

By the Committee on Banking and Insurance; and 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; revising services a person is

50 prohibited from performing unless the person meets

51 specified requirements; authorizing the department to

52 take administrative actions and impose fines against

53 persons performing specified activities without

54 licensure; amending s. 626.916, F.S.; revising

55 disclosure requirements for certain classes of

56 insurance before being eligible for export under the

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

58 certain acts or practices to the definition of

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59 sliding; amending s. 626.9741, F.S.; requiring an  
60 insurer to include certain additional information when  
61 providing an applicant or insured with certain credit  
62 report or score information; amending s. 626.9953,  
63 F.S.; correcting a cross-reference; amending ss.  
64 626.9957 and 627.062, F.S.; conforming cross-  
65 references; amending s. 627.502, F.S.; prohibiting  
66 life insurers from writing new policies of industrial  
67 life insurance beginning on a certain date; making  
68 technical changes; amending s. 627.70131, F.S.;  
69 providing that a communication made to or by an  
70 insurer's representative, rather than to or by an  
71 insurer's agent, constitutes communication to or by  
72 the insurer; revising the timeframe for insurers to  
73 begin certain investigations; requiring an insurer-  
74 assigned licensed adjuster to provide the policyholder  
75 with certain information in certain investigations;  
76 requiring insurers to maintain certain records and  
77 provide certain lists upon request; requiring insurers  
78 to include specified notices when providing  
79 preliminary or partial damage estimates or claim  
80 payments; providing applicability; conforming  
81 provisions to changes made by the act; creating s.  
82 627.7031, F.S.; prohibiting foreign venue clauses in  
83 property insurance policies; providing applicability;  
84 amending s. 627.7142, F.S.; revising information  
85 contained in the Homeowner Claims Bill of Rights;  
86 conforming provisions to changes made by the act;  
87 amending s. 631.57, F.S.; deleting a deductible on the

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88 obligation of the Florida Insurance Guaranty  
89 Association, Incorporated, as to certain covered  
90 claims; amending s. 631.904, F.S.; revising the  
91 definition of the term "covered claim"; deleting a  
92 requirement that a policy be in force on the date of  
93 the final order of liquidation; providing effective  
94 dates.

95

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

97

98 Section 1. Paragraph (b) of subsection (9) of section  
99 501.0051, Florida Statutes, is amended to read:

100 501.0051 Protected consumer report security freeze.—

101 (9)

102 (b) A consumer reporting agency may not charge a fee to a  
103 ~~reasonable fee, not to exceed \$10, if the representative fails~~  
104 ~~to retain the original unique personal identifier provided by~~  
105 ~~the consumer reporting agency and the agency must~~ reissue the  
106 unique personal identifier or to provide a new unique personal  
107 identifier to the consumer representative.

108 Section 2. Paragraph (b) of subsection (10) of section  
109 624.307, Florida Statutes, is amended to read:

110 624.307 General powers; duties.—

111 (10)

112 (b) Any person licensed or issued a certificate of  
113 authority by the department or the office shall respond, in  
114 writing, to the division within 20 days after receipt of a  
115 written request for documents and information from the division  
116 concerning a consumer complaint. The response must address the

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117 issues and allegations raised in the complaint and include any  
 118 requested documents concerning the consumer complaint not  
 119 subject to attorney-client or work-product privilege. The  
 120 division may impose an administrative penalty for failure to  
 121 comply with this paragraph of up to \$2,500 per violation upon  
 122 any entity licensed by the department or the office and \$250 for  
 123 the first violation, \$500 for the second violation, and up to  
 124 \$1,000 for the third or subsequent violation upon any individual  
 125 licensed by the department or the office.

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

128 624.501 Filing, license, appointment, and miscellaneous  
 129 fees.—The department, commission, or office, as appropriate,  
 130 shall collect in advance, and persons so served shall pay to it  
 131 in advance, fees, licenses, and miscellaneous charges as  
 132 follows:

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

135 Section 4. Present subsections (6) through (21) of section  
 136 626.015, Florida Statutes, are redesignated as subsections (7)  
 137 through (22), respectively, and a new subsection (6) is added to  
 138 that section, to read:

139 626.015 Definitions.—As used in this part:

140 (6) "Claims adjusting" means directly or indirectly  
 141 attempting or undertaking to ascertain and determine the amount  
 142 of a claim, loss, or damage payable under an insurance contract  
 143 or undertaking to negotiate or effect settlement of a claim,  
 144 loss, or damage under an insurance contract, if such action  
 145 results in payment to or receipt of money, commission, or any

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146 other thing of value by the party or parties rendering such  
147 service or persons affiliated with such party or parties. Claims  
148 adjusting also includes soliciting claims adjusting services as  
149 described in this chapter or soliciting an insured or  
150 policyholder to file an insurance claim. Claims adjusting does  
151 not include:

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

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

156 (c) Paid services to inventory personal property or  
157 business personal property; or

158 (d) Discussion or explanation of a bid for construction or  
159 repair services with a property owner or the insurer of such  
160 property by a contractor licensed pursuant to part I of chapter  
161 489 or a subcontractor for a licensed contractor.

162 Section 5. Present subsection (9) of section 626.112,  
163 Florida Statutes, is redesignated as subsection (10) and  
164 amended, a new subsection (9) is added to that section, and  
165 paragraph (d) of subsection (7) of that section is amended, to  
166 read:

167 626.112 License and appointment required; agents, customer  
168 representatives, adjusters, insurance agencies, service  
169 representatives, managing general agents, insurance adjusting  
170 firms.—

171 (7)

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

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175 (9) (a) An individual, firm, partnership, corporation,  
176 association, or other entity may not act in its own name or  
177 under a trade name, directly or indirectly, as an adjusting firm  
178 unless it complies with s. 626.8696 with respect to possessing  
179 an adjusting firm license for each place of business at which it  
180 engages in an activity that may be performed only by a licensed  
181 insurance adjuster. However, an adjusting firm that is owned and  
182 operated by a single licensed adjuster conducting business in  
183 his or her individual name and not employing or otherwise using  
184 the services of or appointing other licensees is exempt from the  
185 adjusting firm licensing requirements of this subsection.

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

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

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

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

197 (c) If an adjusting firm is required to be licensed but  
198 fails to apply for licensure in accordance with this section,  
199 the department must impose an administrative penalty of up to  
200 \$10,000 on the firm.

201 (10)-(9) Any person who knowingly transacts insurance or  
202 otherwise engages in insurance activities in this state without  
203 a license in violation of this section or who knowingly aids or

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204 abets an unlicensed person in transacting insurance or otherwise  
205 engaging in insurance activities in this state without a license  
206 commits a felony of the third degree, punishable as provided in  
207 s. 775.082, s. 775.083, or s. 775.084.

208 Section 6. Subsection (4) is added to section 626.602,  
209 Florida Statutes, to read:

210 626.602 Insurance agency names; disapproval.—The department  
211 may disapprove the use of any true or fictitious name, other  
212 than the bona fide natural name of an individual, by any  
213 insurance agency on any of the following grounds:

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

223 Section 7. Subsections (16) and (17) are added to section  
224 626.621, Florida Statutes, to read:

225 626.621 Grounds for discretionary refusal, suspension, or  
226 revocation of agent's, adjuster's, customer representative's,  
227 service representative's, or managing general agent's license or  
228 appointment.—The department may, in its discretion, deny an  
229 application for, suspend, revoke, or refuse to renew or continue  
230 the license or appointment of any applicant, agent, adjuster,  
231 customer representative, service representative, or managing  
232 general agent, and it may suspend or revoke the eligibility to



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233 hold a license or appointment of any such person, if it finds  
234 that as to the applicant, licensee, or appointee any one or more  
235 of the following applicable grounds exist under circumstances  
236 for which such denial, suspension, revocation, or refusal is not  
237 mandatory under s. 626.611:

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

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

245 Section 8. Section 626.7315, Florida Statutes, is amended  
246 to read:

247 626.7315 Prohibition against the unlicensed transaction of  
248 general lines insurance.—With respect to any line of authority  
249 as defined in s. 626.015(8) ~~s. 626.015(7)~~, no individual shall,  
250 unless licensed as a general lines agent:

251 (1) Solicit insurance or procure applications therefor;

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

259 (3) Directly or indirectly represent himself or herself to  
260 be an agent of any insurer or as an agent, to collect or forward  
261 any insurance premium, or to solicit, negotiate, effect,

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262 procure, receive, deliver, or forward, directly or indirectly,  
263 any insurance contract or renewal thereof or any endorsement  
264 relating to an insurance contract, or attempt to effect the  
265 same, of property or insurable business activities or interests,  
266 located in this state;

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

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

279 (6) Solicit, negotiate, or in any way, directly or  
280 indirectly, effect insurance contracts, if a member of a  
281 partnership or association, or a stockholder, officer, or agent  
282 of a corporation which holds an agency appointment from any  
283 insurer; or

284 (7) Receive or transmit applications for suretyship, or  
285 receive for delivery bonds founded on applications forwarded  
286 from this state, or otherwise procure suretyship to be effected  
287 by a surety insurer upon the bonds of persons in this state or  
288 upon bonds given to persons in this state.

289 Section 9. Section 626.782, Florida Statutes, is amended to  
290 read:

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291           626.782 "Industrial class insurer" defined.—An "industrial  
292 class insurer" is an insurer collecting premiums on policies of  
293 ~~writing~~ industrial life insurance, as defined in s. 627.502,  
294 written before July 1, 2021, and as to such insurance, operates  
295 under a system of collecting a debit by its agent.

296           Section 10. Section 626.783, Florida Statutes, is amended  
297 to read:

298           626.783 "Ordinary-combination class insurer" defined.—An  
299 "ordinary-combination class insurer" is an insurer writing ~~both~~  
300 ordinary class insurance and collecting premiums on existing  
301 industrial life ~~class~~ insurance as defined by s. 627.502.

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

304           626.7845 Prohibition against unlicensed transaction of life  
305 insurance.—

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

308 ~~626.015(12)~~, an individual may not, unless licensed as a life  
309 agent:

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

311           (b) In this state, engage or hold himself or herself out as  
312 engaging in the business of analyzing or abstracting insurance  
313 policies or of counseling or advising or giving opinions to  
314 persons relative to insurance or insurance contracts, unless the  
315 individual is:

316           1. A consulting actuary advising insurers;

317           2. An employee of a labor union, association, employer, or  
318 other business entity, or the subsidiaries and affiliates of  
319 each, who counsels and advises such entity or entities relative

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320 to their interests and those of their members or employees under  
321 insurance benefit plans; or

322 3. A trustee advising a settlor, a beneficiary, or a person  
323 regarding his or her interests in a trust, relative to insurance  
324 benefit plans; or

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

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

329 Section 13. Section 626.8305, Florida Statutes, is amended  
330 to read:

331 626.8305 Prohibition against the unlicensed transaction of  
332 health insurance.—Except as provided in s. 626.112(6), with  
333 respect to any line of authority specified in s. 626.015(9) ~~s.~~  
334 ~~626.015(8)~~, an individual may not, unless licensed as a health  
335 agent:

336 (1) Solicit insurance or procure applications; or

337 (2) In this state, engage or hold himself or herself out as  
338 engaging in the business of analyzing or abstracting insurance  
339 policies or of counseling or advising or giving opinions to  
340 persons relative to insurance contracts, unless the individual  
341 is:

342 (a) A consulting actuary advising insurers;

343 (b) An employee of a labor union, association, employer, or  
344 other business entity, or the subsidiaries and affiliates of  
345 each, who counsels and advises such entity or entities relative  
346 to their interests and those of their members or employees under  
347 insurance benefit plans; or

348 (c) A trustee advising a settlor, a beneficiary, or a

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349 person regarding his or her interests in a trust, relative to  
350 insurance benefit plans.

351 Section 14. Subsections (6), (11), (15), and (19) of  
352 section 626.854, Florida Statutes, are amended, and subsection  
353 (20) is added to that section, to read:

354 626.854 "Public adjuster" defined; prohibitions.—The  
355 Legislature finds that it is necessary for the protection of the  
356 public to regulate public insurance adjusters and to prevent the  
357 unauthorized practice of law.

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

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378 ~~claimant has 5 business days after the date on which the~~  
379 ~~contract is executed to cancel a public adjuster's contract.~~

380 (11) Each public adjuster must provide to the claimant or  
381 insured a written estimate of the loss to assist in the  
382 submission of a proof of loss or any other claim for payment of  
383 insurance proceeds within 60 days after the date of the  
384 contract. The written estimate must include an itemized, per-  
385 unit estimate of the repairs, including itemized information on  
386 equipment, materials, labor, and supplies, in accordance with  
387 accepted industry standards. The public adjuster shall retain  
388 such written estimate for at least 5 years and shall make the  
389 estimate available to the claimant or insured, the insurer, and  
390 the department upon request.

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

402 (19) Except as otherwise provided in this chapter, no  
403 person, except an attorney at law or a public adjuster, may for  
404 money, commission, or any other thing of value, directly or  
405 indirectly:

406 (a) Prepare, complete, or file an insurance claim for an

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407 insured or a third-party claimant;

408 (b) Act on behalf of or aid an insured or a third-party  
409 claimant in negotiating for or effecting the settlement of a  
410 claim for loss or damage covered by an insurance contract;

411 (c) Advertise for employment as a public adjuster; or

412 (d) Solicit, advertise, advise, assist, investigate, or  
413 adjust a claim on behalf of a public adjuster, an insured, or a  
414 third-party claimant.

415 (20) The department may take administrative actions and  
416 impose fines against any persons performing claims adjusting as  
417 defined in s. 626.015(6) or any other services as described in  
418 this section without the licensure required under this section  
419 and s. 626.112.

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

423 626.916 Eligibility for export.—

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

426 (f) The insured has signed or otherwise provided documented  
427 acknowledgment of a disclosure in substantially the following  
428 form: "You are agreeing to place coverage in the surplus lines  
429 market. Coverage may be available in the admitted market.  
430 Persons insured by surplus lines carriers are not protected  
431 under the Florida Insurance Guaranty Act with respect to any  
432 right of recovery for the obligation of an insolvent unlicensed  
433 insurer."

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

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436 626.917.

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

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

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

443 3. The insured has complied with paragraph (1)(f) ~~must sign~~  
444 ~~a disclosure that substantially provides the following: "You are~~  
445 ~~agreeing to place coverage in the surplus lines market. Superior~~  
446 ~~coverage may be available in the admitted market and at a lesser~~  
447 ~~cost. Persons insured by surplus lines carriers are not~~  
448 ~~protected under the Florida Insurance Guaranty Act with respect~~  
449 ~~to any right of recovery for the obligation of an insolvent~~  
450 ~~unlicensed insurer."~~ If the disclosure notice is signed by the  
451 insured, the insured is presumed to have been informed and to  
452 know that other coverage may be available, and, with respect to  
453 the diligent-effort requirement under subsection (1), there is  
454 no liability on the part of, and no cause of action arises  
455 against, the retail agent presenting the form.

456 Section 16. Paragraph (z) of subsection (1) of section  
457 626.9541, Florida Statutes, is amended to read:

458 626.9541 Unfair methods of competition and unfair or  
459 deceptive acts or practices defined.—

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

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



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465 1. Representing to the applicant that a specific ancillary  
466 coverage or product is required by law in conjunction with the  
467 purchase of insurance when such coverage or product is not  
468 required.~~†~~

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

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

475 4. Initiating, effectuating, binding, or otherwise issuing  
476 a policy of insurance without the prior informed consent of the  
477 owner of the property to be insured.

478 5. Mailing, transmitting, or otherwise submitting by any  
479 means an invoice for premium payment to a mortgagee or escrow  
480 agent, for the purpose of effectuating an insurance policy,  
481 without the prior informed consent of the owner of the property  
482 to be insured. However, this subparagraph does not apply in  
483 cases in which the mortgagee or escrow agent is renewing  
484 insurance or issuing collateral protection insurance, as defined  
485 in s. 624.6085, pursuant to the mortgage or other pertinent loan  
486 documents or communications regarding the property.

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

489 626.9741 Use of credit reports and credit scores by  
490 insurers.—

491 (3) An insurer must inform an applicant or insured, in the  
492 same medium as the application is taken, that a credit report or  
493 score is being requested for underwriting or rating purposes.

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494 The notification to the consumer must include the following  
495 language: "The Department of Financial Services offers free  
496 financial literacy programs to assist you with insurance-related  
497 questions, including how credit works and how credit scores are  
498 calculated. To learn more, visit [www.MyFloridaCFO.com](http://www.MyFloridaCFO.com)." An  
499 insurer that makes an adverse decision based, in whole or in  
500 part, upon a credit report must provide at no charge, a copy of  
501 the credit report to the applicant or insured or provide the  
502 applicant or insured with the name, address, and telephone  
503 number of the consumer reporting agency from which the insured  
504 or applicant may obtain the credit report. The insurer must  
505 provide notification to the consumer explaining the reasons for  
506 the adverse decision. The reasons must be provided in  
507 sufficiently clear and specific language so that a person can  
508 identify the basis for the insurer's adverse decision. Such  
509 notification shall include a description of the four primary  
510 reasons, or such fewer number as existed, which were the primary  
511 influences of the adverse decision. The use of generalized terms  
512 such as "poor credit history," "poor credit rating," or "poor  
513 insurance score" does not meet the explanation requirements of  
514 this subsection. A credit score may not be used in underwriting  
515 or rating insurance unless the scoring process produces  
516 information in sufficient detail to permit compliance with the  
517 requirements of this subsection. It shall not be deemed an  
518 adverse decision if, due to the insured's credit report or  
519 credit score, the insured continues to receive a less favorable  
520 rate or placement in a less favorable tier or company at the  
521 time of renewal except for renewals or reunderwriting required  
522 by this section.

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

525 626.9953 Qualifications for registration; application  
526 required.—

527 (5) An applicant must submit a set of his or her  
528 fingerprints to the department and pay the processing fee  
529 established under s. 624.501(23) ~~s. 624.501(24)~~. The department  
530 shall submit the applicant's fingerprints to the Department of  
531 Law Enforcement for processing state criminal history records  
532 checks and local criminal records checks through local law  
533 enforcement agencies and for forwarding to the Federal Bureau of  
534 Investigation for national criminal history records checks. The  
535 fingerprints shall be taken by a law enforcement agency, a  
536 designated examination center, or another department-approved  
537 entity. The department may not approve an application for  
538 registration as a navigator if fingerprints have not been  
539 submitted.

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

542 626.9957 Conduct prohibited; denial, revocation, or  
543 suspension of registration.—

544 (1) As provided in s. 626.112, only a person licensed as an  
545 insurance agent or customer representative may engage in the  
546 solicitation of insurance. A person who engages in the  
547 solicitation of insurance as described in s. 626.112(1) without  
548 such license is subject to the penalties provided under s.  
549 626.112(10) ~~s. 626.112(9)~~.

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

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552 627.062 Rate standards.—

553 (10) Any interest paid pursuant to s. 627.70131(7) ~~s.~~  
 554 ~~627.70131(5)~~ may not be included in the insurer's rate base and  
 555 may not be used to justify a rate or rate change.

556 Section 21. Section 627.502, Florida Statutes, is amended  
 557 to read:

558 627.502 "Industrial life insurance" defined; reporting;  
 559 prohibition on new policies after a certain date.—

560 (1) For the purposes of this code, "industrial life  
 561 insurance" is that form of life insurance written under policies  
 562 under which premiums are payable monthly or more often, bearing  
 563 the words "industrial policy" or "weekly premium policy" or  
 564 words of similar import imprinted upon the policies as part of  
 565 the descriptive matter, and issued by an insurer that ~~which~~, as  
 566 to such industrial life insurance, is operating under a system  
 567 of collecting a debit by its agent.

568 (2) Every life insurer servicing existing ~~transacting~~  
 569 industrial life insurance shall report to the office all annual  
 570 statement data regarding the exhibit of life insurance,  
 571 including relevant information for industrial life insurance.

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

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

576 627.70131 Insurer's duty to acknowledge communications  
 577 regarding claims; investigation.—

578 (1) (a) Upon an insurer's receiving a communication with  
 579 respect to a claim, the insurer shall, within 14 calendar days,  
 580 review and acknowledge receipt of such communication unless

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581 payment is made within that period of time or unless the failure  
582 to acknowledge is caused by factors beyond the control of the  
583 insurer which reasonably prevent such acknowledgment. If the  
584 acknowledgment is not in writing, a notification indicating  
585 acknowledgment shall be made in the insurer's claim file and  
586 dated. A communication made to or by a representative ~~an agent~~  
587 of an insurer with respect to a claim shall constitute  
588 communication to or by the insurer.

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

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

596 (2) Such acknowledgment must ~~shall~~ be responsive to the  
597 communication. If the communication constitutes a notification  
598 of a claim, unless the acknowledgment reasonably advises the  
599 claimant that the claim appears not to be covered by the  
600 insurer, the acknowledgment must ~~shall~~ provide necessary claim  
601 forms, and instructions, including an appropriate telephone  
602 number.

603 (3) (a) Unless otherwise provided by the policy of insurance  
604 or by law, within 14 ~~10 working~~ days after an insurer receives  
605 proof of loss statements, the insurer shall begin such  
606 investigation as is reasonably necessary unless the failure to  
607 begin such investigation is caused by factors beyond the control  
608 of the insurer which reasonably prevent the commencement of such  
609 investigation.

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

614 (c) Any subsequent communication with the policyholder  
615 regarding the claim must also include the name and license  
616 number of the adjuster communicating about the claim.  
617 Communication of the adjuster's name and license number may be  
618 included with other information provided to the policyholder.

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

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

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

633 (b) When providing a payment on a claim which is not the  
634 full and final payment for the claim, an insurer shall include  
635 with the payment the following statement printed in at least 12-  
636 point bold, uppercase type: WE ARE CONTINUING TO EVALUATE YOUR  
637 CLAIM INVOLVING YOUR INSURED PROPERTY AND MAY ISSUE ADDITIONAL  
638 PAYMENTS. IF YOU HAVE QUESTIONS, CONCERNS, OR ADDITIONAL

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639 INFORMATION REGARDING YOUR CLAIM, WE ENCOURAGE YOU TO CONTACT  
640 US.

641 (7) (a) ~~(5) (a)~~ Within 90 days after an insurer receives  
642 notice of an initial, reopened, or supplemental property  
643 insurance claim from a policyholder, the insurer shall pay or  
644 deny such claim or a portion of the claim unless the failure to  
645 pay is caused by factors beyond the control of the insurer which  
646 reasonably prevent such payment. Any payment of an initial or  
647 supplemental claim or portion of such claim made 90 days after  
648 the insurer receives notice of the claim, or made more than 15  
649 days after there are no longer factors beyond the control of the  
650 insurer which reasonably prevented such payment, whichever is  
651 later, bears interest at the rate set forth in s. 55.03.  
652 Interest begins to accrue from the date the insurer receives  
653 notice of the claim. The provisions of this subsection may not  
654 be waived, voided, or nullified by the terms of the insurance  
655 policy. If there is a right to prejudgment interest, the insured  
656 shall select whether to receive prejudgment interest or interest  
657 under this subsection. Interest is payable when the claim or  
658 portion of the claim is paid. Failure to comply with this  
659 subsection constitutes a violation of this code. However,  
660 failure to comply with this subsection does not form the sole  
661 basis for a private cause of action.

662 (b) Notwithstanding subsection (5) ~~(4)~~, for purposes of  
663 this subsection, the term "claim" means any of the following:

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

666 2. A claim for structural or contents coverage under a  
667 commercial property insurance policy if the insured structure is

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668 10,000 square feet or less; or

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

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

674 (8) This section also applies to surplus lines insurers and  
675 surplus lines insurance authorized under ss. 626.913-626.937  
676 providing residential coverage.

677 Section 23. Section 627.7031, Florida Statutes, is created  
678 to read:

679 627.7031 Foreign venue clauses prohibited.—After July 1,  
680 2021, a personal residential property insurance policy sold in  
681 this state, insuring only real property located in this state,  
682 may not require an insured to pursue dispute resolution through  
683 litigation, arbitration, or mediation outside this state. This  
684 section also applies to surplus lines insurers and surplus lines  
685 insurance authorized under ss. 626.913-626.937.

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

688 627.7142 Homeowner Claims Bill of Rights.—An insurer  
689 issuing a personal lines residential property insurance policy  
690 in this state must provide a Homeowner Claims Bill of Rights to  
691 a policyholder within 14 days after receiving an initial  
692 communication with respect to a claim, ~~unless the claim follows~~  
693 ~~an event that is the subject of a declaration of a state of~~  
694 ~~emergency by the Governor.~~ The purpose of the bill of rights is  
695 to summarize, in simple, nontechnical terms, existing Florida  
696 law regarding the rights of a personal lines residential



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697 property insurance policyholder who files a claim of loss. The  
698 Homeowner Claims Bill of Rights is specific to the claims  
699 process and does not represent all of a policyholder's rights  
700 under Florida law regarding the insurance policy. The Homeowner  
701 Claims Bill of Rights does not create a civil cause of action by  
702 any individual policyholder or class of policyholders against an  
703 insurer or insurers. The failure of an insurer to properly  
704 deliver the Homeowner Claims Bill of Rights is subject to  
705 administrative enforcement by the office but is not admissible  
706 as evidence in a civil action against an insurer. The Homeowner  
707 Claims Bill of Rights does not enlarge, modify, or contravene  
708 statutory requirements, including, but not limited to, ss.  
709 626.854, 626.9541, 627.70131, 627.7015, and 627.7074, and does  
710 not prohibit an insurer from exercising its right to repair  
711 damaged property in compliance with the terms of an applicable  
712 policy or ss. 627.7011(5)(e) and 627.702(7). The Homeowner  
713 Claims Bill of Rights must state:

714  
715 HOMEOWNER CLAIMS

716 BILL OF RIGHTS

717 This Bill of Rights is specific to the claims process  
718 and does not represent all of your rights under  
719 Florida law regarding your policy. There are also  
720 exceptions to the stated timelines when conditions are  
721 beyond your insurance company's control. This document  
722 does not create a civil cause of action by an  
723 individual policyholder, or a class of policyholders,  
724 against an insurer or insurers and does not prohibit  
725 an insurer from exercising its right to repair damaged

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726 property in compliance with the terms of an applicable  
727 policy.

728

729 YOU HAVE THE RIGHT TO:

730 1. Receive from your insurance company an  
731 acknowledgment of your reported claim within 14 days  
732 after the time you communicated the claim.

733 2. Upon written request, receive from your  
734 insurance company within 30 days after you have  
735 submitted a complete proof-of-loss statement to your  
736 insurance company, confirmation that your claim is  
737 covered in full, partially covered, or denied, or  
738 receive a written statement that your claim is being  
739 investigated.

740 3. Within 90 days, subject to any dual interest  
741 noted in the policy, receive full settlement payment  
742 for your claim or payment of the undisputed portion of  
743 your claim, or your insurance company's denial of your  
744 claim.

745 4. Receive payment of interest, as provided in s.  
746 627.70131, Florida Statutes, from your insurance  
747 company, which begins accruing from the date your  
748 claim is filed if your insurance company does not pay  
749 full settlement of your initial, reopened, or  
750 supplemental claim or the undisputed portion of your  
751 claim or does not deny your claim within 90 days after  
752 your claim is filed. The interest, if applicable, must  
753 be paid when your claim or undisputed portion of your  
754 claim is paid.

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755           5. Free mediation of your disputed claim by the  
756 Florida Department of Financial Services, Division of  
757 Consumer Services, under most circumstances and  
758 subject to certain restrictions.

759           ~~6.5.~~ Neutral evaluation of your disputed claim,  
760 if your claim is for damage caused by a sinkhole and  
761 is covered by your policy.

762           ~~7.6.~~ Contact the Florida Department of Financial  
763 Services, Division of Consumer Services' toll-free  
764 helpline for assistance with any insurance claim or  
765 questions pertaining to the handling of your claim.  
766 You can reach the Helpline by phone at...(toll-free  
767 phone number)..., or you can seek assistance online at  
768 the Florida Department of Financial Services, Division  
769 of Consumer Services' website at...(website  
770 address)....

771

772 YOU ARE ADVISED TO:

773           1. Contact your insurance company before entering  
774 into any contract for repairs to confirm any managed  
775 repair policy provisions or optional preferred  
776 vendors.

777           2. Make and document emergency repairs that are  
778 necessary to prevent further damage. Keep the damaged  
779 property, if feasible, keep all receipts, and take  
780 photographs or video of damage before and after any  
781 repairs to provide to your insurer.

782           3. Carefully read any contract that requires you  
783 to pay out-of-pocket expenses or a fee that is based

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784 on a percentage of the insurance proceeds that you  
785 will receive for repairing or replacing your property.

786 4. Confirm that the contractor you choose is  
787 licensed to do business in Florida. You can verify a  
788 contractor's license and check to see if there are any  
789 complaints against him or her by calling the Florida  
790 Department of Business and Professional Regulation.  
791 You should also ask the contractor for references from  
792 previous work.

793 5. Require all contractors to provide proof of  
794 insurance before beginning repairs.

795 6. Take precautions if the damage requires you to  
796 leave your home, including securing your property and  
797 turning off your gas, water, and electricity, and  
798 contacting your insurance company and provide a phone  
799 number where you can be reached.

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

802 631.57 Powers and duties of the association.—

803 (1) The association shall:

804 (a)1. Be obligated to the extent of the covered claims  
805 existing:

806 a. Prior to adjudication of insolvency and arising within  
807 30 days after the determination of insolvency;

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

810 c. Before the insured replaces the policy or causes its  
811 cancellation, if she or he does so within 30 days of the  
812 determination.

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813           2. The obligation under subparagraph 1. includes ~~only~~ the  
814 amount of each covered claim which is ~~in excess of \$100 and is~~  
815 less than \$300,000, except that policies providing coverage for  
816 homeowner's insurance must ~~shall~~ provide for an additional  
817 \$200,000 for the portion of a covered claim which relates only  
818 to the damage to the structure and contents.

819           3.a. Notwithstanding subparagraph 2., the obligation under  
820 subparagraph 1. for policies covering condominium associations  
821 or homeowners' associations, which associations have a  
822 responsibility to provide insurance coverage on residential  
823 units within the association, includes ~~shall include~~ that amount  
824 of each covered property insurance claim which is less than  
825 \$200,000 multiplied by the number of condominium units or other  
826 residential units; however, as to homeowners' associations, this  
827 sub-subparagraph applies only to claims for damage or loss to  
828 residential units and structures attached to residential units.

829           b. Notwithstanding sub-subparagraph a., the association has  
830 no obligation to pay covered claims that are to be paid from the  
831 proceeds of bonds issued under s. 631.695. However, the  
832 association shall assign and pledge the first available moneys  
833 from all or part of the assessments to be made under paragraph  
834 (3) (a) to or on behalf of the issuer of such bonds for the  
835 benefit of the holders of such bonds. The association shall  
836 administer any such covered claims and present valid covered  
837 claims for payment in accordance with the provisions of the  
838 assistance program in connection with which such bonds have been  
839 issued.

840           4. ~~In no event shall~~ The association may not be obligated  
841 to a policyholder or claimant in an amount in excess of the

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842 obligation of the insolvent insurer under the policy from which  
843 the claim arises.

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

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

852 631.904 Definitions.—As used in this part, the term:

853 (2) "Covered claim" means an unpaid claim, including a  
854 claim for return of unearned premiums, which arises out of, is  
855 within the coverage of, and is not in excess of the applicable  
856 limits of, an insurance policy to which this part applies, which  
857 policy was issued by an insurer and which claim is made on  
858 behalf of a claimant or insured who was a resident of this state  
859 at the time of the injury. The term "covered claim" includes  
860 unpaid claims under any employer liability coverage of a  
861 workers' compensation policy limited to the lesser of \$300,000  
862 or the limits of the policy. The term "covered claim" does not  
863 include any amount sought as a return of premium under any  
864 retrospective rating plan; any amount due any reinsurer,  
865 insurer, insurance pool, or underwriting association, as  
866 subrogation recoveries or otherwise; or any claim that would  
867 otherwise be a covered claim that has been rejected or denied by  
868 any other state guaranty fund based upon that state's statutory  
869 exclusions, including, but not limited to, those based on  
870 coverage, policy type, or an insured's net worth, except this

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871 exclusion from the definition of covered claim does not apply to  
872 employers who, prior to April 30, 2004, entered into an  
873 agreement with the corporation preserving the employer's right  
874 to seek coverage of claims rejected by another state's guaranty  
875 fund; ~~or any return of premium resulting from a policy that was~~  
876 ~~not in force on the date of the final order of liquidation.~~  
877 Member insurers have no right of subrogation against the insured  
878 of any insolvent insurer. This provision applies retroactively  
879 to cover claims of an insolvent self-insurance fund resulting  
880 from accidents or losses incurred prior to January 1, 1994,  
881 regardless of the date the petition in circuit court was filed  
882 alleging insolvency and the date the court entered an order  
883 appointing a receiver.

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