

By Senator Gruters

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1 A bill to be entitled
2 An act relating to consumer protection; amending s.
3 501.0051, F.S.; prohibiting consumer reporting
4 agencies from charging to reissue or provide a new
5 unique personal identifier to a consumer for the
6 removal of a security freeze; amending s. 624.307,
7 F.S.; revising a requirement for persons licensed or
8 authorized by the Department of Financial Services or
9 the Office of Insurance Regulation to respond to the
10 department's Division of Consumer Services regarding
11 consumer complaints; amending s. 624.501, F.S.;
12 deleting a fee for adjusting firm licenses; amending
13 s. 626.015, F.S.; defining the term "claims
14 adjusting"; amending s. 626.112, F.S.; deleting an
15 obsolete provision; prohibiting unlicensed activity by
16 an adjusting firm; providing an exemption; providing
17 an exemption from licensure for branch firms that meet
18 certain criteria; providing an administrative penalty
19 for failing to apply for certain licensure; providing
20 a criminal penalty for aiding or abetting unlicensed
21 activity; amending s. 626.602, F.S.; authorizing the
22 department to disapprove the use of insurance agency
23 names containing the words "Medicare" or "Medicaid";
24 providing an exception for certain insurance agencies
25 for a certain period; providing for expiration of
26 certain licenses on a certain date; amending s.
27 626.621, F.S.; adding grounds on which the department
28 may take certain actions against a license,
29 appointment, or application of certain insurance

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30 representatives; amending s. 626.7315, F.S.;

31 conforming a cross-reference; amending ss. 626.782 and

32 626.783, F.S.; revising the definitions of the terms

33 "industrial class insurer" and "ordinary-combination

34 class insurer," respectively, to conform to changes

35 made by the act; amending s. 626.7845, F.S.;

36 conforming a cross-reference; repealing s. 626.796,

37 F.S., relating to the representation of multiple

38 insurers in the same industrial debit territory;

39 amending s. 626.8305, F.S.; conforming a cross-

40 reference; amending s. 626.854, F.S.; revising the

41 timeframes in which an insured or a claimant may

42 cancel a public adjuster's contract to adjust a claim

43 without penalty or obligation; requiring that public

44 adjuster's contracts include a specified disclosure;

45 specifying requirements for written estimates of loss

46 provided by public adjusters to claimants or insureds;

47 prohibiting certain contractors from soliciting

48 insureds to file insurance claims under certain

49 circumstances; amending s. 626.916, F.S.; revising

50 disclosure requirements for certain classes of

51 insurance before being eligible for export under the

52 Surplus Lines Law; amending s. 626.9541, F.S.; adding

53 certain acts or practices to the definition of

54 sliding; amending s. 626.9741, F.S.; requiring an

55 insurer to include certain additional information when

56 providing an applicant or insured with certain credit

57 report or score information; amending s. 626.9953,

58 F.S.; correcting a cross-reference; amending ss.

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59 626.9957 and 627.062, F.S.; conforming cross-
60 references; amending s. 627.502, F.S.; prohibiting
61 life insurers from writing new policies of industrial
62 life insurance beginning on a certain date; making
63 technical changes; amending s. 627.70131, F.S.;
64 providing that a communication made to or by an
65 insurer's representative, rather than to or by an
66 insurer's agent, constitutes communication to or by
67 the insurer; revising the timeframe for insurers to
68 begin certain investigations; requiring an insurer-
69 assigned licensed adjuster to provide the policyholder
70 with certain information in certain investigations;
71 requiring insurers to maintain certain records and
72 provide certain lists upon request; requiring insurers
73 to include specified notices when providing
74 preliminary or partial damage estimates or claim
75 payments; providing applicability; conforming
76 provisions to changes made by the act; creating s.
77 627.7031, F.S.; prohibiting foreign venue clauses in
78 property insurance policies; providing applicability;
79 amending s. 627.7142, F.S.; revising information
80 contained in the Homeowner Claims Bill of Rights;
81 conforming provisions to changes made by the act;
82 amending s. 631.57, F.S.; deleting a deductible on the
83 obligation of the Florida Insurance Guaranty
84 Association, Incorporated, as to certain covered
85 claims; amending s. 631.904, F.S.; revising the
86 definition of the term "covered claim"; deleting a
87 requirement that a policy be in force on the date of

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88 the final order of liquidation; providing effective
89 dates.

90

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

92

93 Section 1. Paragraph (b) of subsection (9) of section
94 501.0051, Florida Statutes, is amended to read:

95 501.0051 Protected consumer report security freeze.—

96 (9)

97 (b) A consumer reporting agency may not charge a fee to a
98 ~~reasonable fee, not to exceed \$10, if the representative fails~~
99 ~~to retain the original unique personal identifier provided by~~
100 ~~the consumer reporting agency and the agency must~~ reissue the
101 unique personal identifier or to provide a new unique personal
102 identifier to the consumer representative.

103 Section 2. Paragraph (b) of subsection (10) of section
104 624.307, Florida Statutes, is amended to read:

105 624.307 General powers; duties.—

106 (10)

107 (b) Any person licensed or issued a certificate of
108 authority by the department or the office shall respond, in
109 writing, to the division within 20 days after receipt of a
110 written request for documents and information from the division
111 concerning a consumer complaint. The response must address the
112 issues and allegations raised in the complaint and include any
113 requested documents concerning the consumer complaint not
114 subject to attorney-client or work-product privilege. The
115 division may impose an administrative penalty for failure to
116 comply with this paragraph of up to \$2,500 per violation upon

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117 any entity licensed by the department or the office and \$250 for
118 the first violation, \$500 for the second violation, and up to
119 \$1,000 for the third or subsequent violation upon any individual
120 licensed by the department or the office.

121 Section 3. Subsection (20) of section 624.501, Florida
122 Statutes, is amended to read:

123 624.501 Filing, license, appointment, and miscellaneous
124 fees.—The department, commission, or office, as appropriate,
125 shall collect in advance, and persons so served shall pay to it
126 in advance, fees, licenses, and miscellaneous charges as
127 follows:

128 ~~(20) Adjusting firm, original or renewal 3-year~~
129 ~~license.....\$60.00~~

130 Section 4. Present subsections (6) through (21) of section
131 626.015, Florida Statutes, are redesignated as subsections (7)
132 through (22), respectively, and a new subsection (6) is added to
133 that section, to read:

134 626.015 Definitions.—As used in this part:

135 (6) "Claims adjusting" means directly or indirectly
136 attempting or undertaking to ascertain and determine the amount
137 of a claim, loss, or damage payable under an insurance contract
138 or undertaking to negotiate or effect settlement of a claim,
139 loss, or damage under an insurance contract, if such action
140 results in payment to or receipt of money, commission, or any
141 other thing of value by the party or parties rendering such
142 service or persons affiliated with such party or parties. Claims
143 adjusting also includes soliciting claims adjusting services as
144 described in this chapter or soliciting an insured or
145 policyholder to file an insurance claim. Claims adjusting does

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146 not include:

147 (a) Paid services as a spokesperson used as part of a
 148 written or an electronic advertisement;

149 (b) Paid services as a photographer or videographer used to
 150 capture images of damage;

151 (c) Paid services to inventory personal property or
 152 business personal property; or

153 (d) Discussion or explanation of a bid for construction or
 154 repair services with a property owner or the insurer of such
 155 property by a contractor licensed pursuant to part I of chapter
 156 489 or a subcontractor for a licensed contractor.

157 Section 5. Present subsection (9) of section 626.112,
 158 Florida Statutes, is redesignated as subsection (10) and
 159 amended, a new subsection (9) is added to that section, and
 160 paragraph (d) of subsection (7) of that section is amended, to
 161 read:

162 626.112 License and appointment required; agents, customer
 163 representatives, adjusters, insurance agencies, service
 164 representatives, managing general agents, insurance adjusting
 165 firms.—

166 (7)

167 ~~(d) Effective October 1, 2015, the department must~~
 168 ~~automatically convert the registration of an approved registered~~
 169 ~~insurance agency to an insurance agency license.~~

170 (9) (a) An individual, firm, partnership, corporation,
 171 association, or other entity may not act in its own name or
 172 under a trade name, directly or indirectly, as an adjusting firm
 173 unless it complies with s. 626.8696 with respect to possessing
 174 an adjusting firm license for each place of business at which it

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175 engages in an activity that may be performed only by a licensed
176 insurance adjuster. However, an adjusting firm that is owned and
177 operated by a single licensed adjuster conducting business in
178 his or her individual name and not employing or otherwise using
179 the services of or appointing other licensees is exempt from the
180 adjusting firm licensing requirements of this subsection.

181 (b) A branch place of business that is established by a
182 licensed adjusting firm is considered a branch firm and is not
183 required to be licensed if:

184 1. It transacts business under the same name and federal
185 tax identification number as the licensed adjusting firm;

186 2. It has designated with the department a primary adjuster
187 operating the location as required by s. 626.8695; and

188 3. The address and telephone number of the branch location
189 have been submitted to the department for inclusion in the
190 licensing record of the licensed adjusting firm within 30 days
191 after insurance transactions begin at the branch location.

192 (c) If an adjusting firm is required to be licensed but
193 fails to apply for licensure in accordance with this section,
194 the department must impose an administrative penalty of up to
195 \$10,000 on the firm.

196 (10) ~~(9)~~ Any person who knowingly transacts insurance or
197 otherwise engages in insurance activities in this state without
198 a license in violation of this section or who knowingly aids or
199 abets an unlicensed person in transacting insurance or otherwise
200 engaging in insurance activities in this state without a license
201 commits a felony of the third degree, punishable as provided in
202 s. 775.082, s. 775.083, or s. 775.084.

203 Section 6. Subsection (4) is added to section 626.602,

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204 Florida Statutes, to read:

205 626.602 Insurance agency names; disapproval.—The department
206 may disapprove the use of any true or fictitious name, other
207 than the bona fide natural name of an individual, by any
208 insurance agency on any of the following grounds:

209 (4) The name contains the word "Medicare" or "Medicaid." An
210 insurance agency whose name contains the word "Medicare" or
211 "Medicaid" but which is licensed as of July 1, 2021, may
212 continue to use that name until June 30, 2023, provided that the
213 agency's license remains valid. If the agency's license expires
214 or is suspended or revoked, the agency may not be relicensed
215 using that name. Licenses for agencies with names containing
216 either of these words automatically expire on July 1, 2023,
217 unless these words are removed from the name.

218 Section 7. Subsections (16) and (17) are added to section
219 626.621, Florida Statutes, to read:

220 626.621 Grounds for discretionary refusal, suspension, or
221 revocation of agent's, adjuster's, customer representative's,
222 service representative's, or managing general agent's license or
223 appointment.—The department may, in its discretion, deny an
224 application for, suspend, revoke, or refuse to renew or continue
225 the license or appointment of any applicant, agent, adjuster,
226 customer representative, service representative, or managing
227 general agent, and it may suspend or revoke the eligibility to
228 hold a license or appointment of any such person, if it finds
229 that as to the applicant, licensee, or appointee any one or more
230 of the following applicable grounds exist under circumstances
231 for which such denial, suspension, revocation, or refusal is not
232 mandatory under s. 626.611:

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233 (16) Taking an action that allows the personal financial or
234 medical information of a consumer or customer to be made
235 available or accessible to the general public, regardless of the
236 format in which the record is stored.

237 (17) Initiating in-person or telephone solicitation after 9
238 p.m. or before 8 a.m. local time of the prospective customer
239 unless requested by the prospective customer.

240 Section 8. Section 626.7315, Florida Statutes, is amended
241 to read:

242 626.7315 Prohibition against the unlicensed transaction of
243 general lines insurance.—With respect to any line of authority
244 as defined in s. 626.015(8) ~~s. 626.015(7)~~, no individual shall,
245 unless licensed as a general lines agent:

246 (1) Solicit insurance or procure applications therefor;

247 (2) In this state, receive or issue a receipt for any money
248 on account of or for any insurer, or receive or issue a receipt
249 for money from other persons to be transmitted to any insurer
250 for a policy, contract, or certificate of insurance or any
251 renewal thereof, even though the policy, certificate, or
252 contract is not signed by him or her as agent or representative
253 of the insurer, except as provided in s. 626.0428(1);

254 (3) Directly or indirectly represent himself or herself to
255 be an agent of any insurer or as an agent, to collect or forward
256 any insurance premium, or to solicit, negotiate, effect,
257 procure, receive, deliver, or forward, directly or indirectly,
258 any insurance contract or renewal thereof or any endorsement
259 relating to an insurance contract, or attempt to effect the
260 same, of property or insurable business activities or interests,
261 located in this state;

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262 (4) In this state, engage or hold himself or herself out as
263 engaging in the business of analyzing or abstracting insurance
264 policies or of counseling or advising or giving opinions, other
265 than as a licensed attorney at law, relative to insurance or
266 insurance contracts, for fee, commission, or other compensation,
267 other than as a salaried bona fide full-time employee so
268 counseling and advising his or her employer relative to the
269 insurance interests of the employer and of the subsidiaries or
270 business affiliates of the employer;

271 (5) In any way, directly or indirectly, make or cause to be
272 made, or attempt to make or cause to be made, any contract of
273 insurance for or on account of any insurer;

274 (6) Solicit, negotiate, or in any way, directly or
275 indirectly, effect insurance contracts, if a member of a
276 partnership or association, or a stockholder, officer, or agent
277 of a corporation which holds an agency appointment from any
278 insurer; or

279 (7) Receive or transmit applications for suretyship, or
280 receive for delivery bonds founded on applications forwarded
281 from this state, or otherwise procure suretyship to be effected
282 by a surety insurer upon the bonds of persons in this state or
283 upon bonds given to persons in this state.

284 Section 9. Section 626.782, Florida Statutes, is amended to
285 read:

286 626.782 "Industrial class insurer" defined.—An "industrial
287 class insurer" is an insurer collecting premiums on policies of
288 ~~writing~~ industrial life insurance, as defined in s. 627.502,
289 written before July 1, 2021, and as to such insurance, operates
290 under a system of collecting a debit by its agent.

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291 Section 10. Section 626.783, Florida Statutes, is amended
292 to read:

293 626.783 "Ordinary-combination class insurer" defined.—An
294 "ordinary-combination class insurer" is an insurer writing ~~both~~
295 ordinary class insurance and collecting premiums on existing
296 industrial life ~~class~~ insurance as defined by s. 627.502.

297 Section 11. Subsection (2) of section 626.7845, Florida
298 Statutes, is amended to read:

299 626.7845 Prohibition against unlicensed transaction of life
300 insurance.—

301 (2) Except as provided in s. 626.112(6), with respect to
302 any line of authority specified in s. 626.015(13) ~~s.~~

303 ~~626.015(12)~~, an individual may not, unless licensed as a life
304 agent:

305 (a) Solicit insurance or annuities or procure applications;

306 (b) In this state, engage or hold himself or herself out as
307 engaging in the business of analyzing or abstracting insurance
308 policies or of counseling or advising or giving opinions to
309 persons relative to insurance or insurance contracts, unless the
310 individual is:

311 1. A consulting actuary advising insurers;

312 2. An employee of a labor union, association, employer, or
313 other business entity, or the subsidiaries and affiliates of
314 each, who counsels and advises such entity or entities relative
315 to their interests and those of their members or employees under
316 insurance benefit plans; or

317 3. A trustee advising a settlor, a beneficiary, or a person
318 regarding his or her interests in a trust, relative to insurance
319 benefit plans; or

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320 (c) In this state, from this state, or with a resident of
321 this state, offer or attempt to negotiate on behalf of another
322 person a viatical settlement contract as defined in s. 626.9911.

323 Section 12. Section 626.796, Florida Statutes, is repealed.

324 Section 13. Section 626.8305, Florida Statutes, is amended
325 to read:

326 626.8305 Prohibition against the unlicensed transaction of
327 health insurance.—Except as provided in s. 626.112(6), with
328 respect to any line of authority specified in s. 626.015(9) ~~s.~~
329 ~~626.015(8)~~, an individual may not, unless licensed as a health
330 agent:

331 (1) Solicit insurance or procure applications; or

332 (2) In this state, engage or hold himself or herself out as
333 engaging in the business of analyzing or abstracting insurance
334 policies or of counseling or advising or giving opinions to
335 persons relative to insurance contracts, unless the individual
336 is:

337 (a) A consulting actuary advising insurers;

338 (b) An employee of a labor union, association, employer, or
339 other business entity, or the subsidiaries and affiliates of
340 each, who counsels and advises such entity or entities relative
341 to their interests and those of their members or employees under
342 insurance benefit plans; or

343 (c) A trustee advising a settlor, a beneficiary, or a
344 person regarding his or her interests in a trust, relative to
345 insurance benefit plans.

346 Section 14. Subsections (6), (11), and (15) of section
347 626.854, Florida Statutes, are amended to read:

348 626.854 "Public adjuster" defined; prohibitions.—The

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349 Legislature finds that it is necessary for the protection of the
350 public to regulate public insurance adjusters and to prevent the
351 unauthorized practice of law.

352 (6) An insured or claimant may cancel a public adjuster's
353 contract to adjust a claim without penalty or obligation within
354 10 calendar ~~3 business~~ days after the date on which the contract
355 is executed ~~or within 3 business days after the date on which~~
356 ~~the insured or claimant has notified the insurer of the claim,~~
357 ~~whichever is later.~~ The public adjuster's contract must contain
358 the following language in minimum 18-point bold type: "You, the
359 insured, may cancel this contract for any reason without penalty
360 or obligation to you within 10 days after the date of this
361 contract by providing notice to ...(name of public adjuster)...,
362 submitted in writing and sent by certified mail, return receipt
363 requested, or other form of mailing that provides proof thereof,
364 at the address specified in the contract ~~disclose to the insured~~
365 ~~or claimant his or her right to cancel the contract and advise~~
366 ~~the insured or claimant that notice of cancellation must be~~
367 ~~submitted in writing and sent by certified mail, return receipt~~
368 ~~requested, or other form of mailing that provides proof thereof,~~
369 ~~to the public adjuster at the address specified in the contract,~~
370 ~~provided, during any state of emergency as declared by the~~
371 ~~Governor and for 1 year after the date of loss, the insured or~~
372 ~~claimant has 5 business days after the date on which the~~
373 ~~contract is executed to cancel a public adjuster's contract.~~

374 (11) Each public adjuster must provide to the claimant or
375 insured a written estimate of the loss to assist in the
376 submission of a proof of loss or any other claim for payment of
377 insurance proceeds within 60 days after the date of the

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378 contract. The written estimate must include an itemized, per-
379 unit estimate of the repairs, including itemized information on
380 equipment, materials, labor, and supplies, in accordance with
381 accepted industry standards. The public adjuster shall retain
382 such written estimate for at least 5 years and shall make the
383 estimate available to the claimant or insured, the insurer, and
384 the department upon request.

385 (15) A licensed contractor under part I of chapter 489, or
386 a subcontractor, may not adjust a claim on behalf of an insured,
387 or solicit an insured to file a claim, unless licensed and
388 compliant as a public adjuster under this chapter. However, the
389 contractor may discuss or explain a bid for construction or
390 repair of covered property with the residential property owner
391 who has suffered loss or damage covered by a property insurance
392 policy, or the insurer of such property, if the contractor is
393 doing so for the usual and customary fees applicable to the work
394 to be performed as stated in the contract between the contractor
395 and the insured.

396 Section 15. Effective January 1, 2022, subsection (3) of
397 section 626.916, Florida Statutes, is amended, and paragraph (f)
398 is added to subsection (1) of that section, to read:

399 626.916 Eligibility for export.—

400 (1) No insurance coverage shall be eligible for export
401 unless it meets all of the following conditions:

402 (f) The insured has signed or otherwise provided documented
403 acknowledgment of a disclosure in substantially the following
404 form: "You are agreeing to place coverage in the surplus lines
405 market. Coverage may be available in the admitted market.
406 Persons insured by surplus lines carriers are not protected

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407 under the Florida Insurance Guaranty Act with respect to any
408 right of recovery for the obligation of an insolvent unlicensed
409 insurer."

410 (3) (a) Subsection (1) does not apply to wet marine and
411 transportation or aviation risks that ~~which~~ are subject to s.
412 626.917.

413 (b) Paragraphs (1) (a)-(d) do not apply to classes of
414 insurance which are subject to s. 627.062(3) (d)1. These classes
415 may be exportable under the following conditions:

416 1. The insurance must be placed only by or through a
417 surplus lines agent licensed in this state;

418 2. The insurer must be made eligible under s. 626.918; and

419 3. The insured has complied with paragraph (1) (f) ~~must sign~~
420 ~~a disclosure that substantially provides the following: "You are~~
421 ~~agreeing to place coverage in the surplus lines market. Superior~~
422 ~~coverage may be available in the admitted market and at a lesser~~
423 ~~cost. Persons insured by surplus lines carriers are not~~
424 ~~protected under the Florida Insurance Guaranty Act with respect~~
425 ~~to any right of recovery for the obligation of an insolvent~~
426 ~~unlicensed insurer."~~ If the disclosure notice is signed by the
427 insured, the insured is presumed to have been informed and to
428 know that other coverage may be available, and, with respect to
429 the diligent-effort requirement under subsection (1), there is
430 no liability on the part of, and no cause of action arises
431 against, the retail agent presenting the form.

432 Section 16. Paragraph (z) of subsection (1) of section
433 626.9541, Florida Statutes, is amended to read:

434 626.9541 Unfair methods of competition and unfair or
435 deceptive acts or practices defined.-

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436 (1) UNFAIR METHODS OF COMPETITION AND UNFAIR OR DECEPTIVE
437 ACTS.—The following are defined as unfair methods of competition
438 and unfair or deceptive acts or practices:

439 (z) *Sliding*.—Sliding is the act or practice of any of the
440 following:

441 1. Representing to the applicant that a specific ancillary
442 coverage or product is required by law in conjunction with the
443 purchase of insurance when such coverage or product is not
444 required.~~†~~

445 2. Representing to the applicant that a specific ancillary
446 coverage or product is included in the policy applied for
447 without an additional charge when such charge is required.~~†~~ ~~or~~

448 3. Charging an applicant for a specific ancillary coverage
449 or product, in addition to the cost of the insurance coverage
450 applied for, without the informed consent of the applicant.

451 4. Initiating, effectuating, binding, or otherwise issuing
452 a policy of insurance without the prior informed consent of the
453 owner of the property to be insured.

454 5. Mailing, transmitting, or otherwise submitting by any
455 means an invoice for premium payment to a mortgagee or escrow
456 agent, for the purpose of effectuating an insurance policy,
457 without the prior informed consent of the owner of the property
458 to be insured. However, this subparagraph does not apply in
459 cases in which the mortgagee or escrow agent is renewing
460 insurance or issuing collateral protection insurance, as defined
461 in s. 624.6085, pursuant to the mortgage or other pertinent loan
462 documents or communications regarding the property.

463 Section 17. Effective January 1, 2022, subsection (3) of
464 section 626.9741, Florida Statutes, is amended to read:

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465 626.9741 Use of credit reports and credit scores by
466 insurers.—

467 (3) An insurer must inform an applicant or insured, in the
468 same medium as the application is taken, that a credit report or
469 score is being requested for underwriting or rating purposes.
470 The notification to the consumer must include the following
471 language: "The Department of Financial Services offers free
472 financial literacy programs to assist you with insurance-related
473 questions, including how credit works and how credit scores are
474 calculated. To learn more, visit www.MyFloridaCFO.com." An
475 insurer that makes an adverse decision based, in whole or in
476 part, upon a credit report must provide at no charge, a copy of
477 the credit report to the applicant or insured or provide the
478 applicant or insured with the name, address, and telephone
479 number of the consumer reporting agency from which the insured
480 or applicant may obtain the credit report. The insurer must
481 provide notification to the consumer explaining the reasons for
482 the adverse decision. The reasons must be provided in
483 sufficiently clear and specific language so that a person can
484 identify the basis for the insurer's adverse decision. Such
485 notification shall include a description of the four primary
486 reasons, or such fewer number as existed, which were the primary
487 influences of the adverse decision. The use of generalized terms
488 such as "poor credit history," "poor credit rating," or "poor
489 insurance score" does not meet the explanation requirements of
490 this subsection. A credit score may not be used in underwriting
491 or rating insurance unless the scoring process produces
492 information in sufficient detail to permit compliance with the
493 requirements of this subsection. It shall not be deemed an

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494 adverse decision if, due to the insured's credit report or
495 credit score, the insured continues to receive a less favorable
496 rate or placement in a less favorable tier or company at the
497 time of renewal except for renewals or reunderwriting required
498 by this section.

499 Section 18. Subsection (5) of section 626.9953, Florida
500 Statutes, is amended to read:

501 626.9953 Qualifications for registration; application
502 required.—

503 (5) An applicant must submit a set of his or her
504 fingerprints to the department and pay the processing fee
505 established under s. 624.501(23) ~~s. 624.501(24)~~. The department
506 shall submit the applicant's fingerprints to the Department of
507 Law Enforcement for processing state criminal history records
508 checks and local criminal records checks through local law
509 enforcement agencies and for forwarding to the Federal Bureau of
510 Investigation for national criminal history records checks. The
511 fingerprints shall be taken by a law enforcement agency, a
512 designated examination center, or another department-approved
513 entity. The department may not approve an application for
514 registration as a navigator if fingerprints have not been
515 submitted.

516 Section 19. Subsection (1) of section 626.9957, Florida
517 Statutes, is amended to read:

518 626.9957 Conduct prohibited; denial, revocation, or
519 suspension of registration.—

520 (1) As provided in s. 626.112, only a person licensed as an
521 insurance agent or customer representative may engage in the
522 solicitation of insurance. A person who engages in the

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523 solicitation of insurance as described in s. 626.112(1) without
524 such license is subject to the penalties provided under s.
525 626.112(10) ~~s. 626.112(9)~~.

526 Section 20. Subsection (10) of section 627.062, Florida
527 Statutes, is amended to read:

528 627.062 Rate standards.—

529 (10) Any interest paid pursuant to s. 627.70131(7) ~~s.~~
530 ~~627.70131(5)~~ may not be included in the insurer's rate base and
531 may not be used to justify a rate or rate change.

532 Section 21. Section 627.502, Florida Statutes, is amended
533 to read:

534 627.502 "Industrial life insurance" defined; reporting;
535 prohibition on new policies after a certain date.—

536 (1) For the purposes of this code, "industrial life
537 insurance" is that form of life insurance written under policies
538 under which premiums are payable monthly or more often, bearing
539 the words "industrial policy" or "weekly premium policy" or
540 words of similar import imprinted upon the policies as part of
541 the descriptive matter, and issued by an insurer that ~~which~~, as
542 to such industrial life insurance, is operating under a system
543 of collecting a debit by its agent.

544 (2) Every life insurer servicing existing ~~transacting~~
545 industrial life insurance shall report to the office all annual
546 statement data regarding the exhibit of life insurance,
547 including relevant information for industrial life insurance.

548 (3) Beginning July 1, 2021, a life insurer may not write a
549 new policy of industrial life insurance.

550 Section 22. Effective January 1, 2022, section 627.70131,
551 Florida Statutes, is amended to read:

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552 627.70131 Insurer's duty to acknowledge communications
553 regarding claims; investigation.-

554 (1) (a) Upon an insurer's receiving a communication with
555 respect to a claim, the insurer shall, within 14 calendar days,
556 review and acknowledge receipt of such communication unless
557 payment is made within that period of time or unless the failure
558 to acknowledge is caused by factors beyond the control of the
559 insurer which reasonably prevent such acknowledgment. If the
560 acknowledgment is not in writing, a notification indicating
561 acknowledgment shall be made in the insurer's claim file and
562 dated. A communication made to or by a representative ~~an agent~~
563 of an insurer with respect to a claim shall constitute
564 communication to or by the insurer.

565 (b) As used in this subsection, the term "representative"
566 "~~agent~~" means any person to whom an insurer has granted
567 authority or responsibility to receive or make such
568 communications with respect to claims on behalf of the insurer.

569 (c) This subsection does ~~shall~~ not apply to claimants
570 represented by counsel beyond those communications necessary to
571 provide forms and instructions.

572 (2) Such acknowledgment must ~~shall~~ be responsive to the
573 communication. If the communication constitutes a notification
574 of a claim, unless the acknowledgment reasonably advises the
575 claimant that the claim appears not to be covered by the
576 insurer, the acknowledgment must ~~shall~~ provide necessary claim
577 forms, and instructions, including an appropriate telephone
578 number.

579 (3) (a) Unless otherwise provided by the policy of insurance
580 or by law, within 14 ~~10 working~~ days after an insurer receives

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581 proof of loss statements, the insurer shall begin such
582 investigation as is reasonably necessary unless the failure to
583 begin such investigation is caused by factors beyond the control
584 of the insurer which reasonably prevent the commencement of such
585 investigation.

586 (b) If such investigation involves a physical inspection of
587 the property, the licensed adjuster assigned by the insurer must
588 provide the policyholder with a printed or electronic document
589 containing his or her name and state adjuster license number.

590 (c) Any subsequent communication with the policyholder
591 regarding the claim must also include the name and license
592 number of the adjuster communicating about the claim.
593 Communication of the adjuster's name and license number may be
594 included with other information provided to the policyholder.

595 (4) An insurer shall maintain a record or log of each
596 adjuster who communicates with the policyholder as provided in
597 paragraphs (3) (b) and (c) and provide a list of such adjusters
598 to the insured, office, or department upon request.

599 (5) For purposes of this section, the term "insurer" means
600 any residential property insurer.

601 (6) (a) When providing a preliminary or partial estimate of
602 damage regarding a claim, an insurer shall include with the
603 estimate the following statement printed in at least 12-point
604 bold, uppercase type: THIS ESTIMATE REPRESENTS OUR CURRENT
605 EVALUATION OF THE COVERED DAMAGES TO YOUR INSURED PROPERTY AND
606 MAY BE REVISED AS WE CONTINUE TO EVALUATE YOUR CLAIM. IF YOU
607 HAVE QUESTIONS, CONCERNS, OR ADDITIONAL INFORMATION REGARDING
608 YOUR CLAIM, WE ENCOURAGE YOU TO CONTACT US.

609 (b) When providing a payment on a claim which is not the

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610 full and final payment for the claim, an insurer shall include
611 with the payment the following statement printed in at least 12-
612 point bold, uppercase type: WE ARE CONTINUING TO EVALUATE YOUR
613 CLAIM INVOLVING YOUR INSURED PROPERTY AND MAY ISSUE ADDITIONAL
614 PAYMENTS. IF YOU HAVE QUESTIONS, CONCERNS, OR ADDITIONAL
615 INFORMATION REGARDING YOUR CLAIM, WE ENCOURAGE YOU TO CONTACT
616 US.

617 (7) (a) ~~(5) (a)~~ Within 90 days after an insurer receives
618 notice of an initial, reopened, or supplemental property
619 insurance claim from a policyholder, the insurer shall pay or
620 deny such claim or a portion of the claim unless the failure to
621 pay is caused by factors beyond the control of the insurer which
622 reasonably prevent such payment. Any payment of an initial or
623 supplemental claim or portion of such claim made 90 days after
624 the insurer receives notice of the claim, or made more than 15
625 days after there are no longer factors beyond the control of the
626 insurer which reasonably prevented such payment, whichever is
627 later, bears interest at the rate set forth in s. 55.03.
628 Interest begins to accrue from the date the insurer receives
629 notice of the claim. The provisions of this subsection may not
630 be waived, voided, or nullified by the terms of the insurance
631 policy. If there is a right to prejudgment interest, the insured
632 shall select whether to receive prejudgment interest or interest
633 under this subsection. Interest is payable when the claim or
634 portion of the claim is paid. Failure to comply with this
635 subsection constitutes a violation of this code. However,
636 failure to comply with this subsection does not form the sole
637 basis for a private cause of action.

638 (b) Notwithstanding subsection (5) ~~(4)~~, for purposes of

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639 this subsection, the term "claim" means any of the following:

640 1. A claim under an insurance policy providing residential
641 coverage as defined in s. 627.4025(1);

642 2. A claim for structural or contents coverage under a
643 commercial property insurance policy if the insured structure is
644 10,000 square feet or less; or

645 3. A claim for contents coverage under a commercial tenant
646 policy if the insured premises is 10,000 square feet or less.

647 (c) This subsection does ~~shall~~ not apply to claims under an
648 insurance policy covering nonresidential commercial structures
649 or contents in more than one state.

650 (8) This section also applies to surplus lines insurers and
651 surplus lines insurance authorized under ss. 626.913-626.937
652 providing residential coverage.

653 Section 23. Section 627.7031, Florida Statutes, is created
654 to read:

655 627.7031 Foreign venue clauses prohibited.—After July 1,
656 2021, a personal residential property insurance policy sold in
657 this state, insuring only real property located in this state,
658 may not require an insured to pursue dispute resolution through
659 litigation, arbitration, or mediation outside this state. This
660 section also applies to surplus lines insurers and surplus lines
661 insurance authorized under ss. 626.913-626.937.

662 Section 24. Effective January 1, 2022, section 627.7142,
663 Florida Statutes, is amended to read:

664 627.7142 Homeowner Claims Bill of Rights.—An insurer
665 issuing a personal lines residential property insurance policy
666 in this state must provide a Homeowner Claims Bill of Rights to
667 a policyholder within 14 days after receiving an initial

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668 communication with respect to a claim, ~~unless the claim follows~~
669 ~~an event that is the subject of a declaration of a state of~~
670 ~~emergency by the Governor.~~ The purpose of the bill of rights is
671 to summarize, in simple, nontechnical terms, existing Florida
672 law regarding the rights of a personal lines residential
673 property insurance policyholder who files a claim of loss. The
674 Homeowner Claims Bill of Rights is specific to the claims
675 process and does not represent all of a policyholder's rights
676 under Florida law regarding the insurance policy. The Homeowner
677 Claims Bill of Rights does not create a civil cause of action by
678 any individual policyholder or class of policyholders against an
679 insurer or insurers. The failure of an insurer to properly
680 deliver the Homeowner Claims Bill of Rights is subject to
681 administrative enforcement by the office but is not admissible
682 as evidence in a civil action against an insurer. The Homeowner
683 Claims Bill of Rights does not enlarge, modify, or contravene
684 statutory requirements, including, but not limited to, ss.
685 626.854, 626.9541, 627.70131, 627.7015, and 627.7074, and does
686 not prohibit an insurer from exercising its right to repair
687 damaged property in compliance with the terms of an applicable
688 policy or ss. 627.7011(5)(e) and 627.702(7). The Homeowner
689 Claims Bill of Rights must state:

690
691 HOMEOWNER CLAIMS

692 BILL OF RIGHTS

693 This Bill of Rights is specific to the claims process
694 and does not represent all of your rights under
695 Florida law regarding your policy. There are also
696 exceptions to the stated timelines when conditions are

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697 beyond your insurance company's control. This document
698 does not create a civil cause of action by an
699 individual policyholder, or a class of policyholders,
700 against an insurer or insurers and does not prohibit
701 an insurer from exercising its right to repair damaged
702 property in compliance with the terms of an applicable
703 policy.

704

705 YOU HAVE THE RIGHT TO:

706 1. Receive from your insurance company an
707 acknowledgment of your reported claim within 14 days
708 after the time you communicated the claim.

709 2. Upon written request, receive from your
710 insurance company within 30 days after you have
711 submitted a complete proof-of-loss statement to your
712 insurance company, confirmation that your claim is
713 covered in full, partially covered, or denied, or
714 receive a written statement that your claim is being
715 investigated.

716 3. Within 90 days, subject to any dual interest
717 noted in the policy, receive full settlement payment
718 for your claim or payment of the undisputed portion of
719 your claim, or your insurance company's denial of your
720 claim.

721 4. Receive payment of interest, as provided in s.
722 627.70131, Florida Statutes, from your insurance
723 company, which begins accruing from the date your
724 claim is filed if your insurance company does not pay
725 full settlement of your initial, reopened, or

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726 supplemental claim or the undisputed portion of your
727 claim or does not deny your claim within 90 days after
728 your claim is filed. The interest, if applicable, must
729 be paid when your claim or undisputed portion of your
730 claim is paid.

731 5. Free mediation of your disputed claim by the
732 Florida Department of Financial Services, Division of
733 Consumer Services, under most circumstances and
734 subject to certain restrictions.

735 ~~6.5.~~ Neutral evaluation of your disputed claim,
736 if your claim is for damage caused by a sinkhole and
737 is covered by your policy.

738 ~~7.6.~~ Contact the Florida Department of Financial
739 Services, Division of Consumer Services' toll-free
740 helpline for assistance with any insurance claim or
741 questions pertaining to the handling of your claim.
742 You can reach the Helpline by phone at...(toll-free
743 phone number)..., or you can seek assistance online at
744 the Florida Department of Financial Services, Division
745 of Consumer Services' website at...(website
746 address)....

747

748 YOU ARE ADVISED TO:

749 1. Contact your insurance company before entering
750 into any contract for repairs to confirm any managed
751 repair policy provisions or optional preferred
752 vendors.

753 2. Make and document emergency repairs that are
754 necessary to prevent further damage. Keep the damaged

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755 property, if feasible, keep all receipts, and take
756 photographs or video of damage before and after any
757 repairs to provide to your insurer.

758 3. Carefully read any contract that requires you
759 to pay out-of-pocket expenses or a fee that is based
760 on a percentage of the insurance proceeds that you
761 will receive for repairing or replacing your property.

762 4. Confirm that the contractor you choose is
763 licensed to do business in Florida. You can verify a
764 contractor's license and check to see if there are any
765 complaints against him or her by calling the Florida
766 Department of Business and Professional Regulation.
767 You should also ask the contractor for references from
768 previous work.

769 5. Require all contractors to provide proof of
770 insurance before beginning repairs.

771 6. Take precautions if the damage requires you to
772 leave your home, including securing your property and
773 turning off your gas, water, and electricity, and
774 contacting your insurance company and provide a phone
775 number where you can be reached.

776 Section 25. Paragraph (a) of subsection (1) and subsection
777 (6) of section 631.57, Florida Statutes, are amended to read:

778 631.57 Powers and duties of the association.—

779 (1) The association shall:

780 (a)1. Be obligated to the extent of the covered claims
781 existing:

782 a. Prior to adjudication of insolvency and arising within
783 30 days after the determination of insolvency;

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784 b. Before the policy expiration date if less than 30 days
785 after the determination; or

786 c. Before the insured replaces the policy or causes its
787 cancellation, if she or he does so within 30 days of the
788 determination.

789 2. The obligation under subparagraph 1. includes ~~only~~ the
790 amount of each covered claim which is ~~in excess of \$100 and is~~
791 less than \$300,000, except that policies providing coverage for
792 homeowner's insurance must ~~shall~~ provide for an additional
793 \$200,000 for the portion of a covered claim which relates only
794 to the damage to the structure and contents.

795 3.a. Notwithstanding subparagraph 2., the obligation under
796 subparagraph 1. for policies covering condominium associations
797 or homeowners' associations, which associations have a
798 responsibility to provide insurance coverage on residential
799 units within the association, includes ~~shall include~~ that amount
800 of each covered property insurance claim which is less than
801 \$200,000 multiplied by the number of condominium units or other
802 residential units; however, as to homeowners' associations, this
803 sub-subparagraph applies only to claims for damage or loss to
804 residential units and structures attached to residential units.

805 b. Notwithstanding sub-subparagraph a., the association has
806 no obligation to pay covered claims that are to be paid from the
807 proceeds of bonds issued under s. 631.695. However, the
808 association shall assign and pledge the first available moneys
809 from all or part of the assessments to be made under paragraph
810 (3) (a) to or on behalf of the issuer of such bonds for the
811 benefit of the holders of such bonds. The association shall
812 administer any such covered claims and present valid covered

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813 claims for payment in accordance with the provisions of the
814 assistance program in connection with which such bonds have been
815 issued.

816 4. ~~In no event shall~~ The association may not be obligated
817 to a policyholder or claimant in an amount in excess of the
818 obligation of the insolvent insurer under the policy from which
819 the claim arises.

820 (6) The association may extend the time limits specified in
821 paragraph (1)(a) by up to an additional 60 days ~~or waive the~~
822 ~~applicability of the \$100 deductible specified in paragraph~~
823 ~~(1)(a)~~ if the board determines it is ~~that either or both such~~
824 ~~actions are~~ necessary to facilitate the bulk assumption of
825 obligations.

826 Section 26. Subsection (2) of section 631.904, Florida
827 Statutes, is amended to read:

828 631.904 Definitions.—As used in this part, the term:

829 (2) "Covered claim" means an unpaid claim, including a
830 claim for return of unearned premiums, which arises out of, is
831 within the coverage of, and is not in excess of the applicable
832 limits of, an insurance policy to which this part applies, which
833 policy was issued by an insurer and which claim is made on
834 behalf of a claimant or insured who was a resident of this state
835 at the time of the injury. The term "covered claim" includes
836 unpaid claims under any employer liability coverage of a
837 workers' compensation policy limited to the lesser of \$300,000
838 or the limits of the policy. The term "covered claim" does not
839 include any amount sought as a return of premium under any
840 retrospective rating plan; any amount due any reinsurer,
841 insurer, insurance pool, or underwriting association, as

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842 subrogation recoveries or otherwise; or any claim that would
843 otherwise be a covered claim that has been rejected or denied by
844 any other state guaranty fund based upon that state's statutory
845 exclusions, including, but not limited to, those based on
846 coverage, policy type, or an insured's net worth, except this
847 exclusion from the definition of covered claim does not apply to
848 employers who, prior to April 30, 2004, entered into an
849 agreement with the corporation preserving the employer's right
850 to seek coverage of claims rejected by another state's guaranty
851 fund; ~~or any return of premium resulting from a policy that was~~
852 ~~not in force on the date of the final order of liquidation.~~
853 Member insurers have no right of subrogation against the insured
854 of any insolvent insurer. This provision applies retroactively
855 to cover claims of an insolvent self-insurance fund resulting
856 from accidents or losses incurred prior to January 1, 1994,
857 regardless of the date the petition in circuit court was filed
858 alleging insolvency and the date the court entered an order
859 appointing a receiver.

860 Section 27. Except as otherwise expressly provided in this
861 act, this act shall take effect upon becoming a law.