

## Committee on Banking and Insurance

### **CS/CS/SB 1672 — Property Insurance**

by Rules Committee; Commerce and Tourism Committee; and Banking and Insurance Committee

The bill directs Citizens Property Insurance Corporation (Citizens) to offer new, separate commercial residential wind-only and all-other perils policies in the Coastal Account instead of multi-peril policies. Current Citizens commercial-residential multi-peril policies in the Coastal Account will be allowed to be renewed going forward.

The bill prohibits a public adjuster, a public adjuster apprentice, or any person acting on behalf of an adjuster or apprentice from accepting power of attorney on an adjusted property and choosing the repair contractor.

The bill prohibits referral fees from being paid to an insurance agency, agent, adjuster, or agency employee related to a mitigation inspection or any property inspection used to calculate property insurance premiums.

The bill prohibits a contractor, or a person acting on behalf of a contractor from knowingly or willfully and with intent to injure, defraud, or deceive, pay, waive, or rebate all or part of an insurance deductible applicable to payment to the contractor, or a person acting on behalf of a contractor, for repairs to property covered by a property insurance policy. A violation is a third degree felony.

The bill allows insurers and Citizens to use a quality assurance program related to the windstorm mitigation inspection form. The bill clarifies that an insurer is not required to independently verify a form if the inspector or inspection company has a quality assurance program approved by the insurer. Citizens may not re-inspect insured properties for 5 years if the initial windstorm mitigation inspection form was verified by a quality assurance program approved by Citizens prior to acceptance of the form.

Allows procurement protests within Citizens to be resolved by the Department of Administrative Hearings at Citizens' expense.

Requires Citizens to annually report to the legislature its estimated claims paying capacity. A duplicative legislative report from Citizens is repealed.

If approved by the Governor, these provisions take effect July 1, 2014.

*Vote: Senate 25-8; House 117-0*