

HB 1269

2026

A bill to be entitled
An act relating to awards of attorney fees in insurance claims; amending s. 86.121, F.S.; revising procedures for awards of attorney fees in legal proceedings for declaratory reliefs to determine insurance coverage; creating s. 626.9375, F.S.; providing guidelines for awards of attorney fees in civil claims for damages against surplus lines insurers; defining the term "judgment"; creating s. 627.4275, F.S.; providing guidelines for awards of attorney fees in civil claims for damages against insurers; defining the term "judgment"; amending ss. 624.123, 624.488, 627.062, 627.401, 627.727, 627.736, and 628.6016, F.S.; providing applicability; creating ss. 631.696 and 631.9245, F.S.; providing applicability; amending s. 632.638, F.S.; providing applicability; providing an effective date.

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

Section 1. Section 86.121, Florida Statutes, is amended to read:

86.121 Attorney fees; claims actions for declaratory relief to determine insurance coverage ~~after total coverage denial of claim.~~—

26 (1) In a claim an action brought for declaratory relief in
27 state or federal court to determine insurance coverage after the
28 insurer denied coverage or reserved its right to deny coverage
29 in the future, has made a total coverage denial of a claim:

30 (a) Either party is entitled to the summary procedure
31 provided in s. 51.011, and the court shall advance the cause on
32 the calendar.

33 (b) the court shall award reasonable attorney fees to the
34 named insured, omnibus insured, or third-party named beneficiary
35 under a policy issued by the insurer upon rendition of a
36 declaratory judgment in favor of the named insured, omnibus
37 insured, or third-party named beneficiary, or upon the insurer's
38 voluntary dismissal of the claim with or without prejudice. This
39 right may not be transferred to, assigned to, or acquired in any
40 other manner by anyone other than a named or omnibus insured or
41 a third-party named beneficiary. A defense offered by an insurer
42 pursuant to a reservation of rights does not constitute a
43 coverage denial of a claim. Such fees are limited to those
44 incurred in the claim action brought under this chapter for
45 declaratory relief to determine coverage of insurance issued
46 under the Florida Insurance Code.

47 (2) This section does not apply to any action arising
48 under a residential or commercial property insurance policy.

49 **Section 2. Section 626.9375, Florida Statutes, is created**
50 **to read:**

51 626.9375 Attorney fees.—

52 (1) In any civil claim for damages against a surplus lines
53 insurer by a named or omnibus insured or a named beneficiary
54 under an insurance policy or contract executed by the insurer,
55 the trial court or, in the event of an appeal, the appellate
56 court shall award reasonable attorney fees to the prevailing
57 party. For purposes of this subsection:

58 (a) The insured or named beneficiary is the prevailing
59 party:

60 1. If such person obtains a judgment greater than the
61 highest written settlement offer previously made by the insurer
62 to such person;

63 2. If such person obtains a judgment against the insurer
64 when the insurer previously makes no written settlement offer to
65 such person; or

66 3. If the insurer makes a payment to such person after the
67 civil claim is filed but before a final judgment is obtained.

68 (b) If the insured or named beneficiary obtains a judgment
69 against the insurer for an amount greater than the highest
70 written settlement offer made by the insurer before the suit is
71 filed but less than the highest written settlement offer made by
72 the insurer after the suit is filed, the insured or named
73 beneficiary is the prevailing party for the period until the
74 insurer makes the first written settlement offer that is greater
75 than the judgment.

76 (c) The insurer is the prevailing party if the insured or
77 named beneficiary is not the prevailing party.

78 (d) As used in this subsection, the term "judgment"
79 includes the total amount of the damages, the prejudgment
80 interest on unpaid benefits, and any reasonable attorney fees
81 and costs incurred by the insured or named beneficiary.
82 Notwithstanding any agreement between the attorney and the
83 insured or named beneficiary, attorney fees are deemed incurred
84 by the insured or named beneficiary when the attorney reasonably
85 expends time on the claim after it is filed.

86 (e) Any offer made by the insurer is not considered a
87 written settlement offer if the offer:

88 1. Is not kept open for at least 5 business days;
89 2. Is made later than 45 days before the date set for
90 trial or the first day of the docket on which the case is set
91 for trial, whichever is earlier; or
92 3. Contains nonmonetary terms, other than a voluntary
93 dismissal of the claim with prejudice if the offer is made after
94 the suit is filed or a covenant not to sue if the offer is made
95 before the suit is filed.

96 (2) When awarded, attorney fees must be included in the
97 judgment or decree rendered in the case.

98 **Section 3. Section 627.4275, Florida Statutes, is created**
99 **to read:**

100 627.4275 Attorney fees.—

101 (1) In any civil claim for damages against an insurer by a
102 named or omnibus insured or a named beneficiary under an
103 insurance policy or contract executed by the insurer, the trial
104 court or, in the event of an appeal, the appellate court shall
105 award reasonable attorney fees to the prevailing party. For
106 purposes of this subsection:

107 (a) The insured or named beneficiary is the prevailing
108 party if:

109 1. Such person obtains a judgment greater than the highest
110 written settlement offer previously made by the insurer to such
111 person;

112 2. Such person obtains a judgment against the insurer when
113 the insurer previously makes no written settlement offer to such
114 person; or

115 3. The insurer makes a payment to such person after the
116 civil claim is filed but before a final judgment is obtained.

117 (b) If the insured or named beneficiary obtains a judgment
118 against the insurer for an amount greater than the highest
119 written settlement offer made by the insurer before the suit is
120 filed but less than the highest written settlement offer made by
121 the insurer after the suit is filed, the insured or named
122 beneficiary is the prevailing party for the period until the
123 insurer makes the first written settlement offer that is greater
124 than the judgment.

125 (c) The insurer is the prevailing party if the insured or

126 named beneficiary is not the prevailing party.

127 (d) As used in this subsection, the term "judgment"
128 includes the total amount of the damages, the prejudgment
129 interest on unpaid benefits, and any reasonable attorney fees
130 and costs incurred by the insured or named beneficiary.
131 Notwithstanding any agreement between the attorney and the
132 insured or named beneficiary, attorney fees are deemed incurred
133 by the insured or named beneficiary when the attorney reasonably
134 expends time on the claim after it is filed.

135 (e) Any offer made by the insurer is not considered a
136 written settlement offer if the offer:

137 1. Is not kept open for at least 5 business days;
138 2. Is made later than 45 days before the date set for
139 trial or the first day of the docket on which the case is set
140 for trial, whichever is earlier; or
141 3. Contains nonmonetary terms, other than a voluntary
142 dismissal of the claim with prejudice if the offer is made after
143 the suit is filed or a covenant not to sue if the offer is made
144 before the suit is filed.

145 (2) When awarded, attorney fees must be included in the
146 judgment or decree rendered in the case.

147 **Section 4. Subsection (4) of section 624.123, Florida**
148 **Statutes, is amended to read:**

149 624.123 Certain international health insurance policies;
150 exemption from code.—

151 (4) Any international health insurance policy or
152 application solicited, provided, entered into, issued, or
153 delivered pursuant to this subsection is exempt from all
154 provisions of the insurance code, except that such policy,
155 contract, or agreement is subject to ~~the provisions of~~ ss.
156 624.155, 624.316, 624.3161, 626.951, 626.9511, 626.9521,
157 626.9541, 626.9551, 626.9561, 626.9571, 626.9581, 626.9591,
158 626.9601, 627.413, 627.4145, 627.4275, and 627.6043.

159 **Section 5. Subsection (4) of section 624.488, Florida
160 Statutes, is amended to read:**

161 624.488 Applicability of related laws.—In addition to
162 other provisions of the code cited in ss. 624.460-624.488:

163 (4) Sections 627.291, 627.413, 627.4132, 627.416, 627.418,
164 627.420, 627.421, 627.425, 627.426, 627.4265, 627.427, 627.4275,
165 627.702, and 627.706; part XI of chapter 627; ss. 627.912,
166 627.913, and 627.918;

167
168 apply to self-insurance funds. Only those sections of the code
169 that are expressly and specifically cited in ss. 624.460-624.489
170 apply to self-insurance funds.

171 **Section 6. Paragraph (b) of subsection (3) of section
172 627.062, Florida Statutes, is amended to read:**

173 627.062 Rate standards.—

174 (3)

175 (b) Individual risk rates and modifications to existing

HB 1269

2026

176 approved forms are not subject to this part or part II, except
177 for paragraph (a) and ss. 627.402, 627.403, 627.4035, 627.404,
178 627.405, 627.406, 627.407, 627.4085, 627.409, 627.4132,
179 627.4133, 627.415, 627.416, 627.417, 627.419, 627.425, 627.426,
180 627.4265, and 627.427, 627.4275, but are subject to all other
181 applicable provisions of this code and rules adopted thereunder.

182 **Section 7. Subsections (3), (4), and (5) of section**

183 **627.401, Florida Statutes, are amended to read:**

184 627.401 Scope of this part.—No provision of this part of
185 this chapter applies to:

186 (3) Wet marine and transportation insurance, except ss.
187 627.409 and 627.420, and 627.4275.

188 (4) Title insurance, except ss. 627.406, 627.415, 627.416,
189 627.419, and 627.427, and 627.4275.

190 (5) Credit life or credit disability insurance, except ss.
191 627.419(5) and 627.4275 s. 627.419(5).

192 **Section 8. Subsections (8) and (9) of section 627.727,
193 Florida Statutes, are renumbered as subsections (9) and (10),
194 respectively, and subsection (8) is added to that section, to
195 read:**

196 627.727 Motor vehicle insurance; uninsured and
197 underinsured vehicle coverage; insolvent insurer protection.—

198 (8) If a dispute arises in an action under this section
199 regarding whether a policy provides uninsured motorist coverage
200 or the amount of coverage available under the policy, attorney

HB 1269

2026

201 fees may be recovered under s. 86.121. Sections 626.9375 and
202 627.4275 do not apply to any action brought under this section
203 against the uninsured motorist insurer.

204 **Section 9. Subsection (8) of section 627.736, Florida
205 Statutes, is amended to read:**

206 627.736 Required personal injury protection benefits;
207 exclusions; priority; claims.—

208 (8) APPLICABILITY OF PROVISION REGULATING ATTORNEY FEES.—
209 With respect to any dispute under the provisions of ss. 627.730-
210 627.7405 between the insured and the insurer, or between an
211 assignee of an insured's rights and the insurer, ss. 627.4275
212 and 768.79 ~~the provisions of s. 768.79~~ apply, except as provided
213 in subsections (10) and (15), and except that any attorney fees
214 recovered must:

215 (a) Comply with prevailing professional standards;
216 (b) Not overstate or inflate the number of hours
217 reasonably necessary for a case of comparable skill or
218 complexity; and

219 (c) Represent legal services that are reasonable and
220 necessary to achieve the result obtained.

221
222 Upon request by either party, a judge must make written
223 findings, substantiated by evidence presented at trial or any
224 hearings associated therewith, that any award of attorney fees
225 complies with this subsection. Attorney fees recovered under ss.

HB 1269

2026

226 627.730-627.7405 must be calculated without regard to a
227 contingency risk multiplier.

228 **Section 10. Subsection (4) of section 628.6016, Florida
229 Statutes, is amended to read:**

230 628.6016 Applicability of related laws.—In addition to
231 other provisions of the code cited in ss. 628.6011-628.6018:

232 (4) Sections 627.291, 627.413, 627.4132, 627.416, 627.418,
233 627.420, 627.421, 627.425-627.427, 627.4275, 627.702, and
234 627.706; part XI of chapter 627; ss. 627.912, 627.913, and
235 627.918; and

236
237 apply to assessable mutual insurers; however, ss. 628.255,
238 628.411, and 628.421 do not apply. No section of the code not
239 expressly and specifically cited in ss. 628.6011-628.6018
240 applies to assessable mutual insurers. The term "assessable
241 mutual insurer" shall be substituted for the term "commercial
242 self-insurer" as appropriate.

243 **Section 11. Section 631.696, Florida Statutes, is created
244 to read:**

245 631.696 Attorney fees.—Section 627.4275 does not apply to
246 any claim presented to the association under this part, unless
247 the association denies, by affirmative action other than delay,
248 a covered claim or a portion thereof.

249 **Section 12. Section 631.9245, Florida Statutes, is created
250 to read:**

251 631.9245 Attorney fees.—Section 627.4275 does not apply to
252 any claim presented to the corporation under this part, unless
253 the corporation denies, by affirmative action other than delay,
254 a covered claim or a portion thereof.

255 **Section 13. Subsections (11), (12), and (13) of section**
256 **632.638, Florida Statutes, are renumbered as subsections (12),**
257 **(13), and (14), respectively, and a new subsection (11) is added**
258 **to that section, to read:**

259 632.638 Applicability of other code provisions.—In
260 addition to other provisions contained or referred to in this
261 chapter, the following chapters and provisions of this code
262 apply to fraternal benefit societies, to the extent applicable
263 and not in conflict with the express provisions of this chapter
264 and the reasonable implications thereof:

265 (11) Section 627.4275;

266 **Section 14.** This act applies to any claim or lawsuit
267 arising out of an insurance policy or contract issued on or
268 after July 1, 2026.

269 **Section 15.** This act shall take effect July 1, 2026.