

Amendment No.

CHAMBER ACTION

Senate

House

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Representative Rommel offered the following:

Amendment (with title amendment)

Remove lines 102-670 and insert:

litigation as required by paragraph (9) (a).

(g) "Presuit settlement offer" means the offer made by the insurer in its written response to the notice of intent to initiate litigation as required by paragraph (9) (b).

(2) (a) An assignment agreement must:

1. Be in writing and executed by and between the assignor and the assignee.

2. Contain a provision that allows the assignor to rescind the assignment agreement without a penalty or fee by submitting

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14 a written notice of rescission signed by the assignor to the
15 assignee within 14 days after the execution of the agreement, at
16 least 30 days after the date work on the property is scheduled
17 to commence if the assignee has not substantially performed, or
18 at least 30 days after the execution of the agreement if the
19 agreement does not contain a commencement date and the assignee
20 has not begun substantial work on the property.

21 3. Contain a provision requiring the assignee to provide a
22 copy of the executed assignment agreement to the insurer within
23 3 business days after the date on which the assignment agreement
24 is executed or the date on which work begins, whichever is
25 earlier. Delivery of the copy of the assignment agreement to the
26 insurer may be made:

27 a. By personal service, overnight delivery, or electronic
28 transmission, with evidence of delivery in the form of a receipt
29 or other paper or electronic acknowledgement by the insurer; or

30 b. To the location designated for receipt of such
31 agreements as specified in the policy.

32 4. Contain a written, itemized, per-unit cost estimate of
33 the services to be performed by the assignee.

34 5. Relate only to work to be performed by the assignee for
35 services to protect, repair, restore, or replace a dwelling or
36 structure or to mitigate against further damage to such
37 property.

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38 6. Contain the following notice in 18-point uppercase and
39 boldfaced type:

40
41 YOU ARE AGREEING TO GIVE UP CERTAIN RIGHTS YOU HAVE UNDER YOUR
42 INSURANCE POLICY TO A THIRD PARTY, WHICH MAY RESULT IN
43 LITIGATION AGAINST YOUR INSURER. PLEASE READ AND UNDERSTAND THIS
44 DOCUMENT BEFORE SIGNING IT. YOU HAVE THE RIGHT TO CANCEL THIS
45 AGREEMENT WITHOUT PENALTY WITHIN 14 DAYS AFTER THE DATE THIS
46 AGREEMENT IS EXECUTED, AT LEAST 30 DAYS AFTER THE DATE WORK ON
47 THE PROPERTY IS SCHEDULED TO COMMENCE IF THE ASSIGNEE HAS NOT
48 SUBSTANTIALLY PERFORMED, OR AT LEAST 30 DAYS AFTER THE EXECUTION
49 OF THE AGREEMENT IF THE AGREEMENT DOES NOT CONTAIN A
50 COMMENCEMENT DATE AND THE ASSIGNEE HAS NOT BEGUN SUBSTANTIAL
51 WORK ON THE PROPERTY. HOWEVER, YOU ARE OBLIGATED FOR PAYMENT OF
52 ANY CONTRACTED WORK PERFORMED BEFORE THE AGREEMENT IS RESCINDED.
53 THIS AGREEMENT DOES NOT CHANGE YOUR OBLIGATION TO PERFORM THE
54 DUTIES REQUIRED UNDER YOUR PROPERTY INSURANCE POLICY.

55
56 7. Contain a provision requiring the assignee to indemnify
57 and hold harmless the assignor from all liabilities, damages,
58 losses, and costs, including, but not limited to, attorney fees,
59 should the policy subject to the assignment agreement prohibit,
60 in whole or in part, the assignment of benefits.

61 (b) An assignment agreement may not contain:

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62 1. A penalty or fee for rescission under subparagraph
63 (a)2.;

64 2. A check or mortgage processing fee;

65 3. A penalty or fee for cancellation of the agreement; or

66 4. An administrative fee.

67 (c) If an assignor acts under an urgent or emergency
68 circumstance to protect property from damage and executes an
69 assignment agreement to protect, repair, restore, or replace
70 property or to mitigate against further damage to the property,
71 an assignee may not receive an assignment of post-loss benefits
72 under a residential property insurance policy in excess of the
73 greater of \$3,000 or 1 percent of the Coverage A limit under
74 such policy. For purposes of this paragraph, the term "urgent or
75 emergency circumstance" means a situation in which a loss to
76 property, if not addressed immediately, will result in
77 additional damage until measures are completed to prevent such
78 damage.

79 (d) An assignment agreement that does not comply with this
80 subsection is invalid and unenforceable.

81 (3) In a claim arising under an assignment agreement, an
82 assignee has the burden to demonstrate that the insurer is not
83 prejudiced by the assignee's failure to:

84 (a) Maintain records of all services provided under the
85 assignment agreement.

86 (b) Cooperate with the insurer in the claim investigation.

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87 (c) Provide the insurer with requested records and
88 documents related to the services provided, and permit the
89 insurer to make copies of such records and documents.

90 (d) Deliver a copy of the executed assignment agreement to
91 the insurer within 3 business days after executing the
92 assignment agreement or work has begun, whichever is earlier.

93 (4) An assignee:

94 (a) Must provide the assignor with accurate and up-to-date
95 revised estimates of the scope of work to be performed as
96 supplemental or additional repairs are required.

97 (b) Must perform the work in accordance with accepted
98 industry standards.

99 (c) May not seek payment from the assignor exceeding the
100 applicable deductible under the policy unless the assignor has
101 chosen to have additional work performed at the assignor's own
102 expense.

103 (d) Must, as a condition precedent to filing suit under
104 the policy, and, if required by the insurer, submit to
105 examinations under oath and recorded statements conducted by the
106 insurer or the insurer's representative that are reasonably
107 necessary, based on the scope of the work and the complexity of
108 the claim, which examinations and recorded statements must be
109 limited to matters related to the services provided, the cost of
110 the services, and the assignment agreement.

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111 (e) Must, as a condition precedent to filing suit under
112 the policy, and, if required by the insurer, participate in
113 appraisal or other alternative dispute resolution methods in
114 accordance with the terms of the policy.

115 (5) An assignment agreement and this section do not modify
116 or eliminate any term, condition, or defense relating to any
117 managed repair arrangement provided in the policy.

118 (6) An assignment agreement does not transfer or create
119 any authority to adjust, negotiate, or settle any portion of a
120 claim to a person or entity not authorized to adjust, negotiate,
121 or settle a claim on behalf of an assignor or a claimant under
122 part VI of chapter 626.

123 (7) (a) Notwithstanding any other provision of law, and
124 except as provided in paragraph (b), acceptance by an assignee
125 of an assignment agreement is a waiver by the assignee and its
126 subcontractors of claims against a named insured for payments
127 arising from the assignment agreement. The assignee and its
128 subcontractors may not collect or attempt to collect money from
129 an insured, maintain any action at law against an insured, claim
130 a lien on the real property of an insured, or report an insured
131 to a credit agency for payments arising from the assignment
132 agreement. Such waiver remains in effect after the assignment
133 agreement is rescinded by the assignor or after a determination
134 that the assignment agreement is invalid.

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135 (b) A named insured is responsible for the payment of all
136 of the following:

137 1. Any deductible amount due under the policy.

138 2. Any betterment ordered and performed that is approved
139 by the named insured.

140 3. Any contracted work performed before the assignment
141 agreement is rescinded.

142 (8) The assignee shall indemnify and hold harmless the
143 assignor from all liabilities, damages, losses, and costs,
144 including, but not limited to, attorney fees, should the policy
145 subject to the assignment agreement prohibit, in whole or in
146 part, the assignment of benefits.

147 (9) (a) An assignee must provide the named insured,
148 insurer, and the assignor, if not the named insured, with a
149 written notice of intent to initiate litigation before filing
150 suit under the policy. Such notice must be served by certified
151 mail, return receipt requested, or electronic delivery at least
152 10 business days before filing suit, but may not be served
153 before the insurer has made a determination of coverage under s.
154 627.70131. The notice must specify the damages in dispute, the
155 amount claimed, and a presuit settlement demand. Concurrent with
156 the notice, and as a precondition to filing suit, the assignee
157 must provide the named insured, insurer, and the assignor, if
158 not the named insured, a detailed written invoice or estimate of
159 services, including itemized information on equipment,

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160 materials, and supplies; the number of labor hours; and, in the
161 case of work performed, proof that the work has been performed
162 in accordance with accepted industry standards.

163 (b) An insurer must respond in writing to the notice
164 within 10 business days after receiving the notice specified in
165 paragraph (a) by making a presuit settlement offer or requiring
166 the assignee to participate in appraisal or other method of
167 alternative dispute resolution under the policy. An insurer must
168 have a procedure for the prompt investigation, review, and
169 evaluation of the dispute stated in the notice and must
170 investigate each claim contained in the notice in accordance
171 with the Florida Insurance Code.

172 (10) Notwithstanding any other provision of law, in a suit
173 related to an assignment agreement for post-loss claims arising
174 under a residential or commercial property insurance policy,
175 attorney fees and costs may be recovered by an assignee only
176 under s. 57.105 and this subsection.

177 (a) If the difference between the judgment obtained by the
178 assignee and the presuit settlement offer is:

179 1. Less than 25 percent of the disputed amount, the
180 insurer is entitled to an award of reasonable attorney fees.

181 2. At least 25 percent but less than 50 percent of the
182 disputed amount, no party is entitled to an award of attorney
183 fees.

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184 3. At least 50 percent of the disputed amount, the
185 assignee is entitled to an award of reasonable attorney fees.

186 (b) If the insurer fails to inspect the property or
187 provide written or oral authorization for repairs within 7
188 calendar days after the first notice of loss, the insurer waives
189 its right to an award of attorney fees under this subsection. If
190 the failure to inspect the property or provide written or oral
191 authorization for repairs is the result of an event for which
192 the Governor had declared a state of emergency under s. 252.36,
193 factors beyond the control of the insurer which reasonably
194 prevented an inspection or written or oral authorization for
195 repairs, or the named insured's failure or inability to allow an
196 inspection of the property after a request by the insurer, the
197 insurer does not waive its right to an award of attorney fees
198 under this subsection.

199 (c) If an assignee commences an action in any court of
200 this state based upon or including the same claim against the
201 same adverse party that such assignee has previously voluntarily
202 dismissed in a court of this state, the court may order the
203 assignee to pay the attorney fees and costs of the adverse party
204 resulting from the action previously voluntarily dismissed. The
205 court shall stay the proceedings in the subsequent action until
206 the assignee has complied with the order.

207 (11) This section does not apply to:

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208 (a) An assignment, transfer, or conveyance granted to a
209 subsequent purchaser of the property with an insurable interest
210 in the property following a loss;

211 (b) A power of attorney under chapter 709 that grants to a
212 management company, family member, guardian, or similarly
213 situated person of an insured the authority to act on behalf of
214 an insured as it relates to a property insurance claim; or

215 (c) Liability coverage under a property insurance policy.

216 (12) The office shall require each insurer to report by
217 January 30, 2022, and each year thereafter data on each
218 residential and commercial property insurance claim paid in the
219 prior calendar year under an assignment agreement. The Financial
220 Services Commission shall adopt by rule a list of the data
221 required, which must include specific data about claims
222 adjustment and settlement timeframes and trends, grouped by
223 whether litigated or not litigated and by loss adjustment
224 expenses.

225 (13) This section applies to an assignment agreement
226 executed on or after July 1, 2019.

227 Section 2. Section 627.7153, Florida Statutes, is created
228 to read:

229 627.7153 Policies restricting assignment of post-loss
230 benefits under a property insurance policy.-

231 (1) As used in this section, the term "assignment
232 agreement" has the same meaning as provided in s. 627.7152.

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233 (2) An insurer may make available a policy that restricts
234 in whole or in part an insured's right to execute an assignment
235 agreement only if all of the following conditions are met:

236 (a) The insurer makes available to the insured or
237 potential insured at the same time the same coverage under a
238 policy that does not restrict the right to execute an assignment
239 agreement.

240 (b) Each restricted policy is available at a lower cost
241 than the unrestricted policy.

242 (c) The policy prohibiting assignment in whole is
243 available at a lower cost than any policy prohibiting assignment
244 in part.

245 (d) Each restricted policy include on its face the
246 following notice in 18-point uppercase and boldfaced type:

247
248 THIS POLICY DOES NOT ALLOW THE UNRESTRICTED ASSIGNMENT OF POST-
249 LOSS INSURANCE BENEFITS. BY SELECTING THIS POLICY, YOU WAIVE
250 YOUR RIGHT TO FREELY ASSIGN OR TRANSFER THE POST-LOSS PROPERTY
251 INSURANCE BENEFITS AVAILABLE UNDER THIS POLICY TO A THIRD PARTY
252 OR TO OTHERWISE FREELY ENTER INTO AN ASSIGNMENT AGREEMENT AS THE
253 TERM IS DEFINED IN SECTION 627.7152 OF THE FLORIDA STATUTES.

254
255 (3) The insurer shall notify the insured at least annually
256 of the coverage options the insurer makes available under this

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257 section. Such notice must be part of and attached to the notice
258 of premium.

259 (4) A named insured must reject a fully assignable policy
260 in writing or electronically. The rejection of a fully
261 assignable policy shall be made on a form approved by the
262 office. The form must state that the policy restricts the
263 assignment of benefits. The heading of the form shall be in 18-
264 point uppercase and boldfaced type and state:

265
266 YOU ARE ELECTING TO PURCHASE AN INSURANCE POLICY THAT RESTRICTS
267 THE ASSIGNMENT OF BENEFITS UNDER THE POLICY IN WHOLE OR IN PART.
268 PLEASE READ CAREFULLY.

269
270 (5) This section applies to a policy issued or renewed on
271 or after July 1, 2019.

272 Section 3. Section 627.7288, Florida Statutes, is amended
273 to read:

274 627.7288 Comprehensive coverage; ~~deductible not to apply~~
275 ~~to~~ motor vehicle glass.-

276 (1) The deductible provisions of any policy of motor
277 vehicle insurance, delivered or issued in this state by an
278 authorized insurer, providing comprehensive coverage or combined
279 additional coverage ~~do shall not apply be applicable~~ to damage
280 to the windshield of any motor vehicle covered under such
281 policy.

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282 (2) As used in this section, the term:

283 (a) "Assignee" means a person who is assigned post-loss
284 benefits through an assignment agreement.

285 (b) "Assignment agreement" means any instrument by which
286 post-loss benefits under comprehensive or combined additional
287 coverage under a motor vehicle insurance policy are assigned,
288 transferred, or acquired in any manner, in whole or in part, to
289 or from a person providing services to repair or replace motor
290 vehicle glass.

291 (c) "Assignor" means a person who assigns post-loss
292 benefits under comprehensive or combined additional coverage
293 under a motor vehicle insurance policy to another person through
294 an assignment agreement.

295 (d) "Disputed amount" means the difference between the
296 assignee's presuit settlement demand and the insurer's presuit
297 settlement offer.

298 (e) "Judgment obtained" means damages recovered, if any,
299 but does not include any amount awarded for attorney fees,
300 costs, or interest.

301 (f) "Presuit settlement demand" means the demand made by
302 the assignee in the written notice of intent to initiate
303 litigation as required by paragraph (10) (a).

304 (g) "Presuit settlement offer" means the offer made by the
305 insurer in its written response to the notice of intent to
306 initiate litigation as required by paragraph (10) (b).

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307 (3) (a) An assignment agreement must:

308 1. Be in writing and executed by and between the assignor
309 and the assignee.

310 2. Contain a provision that allows the assignor to rescind
311 the assignment agreement without a penalty or fee by submitting
312 a written notice of rescission signed by the assignor to the
313 assignee. However, the assignor must pay for contracted work
314 performed before rescission.

315 3. Contain a provision requiring the assignee to provide a
316 copy of the executed assignment agreement to the insurer within
317 1 calendar day after the date on which the assignment agreement
318 is executed or the date on which work begins, whichever is
319 earlier. Delivery of the copy of the assignment agreement to the
320 insurer may be made:

321 a. By personal service, overnight delivery, or electronic
322 transmission, with evidence of delivery in the form of a receipt
323 or other paper or electronic acknowledgement by the insurer; or

324 b. To the location designated for receipt of such
325 agreements as specified in the policy.

326 4. Contain a written, itemized, per-unit cost estimate of
327 the services to be performed by the assignee.

328 5. Relate only to work to be performed by the assignee for
329 services to repair or replace motor vehicle glass.

330 6. Contain the following notice in 18-point uppercase and
331 boldfaced type:

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332
333 YOU ARE AGREEING TO GIVE UP CERTAIN RIGHTS YOU HAVE UNDER YOUR
334 INSURANCE POLICY TO A THIRD PARTY, WHICH MAY RESULT IN
335 LITIGATION AGAINST YOUR INSURER. PLEASE READ AND UNDERSTAND THIS
336 DOCUMENT BEFORE SIGNING IT. YOU HAVE THE RIGHT TO CANCEL THIS
337 AGREEMENT WITHOUT PENALTY. HOWEVER, YOU ARE OBLIGATED FOR
338 PAYMENT OF ANY CONTRACTED WORK PERFORMED BEFORE THE AGREEMENT IS
339 RESCINDED. THIS AGREEMENT DOES NOT CHANGE YOUR OBLIGATION TO
340 PERFORM THE DUTIES REQUIRED UNDER YOUR MOTOR VEHICLE INSURANCE
341 POLICY.

342
343 7. Contain a provision requiring the assignee to indemnify
344 and hold harmless the assignor from all liabilities, damages,
345 losses, and costs, including, but not limited to, attorney fees,
346 should the policy subject to the assignment agreement prohibit,
347 in whole or in part, the assignment of benefits.

348 (b) An assignment agreement may not contain:

349 1. A penalty or fee for rescission under subparagraph

350 (a)2.;

351 2. A check or processing fee;

352 3. A penalty or fee for cancellation of the agreement; or

353 4. An administrative fee.

354 (c) An assignment agreement that does not comply with this
355 subsection is invalid and unenforceable.

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356 (4) In a claim arising under an assignment agreement, an
357 assignee has the burden to demonstrate that the insurer is not
358 prejudiced by the assignee's failure to:

359 (a) Maintain records of all services provided under the
360 assignment agreement.

361 (b) Cooperate with the insurer in the claim investigation.

362 (c) Provide the insurer with requested records and
363 documents related to the services provided, and permit the
364 insurer to make copies of such records and documents.

365 (d) Deliver a copy of the executed assignment agreement to
366 the insurer within 1 calendar day after executing the assignment
367 agreement or work has begun, whichever is earlier.

368 (5) An assignee:

369 (a) Must provide the assignor with accurate and up-to-date
370 revised estimates of the scope of work to be performed as
371 supplemental or additional repairs are required.

372 (b) Must perform the work in accordance with accepted
373 industry standards.

374 (c) May not seek payment from the assignor exceeding the
375 applicable deductible under the policy unless the assignor has
376 chosen to have additional work performed at the assignor's own
377 expense.

378 (d) Must, as a condition precedent to filing suit under
379 the policy, and, if required by the insurer, submit to
380 examinations under oath and recorded statements conducted by the

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381 insurer or the insurer's representative that are reasonably
382 necessary, based on the scope of the work and the complexity of
383 the claim, which examinations and recorded statements must be
384 limited to matters related to the services provided, the cost of
385 the services, and the assignment agreement.

386 (e) Must, as a condition precedent to filing suit under
387 the policy, and, if required by the insurer, participate in
388 appraisal or other alternative dispute resolution methods in
389 accordance with the terms of the policy.

390 (6) An assignment agreement and this section do not modify
391 or eliminate any term, condition, or defense relating to any
392 managed repair arrangement provided in the policy.

393 (7) An assignment agreement does not transfer or create
394 any authority to adjust, negotiate, or settle any portion of a
395 claim to a person or an entity not authorized to adjust,
396 negotiate, or settle a claim on behalf of an assignor or
397 claimant under part VI of chapter 626.

398 (8) (a) Notwithstanding any other provision of law, and
399 except as provided in paragraph (b), acceptance by an assignee
400 of an assignment agreement is a waiver by the assignee and its
401 subcontractors of claims against named insureds for payments
402 arising from the assignment agreement. The assignee and its
403 subcontractors may not collect or attempt to collect money from
404 an insured, maintain any action at law against an insured, claim
405 a lien on the motor vehicle of an insured, or report an insured

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406 to a credit agency for payments arising from the assignment
407 agreement. Such waiver remains in effect after the assignment
408 agreement is rescinded by the assignor or after a determination
409 that the assignment agreement is invalid.

410 (b) A named insured is responsible for the payment of all
411 of the following:

412 1. Any deductible amount due under the policy.

413 2. Any betterment ordered and performed that is approved
414 by the named insured.

415 3. Any contracted work performed before the assignment
416 agreement is rescinded.

417 (9) The assignee shall indemnify and hold harmless the
418 assignor from all liabilities, damages, losses, and costs,
419 including, but not limited to, attorney fees, should the policy
420 subject to the assignment agreement prohibit, in whole or in
421 part, the assignment of benefits.

422 (10) (a) An assignee must provide the named insured,
423 insurer, and the assignor, if not the named insured, with a
424 written notice of intent to initiate litigation before filing
425 suit under the policy. Such notice must be served by certified
426 mail, return receipt requested, or electronic delivery at least
427 10 business days before filing suit. The notice must specify the
428 damages in dispute, the amount claimed, and a presuit settlement
429 demand. Concurrent with the notice, and as a precondition to
430 filing suit, the assignee must provide the named insured,

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431 insurer, and the assignor, if not the named insured, a detailed
432 written invoice of services, including itemized information on
433 equipment, materials, and supplies; the number of labor hours;
434 and, in the case of work performed, proof that the work has been
435 performed in accordance with accepted industry standards.

436 (b) An insurer must respond in writing to the notice
437 within 10 business days after receiving the notice specified in
438 paragraph (a) by making a presuit settlement offer or requiring
439 the assignee to participate in appraisal or other method of
440 alternative dispute resolution under the policy. An insurer must
441 have a procedure for the prompt investigation, review, and
442 evaluation of the dispute stated in the notice and must
443 investigate each claim contained in the notice in accordance
444 with the Florida Insurance Code.

445 (11) Notwithstanding any other provision of law, in a suit
446 related to an assignment agreement for post-loss motor vehicle
447 glass claims arising under comprehensive or combined additional
448 coverage of a motor vehicle insurance policy, attorney fees and
449 costs may be recovered by an assignee only under s. 57.105 and
450 this subsection.

451 (a) If the difference between the judgment obtained by the
452 assignee and the presuit settlement offer is:

453 1. Less than 25 percent of the disputed amount, the
454 insurer is entitled to an award of reasonable attorney fees.

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455 2. At least 25 percent but less than 50 percent of the
456 disputed amount, no party is entitled to an award of attorney
457 fees.

458 3. At least 50 percent of the disputed amount, the
459 assignee is entitled to an award of reasonable attorney fees.

460 (b) If the insurer fails to inspect the motor vehicle or
461 provide written or oral authorization for the glass repairs
462 within 1 calendar day after the first notice of loss, the
463 insurer waives its right to an award of attorney fees under this
464 subsection. If the failure to inspect the motor vehicle or
465 provide written or oral authorization for repairs is the result
466 of an event for which the Governor had declared a state of
467 emergency under s. 252.36, factors beyond the control of the
468 insurer which reasonably prevented an inspection or written or
469 oral authorization for repairs, or the named insured's failure
470 or inability to allow an inspection of the motor vehicle after a
471 request by the insurer, the insurer does not waive its right to
472 an award of attorney fees under this subsection.

473 (c) If an assignee commences an action in any court of
474 this state based upon or including the same claim against the
475 same adverse party that such assignee has previously voluntarily
476 dismissed in a court of this state, the court may order the
477 assignee to pay the attorney fees and costs of the adverse party
478 resulting from the action previously voluntarily dismissed. The

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479 court shall stay the proceedings in the subsequent action until
480 the assignee has complied with the order.

481 (12) This section does not apply to:

482 (a) An assignment, transfer, or conveyance granted to a
483 subsequent purchaser of the motor vehicle with an insurable
484 interest in the motor vehicle following a loss;

485 (b) A power of attorney under chapter 709 that grants to a
486 management company, family member, guardian, or similarly
487 situated person of an insured the authority to act on behalf of
488 an insured as it relates to a motor vehicle insurance claim; or

489 (c) Liability coverage under a motor vehicle insurance
490 policy.

491 (13) The office shall require each insurer to report by
492 January 30, 2022, and each year thereafter data on each motor
493 vehicle glass insurance claim paid in the prior calendar year
494 under an assignment agreement. The Financial Services Commission
495 shall adopt by rule a list of the data required, which must
496 include specific data about claims adjustment and settlement
497 timeframes and trends, grouped by whether litigated or not
498 litigated and by loss adjustment expenses.

499 (14) This section applies to an assignment agreement
500 executed on or after July 1, 2019.

501 Section 4. Section 627.7289, Florida Statutes, is created
502 to read:

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503 627.7289 Policies restricting assignment of post-loss
504 benefits under comprehensive or combined additional coverage
505 under a motor vehicle insurance policy.-

506 (1) As used in this section, the term "assignment
507 agreement" has the same meaning as provided in s. 627.7288.

508 (2) An insurer may make available a policy that restricts
509 in whole or in part an insured's right to execute an assignment
510 agreement only if all of the following conditions are met:

511 (a) The insurer makes available to the insured or
512 potential insured at the same time the same coverage under a
513 policy that does not restrict the right to execute an assignment
514 agreement.

515 (b) Each restricted policy is available at a lower cost
516 than the unrestricted policy.

517 (c) The policy prohibiting assignment in whole is
518 available at a lower cost than any policy prohibiting assignment
519 in part.

520 (d) Each restricted policy include on its face the
521 following notice in 18-point uppercase and boldfaced type:

522
523 THIS POLICY DOES NOT ALLOW THE UNRESTRICTED ASSIGNMENT OF POST-
524 LOSS INSURANCE BENEFITS. BY SELECTING THIS POLICY, YOU WAIVE
525 YOUR RIGHT TO FREELY ASSIGN OR TRANSFER THE POST-LOSS MOTOR
526 VEHICLE GLASS INSURANCE BENEFITS AVAILABLE UNDER THIS POLICY TO
527 A THIRD PARTY OR TO OTHERWISE FREELY ENTER INTO AN ASSIGNMENT

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528 AGREEMENT AS THE TERM IS DEFINED IN SECTION 627.7288 OF THE
529 FLORIDA STATUTES.

530

531 (3) The insurer shall notify the insured at least annually
532 of the coverage options the insurer makes available under this
533 section. Such notice must be part of and attached to the notice
534 of premium.

535 (4) A named insured must reject a fully assignable policy
536 in writing or electronically. The rejection of a fully
537 assignable policy shall be made on a form approved by the
538 office. The form must state that the policy restricts the
539 assignment of benefits. The heading of the form shall be in 18-
540 point uppercase and boldfaced type and state:

541

542 YOU ARE ELECTING TO PURCHASE AN INSURANCE POLICY THAT RESTRICTS
543 THE ASSIGNMENT OF BENEFITS UNDER THE POLICY IN WHOLE OR IN PART.
544 PLEASE READ CAREFULLY.

545

546 (5) This section applies to a policy issued or renewed on
547 or after July 1, 2019.

548 Section 5. Section 627.422, Florida Statutes, is amended
549 to read:

550 627.422 Assignment of policies or post-loss benefits.—A
551 policy may be assignable, or not assignable, as provided by its
552 terms. Any such assignment shall entitle the insurer to deal

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553 with the assignee as the owner or pledgee of the policy in
554 accordance with the terms of the assignment, until the insurer
555 has received at its home office written notice of termination of
556 the assignment or pledge or written notice by or on behalf of
557 some other person claiming some interest in the policy in
558 conflict with the assignment.

559 (1) LIFE OR HEALTH INSURANCE POLICIES.—Subject to its
560 terms relating to assignability, any life or health insurance
561 policy under the terms of which the beneficiary may be changed
562 upon the sole request of the policyowner may be assigned either
563 by pledge or transfer of title, by an assignment executed by the
564 policyowner alone and delivered to the insurer, whether or not
565 the pledgee or assignee is the insurer. ~~Any such assignment~~
566 ~~shall entitle the insurer to deal with the assignee as the owner~~
567 ~~or pledgee of the policy in accordance with the terms of the~~
568 ~~assignment, until the insurer has received at its home office~~
569 ~~written notice of termination of the assignment or pledge or~~
570 ~~written notice by or on behalf of some other person claiming~~
571 ~~some interest in the policy in conflict with the assignment.~~

572 (2) POST-LOSS BENEFITS UNDER CERTAIN PROPERTY INSURANCE
573 POLICIES.—A residential or commercial property insurance policy
574 may not prohibit the assignment of post-loss benefits unless it
575 complies with s. 627.7153.

576 (3) POST-LOSS BENEFITS UNDER CERTAIN MOTOR VEHICLE
577 INSURANCE POLICIES.—Comprehensive or combined additional

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578 coverage under a motor vehicle insurance policy may not prohibit
579 the assignment of post-loss benefits to a person providing
580 services to repair or replace motor vehicle glass unless it
581 complies with s. 627.7289.

582 Section 6. Citizens Property Insurance Corporation may not
583 implement rate changes in 2019 for DP-3 and HO-3 policies unless
584 the rate filing reflects projected rate savings from this act.
585 Such rate filing must include an exhibit demonstrating the
586 impact of this act on indicated rates for DP-3 and HO-3
587 policies. Citizens Property Insurance Corporation shall provide
588 policyholders with details on the projected rate savings from
589 this act.

590 Section 7. If any provision of this act or its application
591 to any person or circumstance is held invalid, the invalidity
592 does not affect the remaining provisions or applications of the
593 act which can be given effect without the invalid provision or
594 application, and to this end the provisions of this act are
595 severable.

596
597 -----

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

598 Remove lines 8-73 and insert:
600 insurance policy; providing that an assignment
601 agreement does not confer or create authority to
602 adjust, negotiate, or settle a claim without

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603 authorization under part VI of chapter 626; providing
604 that an acceptance by an assignee of an assignment
605 agreement is a waiver by the assignee and its
606 subcontractors of certain claims against an insured;
607 specifying an insured's payment obligations under an
608 assignment agreement; requiring notice of intent to
609 initiate litigation; specifying requirements for such
610 notice; requiring a written response to the notice of
611 intent to initiate litigation; specifying requirements
612 for such response; providing for an award of
613 reasonable attorney fees for certain claims arising
614 under an assignment agreement; providing for an award
615 of reasonable attorney fees following a voluntary
616 dismissal under certain circumstances; requiring the
617 court to stay proceedings under certain circumstances;
618 directing the Office of Insurance Regulation to
619 require insurers to report specified data; requiring
620 the Financial Services Commission to adopt rules;
621 providing applicability; creating s. 627.7153, F.S.;
622 defining the term "assignment agreement"; authorizing
623 insurers to make available property insurance policies
624 restricting the assignment of post-loss benefits under
625 certain conditions; requiring annual notice of
626 coverage options; requiring a written or electronic
627 waiver under certain circumstances; requiring the

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628 office to approve a waiver form; providing
629 applicability; amending s. 627.7288, F.S.; providing
630 definitions; providing requirements and limitations
631 for assignment agreements relating to motor vehicle
632 glass repair; providing a burden of proof; providing
633 that an assignment agreement does not affect managed
634 repair arrangements under comprehensive or combined
635 additional coverage under a motor vehicle insurance
636 policy; providing that an assignment agreement does
637 not confer or create authority to adjust, negotiate,
638 or settle a claim without authorization under part VI
639 of chapter 626; providing that an acceptance by an
640 assignee of an assignment agreement is a waiver by the
641 assignee and its subcontractors of certain claims
642 against an insured; specifying an insured's payment
643 obligations under an assignment agreement; requiring
644 notice of intent to initiate litigation; specifying
645 requirements for such notice; requiring a written
646 response to the notice of intent to initiate
647 litigation; specifying requirements for such response;
648 providing for an award of reasonable attorney fees for
649 certain claims arising under an assignment agreement;
650 providing for an award of reasonable attorney fees
651 following a voluntary dismissal under certain
652 circumstances; requiring the court to stay proceedings

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653 under certain circumstances; directing the office to
654 require insurers to report specified data; requiring
655 the commission to adopt rules; providing
656 applicability; creating s. 627.7289, F.S.; defining
657 the term "assignment agreement"; authorizing insurers
658 to make available comprehensive or combined additional
659 coverage under a motor vehicle insurance policy
660 restricting the assignment of post-loss benefits under
661 certain conditions; requiring annual notice of
662 coverage options; requiring a written or electronic
663 waiver under certain circumstances; requiring the
664 office to approve a waiver form; providing
665 applicability; amending s. 627.422, F.S.; providing
666 that property insurance policies may not prohibit
667 assignment of post-loss benefits; providing an
668 exception; providing that comprehensive or combined
669 additional coverage under a motor vehicle insurance
670 policy may not prohibit assignment of post-loss
671 benefits; providing an exception; prohibiting Citizens
672 Property Insurance Corporation from implementing rate
673 changes for certain policies; providing an exception;
674 requiring certain rate filings to include specified
675 information; requiring the corporation to inform
676 policyholders of certain information; providing
677 severability; providing an effective date.

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