

Amendment No.

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<u> </u>	(Y/N)
ADOPTED AS AMENDED	<u> </u>	(Y/N)
ADOPTED W/O OBJECTION	<u> </u>	(Y/N)
FAILED TO ADOPT	<u> </u>	(Y/N)
WITHDRAWN	<u> </u>	(Y/N)
OTHER	<u> </u>	

1 Committee/Subcommittee hearing bill: Civil Justice Subcommittee
2 Representative Santiago offered the following:

Amendment (with title amendment)

Remove lines 58-162 and insert:

(g) An insured shall not serve a notice required under this section earlier than 180 days after the insurer receives notice of an initial, reopened, or supplemental first party residential property insurance claim from an insured.

Section 2. Subsection (4) of section 626.914, Florida Statutes, is amended to read:

626.914 Definitions.—As used in this Surplus Lines Law, the term:

(4) "Diligent effort" means seeking coverage from and having been rejected by at least three authorized insurers currently writing this type of coverage and documenting these

Amendment No.

17 rejections. However, if the residential structure has a dwelling
18 replacement cost of \$700,000 ~~\$1 million~~ or more, the term means
19 seeking coverage from and having been rejected by at least one
20 authorized insurer currently writing this type of coverage and
21 documenting this rejection.

22 Section 3. Subsection (5) is added to section 626.9541,
23 Florida Statutes, to read:

24 626.9541 Unfair methods of competition and unfair or
25 deceptive acts or practices defined.—

26 (5) LOSS CONTROL AND LOSS MITIGATION.—This section does
27 not prohibit an insurer or agent from offering or giving to an
28 insured, for free or at a discounted price, services or other
29 merchandise, goods, wares, or other items of value that relate
30 to loss control or loss mitigation with respect to the risks
31 covered under the policy.

32 Section 4. Section 627.0655, Florida Statutes, is amended
33 to read:

34 627.0655 Policyholder loss or expense-related premium
35 discounts.—An insurer or person authorized to engage in the
36 business of insurance in this state may include, in the premium
37 charged an insured for any policy, contract, or certificate of
38 insurance, a discount based on the fact that another policy,
39 contract, or certificate of any type has been purchased by the
40 insured from:

Amendment No.

41 (1) The same insurer or insurer group, or another insurer
42 under a joint marketing agreement;

43 (2) The Citizens Property Insurance Corporation created
44 under s. 627.351(6), if the same insurance agent is servicing
45 both policies; ~~or~~

46 (3) An insurer that has removed the policy from the
47 Citizens Property Insurance Corporation or issued a policy
48 pursuant to the clearinghouse program under s. 627.3518, if the
49 same insurance agent is servicing both policies; or

50 (4) An insurer, if the same insurance agent is servicing
51 the policies.

52 Section 5. Section 627.4555, Florida Statutes, is amended
53 to read:

54 627.4555 Secondary notice.—

55 (1) Except as provided in this section, a contract for
56 life insurance issued or issued for delivery in this state on or
57 after October 1, 1997, covering a natural person 64 years of age
58 or older, which has been in force for at least 1 year, may not
59 be lapsed for nonpayment of premium unless, after expiration of
60 the grace period, and at least 21 days before the effective date
61 of any such lapse, the insurer has mailed a notification of the
62 impending lapse in coverage to the policyowner and to a
63 specified secondary addressee if such addressee has been
64 designated in writing by name and address by the policyowner. An
65 insurer issuing a life insurance contract on or after October 1,

Amendment No.

66 1997, shall notify the applicant of the right to designate a
67 secondary addressee at the time of application for the policy,
68 on a form provided by the insurer, and at any time the policy is
69 in force, by submitting a written notice to the insurer
70 containing the name and address of the secondary addressee. For
71 purposes of any life insurance policy that provides a grace
72 period of more than 51 days for nonpayment of premiums, the
73 notice of impending lapse in coverage required by this section
74 must be mailed to the policyowner and the secondary addressee at
75 least 21 days before the expiration of the grace period provided
76 in the policy. This section does not apply to any life insurance
77 contract under which premiums are payable monthly or more
78 frequently and are regularly collected by a licensed agent or
79 are paid by credit card or any preauthorized check processing or
80 automatic debit service of a financial institution.

81 (2) If the policyowner has a life agent of record or any
82 agent of record, the insurer must also notify the agent of the
83 impending lapse in coverage or mail or send electronically a
84 copy of the notification of the impending lapse in coverage
85 under subsection (1) to the agent at least 21 days before the
86 effective date of any such lapse. Receipt of such notice does
87 not make the agent responsible for any lapse in coverage. An
88 insurer is not required to notify the agent under this
89 subsection if any of the following applies:

Amendment No.

90 (a) The insurer maintains an online system that allows an
91 agent to independently determine if a policy has lapsed.

92 (b) The insurer has no record of the current agent of
93 record.

94 (c) The agent is employed by the insurer or an affiliate
95 of the insurer.

96 Section 6. Subsection (2) of section 627.7015, Florida
97 Statutes, is amended to read:

98 627.7015 Alternative procedure for resolution of disputed
99 property insurance claims.—

100 (2) Either at the time a first-party claim within the
101 scope of this section is filed by the policyholder or at the
102 time coverage is applied and payment is determined, the insurer
103 shall notify the policyholder of its right to participate in the
104 mediation program under this section. The department shall
105 prepare a consumer information pamphlet for distribution to
106 persons participating in mediation.

107 Section 7. Section 627.7142, Florida Statutes, is amended
108 to read:

109 627.7142 Homeowner Claims Bill of Rights.—An insurer
110 issuing a personal lines residential property insurance policy
111 in this state must provide a Homeowner Claims Bill of Rights to
112 a policyholder within 14 days after receiving an initial
113 communication with respect to a claim, unless the claim follows
114 an event that is the subject of a declaration of a state of

Amendment No.

115 emergency by the Governor. The purpose of the bill of rights is
116 to summarize, in simple, nontechnical terms, existing Florida
117 law regarding the rights of a personal lines residential
118 property insurance policyholder who files a claim of loss. The
119 Homeowner Claims Bill of Rights is specific to the claims
120 process and does not represent all of a policyholder's rights
121 under Florida law regarding the insurance policy. The Homeowner
122 Claims Bill of Rights does not create a civil cause of action by
123 any individual policyholder or class of policyholders against an
124 insurer or insurers. The failure of an insurer to properly
125 deliver the Homeowner Claims Bill of Rights is subject to
126 administrative enforcement by the office but is not admissible
127 as evidence in a civil action against an insurer. The Homeowner
128 Claims Bill of Rights does not enlarge, modify, or contravene
129 statutory requirements, including, but not limited to, ss.
130 626.854, 626.9541, 627.70131, 627.7015, and 627.7074, and does
131 not prohibit an insurer from exercising its right to repair
132 damaged property in compliance with the terms of an applicable
133 policy or ss. 627.7011(5)(e) and 627.702(7). The Homeowner
134 Claims Bill of Rights must state:

HOMEOWNER CLAIMS

BILL OF RIGHTS

138 This Bill of Rights is specific to the claims process and does
139 not represent all of your rights under Florida law regarding

Amendment No.

140 your policy. There are also exceptions to the stated timelines
141 when conditions are beyond your insurance company's control.
142 This document does not create a civil cause of action by an
143 individual policyholder, or a class of policyholders, against an
144 insurer or insurers and does not prohibit an insurer from
145 exercising its right to repair damaged property in compliance
146 with the terms of an applicable policy.
147

148 YOU HAVE THE RIGHT TO:

- 149 1. Receive from your insurance company an acknowledgment
150 of your reported claim within 14 days after the time you
151 communicated the claim.
- 152 2. Upon written request, receive from your insurance
153 company within 30 days after you have submitted a complete
154 proof-of-loss statement to your insurance company,
155 confirmation that your claim is covered in full, partially
156 covered, or denied, or receive a written statement that
157 your claim is being investigated.
- 158 3. Within 90 days, subject to any dual interest noted in
159 the policy, receive full settlement payment for your claim
160 or payment of the undisputed portion of your claim, or your
161 insurance company's denial of your claim.
- 162 4. Free mediation of your disputed claim by the Florida
163 Department of Financial Services, Division of Consumer

Amendment No.

164 Services, under most circumstances and subject to certain
165 restrictions.

166 5. Neutral evaluation of your disputed claim, if your
167 claim is for damage caused by a sinkhole and is covered by
168 your policy.

169 6. Contact the Florida Department of Financial Services,
170 Division of Consumer Services' toll-free helpline for
171 assistance with any insurance claim or questions pertaining
172 to the handling of your claim. You can reach the Helpline
173 by phone at...(toll-free phone number)..., or you can seek
174 assistance online at the Florida Department of Financial
175 Services, Division of Consumer Services' website
176 at...(website address)....

177 7. Demand appraisal to settle the amount of a disputed
178 loss, if your insurance policy includes the right to
179 appraisal.

180

181 YOU ARE ADVISED TO:

182 1. Contact your insurance company before entering into any
183 contract for repairs to confirm any managed repair policy
184 provisions or optional preferred vendors.

185 2. Make and document emergency repairs that are necessary
186 to prevent further damage. Keep the damaged property, if
187 feasible, keep all receipts, and take photographs of damage
188 before and after any repairs.

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Amendment No.

189 3. Carefully read any contract that requires you to pay
190 out-of-pocket expenses or a fee that is based on a
191 percentage of the insurance proceeds that you will receive
192 for repairing or replacing your property.

193 4. Confirm that the contractor you choose is licensed to
194 do business in Florida. You can verify a contractor's
195 license and check to see if there are any complaints
196 against him or her by calling the Florida Department of
197 Business and Professional Regulation. You should also ask
198 the contractor for references from previous work.

199 5. Require all contractors to provide proof of insurance
200 before beginning repairs.

201 6. Take precautions if the damage requires you to leave
202 your home, including securing your property and turning off
203 your gas, water, and electricity, and contacting your
204 insurance company and provide a phone number where you can
205 be reached.

206 Section 8. This act shall take effect January 1, 2020.

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208

209 **T I T L E A M E N D M E N T**

210 Remove lines 3-20 and insert:

211 F.S.; prohibiting insured from serving a presuit notice earlier
212 than 180 days after insurer's receipt of claim; amending s.
213 626.914, F.S.; revising the definition of the term "diligent

Amendment No.

214 effort," as used in the Surplus Lines Law; amending s. 626.9541,
215 F.S.; providing construction; amending s. 627.0655, F.S.;
216 revising the circumstances under which certain insurance premium
217 discounts are authorized; amending s. 627.4555, F.S.; requiring
218 life insurers that are required to provide a specified notice to
219 policyowners of an impending lapse in coverage to also notify
220 the policyowner's agent of record within a certain timeframe;
221 providing that the agent is not responsible for any lapse in
222 coverage; exempting the insurer from the requirement under
223 certain circumstances; amending s. 627.7015, F.S.; revising the
224 periods of time when property insurers must notify policyholders
225 of certain mediation programs; amending s. 627.7142, F.S.;
226 requiring insurer to notify policyholder of right to demand
227 appraisal; providing an effective date.