

1                   A bill to be entitled  
2           An act relating to consumer protection; amending s.  
3           501.0051, F.S.; deleting a provision specifying the  
4           fee a consumer reporting agency may charge to reissue  
5           or provide a unique personal identifier; amending s.  
6           624.307, F.S.; revising a requirement for persons  
7           licensed or authorized by the Department of Financial  
8           Services or the Office of Insurance Regulation to  
9           respond to the department's Division of Consumer  
10          Services regarding consumer complaints; amending s.  
11          624.501, F.S.; deleting a fee for adjusting firm  
12          licenses; amending s. 626.112, F.S.; removing a  
13          provision requiring the department to automatically  
14          convert registrations of approved registered insurance  
15          agencies to insurance agency licenses; prohibiting an  
16          entity from unlicensed activity as an adjusting firm  
17          unless the entity complies with a specified  
18          requirement; providing an exemption; providing an  
19          exemption from licensure for branch firms that meet  
20          certain criteria; providing an administrative penalty  
21          for failing to apply for certain licensure; providing  
22          a criminal penalty for aiding or abetting unlicensed  
23          activity; amending s. 626.602, F.S.; authorizing the  
24          department to disapprove the use of insurance agency  
25          names containing the words "Medicare" or "Medicaid";

26 providing a time-limited exception for certain  
27 insurance agencies; prohibiting relicensing of  
28 insurance agencies using such names; providing for  
29 future expiration of such licenses; providing an  
30 exception from future expiration; amending s. 626.621,  
31 F.S.; adding grounds on which the department may take  
32 certain actions against a license, appointment, or  
33 application of certain insurance representatives;  
34 amending ss. 626.782 and 626.783, F.S.; revising the  
35 definitions of the terms "industrial class insurer"  
36 and "ordinary-combination class insurer,"  
37 respectively, to conform to changes made by the act;  
38 repealing s. 626.796, F.S., relating to the  
39 representation of multiple insurers in the same  
40 industrial debit territory; amending s. 626.854, F.S.;  
41 revising the timeframe in which an insured or claimant  
42 may cancel a public adjuster's contract to adjust a  
43 claim without penalty or obligation; providing the  
44 language that certain public adjuster's contracts must  
45 include relating to contract cancellation; specifying  
46 requirements for written estimates of loss provided by  
47 public adjusters to claimants or insureds; revising  
48 the list of prohibited acts relating to insurance  
49 claims or public adjuster services under certain  
50 circumstances; authorizing the department to take

51 administrative actions and impose fines against  
52 persons performing specified activities without  
53 licensure; requiring the department to adopt rules;  
54 prohibiting public adjusters, public adjuster  
55 apprentices, and public adjusting firms from charging  
56 insureds or claimants or receiving payments under  
57 certain circumstances; amending s. 626.916, F.S.;  
58 providing a disclosure requirement that an insurance  
59 coverage must meet before being eligible for export  
60 under the Surplus Lines Law; amending s. 626.9541,  
61 F.S.; adding certain acts or practices to the  
62 definition of the term "sliding" as unfair methods of  
63 competition and unfair or deceptive acts; amending s.  
64 626.9741, F.S.; requiring an insurer's notification  
65 regarding certain credit report or score information  
66 to include specified language under certain  
67 circumstances; amending ss. 626.9953, 626.9957, and  
68 627.062, F.S.; conforming cross-references; amending  
69 s. 627.502, F.S.; prohibiting a life insurer from  
70 writing new policies of industrial life insurance  
71 beginning on a certain date; amending s. 627.70131,  
72 F.S.; providing that communication made to or by a  
73 residential property insurer's representative, rather  
74 than to or by a residential property insurer's agent,  
75 constitutes communication to or by the insurer;

76 replacing the defined term "agent" with the term  
77 "representative"; revising the timeframe in which an  
78 insurer must begin an investigation after receipt of  
79 proof of loss statements; requiring an insurer-  
80 assigned licensed adjuster to provide the policyholder  
81 with certain information; specifying information that  
82 must be included in certain communication with the  
83 policyholder regarding a claim; requiring an insurer  
84 to keep records or logs of the licensed adjusters  
85 interacting with policyholders and to provide the  
86 policyholders, the office, or the department with a  
87 list of the adjusters; requiring an insurer to include  
88 specified notices when providing preliminary or  
89 partial damage estimates or claim payments; providing  
90 applicability; amending s. 627.7142, F.S.; revising  
91 circumstances under which an insurer must provide a  
92 Homeowner Claims Bill of Rights to a policyholder;  
93 revising information contained in the Homeowner Claims  
94 Bill of Rights; conforming provisions to changes made  
95 by the act; amending s. 631.57, F.S.; deleting a  
96 deductible on the obligation of the Florida Insurance  
97 Guaranty Association, Incorporated, as to certain  
98 covered claims; amending s. 631.904, F.S.; revising  
99 the definition of the term "covered claim" to exclude  
100 certain premium returns; providing effective dates.

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

Section 1. Subsection (9) of section 501.0051, Florida Statutes, is amended to read:

501.0051 Protected consumer report security freeze.—

(9)~~(a)~~ A consumer reporting agency may not charge any fee to place or remove a security freeze.

~~(b) A consumer reporting agency may charge a reasonable fee, not to exceed \$10, if the representative fails to retain the original unique personal identifier provided by the consumer reporting agency and the agency must reissue the unique personal identifier or provide a new unique personal identifier to the representative.~~

Section 2. Paragraph (b) of subsection (10) of section 624.307, Florida Statutes, is amended to read:

624.307 General powers; duties.—

(10)

(b) Any person licensed or issued a certificate of authority by the department or the office shall respond, in writing, to the division within 20 days after receipt of a written request for documents and information from the division concerning a consumer complaint. The response must address the issues and allegations raised in the complaint and include any requested documents concerning the consumer complaint that are

126 | not subject to attorney-client or work-product privilege. The  
 127 | division may impose an administrative penalty for failure to  
 128 | comply with this paragraph of up to \$2,500 per violation upon  
 129 | any entity licensed by the department or the office and \$250 for  
 130 | the first violation, \$500 for the second violation, and up to  
 131 | \$1,000 for the third or subsequent violation upon any individual  
 132 | licensed by the department or the office.

133 | Section 3. Subsection (20) of section 624.501, Florida  
 134 | Statutes, is amended to read:

135 | 624.501 Filing, license, appointment, and miscellaneous  
 136 | fees.—The department, commission, or office, as appropriate,  
 137 | shall collect in advance, and persons so served shall pay to it  
 138 | in advance, fees, licenses, and miscellaneous charges as  
 139 | follows:

140 | ~~(20) Adjusting firm, original or renewal 3-year license....~~  
 141 | ~~\$60.00~~

142 | Section 4. Subsection (9) of section 626.112, Florida  
 143 | Statutes, is renumbered as subsection (10), paragraph (d) of  
 144 | subsection (7) and present subsection (9) are amended, and a new  
 145 | subsection (9) is added to that section, to read:

146 | 626.112 License and appointment required; agents, customer  
 147 | representatives, adjusters, insurance agencies, service  
 148 | representatives, managing general agents, adjusting firms.—

149 | (7)

150 | ~~(d) Effective October 1, 2015, the department must~~

151 ~~automatically convert the registration of an approved registered~~  
152 ~~insurance agency to an insurance agency license.~~

153 (9) (a) An individual, firm, partnership, corporation,  
154 association, or other entity may not act in its own name or  
155 under a trade name, directly or indirectly, as an adjusting firm  
156 unless it complies with s. 626.8696 with respect to possessing  
157 an adjusting firm license for each place of business at which it  
158 engages in an activity that may be performed only by a licensed  
159 insurance adjuster. However, an adjusting firm that is owned and  
160 operated by a single licensed adjuster conducting business in  
161 his or her individual name and not employing or otherwise using  
162 the services of or appointing other licensees is exempt from the  
163 adjusting firm licensing requirements of this paragraph.

164 (b) A branch place of business that is established by a  
165 licensed adjusting firm is considered a branch firm and is not  
166 required to be licensed if:

167 1. It transacts business under the same name and federal  
168 tax identification number as the licensed adjusting firm;

169 2. It has designated with the department a primary  
170 adjuster operating the location as required by s. 626.8695; and

171 3. The address and telephone number of the branch location  
172 have been submitted to the department for inclusion in the  
173 licensing record of the licensed adjusting firm within 30 days  
174 after insurance transactions begin at the branch location.

175 (c) If an adjusting firm is required to be licensed but

176 fails to file an application for licensure in accordance with  
 177 this section, the department shall impose on the firm an  
 178 administrative penalty of up to \$10,000.

179 ~~(10)~~~~(9)~~ Any person who knowingly transacts insurance or  
 180 otherwise engages in insurance activities in this state without  
 181 a license in violation of this section or who knowingly aids or  
 182 abets an unlicensed person in transacting insurance or otherwise  
 183 engaging in insurance activities in this state without a license  
 184 commits a felony of the third degree, punishable as provided in  
 185 s. 775.082, s. 775.083, or s. 775.084.

186 Section 5. Subsection (4) is added to section 626.602,  
 187 Florida Statutes, to read:

188 626.602 Insurance agency names; disapproval.—The  
 189 department may disapprove the use of any true or fictitious  
 190 name, other than the bona fide natural name of an individual, by  
 191 any insurance agency on any of the following grounds:

192 (4) The name contains the word "Medicare" or "Medicaid."  
 193 An agency whose name contains the word "Medicare" or "Medicaid"  
 194 but which is licensed as of July 1, 2021, may continue to use  
 195 that name until June 30, 2023, as long as the agency's license  
 196 remains valid. If the agency's license expires or is suspended  
 197 or revoked, the agency may not be relicensed using that name.  
 198 Licenses containing either of these words automatically expire  
 199 on July 1, 2023, unless these words are removed from the name.

200 Section 6. Subsections (16) and (17) are added to section



201 626.621, Florida Statutes, to read:

202       626.621 Grounds for discretionary refusal, suspension, or  
203 revocation of agent's, adjuster's, customer representative's,  
204 service representative's, or managing general agent's license or  
205 appointment.—The department may, in its discretion, deny an  
206 application for, suspend, revoke, or refuse to renew or continue  
207 the license or appointment of any applicant, agent, adjuster,  
208 customer representative, service representative, or managing  
209 general agent, and it may suspend or revoke the eligibility to  
210 hold a license or appointment of any such person, if it finds  
211 that as to the applicant, licensee, or appointee any one or more  
212 of the following applicable grounds exist under circumstances  
213 for which such denial, suspension, revocation, or refusal is not  
214 mandatory under s. 626.611:

215       (16) Taking an action that allows the personal financial  
216 or medical information of a consumer or customer to be made  
217 available or accessible to the general public, regardless of the  
218 format in which the record is stored.

219       (17) Initiating in-person or telephone solicitation after  
220 9 p.m. or before 8 a.m. local time of the prospective customer  
221 unless requested by the prospective customer.

222       Section 7. Section 626.782, Florida Statutes, is amended  
223 to read:

224       626.782 "Industrial class insurer" defined.—An "industrial  
225 class insurer" is an insurer collecting premiums on policies of

226 ~~writing~~ industrial life insurance, as defined in s. 627.502,  
227 written before July 1, 2021, and as to such insurance, operates  
228 under a system of collecting a debit by its agent.

229 Section 8. Section 626.783, Florida Statutes, is amended  
230 to read:

231 626.783 "Ordinary-combination class insurer" defined.—An  
232 "ordinary-combination class insurer" is an insurer writing ~~both~~  
233 ordinary class insurance and collecting premiums on existing  
234 industrial life ~~class~~ insurance.

235 Section 9. Section 626.796, Florida Statutes, is repealed.

236 Section 10. Subsections (6), (11), and (19) of section  
237 626.854, Florida Statutes, are amended, and subsections (20) and  
238 (21) are added to that section, to read:

239 626.854 "Public adjuster" defined; prohibitions.—The  
240 Legislature finds that it is necessary for the protection of the  
241 public to regulate public insurance adjusters and to prevent the  
242 unauthorized practice of law.

243 (6) An insured or claimant may cancel a public adjuster's  
244 contract to adjust a claim without penalty or obligation within  
245 10 calendar ~~3 business~~ days after the date on which the contract  
246 is executed ~~or within 3 business days after the date on which~~  
247 ~~the insured or claimant has notified the insurer of the claim,~~  
248 ~~whichever is later.~~ The public adjuster's contract must contain  
249 the following language in minimum 18-point bold type: "You, the  
250 insured, may cancel this contract for any reason without penalty

251 or obligation to you within 10 days after the date of this  
252 contract by providing notice to (name of public adjuster) ,  
253 submitted in writing and sent by certified mail, return receipt  
254 requested, or other form of mailing that provides proof thereof,  
255 at the address specified in the contract." ~~disclose to the~~  
256 ~~insured or claimant his or her right to cancel the contract and~~  
257 ~~advise the insured or claimant that notice of cancellation must~~  
258 ~~be submitted in writing and sent by certified mail, return~~  
259 ~~receipt requested, or other form of mailing that provides proof~~  
260 ~~thereof, to the public adjuster at the address specified in the~~  
261 ~~contract; provided, during any state of emergency as declared by~~  
262 ~~the Governor and for 1 year after the date of loss, the insured~~  
263 ~~or claimant has 5 business days after the date on which the~~  
264 ~~contract is executed to cancel a public adjuster's contract.~~

265 (11) Each public adjuster must provide to the claimant or  
266 insured a written estimate of the loss to assist in the  
267 submission of a proof of loss or any other claim for payment of  
268 insurance proceeds within 60 days after the date of the public  
269 adjuster's contract. The written estimate must include an  
270 itemized, per-unit estimate of the repairs, including itemized  
271 information on equipment, materials, labor, and supplies, in  
272 accordance with accepted industry standards. The public adjuster  
273 shall retain such written estimate for at least 5 years and  
274 shall make the estimate available to the claimant or insured,  
275 the insurer, and the department upon request.

276 (19) Except as otherwise provided in this chapter, no  
277 person, except an attorney at law or a licensed public adjuster,  
278 may for money, commission, or any other thing of value, directly  
279 or indirectly:

280 (a) Prepare, complete, or file an insurance claim for an  
281 insured or a third-party claimant;

282 (b) Act on behalf of or aid an insured or a third-party  
283 claimant in negotiating for or effecting the settlement of a  
284 claim for loss or damage covered by an insurance contract;

285 (c) Offer to initiate or negotiate a claim on behalf of an  
286 insured;

287 (d)~~(e)~~ Advertise services that require a license for  
288 employment as a public adjuster; or

289 (e)~~(d)~~ Solicit, investigate, or adjust a claim on behalf  
290 of a public adjuster, an insured, or a third-party claimant.

291 (20) The department may take administrative actions and  
292 impose fines, not to exceed \$10,000 per violation, against any  
293 person who performs claims adjusting, soliciting, or any other  
294 services under this section without the required licensure under  
295 s. 626.112 or this section. The department shall adopt rules to  
296 implement this section.

297 (21) A public adjuster, public adjuster apprentice, or  
298 public adjusting firm that solicits a claim and does not enter  
299 into a lawful contract with an insured or third-party claimant  
300 pursuant to paragraph (10) (a) may not charge an insured or

301 third-party claimant or receive payment by any other source for  
 302 any type of service related to the claim of an insured or of a  
 303 third-party claimant.

304 Section 11. Effective January 1, 2022, subsection (3) of  
 305 section 626.916, Florida Statutes, is amended, and paragraph (f)  
 306 is added to subsection (1) of that section, to read:

307 626.916 Eligibility for export.—

308 (1) No insurance coverage shall be eligible for export  
 309 unless it meets all of the following conditions:

310 (f) The insured has signed or otherwise provided  
 311 documented acknowledgment of a disclosure in substantially the  
 312 following form: "You are agreeing to place coverage in the  
 313 surplus lines market. Coverage may be available in the admitted  
 314 market. Persons insured by surplus lines carriers are not  
 315 protected under the Florida Insurance Guaranty Act with respect  
 316 to any right of recovery for the obligation of an insolvent  
 317 unlicensed insurer."

318 (3) (a) Subsection (1) does not apply to wet marine and  
 319 transportation or aviation risks that ~~which~~ are subject to s.  
 320 626.917.

321 (b) Paragraphs (1) (a)-(d) do not apply to classes of  
 322 insurance which are subject to s. 627.062(3) (d)1. These classes  
 323 may be exportable under the following conditions:

324 1. The insurance must be placed only by or through a  
 325 surplus lines agent licensed in this state;

326           2. The insurer must be made eligible under s. 626.918; and  
 327           3. The insured has complied with paragraph (1)(f). ~~must~~  
 328 ~~sign a disclosure that substantially provides the following:~~  
 329 ~~"You are agreeing to place coverage in the surplus lines market.~~  
 330 ~~Superior coverage may be available in the admitted market and at~~  
 331 ~~a lesser cost. Persons insured by surplus lines carriers are not~~  
 332 ~~protected under the Florida Insurance Guaranty Act with respect~~  
 333 ~~to any right of recovery for the obligation of an insolvent~~  
 334 ~~unlicensed insurer."~~ If the disclosure in paragraph (1)(f)  
 335 ~~notice~~ is signed by the insured, the insured is presumed to have  
 336 been informed and to know that other coverage may be available,  
 337 and, with respect to the diligent-effort requirement under  
 338 subsection (1), there is no liability on the part of, and no  
 339 cause of action arises against, the retail agent presenting the  
 340 form.

341           Section 12. Paragraph (z) of subsection (1) of section  
 342 626.9541, Florida Statutes, is amended to read:

343           626.9541 Unfair methods of competition and unfair or  
 344 deceptive acts or practices defined.—

345           (1) UNFAIR METHODS OF COMPETITION AND UNFAIR OR DECEPTIVE  
 346 ACTS.—The following are defined as unfair methods of competition  
 347 and unfair or deceptive acts or practices:

348           (z) Sliding.—Sliding is the act or practice of any of the  
 349 following:

350           1. Representing to the applicant that a specific ancillary

351 coverage or product is required by law in conjunction with the  
352 purchase of insurance when such coverage or product is not  
353 required.~~†~~

354 2. Representing to the applicant that a specific ancillary  
355 coverage or product is included in the policy applied for  
356 without an additional charge when such charge is required.~~† or~~

357 3. Charging an applicant for a specific ancillary coverage  
358 or product, in addition to the cost of the insurance coverage  
359 applied for, without the informed consent of the applicant.

360 4. Initiating, effectuating, binding, or otherwise issuing  
361 a policy of insurance without the prior informed consent of the  
362 owner of the property to be insured.

363 5. Mailing, transmitting, or otherwise submitting by any  
364 means an invoice for premium payment to a mortgagee or escrow  
365 agent for the purpose of effectuating an insurance policy,  
366 without the prior informed consent of the owner of the property  
367 to be insured. However, this subparagraph does not apply to  
368 cases in which the mortgagee or escrow agent is renewing  
369 insurance or issuing collateral protection insurance, as defined  
370 in s. 624.6085, pursuant to the mortgage or other pertinent loan  
371 documents or communications regarding the property.

372 Section 13. Effective January 1, 2022, subsection (3) of  
373 section 626.9741, Florida Statutes, is amended to read:

374 626.9741 Use of credit reports and credit scores by  
375 insurers.—

376 (3) An insurer must inform an applicant or insured, in the  
377 same medium as the application is taken, that a credit report or  
378 score is being requested for underwriting or rating purposes.  
379 The notification to the applicant or insured must include the  
380 following language: "The Department of Financial Services offers  
381 free financial literacy programs to assist you with insurance-  
382 related questions, including how credit works and how credit  
383 scores are calculated. To learn more, visit  
384 www.myfloridacfo.com." An insurer that makes an adverse decision  
385 based, in whole or in part, upon a credit report must provide at  
386 no charge, a copy of the credit report to the applicant or  
387 insured or provide the applicant or insured with the name,  
388 address, and telephone number of the consumer reporting agency  
389 from which the insured or applicant may obtain the credit  
390 report. The insurer must provide notification to the consumer  
391 explaining the reasons for the adverse decision. The reasons  
392 must be provided in sufficiently clear and specific language so  
393 that a person can identify the basis for the insurer's adverse  
394 decision. Such notification must ~~shall~~ include a description of  
395 the four primary reasons, or such fewer number as existed, which  
396 were the primary influences of the adverse decision. The use of  
397 generalized terms such as "poor credit history," "poor credit  
398 rating," or "poor insurance score" does not meet the explanation  
399 requirements of this subsection. A credit score may not be used  
400 in underwriting or rating insurance unless the scoring process



401 produces information in sufficient detail to permit compliance  
402 with the requirements of this subsection. It is ~~shall~~ not be  
403 ~~deemed~~ an adverse decision if, due to the insured's credit  
404 report or credit score, the insured continues to receive a less  
405 favorable rate or placement in a less favorable tier or company  
406 at the time of renewal except for renewals or reunderwriting  
407 required by this section.

408 Section 14. Subsection (5) of section 626.9953, Florida  
409 Statutes, is amended to read:

410 626.9953 Qualifications for registration; application  
411 required.—

412 (5) An applicant must submit a set of his or her  
413 fingerprints to the department and pay the processing fee  
414 established under s. 624.501(23) ~~s. 624.501(24)~~. The department  
415 shall submit the applicant's fingerprints to the Department of  
416 Law Enforcement for processing state criminal history records  
417 checks and local criminal records checks through local law  
418 enforcement agencies and for forwarding to the Federal Bureau of  
419 Investigation for national criminal history records checks. The  
420 fingerprints shall be taken by a law enforcement agency, a  
421 designated examination center, or another department-approved  
422 entity. The department may not approve an application for  
423 registration as a navigator if fingerprints have not been  
424 submitted.

425 Section 15. Subsection (1) of section 626.9957, Florida

426 Statutes, is amended to read:

427       626.9957 Conduct prohibited; denial, revocation, or  
428 suspension of registration.—

429       (1) As provided in s. 626.112, only a person licensed as  
430 an insurance agent or customer representative may engage in the  
431 solicitation of insurance. A person who engages in the  
432 solicitation of insurance as described in s. 626.112(1) without  
433 such license is subject to the penalties provided under s.  
434 626.112(10) ~~s. 626.112(9)~~.

435       Section 16. Subsection (10) of section 627.062, Florida  
436 Statutes, is amended to read:

437       627.062 Rate standards.—

438       (10) Any interest paid pursuant to s. 627.70131(7) ~~s.~~  
439 ~~627.70131(5)~~ may not be included in the insurer's rate base and  
440 may not be used to justify a rate or rate change.

441       Section 17. Section 627.502, Florida Statutes, is amended  
442 to read:

443       627.502 "Industrial life insurance" defined; reporting;  
444 prohibition on new policies after a certain date.—

445       (1) For the purposes of this code, "industrial life  
446 insurance" is that form of life insurance written under policies  
447 under which premiums are payable monthly or more often, bearing  
448 the words "industrial policy" or "weekly premium policy" or  
449 words of similar import imprinted upon the policies as part of  
450 the descriptive matter, and issued by an insurer that ~~which~~, as

451 to such industrial life insurance, is operating under a system  
452 of collecting a debit by its agent.

453 (2) Every life insurer servicing existing ~~transacting~~  
454 industrial life insurance shall report to the office all annual  
455 statement data regarding the exhibit of life insurance,  
456 including relevant information for industrial life insurance.

457 (3) Beginning July 1, 2021, a life insurer may not write a  
458 new policy of industrial life insurance.

459 Section 18. Effective January 1, 2022, section 627.70131,  
460 Florida Statutes, is amended to read:

461 627.70131 Insurer's duty to acknowledge communications  
462 regarding claims; investigation.—

463 (1) As used in this section, the term "insurer" means a  
464 residential property insurer.

465 (2)~~(1)~~(a) Upon an insurer's receiving a communication with  
466 respect to a claim, the insurer shall, within 14 calendar days,  
467 review and acknowledge receipt of such communication unless  
468 payment is made within that period of time or unless the failure  
469 to acknowledge is caused by factors beyond the control of the  
470 insurer which reasonably prevent such acknowledgment. If the  
471 acknowledgment is not in writing, a notification indicating  
472 acknowledgment shall be made in the insurer's claim file and  
473 dated. A communication made to or by a representative ~~an agent~~  
474 of an insurer with respect to a claim shall constitute  
475 communication to or by the insurer.

476 (b) As used in this subsection, the term "representative"  
477 ~~"agent"~~ means any person to whom an insurer has granted  
478 authority or responsibility to receive or make such  
479 communications with respect to claims on behalf of the insurer.

480 (c) This subsection does ~~shall~~ not apply to claimants  
481 represented by counsel beyond those communications necessary to  
482 provide forms and instructions.

483 ~~(3)(2)~~ Such acknowledgment shall be responsive to the  
484 communication. If the communication constitutes a notification  
485 of a claim, unless the acknowledgment reasonably advises the  
486 claimant that the claim appears not to be covered by the  
487 insurer, the acknowledgment shall provide necessary claim forms,  
488 and instructions, including an appropriate telephone number.

489 ~~(4)(a)(3)~~ Unless otherwise provided by the policy of  
490 insurance or by law, within 14 ~~10 working~~ days after an insurer  
491 receives proof of loss statements, the insurer shall begin such  
492 investigation as is reasonably necessary unless the failure to  
493 begin such investigation is caused by factors beyond the control  
494 of the insurer which reasonably prevent the commencement of such  
495 investigation.

496 (b) If such investigation involves a physical inspection  
497 of the property, the licensed adjuster assigned by the insurer  
498 must provide the policyholder with a printed or electronic  
499 document containing his or her name and license number.

500 (c) Any subsequent communication with the policyholder

501 regarding the claim must also include the name and license  
 502 number of the adjuster communicating about the claim.  
 503 Communication of the adjuster's name and license number may be  
 504 included along with other information already being provided to  
 505 the policyholder.

506 (5) ~~(4)~~ An insurer shall maintain a record or log of each  
 507 adjuster who communicates with the policyholder as provided in  
 508 paragraphs (4) (b) and (4) (c) and shall provide a list of the  
 509 adjusters to the policyholder, the office, or the department  
 510 upon request ~~For purposes of this section, the term "insurer"~~  
 511 ~~means any residential property insurer.~~

512 (6) (a) When providing a preliminary or partial estimate of  
 513 damage regarding a claim, an insurer shall include with the  
 514 estimate the following statement printed in at least 12-point  
 515 bold, uppercase type: "THIS ESTIMATE REPRESENTS OUR CURRENT  
 516 EVALUATION OF THE COVERED DAMAGES TO YOUR INSURED PROPERTY AND  
 517 MAY BE REVISED AS WE CONTINUE TO EVALUATE YOUR CLAIM. IF YOU  
 518 HAVE QUESTIONS, CONCERNS, OR ADDITIONAL INFORMATION REGARDING  
 519 YOUR CLAIM, WE ENCOURAGE YOU TO CONTACT US."

520 (b) When providing a payment on a claim which is not the  
 521 full and final payment for the claim, an insurer shall include  
 522 with the payment the following statement printed in at least 12-  
 523 point bold, uppercase type: "WE ARE CONTINUING TO EVALUATE YOUR  
 524 CLAIM INVOLVING YOUR INSURED PROPERTY AND MAY ISSUE ADDITIONAL  
 525 PAYMENTS. IF YOU HAVE QUESTIONS, CONCERNS, OR ADDITIONAL

526 INFORMATION REGARDING YOUR CLAIM, WE ENCOURAGE YOU TO CONTACT  
527 US."

528 (7) (a) ~~(5) (a)~~ Within 90 days after an insurer receives  
529 notice of an initial, reopened, or supplemental property  
530 insurance claim from a policyholder, the insurer shall pay or  
531 deny such claim or a portion of the claim unless the failure to  
532 pay is caused by factors beyond the control of the insurer which  
533 reasonably prevent such payment. Any payment of an initial or  
534 supplemental claim or portion of such claim made 90 days after  
535 the insurer receives notice of the claim, or made more than 15  
536 days after there are no longer factors beyond the control of the  
537 insurer which reasonably prevented such payment, whichever is  
538 later, bears interest at the rate set forth in s. 55.03.  
539 Interest begins to accrue from the date the insurer receives  
540 notice of the claim. The provisions of this subsection may not  
541 be waived, voided, or nullified by the terms of the insurance  
542 policy. If there is a right to prejudgment interest, the insured  
543 shall select whether to receive prejudgment interest or interest  
544 under this subsection. Interest is payable when the claim or  
545 portion of the claim is paid. Failure to comply with this  
546 subsection constitutes a violation of this code. However,  
547 failure to comply with this subsection does not form the sole  
548 basis for a private cause of action.

549 (b) Notwithstanding subsection (1) ~~(4)~~, for purposes of  
550 this subsection, the term "claim" means any of the following:

551 1. A claim under an insurance policy providing residential  
552 coverage as defined in s. 627.4025(1);

553 2. A claim for structural or contents coverage under a  
554 commercial property insurance policy if the insured structure is  
555 10,000 square feet or less; or

556 3. A claim for contents coverage under a commercial tenant  
557 policy if the insured premises is 10,000 square feet or less.

558 (c) This subsection does ~~shall~~ not apply to claims under  
559 an insurance policy covering nonresidential commercial  
560 structures or contents in more than one state.

561 (8) This section also applies to surplus lines insurers  
562 and to surplus lines insurance authorized under ss. 626.913-  
563 626.937 providing residential coverage.

564 Section 19. Effective January 1, 2022, section 627.7142,  
565 Florida Statutes, is amended to read:

566 627.7142 Homeowner Claims Bill of Rights.—An insurer  
567 issuing a personal lines residential property insurance policy  
568 in this state must provide a Homeowner Claims Bill of Rights to  
569 a policyholder within 14 days after receiving an initial  
570 communication with respect to a claim, ~~unless the claim follows~~  
571 ~~an event that is the subject of a declaration of a state of~~  
572 ~~emergency by the Governor.~~ The purpose of the bill of rights is  
573 to summarize, in simple, nontechnical terms, existing Florida  
574 law regarding the rights of a personal lines residential  
575 property insurance policyholder who files a claim of loss. The

576 Homeowner Claims Bill of Rights is specific to the claims  
 577 process and does not represent all of a policyholder's rights  
 578 under Florida law regarding the insurance policy. The Homeowner  
 579 Claims Bill of Rights does not create a civil cause of action by  
 580 any individual policyholder or class of policyholders against an  
 581 insurer or insurers. The failure of an insurer to properly  
 582 deliver the Homeowner Claims Bill of Rights is subject to  
 583 administrative enforcement by the office but is not admissible  
 584 as evidence in a civil action against an insurer. The Homeowner  
 585 Claims Bill of Rights does not enlarge, modify, or contravene  
 586 statutory requirements, including, but not limited to, ss.  
 587 626.854, 626.9541, 627.70131, 627.7015, and 627.7074, and does  
 588 not prohibit an insurer from exercising its right to repair  
 589 damaged property in compliance with the terms of an applicable  
 590 policy or ss. 627.7011(5) (e) and 627.702(7). The Homeowner  
 591 Claims Bill of Rights must state:

592  
 593 HOMEOWNER CLAIMS

594 BILL OF RIGHTS

595 This Bill of Rights is specific to the claims process and does  
 596 not represent all of your rights under Florida law regarding  
 597 your policy. There are also exceptions to the stated timelines  
 598 when conditions are beyond your insurance company's control.  
 599 This document does not create a civil cause of action by an  
 600 individual policyholder, or a class of policyholders, against an



601 insurer or insurers and does not prohibit an insurer from  
602 exercising its right to repair damaged property in compliance  
603 with the terms of an applicable policy.

604

605 YOU HAVE THE RIGHT TO:

606 1. Receive from your insurance company an acknowledgment  
607 of your reported claim within 14 days after the time you  
608 communicated the claim.

609 2. Upon written request, receive from your insurance  
610 company within 30 days after you have submitted a complete  
611 proof-of-loss statement to your insurance company, confirmation  
612 that your claim is covered in full, partially covered, or  
613 denied, or receive a written statement that your claim is being  
614 investigated.

615 3. Within 90 days, subject to any dual interest noted in  
616 the policy, receive full settlement payment for your claim or  
617 payment of the undisputed portion of your claim, or your  
618 insurance company's denial of your claim.

619 4. Receive payment of interest, as provided in section  
620 627.70131, Florida Statutes, from your insurance company, which  
621 begins accruing from the date your claim is filed if your  
622 insurance company does not pay full settlement of your initial,  
623 reopened, or supplemental claim or the undisputed portion of  
624 your claim or does not deny your claim within 90 days after your  
625 claim is filed. The interest, if applicable, must be paid when

626 your claim or undisputed portion of your claim is paid.

627 ~~5.4.~~ Have free mediation of your disputed claim by the  
628 Florida Department of Financial Services, Division of Consumer  
629 Services, under most circumstances and subject to certain  
630 restrictions.

631 ~~6.5.~~ Have neutral evaluation of your disputed claim, if  
632 your claim is for damage caused by a sinkhole and is covered by  
633 your policy.

634 ~~7.6.~~ Contact the Florida Department of Financial Services,  
635 Division of Consumer Services' toll-free helpline for assistance  
636 with any insurance claim or questions pertaining to the handling  
637 of your claim. You can reach the Helpline by phone at...(toll-  
638 free phone number)..., or you can seek assistance online at the  
639 Florida Department of Financial Services, Division of Consumer  
640 Services' website at...(website address)....

641

642 YOU ARE ADVISED TO:

643 1. File all claims directly with your insurance company.

644 ~~2.1.~~ Contact your insurance company before entering into  
645 any contract for repairs to confirm any managed repair policy  
646 provisions or optional preferred vendors.

647 ~~3.2.~~ Make and document emergency repairs that are  
648 necessary to prevent further damage. Keep the damaged property,  
649 if feasible, keep all receipts, and take photographs or video of  
650 damage before and after any repairs to provide to your insurer.

651        ~~4.3.~~ Carefully read any contract that requires you to pay  
652 out-of-pocket expenses or a fee that is based on a percentage of  
653 the insurance proceeds that you will receive for repairing or  
654 replacing your property.

655        ~~5.4.~~ Confirm that the contractor you choose is licensed to  
656 do business in Florida. You can verify a contractor's license  
657 and check to see if there are any complaints against him or her  
658 by calling the Florida Department of Business and Professional  
659 Regulation. You should also ask the contractor for references  
660 from previous work.

661        ~~6.5.~~ Require all contractors to provide proof of insurance  
662 before beginning repairs.

663        ~~7.6.~~ Take precautions if the damage requires you to leave  
664 your home, including securing your property and turning off your  
665 gas, water, and electricity, and contacting your insurance  
666 company and provide a phone number where you can be reached.

667        Section 20. Paragraph (a) of subsection (1) and subsection  
668 (6) of section 631.57, Florida Statutes, are amended to read:

669        631.57 Powers and duties of the association.—

670        (1) The association shall:

671        (a)1. Be obligated to the extent of the covered claims  
672 existing:

673        a. Before ~~Prior to~~ adjudication of insolvency and arising  
674 within 30 days after the determination of insolvency;

675        b. Before the policy expiration date if less than 30 days

676 after the determination; or

677 c. Before the insured replaces the policy or causes its  
678 cancellation, if she or he does so within 30 days of the  
679 determination.

680 2. The obligation under subparagraph 1. includes ~~only~~ the  
681 amount of each covered claim which is ~~in excess of \$100 and is~~  
682 less than \$300,000, except that policies providing coverage for  
683 homeowner's insurance shall provide for an additional \$200,000  
684 for the portion of a covered claim which relates only to the  
685 damage to the structure and contents.

686 3.a. Notwithstanding subparagraph 2., the obligation under  
687 subparagraph 1. for policies covering condominium associations  
688 or homeowners' associations, which associations have a  
689 responsibility to provide insurance coverage on residential  
690 units within the association, shall include that amount of each  
691 covered property insurance claim which is less than \$200,000  
692 multiplied by the number of condominium units or other  
693 residential units; however, as to homeowners' associations, this  
694 sub-subparagraph applies only to claims for damage or loss to  
695 residential units and structures attached to residential units.

696 b. Notwithstanding sub-subparagraph a., the association  
697 has no obligation to pay covered claims that are to be paid from  
698 the proceeds of bonds issued under s. 631.695. However, the  
699 association shall assign and pledge the first available moneys  
700 from all or part of the assessments to be made under paragraph

701 (3) (a) to or on behalf of the issuer of such bonds for the  
 702 benefit of the holders of such bonds. The association shall  
 703 administer any such covered claims and present valid covered  
 704 claims for payment in accordance with the provisions of the  
 705 assistance program in connection with which such bonds have been  
 706 issued.

707 4. In no event shall the association be obligated to a  
 708 policyholder or claimant in an amount in excess of the  
 709 obligation of the insolvent insurer under the policy from which  
 710 the claim arises.

711 (6) The association may extend the time limits specified  
 712 in paragraph (1) (a) by up to an additional 60 days ~~or waive the~~  
 713 ~~applicability of the \$100 deductible specified in paragraph~~  
 714 ~~(1) (a)~~ if the board determines that either or both such actions  
 715 are necessary to facilitate the bulk assumption of obligations.

716 Section 21. Subsection (2) of section 631.904, Florida  
 717 Statutes, is amended to read:

718 631.904 Definitions.—As used in this part, the term:

719 (2) "Covered claim" means an unpaid claim, including a  
 720 claim for return of unearned premiums, which arises out of, is  
 721 within the coverage of, and is not in excess of the applicable  
 722 limits of, an insurance policy to which this part applies, which  
 723 policy was issued by an insurer and which claim is made on  
 724 behalf of a claimant or insured who was a resident of this state  
 725 at the time of the injury. The term "covered claim" includes

726 unpaid claims under any employer liability coverage of a  
727 workers' compensation policy limited to the lesser of \$300,000  
728 or the limits of the policy. The term "covered claim" does not  
729 include any amount sought as a return of premium under any  
730 retrospective rating plan; any amount due any reinsurer,  
731 insurer, insurance pool, or underwriting association, as  
732 subrogation recoveries or otherwise; any claim that would  
733 otherwise be a covered claim that has been rejected or denied by  
734 any other state guaranty fund based upon that state's statutory  
735 exclusions, including, but not limited to, those based on  
736 coverage, policy type, or an insured's net worth, except this  
737 exclusion from the definition of covered claim does not apply to  
738 employers who, before ~~prior to~~ April 30, 2004, entered into an  
739 agreement with the corporation preserving the employer's right  
740 to seek coverage of claims rejected by another state's guaranty  
741 fund; ~~or any return of premium resulting from a policy that was~~  
742 ~~not in force on the date of the final order of liquidation.~~  
743 Member insurers have no right of subrogation against the insured  
744 of any insolvent insurer. This provision applies retroactively  
745 to cover claims of an insolvent self-insurance fund resulting  
746 from accidents or losses incurred before ~~prior to~~ January 1,  
747 1994, regardless of the date the petition in circuit court was  
748 filed alleging insolvency and the date the court entered an  
749 order appointing a receiver.

750 Section 22. Except as otherwise expressly provided in this

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2021

751 | act, this act shall take effect upon becoming a law. |