

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 certain consumers,
6 rather than authorizing such agencies to charge the
7 customers' representatives; amending s. 624.307, F.S.;
8 revising a requirement for persons licensed or
9 authorized by the Department of Financial Services or
10 the Office of Insurance Regulation to respond to the
11 department's Division of Consumer Services regarding
12 consumer complaints; amending s. 624.501, F.S.;
13 deleting a fee for adjusting firm licenses; amending
14 s. 626.112, F.S.; removing a provision requiring the
15 department to automatically convert registrations of
16 approved registered insurance agencies to insurance
17 agency licenses; prohibiting unlicensed activity by an
18 adjusting firm unless the firm complies with a
19 specified requirement; providing an exemption;
20 providing an exemption from licensure for branch firms
21 that meet certain criteria; providing an
22 administrative penalty for failing to apply for
23 certain licensure; providing a criminal penalty for
24 aiding or abetting unlicensed activity; creating s.
25 626.5813, F.S.; defining the term "claims adjusting";

26 | prohibiting a person from providing claims adjusting
27 | services unless the person meets specified
28 | requirements; amending s. 626.602, F.S.; authorizing
29 | the department to disapprove the use of insurance
30 | agency names containing the words "Medicare" or
31 | "Medicaid"; providing a time-limited exception for
32 | certain insurance agencies; prohibiting relicensing of
33 | insurance agencies using such names; providing for
34 | future expiration of such licenses; providing an
35 | exception from future expiration; amending s. 626.621,
36 | F.S.; adding grounds on which the department may take
37 | certain actions against a license, appointment, or
38 | application of certain insurance representatives;
39 | amending ss. 626.782 and 626.783, F.S.; revising the
40 | definitions of the terms "industrial class insurer"
41 | and "ordinary-combination class insurer,"
42 | respectively, to conform to changes made by the act;
43 | repealing s. 626.796, F.S., relating to the
44 | representation of multiple insurers in the same
45 | industrial debit territory; amending s. 626.854, F.S.;
46 | revising the timeframes in which an insured or
47 | claimant may cancel a public adjuster's contract to
48 | adjust a claim without penalty or obligation;
49 | requiring that certain public adjuster's contracts
50 | include a specified disclosure; specifying

51 requirements for written estimates of loss provided by
52 public adjusters to claimants or insureds; prohibiting
53 licensed contractors and subcontractors from engaging
54 in certain activities unless licensed and compliant as
55 public adjusters; amending s. 626.916, F.S.; providing
56 a disclosure requirement that an insurance coverage
57 must meet before being eligible for export under the
58 Surplus Lines Law; amending s. 626.9541, F.S.; adding
59 certain acts or practices to the definition of the
60 term "sliding" as unfair methods of competition and
61 unfair or deceptive acts; amending s. 626.9741, F.S.;
62 requiring an insurer's notification regarding certain
63 credit report or score information to include
64 specified language under certain circumstances;
65 amending ss. 626.9953, 626.9957, and 627.062, F.S.;
66 conforming cross-references; amending s. 627.502,
67 F.S.; prohibiting a life insurer from writing new
68 policies of industrial life insurance beginning on a
69 certain date; amending s. 627.70131, F.S.; providing
70 that communication made to or by an insurer's
71 representative, rather than to or by an insurer's
72 agent, constitutes communication to or by the insurer;
73 replacing the defined term "agent" with the term
74 "representative"; revising the timeframe in which an
75 insurer must begin an investigation after receipt of

76 proof of loss statements; requiring an insurer-
77 assigned licensed adjuster to provide the policyholder
78 with certain information; specifying information that
79 must be included in certain communication with the
80 policyholder regarding a claim; requiring an insurer
81 to keep records of the licensed adjusters interacting
82 with policyholders; requiring an insurer to establish
83 a process to provide the policyholder, the office, or
84 the department with a list of adjusters associated
85 with a claim; requiring an insurer to include
86 specified notices when providing preliminary or
87 partial damage estimates or claim payments; providing
88 applicability; creating s. 627.7031, F.S.; prohibiting
89 foreign venue clauses in property insurance policies;
90 providing applicability; amending s. 627.7142, F.S.;
91 revising circumstances under which an insurer must
92 provide a Homeowner Claims Bill of Rights to a
93 policyholder; revising information contained in the
94 Homeowner Claims Bill of Rights; conforming provisions
95 to changes made by the act; amending s. 631.57, F.S.;
96 deleting a deductible on the obligation of the Florida
97 Insurance Guaranty Association, Incorporated, as to
98 certain covered claims; amending s. 631.904, F.S.;
99 revising the definition of the term "covered claim" to
100 exclude certain premium returns; amending s. 648.30,

101 F.S.; providing penalties for a licensed bail bond
 102 agent or temporary bail bond agent who knowingly
 103 engages in certain activities; providing effective
 104 dates.

105

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

107

108 Section 1. Paragraph (b) of subsection (9) of section
 109 501.0051, Florida Statutes, is amended to read:

110 501.0051 Protected consumer report security freeze.—
 111 (9)

112 (b) A consumer reporting agency may not charge to a
 113 ~~reasonable fee, not to exceed \$10, if the representative fails~~
 114 ~~to retain the original unique personal identifier provided by~~
 115 ~~the consumer reporting agency and the agency must~~ reissue the
 116 unique personal identifier or provide a new unique personal
 117 identifier to the protected consumer ~~representative~~.

118 Section 2. Paragraph (b) of subsection (10) of section
 119 624.307, Florida Statutes, is amended to read:

120 624.307 General powers; duties.—
 121 (10)

122 (b) Any person licensed or issued a certificate of
 123 authority by the department or the office shall respond, in
 124 writing, to the division within 20 days after receipt of a
 125 written request for documents and information from the division

126 concerning a consumer complaint. The response must address the
 127 issues and allegations raised in the complaint and include any
 128 requested documents concerning the consumer complaint that are
 129 not subject to attorney-client or work-product privilege. The
 130 division may impose an administrative penalty for failure to
 131 comply with this paragraph of up to \$2,500 per violation upon
 132 any entity licensed by the department or the office and \$250 for
 133 the first violation, \$500 for the second violation, and up to
 134 \$1,000 for the third or subsequent violation upon any individual
 135 licensed by the department or the office.

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

138 624.501 Filing, license, appointment, and miscellaneous
 139 fees.—The department, commission, or office, as appropriate,
 140 shall collect in advance, and persons so served shall pay to it
 141 in advance, fees, licenses, and miscellaneous charges as
 142 follows:

143 ~~(20) Adjusting firm, original or renewal 3-year license....~~
 144 ~~\$60.00~~

145 Section 4. Subsection (9) of section 626.112, Florida
 146 Statutes, is renumbered as subsection (10), paragraph (d) of
 147 subsection (7) and present subsection (9) are amended, and a new
 148 subsection (9) is added to that section, to read:

149 626.112 License and appointment required; agents, customer
 150 representatives, adjusters, insurance agencies, service

151 representatives, managing general agents, adjusting firms.-

152 (7)

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

156 (9) (a) An individual, firm, partnership, corporation,
157 association, or other entity may not act in its own name or
158 under a trade name, directly or indirectly, as an adjusting firm
159 unless it complies with s. 626.8696 with respect to possessing
160 an adjusting firm license for each place of business at which it
161 engages in an activity that may be performed only by a licensed
162 insurance adjuster. However, an adjusting firm that is owned and
163 operated by a single licensed adjuster conducting business in
164 his or her individual name and not employing or otherwise using
165 the services of or appointing other licensees is exempt from the
166 adjusting firm licensing requirements of this paragraph.

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

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

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

174 3. The address and telephone number of the branch location
175 have been submitted to the department for inclusion in the

176 licensing record of the licensed adjusting firm within 30 days
 177 after insurance transactions begin at the branch location.

178 (c) If an adjusting firm is required to be licensed but
 179 fails to file an application for licensure in accordance with
 180 this section, the department shall impose on the firm an
 181 administrative penalty of up to \$10,000.

182 (10)~~(9)~~ Any person who knowingly transacts insurance or
 183 otherwise engages in insurance activities in this state without
 184 a license in violation of this section or who knowingly aids or
 185 abets an unlicensed person in transacting insurance or otherwise
 186 engaging in insurance activities in this state without a license
 187 commits a felony of the third degree, punishable as provided in
 188 s. 775.082, s. 775.083, or s. 775.084.

189 Section 5. Section 626.5813, Florida Statutes, is created
 190 to read:

191 626.5813 Claims adjusting.—

192 (1) (a) As used in this section, the term "claims
 193 adjusting" means directly or indirectly:

194 1. Attempting or undertaking to ascertain and determine
 195 the amount of any claim, loss, or damage payable under an
 196 insurance contract or undertaking to negotiate or effect
 197 settlement of a claim, loss, or damage under an insurance
 198 contract, if such action results in payment to or receipt of
 199 money, commission, or any other thing of value by the party or
 200 parties rendering such service or persons affiliated with such

201 party or parties; or

202 2. Soliciting services as described in subparagraph 1. or
 203 soliciting an insured or policyholder to file an insurance
 204 claim.

205 (b) The term does not include:

206 1. Paid services as a spokesperson used as part of a
 207 written or an electronic advertisement.

208 2. Paid services as a photographer or videographer used to
 209 capture images of damage.

210 3. Paid services to inventory personal property or
 211 business personal property.

212 4. Discussion or explanation of a bid for construction or
 213 repair services by a licensed contractor under part I of chapter
 214 489, or a subcontractor for a licensed contractor, with a
 215 property owner or the insurer of such property.

216 (2) Except for a duly licensed attorney at law as exempted
 217 under s. 626.860 or an agent as exempted under s. 626.862, a
 218 person may not provide claims adjusting services unless licensed
 219 and appointed as an adjuster under this part.

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

222 626.602 Insurance agency names; disapproval.—The
 223 department may disapprove the use of any true or fictitious
 224 name, other than the bona fide natural name of an individual, by
 225 any insurance agency on any of the following grounds:

226 (4) The name contains the word "Medicare" or "Medicaid."
227 An agency whose name contains the word "Medicare" or "Medicaid"
228 but which is licensed as of July 1, 2021, may continue to use
229 that name until June 30, 2023, as long as the agency's license
230 remains valid. If the agency's license expires or is suspended
231 or revoked, the agency may not be relicensed using that name.
232 Licenses containing either of these words automatically expire
233 on July 1, 2023, unless these words are removed from the name.

234 Section 7. Subsections (16) and (17) are added to section
235 626.621, Florida Statutes, to read:

236 626.621 Grounds for discretionary refusal, suspension, or
237 revocation of agent's, adjuster's, customer representative's,
238 service representative's, or managing general agent's license or
239 appointment.—The department may, in its discretion, deny an
240 application for, suspend, revoke, or refuse to renew or continue
241 the license or appointment of any applicant, agent, adjuster,
242 customer representative, service representative, or managing
243 general agent, and it may suspend or revoke the eligibility to
244 hold a license or appointment of any such person, if it finds
245 that as to the applicant, licensee, or appointee any one or more
246 of the following applicable grounds exist under circumstances
247 for which such denial, suspension, revocation, or refusal is not
248 mandatory under s. 626.611:

249 (16) Taking an action that allows the personal financial
250 or medical information of a consumer or customer to be made

251 available or accessible to the general public, regardless of the
252 format in which the record is stored.

253 (17) Initiating in-person or telephone solicitation after
254 9 p.m. or before 8 a.m. local time of the prospective customer
255 unless requested by the prospective customer.

256 Section 8. Section 626.782, Florida Statutes, is amended
257 to read:

258 626.782 "Industrial class insurer" defined.—An "industrial
259 class insurer" is an insurer collecting premiums on policies of
260 ~~writing~~ industrial life insurance, as defined in s. 627.502,
261 written before July 1, 2021, and as to such insurance, operates
262 under a system of collecting a debit by its agent.

263 Section 9. Section 626.783, Florida Statutes, is amended
264 to read:

265 626.783 "Ordinary-combination class insurer" defined.—An
266 "ordinary-combination class insurer" is an insurer writing ~~both~~
267 ordinary class insurance and collecting premiums on existing
268 industrial life ~~class~~ insurance under s. 626.782.

269 Section 10. Section 626.796, Florida Statutes, is
270 repealed.

271 Section 11. Subsections (6), (11), and (15) of section
272 626.854, Florida Statutes, are amended to read:

273 626.854 "Public adjuster" defined; prohibitions.—The
274 Legislature finds that it is necessary for the protection of the
275 public to regulate public insurance adjusters and to prevent the

276 | unauthorized practice of law.

277 | (6) An insured or claimant may cancel a public adjuster's
 278 | contract to adjust a claim without penalty or obligation within
 279 | 10 calendar ~~3 business~~ days after the date on which the contract
 280 | is executed ~~or within 3 business days after the date on which~~
 281 | ~~the insured or claimant has notified the insurer of the claim,~~
 282 | ~~whichever is later.~~ The public adjuster's contract must contain
 283 | the following language in minimum 18-point bold type: "You, the
 284 | insured, may cancel this contract for any reason without penalty
 285 | or obligation to you within 10 days after the date of this
 286 | contract by providing notice to (name of public adjuster) ,
 287 | submitted in writing and sent by certified mail, return receipt
 288 | requested, or other form of mailing that provides proof thereof,
 289 | at the address specified in the contract." ~~disclose to the~~
 290 | ~~insured or claimant his or her right to cancel the contract and~~
 291 | ~~advise the insured or claimant that notice of cancellation must~~
 292 | ~~be submitted in writing and sent by certified mail, return~~
 293 | ~~receipt requested, or other form of mailing that provides proof~~
 294 | ~~thereof, to the public adjuster at the address specified in the~~
 295 | ~~contract; provided, during any state of emergency as declared by~~
 296 | ~~the Governor and for 1 year after the date of loss, the insured~~
 297 | ~~or claimant has 5 business days after the date on which the~~
 298 | ~~contract is executed to cancel a public adjuster's contract.~~

299 | (11) Each public adjuster must provide to the claimant or
 300 | insured a written estimate of the loss to assist in the

301 submission of a proof of loss or any other claim for payment of
302 insurance proceeds within 60 days after the date of the public
303 adjuster's contract. The written estimate must include an
304 itemized, per-unit estimate of the repairs, including itemized
305 information on equipment, materials, labor, and supplies, in
306 accordance with accepted industry standards. The public adjuster
307 shall retain such written estimate for at least 5 years and
308 shall make the estimate available to the claimant or insured,
309 the insurer, and the department upon request.

310 (15) A licensed contractor under part I of chapter 489, or
311 a subcontractor, may not adjust a claim on behalf of an insured,
312 or solicit an insured to file an insurance claim, unless
313 licensed and compliant as a public adjuster under this chapter.
314 However, the contractor may discuss or explain a bid for
315 construction or repair of covered property with the residential
316 property owner who has suffered loss or damage covered by a
317 property insurance policy, or the insurer of such property, if
318 the contractor is doing so for the usual and customary fees
319 applicable to the work to be performed as stated in the contract
320 between the contractor and the insured.

321 Section 12. Effective January 1, 2022, subsection (3) of
322 section 626.916, Florida Statutes, is amended, and paragraph (f)
323 is added to subsection (1) of that section, to read:

324 626.916 Eligibility for export.—

325 (1) No insurance coverage shall be eligible for export

326 unless it meets all of the following conditions:

327 (f) The insured has signed or otherwise provided
 328 documented acknowledgment of a disclosure in substantially the
 329 following form: "You are agreeing to place coverage in the
 330 surplus lines market. Coverage may be available in the admitted
 331 market. Persons insured by surplus lines carriers are not
 332 protected under the Florida Insurance Guaranty Act with respect
 333 to any right of recovery for the obligation of an insolvent
 334 unlicensed insurer."

335 (3) (a) Subsection (1) does not apply to wet marine and
 336 transportation or aviation risks that ~~which~~ are subject to s.
 337 626.917.

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

- 341 1. The insurance must be placed only by or through a
 342 surplus lines agent licensed in this state;
- 343 2. The insurer must be made eligible under s. 626.918; and
- 344 3. The insured has complied with paragraph (1) (f) ~~must~~
 345 ~~sign a disclosure that substantially provides the following:~~
 346 ~~"You are agreeing to place coverage in the surplus lines market.~~
 347 ~~Superior coverage may be available in the admitted market and at~~
 348 ~~a lesser cost. Persons insured by surplus lines carriers are not~~
 349 ~~protected under the Florida Insurance Guaranty Act with respect~~
 350 ~~to any right of recovery for the obligation of an insolvent~~

351 ~~unlicensed insurer."~~ If the disclosure in paragraph (1) (f)
 352 ~~notice~~ is signed by the insured, the insured is presumed to have
 353 been informed and to know that other coverage may be available,
 354 and, with respect to the diligent-effort requirement under
 355 subsection (1), there is no liability on the part of, and no
 356 cause of action arises against, the retail agent presenting the
 357 form.

358 Section 13. Paragraph (z) of subsection (1) of section
 359 626.9541, Florida Statutes, is amended to read:

360 626.9541 Unfair methods of competition and unfair or
 361 deceptive acts or practices defined.—

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

365 (z) Sliding.—Sliding is the act or practice of any of the
 366 following:

367 1. Representing to the applicant that a specific ancillary
 368 coverage or product is required by law in conjunction with the
 369 purchase of insurance when such coverage or product is not
 370 required.~~†~~

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

374 3. Charging an applicant for a specific ancillary coverage
 375 or product, in addition to the cost of the insurance coverage

376 applied for, without the informed consent of the applicant.

377 4. Initiating, effectuating, binding, or otherwise issuing
378 a policy of insurance without the prior informed consent of the
379 owner of the property to be insured.

380 5. Mailing, transmitting, or otherwise submitting by any
381 means an invoice for premium payment to a mortgagee or escrow
382 agent for the purpose of effectuating an insurance policy,
383 without the prior informed consent of the owner of the property
384 to be insured. However, this subparagraph does not apply in
385 cases where the mortgagee or escrow agent is renewing insurance
386 or issuing collateral protection insurance, as defined in s.
387 624.6085, pursuant to the mortgage or other pertinent loan
388 documents or communications regarding the property.

389 Section 14. Effective January 1, 2022, subsection (3) of
390 section 626.9741, Florida Statutes, is amended to read:

391 626.9741 Use of credit reports and credit scores by
392 insurers.—

393 (3) An insurer must inform an applicant or insured, in the
394 same medium as the application is taken, that a credit report or
395 score is being requested for underwriting or rating purposes.
396 The notification to the applicant or insured must include the
397 following language: "The Department of Financial Services offers
398 free financial literacy programs to assist you with insurance-
399 related questions, including how credit works and how credit
400 scores are calculated. To learn more, visit

401 www.myfloridacfo.com." An insurer that makes an adverse decision
402 based, in whole or in part, upon a credit report must provide at
403 no charge, a copy of the credit report to the applicant or
404 insured or provide the applicant or insured with the name,
405 address, and telephone number of the consumer reporting agency
406 from which the insured or applicant may obtain the credit
407 report. The insurer must provide notification to the consumer
408 explaining the reasons for the adverse decision. The reasons
409 must be provided in sufficiently clear and specific language so
410 that a person can identify the basis for the insurer's adverse
411 decision. Such notification must ~~shall~~ include a description of
412 the four primary reasons, or such fewer number as existed, which
413 were the primary influences of the adverse decision. The use of
414 generalized terms such as "poor credit history," "poor credit
415 rating," or "poor insurance score" does not meet the explanation
416 requirements of this subsection. A credit score may not be used
417 in underwriting or rating insurance unless the scoring process
418 produces information in sufficient detail to permit compliance
419 with the requirements of this subsection. It is ~~shall~~ not be
420 ~~deemed~~ an adverse decision if, due to the insured's credit
421 report or credit score, the insured continues to receive a less
422 favorable rate or placement in a less favorable tier or company
423 at the time of renewal except for renewals or reunderwriting
424 required by this section.

425 Section 15. Subsection (5) of section 626.9953, Florida

426 Statutes, is amended to read:

427 626.9953 Qualifications for registration; application
428 required.—

429 (5) An applicant must submit a set of his or her
430 fingerprints to the department and pay the processing fee
431 established under s. 624.501(23) ~~s. 624.501(24)~~. The department
432 shall submit the applicant's fingerprints to the Department of
433 Law Enforcement for processing state criminal history records
434 checks and local criminal records checks through local law
435 enforcement agencies and for forwarding to the Federal Bureau of
436 Investigation for national criminal history records checks. The
437 fingerprints shall be taken by a law enforcement agency, a
438 designated examination center, or another department-approved
439 entity. The department may not approve an application for
440 registration as a navigator if fingerprints have not been
441 submitted.

442 Section 16. Subsection (1) of section 626.9957, Florida
443 Statutes, is amended to read:

444 626.9957 Conduct prohibited; denial, revocation, or
445 suspension of registration.—

446 (1) As provided in s. 626.112, only a person licensed as
447 an insurance agent or customer representative may engage in the
448 solicitation of insurance. A person who engages in the
449 solicitation of insurance as described in s. 626.112(1) without
450 such license is subject to the penalties provided under s.

451 626.112(10) ~~s. 626.112(9)~~.

452 Section 17. Subsection (10) of section 627.062, Florida
453 Statutes, is amended to read:

454 627.062 Rate standards.—

455 (10) Any interest paid pursuant to s. 627.70131(7) ~~s.~~
456 ~~627.70131(5)~~ may not be included in the insurer's rate base and
457 may not be used to justify a rate or rate change.

458 Section 18. Section 627.502, Florida Statutes, is amended
459 to read:

460 627.502 "Industrial life insurance" defined; reporting;
461 prohibition on new policies after a certain date.—

462 (1) For the purposes of this code, "industrial life
463 insurance" is that form of life insurance written under policies
464 under which premiums are payable monthly or more often, bearing
465 the words "industrial policy" or "weekly premium policy" or
466 words of similar import imprinted upon the policies as part of
467 the descriptive matter, and issued by an insurer that ~~which~~, as
468 to such industrial life insurance, is operating under a system
469 of collecting a debit by its agent.

470 (2) Every life insurer servicing existing ~~transacting~~
471 industrial life insurance shall report to the office all annual
472 statement data regarding the exhibit of life insurance,
473 including relevant information for industrial life insurance.

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

476 Section 19. Effective January 1, 2022, section 627.70131,
477 Florida Statutes, is amended to read:

478 627.70131 Insurer's duty to acknowledge communications
479 regarding claims; investigation.—

480 (1)(a) Upon an insurer's receiving a communication with
481 respect to a claim, the insurer shall, within 14 calendar days,
482 review and acknowledge receipt of such communication unless
483 payment is made within that period of time or unless the failure
484 to acknowledge is caused by factors beyond the control of the
485 insurer which reasonably prevent such acknowledgment. If the
486 acknowledgment is not in writing, a notification indicating
487 acknowledgment shall be made in the insurer's claim file and
488 dated. A communication made to or by a representative ~~an agent~~
489 of an insurer with respect to a claim shall constitute
490 communication to or by the insurer.

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

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

498 (2) Such acknowledgment shall be responsive to the
499 communication. If the communication constitutes a notification
500 of a claim, unless the acknowledgment reasonably advises the

501 claimant that the claim appears not to be covered by the
502 insurer, the acknowledgment shall provide necessary claim forms,
503 and instructions, including an appropriate telephone number.

504 (3) (a) Unless otherwise provided by the policy of
505 insurance or by law, within 14 ~~10 working~~ days after an insurer
506 receives proof of loss statements, the insurer shall begin such
507 investigation as is reasonably necessary unless the failure to
508 begin such investigation is caused by factors beyond the control
509 of the insurer which reasonably prevent the commencement of such
510 investigation.

511 (b) If such investigation involves a physical inspection
512 of the property, the licensed adjuster assigned by the insurer
513 must provide the policyholder with a printed or electronic
514 document containing his or her name and license number.

515 (c) Any subsequent communication with the policyholder
516 regarding the claim must also include the name and license
517 number of the adjuster communicating about the claim.
518 Communication of the adjuster's name and license number may be
519 included along with other information already being provided to
520 the policyholder.

521 (4) An insurer shall maintain a record or log of each
522 adjuster who communicates with the policyholder as provided in
523 paragraphs (3) (b) and (3) (c), and shall provide a list of the
524 adjusters to the policyholder, the office, or the department
525 upon request.

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

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

536 (b) When providing a payment on a claim which is not the
 537 full and final payment for the claim, an insurer shall include
 538 with the payment the following statement printed in at least 12-
 539 point bold, uppercase type: WE ARE CONTINUING TO EVALUATE YOUR
 540 CLAIM INVOLVING YOUR INSURED PROPERTY AND MAY ISSUE ADDITIONAL
 541 PAYMENTS. IF YOU HAVE QUESTIONS, CONCERNS, OR ADDITIONAL
 542 INFORMATION REGARDING YOUR CLAIM, WE ENCOURAGE YOU TO CONTACT
 543 US.

544 (7) (a) ~~(5) (a)~~ Within 90 days after an insurer receives
 545 notice of an initial, reopened, or supplemental property
 546 insurance claim from a policyholder, the insurer shall pay or
 547 deny such claim or a portion of the claim unless the failure to
 548 pay is caused by factors beyond the control of the insurer which
 549 reasonably prevent such payment. Any payment of an initial or
 550 supplemental claim or portion of such claim made 90 days after

551 the insurer receives notice of the claim, or made more than 15
552 days after there are no longer factors beyond the control of the
553 insurer which reasonably prevented such payment, whichever is
554 later, bears interest at the rate set forth in s. 55.03.
555 Interest begins to accrue from the date the insurer receives
556 notice of the claim. The provisions of this subsection may not
557 be waived, voided, or nullified by the terms of the insurance
558 policy. If there is a right to prejudgment interest, the insured
559 shall select whether to receive prejudgment interest or interest
560 under this subsection. Interest is payable when the claim or
561 portion of the claim is paid. Failure to comply with this
562 subsection constitutes a violation of this code. However,
563 failure to comply with this subsection does not form the sole
564 basis for a private cause of action.

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

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

569 2. A claim for structural or contents coverage under a
570 commercial property insurance policy if the insured structure is
571 10,000 square feet or less; or

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

574 (c) This subsection does ~~shall~~ not apply to claims under
575 an insurance policy covering nonresidential commercial

576 structures or contents in more than one state.

577 (8) This section also applies to surplus lines insurers
 578 and to surplus lines insurance authorized under ss. 626.913-
 579 626.937 providing residential coverage.

580 Section 20. Section 627.7031, Florida Statutes, is created
 581 to read:

582 627.7031 Foreign venue clauses prohibited.—After July 1,
 583 2021, a personal residential property insurance policy sold in
 584 the state and insuring only real property located in the state
 585 may not require an insured to pursue dispute resolution through
 586 litigation, arbitration, or mediation outside the state. This
 587 section also applies to surplus lines insurers and to surplus
 588 lines insurance authorized under ss. 626.913-626.937.

589 Section 21. Effective January 1, 2022, section 627.7142,
 590 Florida Statutes, is amended to read:

591 627.7142 Homeowner Claims Bill of Rights.—An insurer
 592 issuing a personal lines residential property insurance policy
 593 in this state must provide a Homeowner Claims Bill of Rights to
 594 a policyholder within 14 days after receiving an initial
 595 communication with respect to a claim, ~~unless the claim follows~~
 596 ~~an event that is the subject of a declaration of a state of~~
 597 ~~emergency by the Governor.~~ The purpose of the bill of rights is
 598 to summarize, in simple, nontechnical terms, existing Florida
 599 law regarding the rights of a personal lines residential
 600 property insurance policyholder who files a claim of loss. The

601 Homeowner Claims Bill of Rights is specific to the claims
602 process and does not represent all of a policyholder's rights
603 under Florida law regarding the insurance policy. The Homeowner
604 Claims Bill of Rights does not create a civil cause of action by
605 any individual policyholder or class of policyholders against an
606 insurer or insurers. The failure of an insurer to properly
607 deliver the Homeowner Claims Bill of Rights is subject to
608 administrative enforcement by the office but is not admissible
609 as evidence in a civil action against an insurer. The Homeowner
610 Claims Bill of Rights does not enlarge, modify, or contravene
611 statutory requirements, including, but not limited to, ss.
612 626.854, 626.9541, 627.70131, 627.7015, and 627.7074, and does
613 not prohibit an insurer from exercising its right to repair
614 damaged property in compliance with the terms of an applicable
615 policy or ss. 627.7011(5)(e) and 627.702(7). The Homeowner
616 Claims Bill of Rights must state:

617

618 HOMEOWNER CLAIMS

619 BILL OF RIGHTS

620 This Bill of Rights is specific to the claims process and does
621 not represent all of your rights under Florida law regarding
622 your policy. There are also exceptions to the stated timelines
623 when conditions are beyond your insurance company's control.
624 This document does not create a civil cause of action by an
625 individual policyholder, or a class of policyholders, against an

626 insurer or insurers and does not prohibit an insurer from
627 exercising its right to repair damaged property in compliance
628 with the terms of an applicable policy.

629

630 YOU HAVE THE RIGHT TO:

631 1. Receive from your insurance company an acknowledgment
632 of your reported claim within 14 days after the time you
633 communicated the claim.

634 2. Upon written request, receive from your insurance
635 company within 30 days after you have submitted a complete
636 proof-of-loss statement to your insurance company, confirmation
637 that your claim is covered in full, partially covered, or
638 denied, or receive a written statement that your claim is being
639 investigated.

640 3. Within 90 days, subject to any dual interest noted in
641 the policy, receive full settlement payment for your claim or
642 payment of the undisputed portion of your claim, or your
643 insurance company's denial of your claim.

644 4. Receive payment of interest, as provided in section
645 627.70131, Florida Statutes, from your insurance company, which
646 begins accruing from the date your claim is filed if your
647 insurance company does not pay full settlement of your initial,
648 reopened, or supplemental claim or the undisputed portion of
649 your claim or does not deny your claim within 90 days after your
650 claim is filed. The interest, if applicable, must be paid when

651 your claim or undisputed portion of your claim is paid.

652 ~~5.4.~~ Have free mediation of your disputed claim by the
653 Florida Department of Financial Services, Division of Consumer
654 Services, under most circumstances and subject to certain
655 restrictions.

656 ~~6.5.~~ Have neutral evaluation of your disputed claim, if
657 your claim is for damage caused by a sinkhole and is covered by
658 your policy.

659 ~~7.6.~~ Contact the Florida Department of Financial Services,
660 Division of Consumer Services' toll-free helpline for assistance
661 with any insurance claim or questions pertaining to the handling
662 of your claim. You can reach the Helpline by phone at...(toll-
663 free phone number)..., or you can seek assistance online at the
664 Florida Department of Financial Services, Division of Consumer
665 Services' website at...(website address)....

666

667 YOU ARE ADVISED TO:

668 1. Contact your insurance company before entering into any
669 contract for repairs to confirm any managed repair policy
670 provisions or optional preferred vendors.

671 2. Make and document emergency repairs that are necessary
672 to prevent further damage. Keep the damaged property, if
673 feasible, keep all receipts, and take photographs or video of
674 damage before and after any repairs to provide to your insurer.

675 3. Carefully read any contract that requires you to pay

676 out-of-pocket expenses or a fee that is based on a percentage of
677 the insurance proceeds that you will receive for repairing or
678 replacing your property.

679 4. Confirm that the contractor you choose is licensed to
680 do business in Florida. You can verify a contractor's license
681 and check to see if there are any complaints against him or her
682 by calling the Florida Department of Business and Professional
683 Regulation. You should also ask the contractor for references
684 from previous work.

685 5. Require all contractors to provide proof of insurance
686 before beginning repairs.

687 6. Take precautions if the damage requires you to leave
688 your home, including securing your property and turning off your
689 gas, water, and electricity, and contacting your insurance
690 company and provide a phone number where you can be reached.

691 Section 22. Paragraph (a) of subsection (1) and subsection
692 (6) of section 631.57, Florida Statutes, are amended to read:

693 631.57 Powers and duties of the association.—

694 (1) The association shall:

695 (a)1. Be obligated to the extent of the covered claims
696 existing:

697 a. Before ~~Prior to~~ adjudication of insolvency and arising
698 within 30 days after the determination of insolvency;

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

701 c. Before the insured replaces the policy or causes its
702 cancellation, if she or he does so within 30 days of the
703 determination.

704 2. The obligation under subparagraph 1. includes ~~only~~ the
705 amount of each covered claim which is ~~in excess of \$100 and is~~
706 less than \$300,000, except that policies providing coverage for
707 homeowner's insurance shall provide for an additional \$200,000
708 for the portion of a covered claim which relates only to the
709 damage to the structure and contents.

710 3.a. Notwithstanding subparagraph 2., the obligation under
711 subparagraph 1. for policies covering condominium associations
712 or homeowners' associations, which associations have a
713 responsibility to provide insurance coverage on residential
714 units within the association, shall include that amount of each
715 covered property insurance claim which is less than \$200,000
716 multiplied by the number of condominium units or other
717 residential units; however, as to homeowners' associations, this
718 sub-subparagraph applies only to claims for damage or loss to
719 residential units and structures attached to residential units.

720 b. Notwithstanding sub-subparagraph a., the association
721 has no obligation to pay covered claims that are to be paid from
722 the proceeds of bonds issued under s. 631.695. However, the
723 association shall assign and pledge the first available moneys
724 from all or part of the assessments to be made under paragraph
725 (3) (a) to or on behalf of the issuer of such bonds for the

726 benefit of the holders of such bonds. The association shall
727 administer any such covered claims and present valid covered
728 claims for payment in accordance with the provisions of the
729 assistance program in connection with which such bonds have been
730 issued.

731 4. In no event shall the association be obligated to a
732 policyholder or claimant in an amount in excess of the
733 obligation of the insolvent insurer under the policy from which
734 the claim arises.

735 (6) The association may extend the time limits specified
736 in paragraph (1) (a) by up to an additional 60 days ~~or waive the~~
737 ~~applicability of the \$100 deductible specified in paragraph~~
738 ~~(1) (a)~~ if the board determines that either or both such actions
739 are necessary to facilitate the bulk assumption of obligations.

740 Section 23. Subsection (2) of section 631.904, Florida
741 Statutes, is amended to read:

742 631.904 Definitions.—As used in this part, the term:

743 (2) "Covered claim" means an unpaid claim, including a
744 claim for return of unearned premiums, which arises out of, is
745 within the coverage of, and is not in excess of the applicable
746 limits of, an insurance policy to which this part applies, which
747 policy was issued by an insurer and which claim is made on
748 behalf of a claimant or insured who was a resident of this state
749 at the time of the injury. The term "covered claim" includes
750 unpaid claims under any employer liability coverage of a

751 workers' compensation policy limited to the lesser of \$300,000
752 or the limits of the policy. The term "covered claim" does not
753 include any amount sought as a return of premium under any
754 retrospective rating plan; any amount due any reinsurer,
755 insurer, insurance pool, or underwriting association, as
756 subrogation recoveries or otherwise; any claim that would
757 otherwise be a covered claim that has been rejected or denied by
758 any other state guaranty fund based upon that state's statutory
759 exclusions, including, but not limited to, those based on
760 coverage, policy type, or an insured's net worth, except this
761 exclusion from the definition of covered claim does not apply to
762 employers who, before ~~prior to~~ April 30, 2004, entered into an
763 agreement with the corporation preserving the employer's right
764 to seek coverage of claims rejected by another state's guaranty
765 fund; ~~or any return of premium resulting from a policy that was~~
766 ~~not in force on the date of the final order of liquidation.~~
767 Member insurers have no right of subrogation against the insured
768 of any insolvent insurer. This provision applies retroactively
769 to cover claims of an insolvent self-insurance fund resulting
770 from accidents or losses incurred before ~~prior to~~ January 1,
771 1994, regardless of the date the petition in circuit court was
772 filed alleging insolvency and the date the court entered an
773 order appointing a receiver.

774 Section 24. Section 648.30, Florida Statutes, is amended
775 to read:

776 648.30 Licensure and appointment required; prohibited
 777 acts; penalties.—

778 (1) A person may not act in the capacity of a bail bond
 779 agent or temporary bail bond agent or perform any of the
 780 functions, duties, or powers prescribed for bail bond agents or
 781 temporary bail bond agents under this chapter unless that person
 782 is qualified, licensed, and appointed as provided in this
 783 chapter.

784 (2) A person may not represent himself or herself to be a
 785 bail enforcement agent, bounty hunter, or other similar title in
 786 this state.

787 (3) A person, other than a certified law enforcement
 788 officer, may not apprehend, detain, or arrest a principal on a
 789 bond, wherever issued, unless that person is qualified,
 790 licensed, and appointed as provided in this chapter or licensed
 791 as a bail bond agent or bail bond enforcement agent, or holds an
 792 equivalent license by the state where the bond was written.

793 (4) Any person who violates this section commits a felony
 794 of the third degree, punishable as provided in s. 775.082, s.
 795 775.083, or s. 775.084.

796 (5) Any licensee under this chapter who knowingly aids or
 797 abets an unlicensed person in violating this section commits a
 798 felony of the third degree, punishable as provided in s.
 799 775.082, s. 775.083, or s. 775.084.

800 Section 25. Except as otherwise expressly provided in this

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2021

801 | act, this act shall take effect upon becoming a law. |