



355342

LEGISLATIVE ACTION

Senate	.	House
Comm: OO	.	
03/04/2019	.	
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The Committee on Banking and Insurance (Thurston) recommended the following:

1           **Senate Substitute for Amendment (923034) (with title**  
2 **amendment)**

3  
4           Delete everything after the enacting clause  
5 and insert:

6           Section 1. Section 627.7152, Florida Statutes, is created  
7 to read:

8           627.7152 Assignment of residential homeowner's property  
9 insurance post-loss benefits.—

10           (1) An agreement to assign post-loss benefits of a



355342

11 residential homeowner's property insurance policy is not valid  
12 unless the agreement:

13 (a) Is in writing;

14 (b) Is limited to claims for work performed or work to be  
15 performed by the assignee to protect or repair property from  
16 damage, including, but not limited to, work to stabilize,  
17 protect, repair, or improve such property;

18 (c) Allows the insured to rescind the assignment within 3  
19 days after the execution of the assignment without a penalty or  
20 fee;

21 (d) Contains the following notice in 14-point bold type to  
22 the consumer:

23  
24 "WARNING: IF YOU HAVE RESIDENTIAL HOMEOWNERS PROPERTY  
25 INSURANCE, YOU MAY BE AGREEING TO GIVE UP CERTAIN  
26 RIGHTS YOU HAVE UNDER YOUR INSURANCE POLICY TO A THIRD  
27 PARTY. PLEASE READ AND UNDERSTAND THIS DOCUMENT BEFORE  
28 SIGNING IT. WITH THE EXCEPTION OF PAYMENT FOR WORK  
29 ALREADY PERFORMED BY A SERVICE PROVIDER TO PREVENT  
30 ADDITIONAL DAMAGE FROM OCCURRING TO THE PROPERTY  
31 RESULTING FROM EMERGENCY OR URGENT CIRCUMSTANCES, YOU  
32 HAVE THE RIGHT TO RESIND THIS AGREEMENT WITHOUT  
33 PENTALTY WITHIN 3 BUSINESS DAYS AFTER THE DATE THIS  
34 AGREEMENT IS EXECUTED. IF THE ASSIGNMENT IS RESCINDED,  
35 YOU ARE RESPONSIBLE TO PAY FOR THE WORK DONE UP TO THE  
36 DATE OF THE RESCISSION AND YOU ARE NOT OTHERWISE  
37 RESPONSIBLE TO PAY FOR THE WORK COVERED BY THE  
38 ASSIGNMENT. IF WORK IS BEING PERFORMED AS A RESULT OF  
39 DAMAGES CAUSED BY AN EVENT FOR WHICH THE GOVERNOR HAS



355342

40       DECLARED A STATE OF EMERGENCY AND IS WITHIN 1 YEAR  
41       AFTER SUCH DECLARATION, THE 3 BUSINESS DAY PERIOD TO  
42       RESIND THIS AGREEMENT IS EXTENDED TO 5 BUSINESS DAYS.  
43       THIS AGREEMENT DOES NOT CHANGE YOUR DUTIES UNDER YOUR  
44       PROPERTY INSURANCE POLICY, SUCH AS PROMPTLY NOTIFYING  
45       YOUR INSURANCE COMPANY OF A LOSS AND MITIGATING YOUR  
46       PROPERTY FROM FURTHER DAMAGE.

47  
48       (2) (a) The assignee shall provide a copy of the assignment  
49       agreement to the insurer within 5 days after execution of the  
50       agreement, or within 48 hours after beginning nonemergency work,  
51       whichever is earlier, if the insurer has a facsimile number and  
52       email address on its website designated for the delivery of such  
53       documents. This assignment agreement must be accompanied by a  
54       written estimate of the work to be done, with unit prices  
55       indicated where appropriate, and the basis for calculating lump  
56       sum fees if unit prices are inappropriate. The estimate must be  
57       timely updated if conditions require a change in scope. The  
58       failure to comply with this requirement constitutes a defense to  
59       any payment obligation under the policy or the assignment, if  
60       the insurer can establish prejudice resulting from the failure.

61       (3) Notwithstanding any other law, the acceptance by a  
62       person of any assignment agreement constitutes a waiver by the  
63       assignee or transferee, and any subcontractor of the assignee or  
64       transferee, of any and all claims against all named insureds for  
65       payment arising from the specified loss, except that all named  
66       insureds remain responsible for the payment of any deductible  
67       amount provided for by the terms of the insurance policy and for  
68       the cost of any betterment ordered by all named insureds. This



355342

69 waiver remains in effect notwithstanding any subsequent  
70 determination that the assignment agreement is invalid or  
71 notwithstanding the rescission of the assignment agreement by  
72 all named insureds, except that the assignee is entitled to  
73 payment for the reasonable cost of any contracted work performed  
74 before the assignor rescinded the assignment agreement.

75 Section 2. This act shall take effect July 1, 2019.

76  
77  
78 ===== T I T L E A M E N D M E N T =====

79 And the title is amended as follows:

80 Delete everything before the enacting clause  
81 and insert:

82 A bill to be entitled  
83 An act relating to assignment of residential  
84 homeowners property insurance post-loss benefits;  
85 creating s. 627.7152, F.S.; providing that an  
86 agreement to assign post-loss benefits of a  
87 residential homeowner's property insurance policy is  
88 not valid unless specified conditions are met;  
89 requiring the assignee to provide a copy of the  
90 assignment agreement and a specified written estimate  
91 to the insurer within a specified timeframe; requiring  
92 the estimate to be timely updated if conditions  
93 require a change in scope; providing construction  
94 relating to failure to comply with such requirement;  
95 providing that a person's acceptance of an assignment  
96 agreement constitutes a waiver by the assignee or  
97 transferee, or any subcontractor of the assignee or



355342

98           transferee, of certain claims against named insureds,  
99           except under specified circumstances; providing  
100          construction relating to such waiver; providing an  
101          effective date.