A bill to be entitled
An act relating to the assignment of property
insurance benefits; creating s. 627.7152, F.S.;
defining the term “assignment agreement”; prohibiting
certain awards of attorney fees to certain persons or
entities in suits based on claims arising under
property insurance policies; providing that an
assignment agreement is not valid unless specified
requirements are met; prohibiting certain provisions
in an assignment agreement; specifying requirements
for an assignee or transferee; requiring an assignee
to meet certain requirements as a condition precedent
to filing suit under a policy; providing construction;
providing applicability; providing an effective date.

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

Section 1. Section 627.7152, Florida Statutes, is created
to read:
627.7152 Assignment of property insurance post-loss
benefits.—
(1) As used in this section, the term “assignment
agreement” means any instrument by which post-loss property
insurance benefits for services to protect, repair, restore, or
replace property, or to mitigate against further damage to
property, are assigned, transferred, or conveyed, regardless of
how named or styled.
(2) Notwithstanding any other law, as to suits based on
claims arising under property insurance policies, attorney fees
may not be awarded under s. 626.9373 or s. 627.428 in favor of any person or entity seeking relief against the insurer pursuant to an assignment agreement.

(3) An assignment agreement is not valid unless it meets all of the following requirements:

(a) The assignment agreement is in writing and is executed by all named insureds;

(b) The assignment agreement contains a provision that permits all named insureds to rescind the assignment agreement without any penalty or rescission or cancellation fee within 7 business days after the date the assignment agreement is executed by all named insureds;

(c) The assignment agreement contains a provision requiring the assignee or transferee to provide a copy of the executed assignment agreement to the insurer no later than 3 business days after the assignment agreement is executed by any named insured; and

(d) The assignment agreement contains a written, itemized, per-unit cost estimate of the work to be performed by the assignee or transferee.

(4) The following provisions may not be included in an assignment agreement and are deemed to be invalid and unenforceable against the property insurer or named insureds:

(a) A penalty or fee for rescission of the assignment agreement pursuant to subsection (3);

(b) A check or mortgage processing fee;

(c) A penalty or fee for cancellation of the assignment agreement pursuant to subsection (3); or

(d) An administrative fee.
(5) As to claims arising under an assignment agreement, the failure to comply with any provision of this subsection creates a presumption that the insurer is prejudiced by such failure to comply and shifts the burden in any proceeding or suit to the party seeking benefits, rights, or proceeds from the insurer to demonstrate that the insurer was not prejudiced. The assignee or transferee must do all of the following:

(a) Maintain records of all services provided under the assignment agreement;
(b) Cooperate with the insurer in the investigation of a claim;
(c) Provide the insurer with any and all records and documents requested related to services provided and permit the insurer to make copies;
(d) Deliver a copy of the executed assignment agreement to the insurer no later than 3 business days after the assignment agreement is executed by all named insureds; and
(e) Concurrently with any request for payment of benefits under the insurance policy, provide the insurer with a written, itemized, per-unit cost statement of services actually performed pursuant to the assignment agreement.

(6) As to claims arising under an assignment agreement, an assignee must, as a condition precedent to filing a suit under the policy:

(a) If required by the insurer, submit to examinations under oath and recorded statements conducted by the insurer or the insurer’s representative which are limited to matters related to the services provided, the costs of services, and the assignment or transfer; and
(b) Participate in an appraisal or other alternative dispute resolution method in accordance with the terms of the policy.

(7) An activity in compliance with subsections (5) and (6) does not constitute practice as a public adjuster pursuant to part VI of chapter 626.

(8) Notwithstanding any other law, the acceptance by a person of any assignment agreement constitutes a waiver by the assignee or transferee, and any subcontractor of the assignee or transferee, of any and all claims against all named insureds for payment arising from the specified loss, except that all named insureds remain responsible for the payment of any deductible amount provided for by the terms of the insurance policy and for the cost of any betterment ordered by all named insureds. This waiver remains in effect notwithstanding any subsequent determination that the assignment agreement is invalid or the rescission of the assignment agreement by all named insureds.

(9) This section does not permit an assignment agreement to modify or eliminate any term, condition, or defense relating to any managed repair arrangement provided for in the insurance policy to which the assignment agreement relates.

(10) This section does not apply to:

(a) An assignment, transfer, or conveyance granted to a subsequent purchaser of property who acquires an insurable interest in the property following a loss;

(b) A power of attorney granted to a management company, family member, guardian, or similarly situated person which complies with chapter 709 and which may include, as part of the authority granted, the authority to act on behalf of a principal
as it relates to a property insurance claim; or

(c) Liability coverage under a property insurance policy.

(11) This section applies to assignment agreements that are executed after July 1, 2018.

Section 2. This act shall take effect July 1, 2018.