

Amendment No. (for drafter's use only)

CHAMBER ACTION

Senate

House

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1 Representative(s) Johnson offered the following:

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3 **Amendment (with title amendment)**

4 Between lines 1240 and 1241, insert:

5 Section 15. Subsections (1) and (7) of section 627.7015,
6 Florida Statutes, are amended to read:

7 627.7015 Alternative procedure for resolution of disputed
8 property insurance claims.--

9 (1) PURPOSE AND SCOPE.--This section sets forth a
10 nonadversarial alternative dispute resolution procedure for a
11 mediated claim resolution conference prompted by the need for
12 effective, fair, and timely handling of property insurance
13 claims. There is a particular need for an informal,
14 nonthreatening forum for helping parties who elect this
15 procedure to resolve their claims disputes because most

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4/25/2005 2:03:00 PM

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16 homeowner's insurance policies obligate insureds to participate
17 in a potentially expensive and time-consuming adversarial
18 appraisal process prior to litigation. The procedure set forth
19 in this section is designed to bring the parties together for a
20 mediated claims settlement conference without any of the
21 trappings or drawbacks of an adversarial process. Before
22 resorting to these procedures, insureds and insurers are
23 encouraged to resolve claims as quickly and fairly as possible.
24 This section is available with respect to claims under personal
25 lines and commercial policies for all claimants and insurers
26 prior to commencing the appraisal process, or commencing
27 litigation. If requested by the insured, participation by legal
28 counsel shall be permitted. Mediation under this section is also
29 available to litigants referred to the department by a county
30 court or circuit court. This section does not apply ~~to~~
31 ~~commercial coverages~~, to private passenger motor vehicle
32 insurance coverages, or to disputes relating to liability
33 coverages in policies of property insurance.

34 (7) If the insurer fails to comply with subsection (2) by
35 failing to notify a claimant of its right to participate in the
36 mediation program under this section or if the insurer requests
37 the mediation, and the mediation results are rejected by either
38 party, the insured shall not be required to submit to or
39 participate in any contractual loss appraisal process of the
40 property loss damage as a precondition to legal action for
41 breach of contract against the insurer for its failure to pay
42 the policyholder's claims covered by the policy.

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4/25/2005 2:03:00 PM

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===== T I T L E A M E N D M E N T =====

Remove line 101 and insert:
under certain circumstances; amending s. 627.7015, F.S.;
revising the purpose and scope of an alternative procedure for
resolution of disputed property insurance claims to include
commercial policies; providing an additional circumstance for
excusing an insured from submitting to or participating in
certain damage appraisal processes as a precondition to legal
action; requiring the Auditor General

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