The Committee on Banking and Insurance (Richter) recommended the following:

**Senate Amendment (with title amendment)**

Delete lines 2518 - 2538

and insert:

(a) For a dwelling, the insurer must initially pay at least the actual cash value of the insured loss, less any applicable deductible. To receive payment from an insurer for replacement costs, the policyholder must enter into a contract for the performance of building and structural repairs, unless the requirement for a contract is waived by the insurer. The insurer shall pay any remaining amounts necessary to perform such repairs as work is performed and expenses are incurred. The
insurer or any contractor or subcontractor may not require the policyholder to advance payment for such repairs or expenses, with the exception of incidental expenses to mitigate further damage. If a total loss of a dwelling occurs, the insurer shall pay the replacement cost coverage without reservation or holdback of any depreciation in value, pursuant to s. 627.702.

(b) For personal property, the insurer may limit the initial payment to the actual cash value of the personal property to be replaced. An insurer may require an insured to provide receipts for the purchase of the property financed by the initial payment and use such receipts to make the next payment requested by the insured for the replacement of insured property, and continue this process until the insured remits all receipts up to the policy limits for replacement costs. The insurer must provide clear notice of this process in the insurance contract. The insurer may not require the policyholder to advance payment for the replaced property the insurer shall pay.

And the title is amended as follows:

Delete lines 133 - 147

and insert:

627.7011, F.S.; requiring the insurer to pay the actual cash value of an insured loss for a dwelling, less any applicable deductible; requiring a policyholder to enter into a contract for the performance of building and structural repairs unless waived by the insurer; restricting insurers and...
contractors from requiring advance payments for repairs and expenses; authorizing an insurer to limit the initial payment for personal property to the actual cash value of the property to be replaced and to require the insured to provide receipts for purchases; requiring the insurer to provide notice of this process in the insurance contract; prohibiting an insurer from requiring the insured to advance payment; amending s.