

By Senator Farmer

34-00122-18

2018258\_\_

1                                   A bill to be entitled  
2       An act relating to insurance rates; amending ss.  
3       627.062 and 627.428, F.S.; prohibiting attorney fees  
4       paid pursuant to specified provisions under the  
5       Workers' Compensation Law and the Florida Insurance  
6       Code from being included in an insurer's rate base or  
7       used to justify a rate or rate change; providing an  
8       effective date.

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10   Be It Enacted by the Legislature of the State of Florida:

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12       Section 1. Subsection (11) is added to section 627.062,  
13       Florida Statutes, to read:

14       627.062 Rate standards.—

15       (11) Attorney fees paid pursuant to s. 440.34 or s. 627.428  
16       may not be included in the insurer's rate base and may not be  
17       used to justify a rate or rate change.

18       Section 2. Section 627.428, Florida Statutes, is amended to  
19       read:

20       627.428 Attorney fees ~~Attorney's fee~~.—

21       (1) Upon the rendition of a judgment or decree by any of  
22       the courts of this state against an insurer and in favor of any  
23       named or omnibus insured or the named beneficiary under a policy  
24       or contract executed by the insurer, the trial court or, in the  
25       event of an appeal in which the insured or beneficiary prevails,  
26       the appellate court shall adjudge or decree against the insurer  
27       and in favor of the insured or beneficiary a reasonable sum as  
28       fees or compensation for the insured's or beneficiary's attorney  
29       prosecuting the suit in which the recovery is had.

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30 (2) As to suits based on claims arising under life  
31 insurance policies or annuity contracts, no such attorney fees  
32 ~~attorney's fee~~ shall be allowed if such suit was commenced prior  
33 to expiration of 60 days after proof of the claim was duly filed  
34 with the insurer.

35 (3) When so awarded, compensation or fees of the attorney  
36 shall be included in the judgment or decree rendered in the  
37 case.

38 (4) Attorney fees paid pursuant to this section may not be  
39 included in the insurer's rate base and may not be used to  
40 justify a rate or rate change.

41 Section 3. This act shall take effect July 1, 2018.