receiving the agreement.  
530 (e) No later than 7 days before an insured or assignee  
531 initiates litigation against an insurer relating to a denied or  
532 limited claim, the insured or assignee must provide the insurer  
533 with notice of intent to initiate such litigation. The notice of



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534 intent must include a copy of the final invoice required under  
535 subparagraph (b)1 for the work that has been performed or an  
536 estimate of the work to be performed. This paragraph does not  
537 increase the time periods prescribed in s. 627.70131.

538 (f) Notwithstanding any other law, in a dispute relating to  
539 the assignment of benefits for a personal lines residential  
540 property insurance policy, commercial residential property  
541 insurance policy, or commercial property insurance policy in  
542 which an assignee but not the named insured is a party, for any  
543 proposal for settlement made to a plaintiff, such proposal shall  
544 be served no earlier than 10 days after the date of commencement  
545 of the action.

546 (g) This section does not apply to:

547 1. An assignment, transfer, or conveyance granted to a  
548 subsequent purchaser of the property with an insurable interest  
549 in the property following a loss;

550 2. A power of attorney under chapter 709 which grants to a  
551 management company, family member, guardian, or similarly  
552 situated person of an insured the authority to act on behalf of  
553 an insured as it relates to a property insurance claim; or

554 3. Liability coverage under a property insurance policy.

555 (3) ANNUAL REPORT.—The office shall require each insurer to  
556 report by March 31, 2019, and each year thereafter, data on each  
557 claim paid in the prior calendar year pursuant to an assignment  
558 agreement. Such data must include, but are not limited to:

559 (a) The number of days between the first notice of loss and  
560 the initial inspection.

561 (b) Loss severity.

562 (c) Allocated loss adjustment expense.



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563       (d) For litigated claims:  
564       1. Any amount paid before litigation, the amount in  
565 dispute, the amount of any proposal for settlement, and the  
566 settlement or judgment amount;  
567       2. The amount of fees paid to the claimant's attorney; and  
568       3. The amount and structure, whether fixed, hourly, or  
569 contingent, of fees paid to the insurer's attorney.  
570  
571 All information the insurer reports under this paragraph must  
572 first be reported to the opposing counsel on the litigated claim  
573 for verification or certification. The opposing counsel on the  
574 litigated claim shall report to the office its agreement or  
575 disagreement with the accuracy of the figures reported.  
576       (e) For nonlitigated claims, the difference between the  
577 insurer's initial offer and the amount paid on the claim.  
578       (f) The time from the first notice of loss until the claim  
579 was closed.  
580       (g) For claims involving water damage, whether the adjuster  
581 possessed certification from an entity that requires water  
582 damage remediation to be performed according to a standard  
583 approved by the American National Standards Institute.  
584       Section 15. The amendments made by this act to s. 627.422,  
585 Florida Statutes, apply to assignment agreements entered into on  
586 or after January 1, 2018.  
587       Section 16. Paragraph (a) of subsection (3) of section  
588 627.7011, Florida Statutes, is amended to read:  
589       627.7011 Homeowners' policies; offer of replacement cost  
590 coverage and law and ordinance coverage.—  
591       (3) In the event of a loss for which a dwelling or personal



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592 property is insured on the basis of replacement costs:

593 (a) For a dwelling:

594 1. The insurer must initially pay at least the actual cash  
595 value of the insured loss, less any applicable deductible. The  
596 insurer shall pay any remaining amounts necessary to perform  
597 such repairs as work is performed and expenses are incurred. If  
598 a total loss of a dwelling occurs, the insurer shall pay the  
599 replacement cost coverage without reservation or holdback of any  
600 depreciation in value, pursuant to s. 627.702.

601 2. The insurer may not require that a particular vendor  
602 make repairs to such dwelling.

603 3. The insurer may not, unless expressly requested by the  
604 insured, recommend or suggest a particular vendor for repairs to  
605 be made to such dwelling.

606 Section 17. This act shall take effect upon becoming a law.

607  
608 ===== T I T L E A M E N D M E N T =====

609 And the title is amended as follows:

610 Delete everything before the enacting clause  
611 and insert:

612 A bill to be entitled  
613 An act relating to insurance; amending s. 177.041,  
614 F.S.; providing that a specified property information  
615 report, rather than a specified certification by an  
616 abstractor or a title company, may be submitted as  
617 part of certain information required in relation to  
618 the plat or replat of a subdivision; amending ss.  
619 177.091 and 197.502, F.S.; conforming provisions to  
620 changes made by the act; amending s. 215.555, F.S.;



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621 deleting a future repeal of an exemption of medical  
622 malpractice insurance premiums from certain emergency  
623 assessments by the State Board of Administration  
624 relating to the Florida Hurricane Catastrophe Fund;  
625 amending s. 624.407, F.S.; specifying the minimum  
626 surplus as to policyholders for insurers that only  
627 transact in specified forms of residential property  
628 insurance; amending s. 624.424, F.S.; revising a  
629 requirement for audit committees established by the  
630 boards of directors of insurers, relating to  
631 relationships that would interfere with the exercise  
632 of independent judgment of committee members; amending  
633 s. 625.012, F.S.; revising the allowable assets of  
634 insurers relating to specified levied assessments;  
635 amending s. 627.062, F.S.; revising requirements for  
636 certain rate filings by medical malpractice insurers;  
637 providing that certain attorney fees and costs paid by  
638 property insurers may not be included such insurers'  
639 rate base and may not be used to justify a rate  
640 increase or rate change; amending s. 627.0645, F.S.;  
641 adding certain medical malpractice insurance to  
642 casualty insurance excluded from an annual base rate  
643 filing requirement for rating organizations; amending  
644 s. 627.4035, F.S.; revising the methods of paying  
645 premiums for insurance contracts; authorizing an  
646 insurer to impose a specified insufficient funds fee  
647 if certain premium payment methods are returned, are  
648 declined, or cannot be processed; providing an  
649 exception; amending s. 627.421, F.S.; providing that



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650 an electronically delivered document in an insurance  
651 policy meets formatting requirements for printed  
652 documents under certain conditions; amending s.  
653 627.7295, F.S.; conforming provisions to changes made  
654 by the act; amending s. 627.7843, F.S.; replacing  
655 provisions relating to ownership and encumbrance  
656 reports with provisions relating to property  
657 information reports; defining the term "property  
658 information report"; prohibiting property information  
659 reports from setting forth or implying certain  
660 assurances; providing construction; specifying a  
661 limitation on the contractual liability of issuers of  
662 property information reports; requiring a specified  
663 disclosure in property information reports; providing  
664 applicability; amending s. 627.422, F.S.; prohibiting  
665 certain property insurance policies from prohibiting  
666 or limiting the post-loss assignment of benefits;  
667 providing that an assignment agreement is not valid  
668 unless it meets specified requirements; providing  
669 requirements and limitations for assignees of post-  
670 loss benefits; requiring insurers to provide specified  
671 contact information on their websites and in policies;  
672 requiring assignees to deliver an executed assignment  
673 agreement to insurers within a specified timeframe;  
674 requiring insurers, upon receiving such agreements, to  
675 make any initial inspections of covered property  
676 within specified timeframes; requiring insureds or  
677 assignees to provide a certain prelitigation notice  
678 and invoice to insurers within a specified timeframe;





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679 providing construction; requiring certain settlement  
680 proposals to a plaintiff to be served no earlier than  
681 a specified time; providing applicability; requiring  
682 the Office of Insurance Regulation to require each  
683 insurer to report at specified timeframes certain data  
684 relating to claims paid pursuant to assignment  
685 agreements; requiring insurers to report certain  
686 information to opposing counsel, and requiring the  
687 opposing counsel to verify or certify the information;  
688 providing applicability of the amendments made by the  
689 act; amending s. 627.7011, F.S.; prohibiting specified  
690 acts of insurers relating to homeowners' insurance  
691 policies under certain circumstances; providing an  
692 effective date.