

The Florida Senate
COMMITTEE MEETING EXPANDED AGENDA

BANKING AND INSURANCE
Senator Flores, Chair
Senator Steube, Vice Chair

MEETING DATE: Tuesday, October 24, 2017
TIME: 9:00—10:30 a.m.
PLACE: *Toni Jennings Committee Room, 110 Senate Office Building*

MEMBERS: Senator Flores, Chair; Senator Steube, Vice Chair; Senators Bracy, Bradley, Braynon, Broxson, Gainer, Garcia, Grimsley, Taddeo, and Thurston

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
		Discussion of Property Insurance Post-Loss Assignment of Benefits	Discussed
Other Related Meeting Documents			

Topic List for Property Insurance Post-Loss Assignment of Benefits (AOB) Panel Discussion

I. Contract Terms

- 1. Assignment must be in writing.**
- 2. Assignment must be executed by all named insureds or one named insured.**
- 3. Limit the assignment's transfer of rights to only the right to seek payment for work performed by the assignee.**
- 4. Require the assignee to provide a copy of the agreement to the insurer within a time certain.**
- 5. The assignment agreement must detail the work to be performed.**
- 6. Create a right of rescission and notify the policyholder in writing of right to rescind within 7 business or calendar days.**
- 7. Allow or prohibit assignee billing of policyholders for work performed before the assignment is rescinded.**
- 8. Notify the policyholder of effect of assignment and right of rescission.**
- 9. Notice to policyholder of effect of assignment and right of rescission. Alternatively, allow the assignee to charge the policyholder for work denied by the insurer.**
- 10. Prohibit the assignment from imposing penalty or fee for rescission, a check or mortgage processing fee, or an administrative fee.**

II. Claim Adjustment

- 1. Maintain records of all services provided under the assignment.**
- 2. Cooperate with the insurer's investigation of the claim.**
- 3. Provide the insurer with all records related to the services provided.**
- 4. Deliver a copy of the assignment agreement to the insurer within 3 business days of its execution.**
- 5. Provide the insurer with a written, itemized, per-unit cost statement of the services performed concurrently with a request for payment.**
- 6. Require an insurer to make an initial inspection within 7 days after receiving the assignment agreement or within 7 days after a state of emergency is terminated, whichever is later.**

III. Work and Billing Standards

- 1. Require each assignee to provide the policyholder with accurate and up-to-date revised statements of the scope of work to be performed, as supplemental or additional repairs are required.**
- 2. Each assignee must provide the policyholder and insurer a final invoice within 7 business days after the work was completed.**
- 3. Assignee performing water remediation must be certified compliant with American National Standards Institute water remediation standards.**
- 4. Require each assignee to perform work in accordance with current and accepted industry standards.**
- 5. An assignee may not pay more than \$750 in referral fees.**

IV. Litigation and Attorney Fees

- 1. Require the insured or the assignee to give pre-suit notice before the filing of a lawsuit against an insurer, including a final invoice or estimate of work.**
- 2. As a condition precedent to filing a suit, the assignee must submit to examinations under oath and participate in appraisal or other alternative dispute resolution methods in accordance with the policy.**
- 3. Prohibit assignees from recovering attorney fees under s. 627.428, F.S., and s. 626.9379, F.S.**

V. Managed Repair

- 1. Prohibit assignment agreements from modifying the terms or conditions of managed repair programs.**
- 2. Prohibit insurers from requiring that particular vendors perform repairs and prohibit insurers from recommending particular vendors unless requested by the insured.**

VI. Prohibition

- 1. Allow insurance contracts to prohibit the post-loss assignment of benefits.**
- 2. Allow property insurance contracts to prohibit the post-loss assignment of benefits above a certain dollar amount.**
- 3. Prohibit the assignment of the right to enforce payment for post-loss benefits under the policy.**
- 4. Prohibit the assignment of the right to adjust, negotiate, or settle any portion of a claim to a person other than an adjuster or attorney.**
- 5. Specify that a property insurance contract may not prohibit the post-loss assignment of benefits.**

VII. Rate Relief

VIII. Other Provisions

- 1. Define a post-loss assignment of benefits in statute.**
- 2. Exempt assignments to subsequent purchasers of property and a power of attorney under ch. 709, F.S.**
- 3. Require insurers to report AOB claim information to the Office of Insurance Regulation.**

Property Insurance Post-Loss Assignment of Benefits Speaker Bios

Commissioner David Altmaier

Commissioner Altmaier was appointed as the Florida's Insurance Commissioner on April 29, 2016 by the Financial Services Commission. He leads a 292-member team at the Office of Insurance Regulation overseeing a complex insurance marketplace in a state with one of the highest catastrophe exposures for hurricanes.

Christine Ashburn

Christine Ashburn, Vice President of Communications, Legislative and External Affairs for Citizens Property Insurance, oversees legislative affairs, internal and external corporate communications, media relations, and public outreach and education.

David Bronstein

Mr. Bronstein is a trial attorney and founding partner of Bronstein and Carmona, P.A., in Ft. Lauderdale, Florida. His current trial practice focuses on a full spectrum of insurance matters, with an emphasis on suspicious insurance claims, property coverage claims, and automobile negligence and general liability matters.

Dave DeBlander

Mr. DeBlander is the founder and owner of Pro Clean Restoration and Cleaning in Pensacola, FL. Pro Clean has won many awards including the Better Business Bureau's "Marketplace Ethics Award" which they have won three times, and they are charter members of the Pensacola News Journal's "Best of the Bay" Business Hall of Fame. They were named by the Pensacola Chamber of Commerce as their "Small Business of the Month" in October 2008 and June 2016.

Lee Jacobson

Mr. Jacobson is a civil litigation attorney in Orlando, Florida. He is a partner at the Orlando-based law firm, Hale, Hale & Jacobson, P.A. He represents clients in matters of personal injury, bad faith insurance claims, and wrongful death.

Sha'Ron James

Ms. James serves as the state's Insurance Consumer Advocate. As Insurance Consumer Advocate, she is committed to finding solutions to the insurance problems facing Floridians, calling attention to questionable insurance practices, and ensuring that the market responds to the needs of Florida's diverse population.

Jeffrey Scott

Mr. Scott is the Chairman, CEO, and President of Gemini Financial Holdings Corporation and its subsidiaries, one of which is Olympus Insurance Company, a Florida domestic property and casualty insurance company. Other Gemini Financial subsidiaries include Radiant RE, a Bermuda-based reinsurance company; Olympus Managing General Agency; and Gemini Financial Services Corp.



THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

COMMITTEES:

Criminal Justice, *Chair*
Appropriations Subcommittee on Criminal and
Civil Justice, *Vice Chair*
Appropriations
Banking and Insurance
Judiciary
Regulated Industries

SENATOR RANDOLPH BRACY

11th District

October 23, 2017

Senator Anitere Flores, Chair
Banking and Insurance Committee
320 Knott Building
404 S. Monroe Street
Tallahassee, FL 32399-1100

Dear Chair Flores:

Due to a scheduling conflict and traveling back to my district, I am respectfully requesting an excused absence from the Committee on Banking and Insurance on Tuesday, October 24, 2017.

Thanks so very much for excusing my absence.

Sincerely,

A handwritten signature in cursive script that reads "Randolph Bracy".

Randolph Bracy
Florida Senate, District 11

REPLY TO:

- 150 N. Lakeshore Drive, Ocoee, Florida 34761 (407) 656-6716
- 213 Senate Office Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5011

Senate's Website: www.flsenate.gov

JOE NEGRON
President of the Senate

ANITERE FLORES
President Pro Tempore

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

10/24/2017

Meeting Date

Bill Number (if applicable)

Topic Post Loss Assignment of Benefits

Amendment Barcode (if applicable)

Name Christine Ashburn

Job Title VP - Communications, Legislative and External Affairs

Address 2101 Maryland Circle

Phone 850-513-3746

Street

Tallahassee

FL

32303

Email christine.ashburn@citizensfla.com

City

State

Zip

Speaking: [] For [] Against [x] Information

Waive Speaking: [] In Support [] Against (The Chair will read this information into the record.)

Representing Citizens Property Insurance Corporation

Appearing at request of Chair: [x] Yes [] No

Lobbyist registered with Legislature: [x] Yes [] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

10/10/2017

Meeting Date

Bill Number (if applicable)

Topic Assignment of Benefits

Amendment Barcode (if applicable)

Name David Bronstein

Job Title _____

Address 8000 Peters Road

Phone 954-358-0444

Street

Ft. Lauderdale

FL

33324

Email dbronstein@bronstein-carmona.com

City

State

Zip

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Florida Justice Reform Institute

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/14/14)

CourtSmart Tag Report

Room: EL 110 Case No.:
Caption: Senate Banking and Insurance Committee

Type:
Judge:

Started: 10/24/2017 9:03:46 AM
Ends: 10/24/2017 10:32:11 AM Length: 01:28:26

9:03:46 AM Meeting called to order
9:03:58 AM Roll call
9:04:23 AM Chair flores introduces topic
9:04:32 AM Members of panel to make way forward
9:04:43 AM final Formal panel on the issue.
9:05:14 AM Jeff Scott here
9:05:29 AM Christine Ashburn Vice President of Communications
9:05:59 AM Opening questions presented- Litigation and attorney fees
9:06:59 AM Panel consists of Commissioner David Altmaier, Christine Ashburn, David Bronstein
9:07:57 AM David Altmaier Floridas Insurance Commissioner April 29, 2016
9:09:23 AM David Bronstein, trial attorney, founding partner of Bronstein and Carmona, P.A.
9:10:37 AM Lee Jacobson, civil litigation attorney in Orlando, Florida. of Hale, Hale & Jacobson, P.A.
9:12:51 AM Question by Senator Bradley
9:14:16 AM Question by Senator Bradley
9:14:22 AM speaker
9:16:52 AM Sen Flores comments
9:19:05 AM Dave Deblander continues
9:19:39 AM Dave Deblander continues
9:19:46 AM Chair Flores with question
9:20:23 AM Deblander explains
9:21:15 AM Mr. Jacobsen
9:23:46 AM Sen Flores
9:24:07 AM Sen Broxson
9:24:41 AM directed to Lee Jacobson
9:25:01 AM Jacobson answers
9:25:42 AM Sen Broxson
9:25:56 AM Lee Jacobson
9:26:53 AM Sen Broxson
9:27:06 AM Lee Jacobson
9:28:30 AM Sen broxson
9:28:41 AM Lee Jacobson
9:29:09 AM Chair flores
9:30:23 AM Dave Deblander
9:31:28 AM Sen Flores
9:32:31 AM Mr. Deblander
9:33:32 AM Sen Braynon
9:33:54 AM Chair Flores
9:33:59 AM Sen Braynon
9:34:29 AM Sen Flores
9:35:24 AM Mr. Deblander
9:37:29 AM Sen Flores
9:37:35 AM Sha'Ron James state's Insurance Consumer Advocate
9:38:00 AM Chair Flores
9:38:18 AM Dave Deblander
9:40:03 AM Ms James
9:43:23 AM Sen. Flores
9:43:49 AM Christine Ashburn, Vice President Communications , Legislative and External Affairs for
9:44:33 AM Citizens Property Insurance, over sees Legislative affairs, internal and external corporate
9:45:15 AM communications, media relations, and public outreach and education
9:48:03 AM Sen Bradley
9:51:53 AM
9:52:41 AM Dave Altmaier Commissioner

9:53:19 AM Sen Bradley
9:53:27 AM Commissioner Altmaier
9:53:42 AM Sen Bradley
9:54:05 AM Commisioner Altmaier
9:54:55 AM Sen Bradley
9:55:05 AM Ms. ShaRon James
9:57:23 AM Sen Bradley
9:57:29 AM Ms. James
9:58:43 AM Sen Broxson
9:58:56 AM Ms. James
10:00:25 AM Sen Broxson
10:00:29 AM Ms. James
10:00:39 AM Commissioner Altmaier
10:02:10 AM Ms. James
10:02:52 AM Chair Flores
10:03:06 AM David Bronstein
10:05:07 AM Jeffrey Scott, chairman, CEO and President of Gemini Financial Holdings Corp
10:06:09 AM Chair Flores
10:06:27 AM Jeffrey Scott
10:07:39 AM Sen Braynon
10:08:06 AM Jeffrey Scott
10:08:18 AM Sen. Braynon
10:08:24 AM Sen. Braynon
10:09:38 AM Chair Flores
10:09:50 AM Lee Jacobson
10:11:29 AM Sen Garcia
10:11:38 AM Lee Jacobson
10:14:00 AM Sen Steube
10:14:20 AM Dave Deblander
10:17:01 AM Sen. Flores
10:18:29 AM commissioner Altmaier
10:20:53 AM Sen Flores
10:23:31 AM Sen Braynon
10:24:21 AM Christine Ashburn
10:25:16 AM Lee Jacobson
10:26:27 AM Sen Garcia
10:27:55 AM Sen. Thurston
10:28:17 AM Commissioner Altmaier
10:29:32 AM Sen. Bradley
10:31:03 AM Chair Flores thanks panel Sen Gainer adjourns the meeting