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LEGISLATIVE ACTION

Senate

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House

Senator Boyd moved the following:

1 **Senate Amendment to House Amendment (334081) (with title**
2 **amendment)**

3
4 Delete lines 71 - 1170

5 and insert:

6 Section 2. Subsection (11) of section 624.424, Florida
7 Statutes, is renumbered as subsection (12), and a new subsection
8 (11) and subsection (13) are added to that section, to read:

9 624.424 Annual statement and other information.—

10 (11) Beginning January 1, 2022, each authorized insurer or
11 insurer group issuing personal lines or commercial lines



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12 residential property insurance policies in this state shall file
13 with the office on an annual basis in conjunction with the
14 statements required by paragraph (1)(a) a supplemental report on
15 an individual and group basis for closed claims. The report must
16 be on a form prescribed by the commission and must include the
17 following information for each claim closed, excluding liability
18 only claims, within the reporting period in this state:

- 19 (a) The unique claim identification number.
20 (b) The type of policy.
21 (c) The zip code of the property where the claim occurred.
22 (d) The county where the claim occurred.
23 (e) The date of loss.
24 (f) The peril or type of loss, including information about:
25 1. The types of vendors used for mitigation, repair, or
26 replacement; and
27 2. The names of vendors used, if known.
28 (g) The date the claim was reported to insurer.
29 (h) The initial date the claim was closed, including
30 information about whether the claim was closed with or without
31 payment.
32 (i) The date the claim was most recently reopened, if
33 applicable.
34 (j) The date a supplemental claim was filed, if applicable.
35 (k) The date the claim was most recently closed, if
36 different from the initial date the claim was closed.
37 (l) The name of the public adjuster on the claim, if any.
38 (m) The Florida Bar number and name of the attorney for the
39 claimant, if any.
40 (n) The total indemnity paid by the insurer.



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41 (o) The total loss adjustment expenses paid by the insurer.

42 (p) The amount paid for claimant's attorney fees, if any.

43 (q) The amount paid in costs for claimant's attorney's
44 expenses, including, but not limited to, expert witness fees.

45 (r) The contingency risk multiplier, if any, that the
46 claimant's attorney requested to be applied in calculating the
47 attorney fees awarded to the claimant's attorney.

48 (s) The contingency risk multiplier, if any, that a court
49 applied in calculating the attorney fees awarded to the
50 claimant's attorney.

51 (t) Any other information deemed necessary by the
52 commission to provide the office with the ability to track
53 litigation and claims trends occurring in the property market.

54 (13) Each insurer doing business in this state which pays a
55 fee, commission, or other financial consideration or payment to
56 any affiliate directly or indirectly is required upon request to
57 provide to the office any information the office deems
58 necessary. The fee, commission, or other financial consideration
59 or payment to any affiliate must be fair and reasonable. In
60 determining whether the fee, commission, or other financial
61 consideration or payment is fair and reasonable, the office
62 shall consider, among other things, the actual cost of the
63 service being provided.

64 Section 3. Subsection (6) of section 626.7451, Florida
65 Statutes, is amended to read:

66 626.7451 Managing general agents; required contract
67 provisions.—No person acting in the capacity of a managing
68 general agent shall place business with an insurer unless there
69 is in force a written contract between the parties which sets



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70 forth the responsibility for a particular function, specifies
71 the division of responsibilities, and contains the following
72 minimum provisions:

73 (6) The contract shall specify appropriate underwriting
74 guidelines, including:

- 75 (a) The maximum annual premium volume.
- 76 (b) The basis of the rates to be charged.
- 77 (c) The types of risks which may be written.
- 78 (d) Maximum limits of liability.
- 79 (e) Applicable exclusions.
- 80 (f) Territorial limitations.
- 81 (g) Policy cancellation provisions.
- 82 (h) The maximum policy period.

83

84 ~~This subsection shall not apply when the managing general agent~~
85 ~~is a controlled or controlling person.~~

86

87 For the purposes of this section and ss. 626.7453 and 626.7454,
88 the term "controlling person" or "controlling" has the meaning
89 set forth in s. 625.012(5)(b)1., and the term "controlled
90 person" or "controlled" has the meaning set forth in s.
91 625.012(5)(b)2.

92 Section 4. Section 626.7452, Florida Statutes, is amended
93 to read:

94 626.7452 Managing general agents; examination authority.—

95 The acts of the managing general agent are considered to be the
96 acts of the insurer on whose behalf it is acting. A managing
97 general agent may be examined as if it were the insurer ~~except~~
98 ~~in the case where the managing general agent solely represents a~~



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99 ~~single domestic insurer.~~

100 Section 5. Subsection (15) of section 626.854, Florida
101 Statutes, is amended, and subsection (20) is added to that
102 section, to read:

103 626.854 "Public adjuster" defined; prohibitions.—The
104 legislature finds that it is necessary for the protection of the
105 public to regulate public insurance adjusters and to prevent the
106 unauthorized practice of law.

107 (15) A licensed contractor under part I of chapter 489, or
108 a subcontractor of such licensee, may not advertise, solicit,
109 offer to handle, handle, or perform public adjuster services as
110 provided in subsection (1) ~~adjust a claim on behalf of an~~
111 insured unless licensed and compliant as a public adjuster under
112 this chapter. The prohibition against solicitation does not
113 preclude a contractor from suggesting or otherwise recommending
114 to a consumer that the consumer consider contacting his or her
115 insurer to determine if the proposed repair is covered under the
116 consumer's insurance policy, except as it relates to
117 solicitation prohibited in s. 489.147. In addition However, the
118 contractor may discuss or explain a bid for construction or
119 repair of covered property with the residential property owner
120 who has suffered loss or damage covered by a property insurance
121 policy, or the insurer of such property, if the contractor is
122 doing so for the usual and customary fees applicable to the work
123 to be performed as stated in the contract between the contractor
124 and the insured.

125 (20) (a) Any following act by a public adjuster, a public
126 adjuster apprentice, or a person acting on behalf of a public
127 adjuster or public adjuster apprentice is prohibited and shall



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128 result in discipline as applicable under part VI of this
129 chapter:

130 1. Offering to a residential property owner a rebate, gift,
131 gift card, cash, coupon, waiver of any insurance deductible, or
132 any other thing of value in exchange for:

133 a. Allowing a contractor, a public adjuster, a public
134 adjuster apprentice, or a person acting on behalf of a public
135 adjuster or public adjuster apprentice to conduct an inspection
136 of the residential property owner's roof; or

137 b. Making an insurance claim for damage to the residential
138 property owner's roof.

139 2. Offering, delivering, receiving, or accepting any
140 compensation, inducement, or reward for the referral of any
141 services for which property insurance proceeds would be used for
142 roofing repairs or replacement.

143 (b) Notwithstanding the fine set forth in s. 626.8698, a
144 public adjuster or public adjuster apprentice may be subject to
145 a fine not to exceed \$10,000 per act for a violation of this
146 subsection.

147 (c) A person who engages in an act prohibited by this
148 subsection and who is not a public adjuster or a public adjuster
149 apprentice, or is not otherwise exempt from licensure, is guilty
150 of the unlicensed practice of public adjusting and may be:

151 1. Subject to all applicable penalties set forth in part VI
152 of this chapter.

153 2. Notwithstanding subparagraph 1., subject to a fine not
154 to exceed \$10,000 per act for a violation of this subsection.

155 Section 6. Subsection (1) of section 626.9373, Florida
156 Statutes, is amended to read:



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157 626.9373 Attorney's fees.—

158 (1) Upon the rendition of a judgment or decree by any court
159 of this state against a surplus lines insurer in favor of any
160 named or omnibus insured or the named beneficiary under a policy
161 or contract executed by the insurer on or after the effective
162 date of this act, the trial court or, if the insured or
163 beneficiary prevails on appeal, the appellate court, shall
164 adjudge or decree against the insurer in favor of the insured or
165 beneficiary a reasonable sum as fees or compensation for the
166 insured's or beneficiary's attorney prosecuting the lawsuit for
167 which recovery is awarded. In a suit arising under a residential
168 or commercial property insurance policy not brought by an
169 assignee, the amount of reasonable attorney fees shall be
170 awarded to an insured only as provided in s. 57.105 or s.
171 627.70152, as applicable.

172 Section 7. Paragraphs (c) and (n) of subsection (6) of
173 section 627.351, Florida Statutes, are amended, and paragraph
174 (jj) is added to subsection (6) of that section, to read:

175 627.351 Insurance risk apportionment plans.—

176 (6) CITIZENS PROPERTY INSURANCE CORPORATION.—

177 (c) The corporation's plan of operation:

178 1. Must provide for adoption of residential property and
179 casualty insurance policy forms and commercial residential and
180 nonresidential property insurance forms, which must be approved
181 by the office before use. The corporation shall adopt the
182 following policy forms:

183 a. Standard personal lines policy forms that are
184 comprehensive multiperil policies providing full coverage of a
185 residential property equivalent to the coverage provided in the



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186 private insurance market under an HO-3, HO-4, or HO-6 policy.

187 b. Basic personal lines policy forms that are policies
188 similar to an HO-8 policy or a dwelling fire policy that provide
189 coverage meeting the requirements of the secondary mortgage
190 market, but which is more limited than the coverage under a
191 standard policy.

192 c. Commercial lines residential and nonresidential policy
193 forms that are generally similar to the basic perils of full
194 coverage obtainable for commercial residential structures and
195 commercial nonresidential structures in the admitted voluntary
196 market.

197 d. Personal lines and commercial lines residential property
198 insurance forms that cover the peril of wind only. The forms are
199 applicable only to residential properties located in areas
200 eligible for coverage under the coastal account referred to in
201 sub-subparagraph (b)2.a.

202 e. Commercial lines nonresidential property insurance forms
203 that cover the peril of wind only. The forms are applicable only
204 to nonresidential properties located in areas eligible for
205 coverage under the coastal account referred to in sub-
206 subparagraph (b)2.a.

207 f. The corporation may adopt variations of the policy forms
208 listed in sub-subparagraphs a.-e. which contain more restrictive
209 coverage.

210 g. Effective January 1, 2013, the corporation shall offer a
211 basic personal lines policy similar to an HO-8 policy with
212 dwelling repair based on common construction materials and
213 methods.

214 2. Must provide that the corporation adopt a program in



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215 which the corporation and authorized insurers enter into quota
216 share primary insurance agreements for hurricane coverage, as
217 defined in s. 627.4025(2)(a), for eligible risks, and adopt
218 property insurance forms for eligible risks which cover the
219 peril of wind only.

220 a. As used in this subsection, the term:

221 (I) "Quota share primary insurance" means an arrangement in
222 which the primary hurricane coverage of an eligible risk is
223 provided in specified percentages by the corporation and an
224 authorized insurer. The corporation and authorized insurer are
225 each solely responsible for a specified percentage of hurricane
226 coverage of an eligible risk as set forth in a quota share
227 primary insurance agreement between the corporation and an
228 authorized insurer and the insurance contract. The
229 responsibility of the corporation or authorized insurer to pay
230 its specified percentage of hurricane losses of an eligible
231 risk, as set forth in the agreement, may not be altered by the
232 inability of the other party to pay its specified percentage of
233 losses. Eligible risks that are provided hurricane coverage
234 through a quota share primary insurance arrangement must be
235 provided policy forms that set forth the obligations of the
236 corporation and authorized insurer under the arrangement,
237 clearly specify the percentages of quota share primary insurance
238 provided by the corporation and authorized insurer, and
239 conspicuously and clearly state that the authorized insurer and
240 the corporation may not be held responsible beyond their
241 specified percentage of coverage of hurricane losses.

242 (II) "Eligible risks" means personal lines residential and
243 commercial lines residential risks that meet the underwriting



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244 criteria of the corporation and are located in areas that were
245 eligible for coverage by the Florida Windstorm Underwriting
246 Association on January 1, 2002.

247 b. The corporation may enter into quota share primary
248 insurance agreements with authorized insurers at corporation
249 coverage levels of 90 percent and 50 percent.

250 c. If the corporation determines that additional coverage
251 levels are necessary to maximize participation in quota share
252 primary insurance agreements by authorized insurers, the
253 corporation may establish additional coverage levels. However,
254 the corporation's quota share primary insurance coverage level
255 may not exceed 90 percent.

256 d. Any quota share primary insurance agreement entered into
257 between an authorized insurer and the corporation must provide
258 for a uniform specified percentage of coverage of hurricane
259 losses, by county or territory as set forth by the corporation
260 board, for all eligible risks of the authorized insurer covered
261 under the agreement.

262 e. Any quota share primary insurance agreement entered into
263 between an authorized insurer and the corporation is subject to
264 review and approval by the office. However, such agreement shall
265 be authorized only as to insurance contracts entered into
266 between an authorized insurer and an insured who is already
267 insured by the corporation for wind coverage.

268 f. For all eligible risks covered under quota share primary
269 insurance agreements, the exposure and coverage levels for both
270 the corporation and authorized insurers shall be reported by the
271 corporation to the Florida Hurricane Catastrophe Fund. For all
272 policies of eligible risks covered under such agreements, the



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273 corporation and the authorized insurer must maintain complete
274 and accurate records for the purpose of exposure and loss
275 reimbursement audits as required by fund rules. The corporation
276 and the authorized insurer shall each maintain duplicate copies
277 of policy declaration pages and supporting claims documents.

278 g. The corporation board shall establish in its plan of
279 operation standards for quota share agreements which ensure that
280 there is no discriminatory application among insurers as to the
281 terms of the agreements, pricing of the agreements, incentive
282 provisions if any, and consideration paid for servicing policies
283 or adjusting claims.

284 h. The quota share primary insurance agreement between the
285 corporation and an authorized insurer must set forth the
286 specific terms under which coverage is provided, including, but
287 not limited to, the sale and servicing of policies issued under
288 the agreement by the insurance agent of the authorized insurer
289 producing the business, the reporting of information concerning
290 eligible risks, the payment of premium to the corporation, and
291 arrangements for the adjustment and payment of hurricane claims
292 incurred on eligible risks by the claims adjuster and personnel
293 of the authorized insurer. Entering into a quota sharing
294 insurance agreement between the corporation and an authorized
295 insurer is voluntary and at the discretion of the authorized
296 insurer.

297 3. May provide that the corporation may employ or otherwise
298 contract with individuals or other entities to provide
299 administrative or professional services that may be appropriate
300 to effectuate the plan. The corporation may borrow funds by
301 issuing bonds or by incurring other indebtedness, and shall have



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302 other powers reasonably necessary to effectuate the requirements
303 of this subsection, including, without limitation, the power to
304 issue bonds and incur other indebtedness in order to refinance
305 outstanding bonds or other indebtedness. The corporation may
306 seek judicial validation of its bonds or other indebtedness
307 under chapter 75. The corporation may issue bonds or incur other
308 indebtedness, or have bonds issued on its behalf by a unit of
309 local government pursuant to subparagraph (q)2. in the absence
310 of a hurricane or other weather-related event, upon a
311 determination by the corporation, subject to approval by the
312 office, that such action would enable it to efficiently meet the
313 financial obligations of the corporation and that such
314 financings are reasonably necessary to effectuate the
315 requirements of this subsection. The corporation may take all
316 actions needed to facilitate tax-free status for such bonds or
317 indebtedness, including formation of trusts or other affiliated
318 entities. The corporation may pledge assessments, projected
319 recoveries from the Florida Hurricane Catastrophe Fund, other
320 reinsurance recoverables, policyholder surcharges and other
321 surcharges, and other funds available to the corporation as
322 security for bonds or other indebtedness. In recognition of s.
323 10, Art. I of the State Constitution, prohibiting the impairment
324 of obligations of contracts, it is the intent of the Legislature
325 that no action be taken whose purpose is to impair any bond
326 indenture or financing agreement or any revenue source committed
327 by contract to such bond or other indebtedness.

328 4. Must require that the corporation operate subject to the
329 supervision and approval of a board of governors consisting of
330 nine individuals who are residents of this state and who are



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331 from different geographical areas of the state, one of whom is
332 appointed by the Governor and serves solely to advocate on
333 behalf of the consumer. The appointment of a consumer
334 representative by the Governor is deemed to be within the scope
335 of the exemption provided in s. 112.313(7)(b) and is in addition
336 to the appointments authorized under sub-subparagraph a.

337 a. The Governor, the Chief Financial Officer, the President
338 of the Senate, and the Speaker of the House of Representatives
339 shall each appoint two members of the board. At least one of the
340 two members appointed by each appointing officer must have
341 demonstrated expertise in insurance and be deemed to be within
342 the scope of the exemption provided in s. 112.313(7)(b). The
343 Chief Financial Officer shall designate one of the appointees as
344 chair. All board members serve at the pleasure of the appointing
345 officer. All members of the board are subject to removal at will
346 by the officers who appointed them. All board members, including
347 the chair, must be appointed to serve for 3-year terms beginning
348 annually on a date designated by the plan. However, for the
349 first term beginning on or after July 1, 2009, each appointing
350 officer shall appoint one member of the board for a 2-year term
351 and one member for a 3-year term. A board vacancy shall be
352 filled for the unexpired term by the appointing officer. The
353 Chief Financial Officer shall appoint a technical advisory group
354 to provide information and advice to the board in connection
355 with the board's duties under this subsection. The executive
356 director and senior managers of the corporation shall be engaged
357 by the board and serve at the pleasure of the board. Any
358 executive director appointed on or after July 1, 2006, is
359 subject to confirmation by the Senate. The executive director is



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360 responsible for employing other staff as the corporation may
361 require, subject to review and concurrence by the board.

362 b. The board shall create a Market Accountability Advisory
363 Committee to assist the corporation in developing awareness of
364 its rates and its customer and agent service levels in
365 relationship to the voluntary market insurers writing similar
366 coverage.

367 (I) The members of the advisory committee consist of the
368 following 11 persons, one of whom must be elected chair by the
369 members of the committee: four representatives, one appointed by
370 the Florida Association of Insurance Agents, one by the Florida
371 Association of Insurance and Financial Advisors, one by the
372 Professional Insurance Agents of Florida, and one by the Latin
373 American Association of Insurance Agencies; three
374 representatives appointed by the insurers with the three highest
375 voluntary market share of residential property insurance
376 business in the state; one representative from the Office of
377 Insurance Regulation; one consumer appointed by the board who is
378 insured by the corporation at the time of appointment to the
379 committee; one representative appointed by the Florida
380 Association of Realtors; and one representative appointed by the
381 Florida Bankers Association. All members shall be appointed to
382 3-year terms and may serve for consecutive terms.

383 (II) The committee shall report to the corporation at each
384 board meeting on insurance market issues which may include rates
385 and rate competition with the voluntary market; service,
386 including policy issuance, claims processing, and general
387 responsiveness to policyholders, applicants, and agents; and
388 matters relating to depopulation.



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389 5. Must provide a procedure for determining the eligibility
390 of a risk for coverage, as follows:

391 a. Subject to s. 627.3517, with respect to personal lines
392 residential risks, if the risk is offered coverage from an
393 authorized insurer at the insurer's approved rate under a
394 standard policy including wind coverage or, if consistent with
395 the insurer's underwriting rules as filed with the office, a
396 basic policy including wind coverage, for a new application to
397 the corporation for coverage, the risk is not eligible for any
398 policy issued by the corporation unless the premium for coverage
399 from the authorized insurer is more than 20 ~~15~~ percent greater
400 than the premium for comparable coverage from the corporation.
401 Whenever an offer of coverage for a personal lines residential
402 risk is received for a policyholder of the corporation at
403 renewal from an authorized insurer, if the offer is equal to or
404 less than the corporation's renewal premium for comparable
405 coverage, the risk is not eligible for coverage with the
406 corporation. If the risk is not able to obtain such offer, the
407 risk is eligible for a standard policy including wind coverage
408 or a basic policy including wind coverage issued by the
409 corporation; however, if the risk could not be insured under a
410 standard policy including wind coverage regardless of market
411 conditions, the risk is eligible for a basic policy including
412 wind coverage unless rejected under subparagraph 8. However, a
413 policyholder removed from the corporation through an assumption
414 agreement remains eligible for coverage from the corporation
415 until the end of the assumption period. The corporation shall
416 determine the type of policy to be provided on the basis of
417 objective standards specified in the underwriting manual and



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418 based on generally accepted underwriting practices.

419 (I) If the risk accepts an offer of coverage through the
420 market assistance plan or through a mechanism established by the
421 corporation other than a plan established by s. 627.3518, before
422 a policy is issued to the risk by the corporation or during the
423 first 30 days of coverage by the corporation, and the producing
424 agent who submitted the application to the plan or to the
425 corporation is not currently appointed by the insurer, the
426 insurer shall:

427 (A) Pay to the producing agent of record of the policy for
428 the first year, an amount that is the greater of the insurer's
429 usual and customary commission for the type of policy written or
430 a fee equal to the usual and customary commission of the
431 corporation; or

432 (B) Offer to allow the producing agent of record of the
433 policy to continue servicing the policy for at least 1 year and
434 offer to pay the agent the greater of the insurer's or the
435 corporation's usual and customary commission for the type of
436 policy written.

437
438 If the producing agent is unwilling or unable to accept
439 appointment, the new insurer shall pay the agent in accordance
440 with sub-sub-sub-subparagraph (A).

441 (II) If the corporation enters into a contractual agreement
442 for a take-out plan, the producing agent of record of the
443 corporation policy is entitled to retain any unearned commission
444 on the policy, and the insurer shall:

445 (A) Pay to the producing agent of record, for the first
446 year, an amount that is the greater of the insurer's usual and



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447 customary commission for the type of policy written or a fee
448 equal to the usual and customary commission of the corporation;
449 or

450 (B) Offer to allow the producing agent of record to
451 continue servicing the policy for at least 1 year and offer to
452 pay the agent the greater of the insurer's or the corporation's
453 usual and customary commission for the type of policy written.

454

455 If the producing agent is unwilling or unable to accept
456 appointment, the new insurer shall pay the agent in accordance
457 with sub-sub-sub-subparagraph (A).

458 b. With respect to commercial lines residential risks, for
459 a new application to the corporation for coverage, if the risk
460 is offered coverage under a policy including wind coverage from
461 an authorized insurer at its approved rate, the risk is not
462 eligible for a policy issued by the corporation unless the
463 premium for coverage from the authorized insurer is more than 15
464 percent greater than the premium for comparable coverage from
465 the corporation. Whenever an offer of coverage for a commercial
466 lines residential risk is received for a policyholder of the
467 corporation at renewal from an authorized insurer, if the offer
468 is equal to or less than the corporation's renewal premium for
469 comparable coverage, the risk is not eligible for coverage with
470 the corporation. If the risk is not able to obtain any such
471 offer, the risk is eligible for a policy including wind coverage
472 issued by the corporation. However, a policyholder removed from
473 the corporation through an assumption agreement remains eligible
474 for coverage from the corporation until the end of the
475 assumption period.



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476 (I) If the risk accepts an offer of coverage through the
477 market assistance plan or through a mechanism established by the
478 corporation other than a plan established by s. 627.3518, before
479 a policy is issued to the risk by the corporation or during the
480 first 30 days of coverage by the corporation, and the producing
481 agent who submitted the application to the plan or the
482 corporation is not currently appointed by the insurer, the
483 insurer shall:

484 (A) Pay to the producing agent of record of the policy, for
485 the first year, an amount that is the greater of the insurer's
486 usual and customary commission for the type of policy written or
487 a fee equal to the usual and customary commission of the
488 corporation; or

489 (B) Offer to allow the producing agent of record of the
490 policy to continue servicing the policy for at least 1 year and
491 offer to pay the agent the greater of the insurer's or the
492 corporation's usual and customary commission for the type of
493 policy written.

494
495 If the producing agent is unwilling or unable to accept
496 appointment, the new insurer shall pay the agent in accordance
497 with sub-sub-sub-subparagraph (A).

498 (II) If the corporation enters into a contractual agreement
499 for a take-out plan, the producing agent of record of the
500 corporation policy is entitled to retain any unearned commission
501 on the policy, and the insurer shall:

502 (A) Pay to the producing agent of record, for the first
503 year, an amount that is the greater of the insurer's usual and
504 customary commission for the type of policy written or a fee



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505 equal to the usual and customary commission of the corporation;
506 or

507 (B) Offer to allow the producing agent of record to
508 continue servicing the policy for at least 1 year and offer to
509 pay the agent the greater of the insurer's or the corporation's
510 usual and customary commission for the type of policy written.

511
512 If the producing agent is unwilling or unable to accept
513 appointment, the new insurer shall pay the agent in accordance
514 with sub-sub-sub-subparagraph (A).

515 c. For purposes of determining comparable coverage under
516 sub-subparagraphs a. and b., the comparison must be based on
517 those forms and coverages that are reasonably comparable. The
518 corporation may rely on a determination of comparable coverage
519 and premium made by the producing agent who submits the
520 application to the corporation, made in the agent's capacity as
521 the corporation's agent. A comparison may be made solely of the
522 premium with respect to the main building or structure only on
523 the following basis: the same coverage A or other building
524 limits; the same percentage hurricane deductible that applies on
525 an annual basis or that applies to each hurricane for commercial
526 residential property; the same percentage of ordinance and law
527 coverage, if the same limit is offered by both the corporation
528 and the authorized insurer; the same mitigation credits, to the
529 extent the same types of credits are offered both by the
530 corporation and the authorized insurer; the same method for loss
531 payment, such as replacement cost or actual cash value, if the
532 same method is offered both by the corporation and the
533 authorized insurer in accordance with underwriting rules; and



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534 any other form or coverage that is reasonably comparable as
535 determined by the board. If an application is submitted to the
536 corporation for wind-only coverage in the coastal account, the
537 premium for the corporation's wind-only policy plus the premium
538 for the ex-wind policy that is offered by an authorized insurer
539 to the applicant must be compared to the premium for multiperil
540 coverage offered by an authorized insurer, subject to the
541 standards for comparison specified in this subparagraph. If the
542 corporation or the applicant requests from the authorized
543 insurer a breakdown of the premium of the offer by types of
544 coverage so that a comparison may be made by the corporation or
545 its agent and the authorized insurer refuses or is unable to
546 provide such information, the corporation may treat the offer as
547 not being an offer of coverage from an authorized insurer at the
548 insurer's approved rate.

549 6. Must include rules for classifications of risks and
550 rates.

551 7. Must provide that if premium and investment income for
552 an account attributable to a particular calendar year are in
553 excess of projected losses and expenses for the account
554 attributable to that year, such excess shall be held in surplus
555 in the account. Such surplus must be available to defray
556 deficits in that account as to future years and used for that
557 purpose before assessing assessable insurers and assessable
558 insureds as to any calendar year.

559 8. Must provide objective criteria and procedures to be
560 uniformly applied to all applicants in determining whether an
561 individual risk is so hazardous as to be uninsurable. In making
562 this determination and in establishing the criteria and



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563 procedures, the following must be considered:

564 a. Whether the likelihood of a loss for the individual risk
565 is substantially higher than for other risks of the same class;
566 and

567 b. Whether the uncertainty associated with the individual
568 risk is such that an appropriate premium cannot be determined.

569

570 The acceptance or rejection of a risk by the corporation shall
571 be construed as the private placement of insurance, and the
572 provisions of chapter 120 do not apply.

573 9. Must provide that the corporation make its best efforts
574 to procure catastrophe reinsurance at reasonable rates, to cover
575 its projected 100-year probable maximum loss as determined by
576 the board of governors. If catastrophe reinsurance is not
577 available at reasonable rates, the corporation need not purchase
578 it, but the corporation shall include the costs of reinsurance
579 to cover its projected 100-year probable maximum loss in its
580 rate calculations even if it does not purchase catastrophe
581 reinsurance.

582 10. The policies issued by the corporation must provide
583 that if the corporation or the market assistance plan obtains an
584 offer from an authorized insurer to cover the risk at its
585 approved rates, the risk is no longer eligible for renewal
586 through the corporation, except as otherwise provided in this
587 subsection.

588 11. Corporation policies and applications must include a
589 notice that the corporation policy could, under this section, be
590 replaced with a policy issued by an authorized insurer which
591 does not provide coverage identical to the coverage provided by



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592 the corporation. The notice must also specify that acceptance of
593 corporation coverage creates a conclusive presumption that the
594 applicant or policyholder is aware of this potential.

595 12. May establish, subject to approval by the office,
596 different eligibility requirements and operational procedures
597 for any line or type of coverage for any specified county or
598 area if the board determines that such changes are justified due
599 to the voluntary market being sufficiently stable and
600 competitive in such area or for such line or type of coverage
601 and that consumers who, in good faith, are unable to obtain
602 insurance through the voluntary market through ordinary methods
603 continue to have access to coverage from the corporation. If
604 coverage is sought in connection with a real property transfer,
605 the requirements and procedures may not provide an effective
606 date of coverage later than the date of the closing of the
607 transfer as established by the transferor, the transferee, and,
608 if applicable, the lender.

609 13. Must provide that, with respect to the coastal account,
610 any assessable insurer with a surplus as to policyholders of \$25
611 million or less writing 25 percent or more of its total
612 countrywide property insurance premiums in this state may
613 petition the office, within the first 90 days of each calendar
614 year, to qualify as a limited apportionment company. A regular
615 assessment levied by the corporation on a limited apportionment
616 company for a deficit incurred by the corporation for the
617 coastal account may be paid to the corporation on a monthly
618 basis as the assessments are collected by the limited
619 apportionment company from its insureds, but a limited
620 apportionment company must begin collecting the regular



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621 assessments not later than 90 days after the regular assessments
622 are levied by the corporation, and the regular assessments must
623 be paid in full within 15 months after being levied by the
624 corporation. A limited apportionment company shall collect from
625 its policyholders any emergency assessment imposed under sub-
626 subparagraph (b)3.d. The plan must provide that, if the office
627 determines that any regular assessment will result in an
628 impairment of the surplus of a limited apportionment company,
629 the office may direct that all or part of such assessment be
630 deferred as provided in subparagraph (q)4. However, an emergency
631 assessment to be collected from policyholders under sub-
632 subparagraph (b)3.d. may not be limited or deferred.

633 14. Must provide that the corporation appoint as its
634 licensed agents only those agents who throughout such
635 appointments also hold an appointment as defined in s. 626.015
636 by an insurer who is authorized to write and is actually writing
637 or renewing personal lines residential property coverage,
638 commercial residential property coverage, or commercial
639 nonresidential property coverage within the state.

640 15. Must provide a premium payment plan option to its
641 policyholders which, at a minimum, allows for quarterly and
642 semiannual payment of premiums. A monthly payment plan may, but
643 is not required to, be offered.

644 16. Must limit coverage on mobile homes or manufactured
645 homes built before 1994 to actual cash value of the dwelling
646 rather than replacement costs of the dwelling.

647 17. Must provide coverage for manufactured or mobile home
648 dwellings. Such coverage must also include the following
649 attached structures:



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650 a. Screened enclosures that are aluminum framed or screened
651 enclosures that are not covered by the same or substantially the
652 same materials as those of the primary dwelling;

653 b. Carports that are aluminum or carports that are not
654 covered by the same or substantially the same materials as those
655 of the primary dwelling; and

656 c. Patios that have a roof covering that is constructed of
657 materials that are not the same or substantially the same
658 materials as those of the primary dwelling.

659

660 The corporation shall make available a policy for mobile homes
661 or manufactured homes for a minimum insured value of at least
662 \$3,000.

663 18. May provide such limits of coverage as the board
664 determines, consistent with the requirements of this subsection.

665 19. May require commercial property to meet specified
666 hurricane mitigation construction features as a condition of
667 eligibility for coverage.

668 20. Must provide that new or renewal policies issued by the
669 corporation on or after January 1, 2012, which cover sinkhole
670 loss do not include coverage for any loss to appurtenant
671 structures, driveways, sidewalks, decks, or patios that are
672 directly or indirectly caused by sinkhole activity. The
673 corporation shall exclude such coverage using a notice of
674 coverage change, which may be included with the policy renewal,
675 and not by issuance of a notice of nonrenewal of the excluded
676 coverage upon renewal of the current policy.

677 21. As of January 1, 2012, must require that the agent
678 obtain from an applicant for coverage from the corporation an



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679 acknowledgment signed by the applicant, which includes, at a
680 minimum, the following statement:

681

682 ACKNOWLEDGMENT OF POTENTIAL SURCHARGE

683 AND ASSESSMENT LIABILITY:

684

685 1. AS A POLICYHOLDER OF CITIZENS PROPERTY INSURANCE
686 CORPORATION, I UNDERSTAND THAT IF THE CORPORATION SUSTAINS A
687 DEFICIT AS A RESULT OF HURRICANE LOSSES OR FOR ANY OTHER REASON,
688 MY POLICY COULD BE SUBJECT TO SURCHARGES, WHICH WILL BE DUE AND
689 PAYABLE UPON RENEWAL, CANCELLATION, OR TERMINATION OF THE
690 POLICY, AND THAT THE SURCHARGES COULD BE AS HIGH AS 45 PERCENT
691 OF MY PREMIUM, OR A DIFFERENT AMOUNT AS IMPOSED BY THE FLORIDA
692 LEGISLATURE.

693 2. I UNDERSTAND THAT I CAN AVOID THE CITIZENS POLICYHOLDER
694 SURCHARGE, WHICH COULD BE AS HIGH AS 45 PERCENT OF MY PREMIUM,
695 BY OBTAINING COVERAGE FROM A PRIVATE MARKET INSURER AND THAT TO
696 BE ELIGIBLE FOR COVERAGE BY CITIZENS, I MUST FIRST TRY TO OBTAIN
697 PRIVATE MARKET COVERAGE BEFORE APPLYING FOR OR RENEWING COVERAGE
698 WITH CITIZENS. I UNDERSTAND THAT PRIVATE MARKET INSURANCE RATES
699 ARE REGULATED AND APPROVED BY THE STATE.

700 3. I UNDERSTAND THAT I MAY BE SUBJECT TO EMERGENCY
701 ASSESSMENTS TO THE SAME EXTENT AS POLICYHOLDERS OF OTHER
702 INSURANCE COMPANIES, OR A DIFFERENT AMOUNT AS IMPOSED BY THE
703 FLORIDA LEGISLATURE.

704 4. I ALSO UNDERSTAND THAT CITIZENS PROPERTY INSURANCE
705 CORPORATION IS NOT SUPPORTED BY THE FULL FAITH AND CREDIT OF THE
706 STATE OF FLORIDA.

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708 a. The corporation shall maintain, in electronic format or
709 otherwise, a copy of the applicant's signed acknowledgment and
710 provide a copy of the statement to the policyholder as part of
711 the first renewal after the effective date of this subparagraph.

712 b. The signed acknowledgment form creates a conclusive
713 presumption that the policyholder understood and accepted his or
714 her potential surcharge and assessment liability as a
715 policyholder of the corporation.

716 (n)1. Rates for coverage provided by the corporation must
717 be actuarially sound and subject to s. 627.062, except as
718 otherwise provided in this paragraph. The corporation shall file
719 its recommended rates with the office at least annually. The
720 corporation shall provide any additional information regarding
721 the rates which the office requires. The office shall consider
722 the recommendations of the board and issue a final order
723 establishing the rates for the corporation within 45 days after
724 the recommended rates are filed. The corporation may not pursue
725 an administrative challenge or judicial review of the final
726 order of the office.

727 2. In addition to the rates otherwise determined pursuant
728 to this paragraph, the corporation shall impose and collect an
729 amount equal to the premium tax provided in s. 624.509 to
730 augment the financial resources of the corporation.

731 3. After the public hurricane loss-projection model under
732 s. 627.06281 has been found to be accurate and reliable by the
733 Florida Commission on Hurricane Loss Projection Methodology, the
734 model shall be considered when establishing the windstorm
735 portion of the corporation's rates. The corporation may use the
736 public model results in combination with the results of private



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737 models to calculate rates for the windstorm portion of the
738 corporation's rates. This subparagraph does not require or allow
739 the corporation to adopt rates lower than the rates otherwise
740 required or allowed by this paragraph.

741 ~~4. The rate filings for the corporation which were approved~~
742 ~~by the office and took effect January 1, 2007, are rescinded,~~
743 ~~except for those rates that were lowered. As soon as possible,~~
744 ~~the corporation shall begin using the lower rates that were in~~
745 ~~effect on December 31, 2006, and provide refunds to~~
746 ~~policyholders who paid higher rates as a result of that rate~~
747 ~~filing. The rates in effect on December 31, 2006, remain in~~
748 ~~effect for the 2007 and 2008 calendar years except for any rate~~
749 ~~change that results in a lower rate. The next rate change that~~
750 ~~may increase rates shall take effect pursuant to a new rate~~
751 ~~filing recommended by the corporation and established by the~~
752 ~~office, subject to this paragraph.~~

753 ~~4.5. Beginning on July 15, 2009, and annually thereafter,~~
754 The corporation must make a recommended actuarially sound rate
755 filing for each personal and commercial line of business it
756 writes, ~~to be effective no earlier than January 1, 2010.~~

757 ~~5.6. Beginning on or after January 1, 2010, and~~
758 Notwithstanding the board's recommended rates and the office's
759 final order regarding the corporation's filed rates under
760 subparagraph 1., the corporation shall annually implement a rate
761 increase which, except for sinkhole coverage, does not exceed
762 the following 10 percent for any single policy issued by the
763 corporation, excluding coverage changes and surcharges:

764 a. Eleven percent for 2022.

765 b. Twelve percent for 2023.



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766 c. Thirteen percent for 2024.
767 d. Fourteen percent for 2025.
768 e. Fifteen percent for 2026 and all subsequent years.
769 ~~6.7.~~ The corporation may also implement an increase to
770 reflect the effect on the corporation of the cash buildup factor
771 pursuant to s. 215.555(5)(b).

772 ~~7.8.~~ The corporation's implementation of rates as
773 prescribed in subparagraph 5. 6. shall cease for any line of
774 business written by the corporation upon the corporation's
775 implementation of actuarially sound rates. Thereafter, the
776 corporation shall annually make a recommended actuarially sound
777 rate filing for each commercial and personal line of business
778 the corporation writes.

779 (jj) The corporation's budget allocations for the
780 compensation of all corporation employees and any proposed raise
781 for an individual employee exceeding 10 percent of that
782 employee's current salary must be approved by the board of
783 governors. The corporation must have an overall employee
784 compensation plan approved by the board of governors.

785 Section 8. Subsection (5) of section 627.3518, Florida
786 Statutes, is amended to read:

787 627.3518 Citizens Property Insurance Corporation
788 policyholder eligibility clearinghouse program.—The purpose of
789 this section is to provide a framework for the corporation to
790 implement a clearinghouse program by January 1, 2014.

791 (5) Notwithstanding s. 627.3517, any applicant for new
792 coverage from the corporation is not eligible for coverage from
793 the corporation if provided an offer of coverage from an
794 authorized insurer through the program at a premium that is at



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795 or below the eligibility threshold established in s.
796 627.351(6)(c)5.a. Whenever an offer of coverage for a personal
797 lines risk is received for a policyholder of the corporation at
798 renewal from an authorized insurer through the program, if the
799 offer is equal to or less than the corporation's renewal premium
800 for comparable coverage, the risk is not eligible for coverage
801 with the corporation. In the event an offer of coverage for a
802 new applicant is received from an authorized insurer through the
803 program, and the premium offered exceeds the eligibility
804 threshold contained in s. 627.351(6)(c)5.a., the applicant or
805 insured may elect to accept such coverage, or may elect to
806 accept or continue coverage with the corporation. In the event
807 an offer of coverage for a personal lines risk is received from
808 an authorized insurer at renewal through the program, and the
809 premium offered is more than the corporation's renewal premium
810 for comparable coverage, the insured may elect to accept such
811 coverage, or may elect to accept or continue coverage with the
812 corporation. Section 627.351(6)(c)5.a.(I) does not apply to an
813 offer of coverage from an authorized insurer obtained through
814 the program. An applicant for coverage from the corporation who
815 was declared ineligible for coverage at renewal by the
816 corporation in the previous 36 months due to an offer of
817 coverage pursuant to this subsection shall be considered a
818 renewal under this section if the corporation determines that
819 the authorized insurer making the offer of coverage pursuant to
820 this subsection continues to insure the applicant and increased
821 the rate on the policy in excess of the increase allowed for the
822 corporation under s. 627.351(6)(n)5. ~~s. 627.351(6)(n)6.~~

823 Section 9. Subsection (1) of section 627.428, Florida



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824 Statutes, is amended to read:

825 627.428 Attorney fees.—

826 (1) Upon the rendition of a judgment or decree by any of
827 the courts of this state against an insurer and in favor of any
828 named or omnibus insured or the named beneficiary under a policy
829 or contract executed by the insurer, the trial court or, in the
830 event of an appeal in which the insured or beneficiary prevails,
831 the appellate court shall adjudge or decree against the insurer
832 and in favor of the insured or beneficiary a reasonable sum as
833 fees or compensation for the insured's or beneficiary's attorney
834 prosecuting the suit in which the recovery is had. In a suit
835 arising under a residential or commercial property insurance
836 policy not brought by an assignee, the amount of reasonable
837 attorney fees shall be awarded to an insured only as provided s.
838 57.105 or s. 627.70152, as applicable.

839 Section 10. Section 627.70132, Florida Statutes, is amended
840 to read:

841 627.70132 Notice of property insurance ~~windstorm or~~
842 ~~hurricane~~ claim.—

843 (1) As used in this section, the term:

844 (a) "Reopened claim" means a claim that an insurer has
845 previously closed, but that has been reopened upon an insured's
846 request for additional costs for loss or damage previously
847 disclosed to the insurer.

848 (b) "Supplemental claim" means a claim for additional loss
849 or damage from the same peril which the insurer has previously
850 adjusted or for which costs have been incurred while completing
851 repairs or replacement pursuant to an open claim for which
852 timely notice was previously provided to the insurer.



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853 (2) A claim or reopened claim, but not a supplemental
854 claim, or reopened claim under an insurance policy that provides
855 property insurance, as defined in s. 624.604, including a
856 property insurance policy issued by an eligible surplus lines
857 insurer, for loss or damage caused by any the peril of windstorm
858 or hurricane is barred unless notice of the claim, supplemental
859 claim, or reopened claim was given to the insurer in accordance
860 with the terms of the policy within 2 3 years after the date of
861 loss hurricane first made landfall or the windstorm caused the
862 covered damage. A supplemental claim is barred unless notice of
863 the supplemental claim was given to the insurer in accordance
864 with the terms of the policy within 3 years after the date of
865 loss.

866 (3) For claims resulting from hurricanes, tornadoes,
867 windstorms, severe rain, or other weather-related events, the
868 date of loss is the date that the hurricane made landfall or the
869 tornado, windstorm, severe rain, or other weather-related event
870 is verified by the National Oceanic and Atmospheric
871 Administration For purposes of this section, the term
872 "supplemental claim" or "reopened claim" means any additional
873 claim for recovery from the insurer for losses from the same
874 hurricane or windstorm which the insurer has previously adjusted
875 pursuant to the initial claim.

876 (4) This section does not affect any applicable limitation
877 on civil actions provided in s. 95.11 for claims, supplemental
878 claims, or reopened claims timely filed under this section.

879 Section 11. Paragraph (e) of subsection (9) of section
880 627.7015, Florida Statutes, is amended to read:

881 627.7015 Alternative procedure for resolution of disputed



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882 property insurance claims.-

883 (9) For purposes of this section, the term "claim" refers
884 to any dispute between an insurer and a policyholder relating to
885 a material issue of fact other than a dispute:

886 (a) With respect to which the insurer has a reasonable
887 basis to suspect fraud;

888 (b) When, based on agreed-upon facts as to the cause of
889 loss, there is no coverage under the policy;

890 (c) With respect to which the insurer has a reasonable
891 basis to believe that the policyholder has intentionally made a
892 material misrepresentation of fact which is relevant to the
893 claim, and the entire request for payment of a loss has been
894 denied on the basis of the material misrepresentation;

895 (d) With respect to which the amount in controversy is less
896 than \$500, unless the parties agree to mediate a dispute
897 involving a lesser amount; or

898 (e) With respect to a ~~windstorm or hurricane~~ loss that does
899 not comply with s. 627.70132.

900 Section 12. Section 627.70152, Florida Statutes, is created
901 to read:

902 627.70152 Suits arising under a property insurance policy.-

903 (1) APPLICATION.-This section applies exclusively to all
904 suits not brought by an assignee arising under a residential or
905 commercial property insurance policy, including a residential or
906 commercial property insurance policy issued by an eligible
907 surplus lines insurer.

908 (2) DEFINITIONS.-As used in this section, the term:

909 (a) "Amount obtained" means damages recovered, if any, but
910 the term does not include any amount awarded for attorney fees,



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911 costs, or interest.

912 (b) "Claimant" means an insured who is filing suit under a
913 residential or commercial property insurance policy.

914 (c) "Disputed amount" means the difference between the
915 claimant's presuit settlement demand, not including attorney
916 fees and costs listed in the demand, and the insurer's presuit
917 settlement offer, not including attorney fees and costs, if part
918 of the offer.

919 (d) "Presuit settlement demand" means the demand made by
920 the claimant in the written notice of intent to initiate
921 litigation as required by paragraph (3)(e). The demand must
922 include the amount of reasonable and necessary attorney fees and
923 costs incurred by the claimant, to be calculated by multiplying
924 the number of hours actually worked on the claim by the
925 claimant's attorney as of the date of the notice by a reasonable
926 hourly rate.

927 (e) "Presuit settlement offer" means the offer made by the
928 insurer in its written response to the notice as required by
929 subsection (3).

930 (3) NOTICE.—

931 (a) As a condition precedent to filing a suit under a
932 property insurance policy, a claimant must provide the
933 department with written notice of intent to initiate litigation
934 on a form provided by the department. Such notice must be given
935 at least 10 business days before filing suit under the policy,
936 but may not be given before the insurer has made a determination
937 of coverage under s. 627.70131. Notice to the insurer must be
938 provided by the department to the e-mail address designated by
939 the insurer under s. 624.422. The notice must state with



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940 specificity all of the following information:

941 1. That the notice is provided pursuant to this section.

942 2. The alleged acts or omissions of the insurer giving rise
943 to the suit, which may include a denial of coverage.

944 3. If provided by an attorney or other representative, that
945 a copy of the notice was provided to the claimant.

946 4. If the notice is provided following a denial of
947 coverage, an estimate of damages, if known.

948 5. If the notice is provided following acts or omissions by
949 the insurer other than denial of coverage, both of the
950 following:

951 a. The presuit settlement demand, which must itemize the
952 damages, attorney fees, and costs.

953 b. The disputed amount.

954
955 Documentation to support the information provided in this
956 paragraph may be provided along with the notice to the insurer.

957 (b) A claimant must serve a notice of intent to initiate
958 litigation within the time limits provided in s. 95.11. However,
959 the notice is not required if the suit is a counterclaim.

960 Service of a notice tolls the time limits provided in s. 95.11
961 for 10 business days if such time limits will expire before the
962 end of the 10-day notice period.

963 (4) INSURER DUTIES.—An insurer must have a procedure for
964 the prompt investigation, review, and evaluation of the dispute
965 stated in the notice and must investigate each claim contained
966 in the notice in accordance with the Florida Insurance Code.
967 An insurer must respond in writing within 10 business days after
968 receiving the notice specified in subsection (3). The insurer



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969 must provide the response to the claimant by e-mail if the
970 insured has designated an e-mail address in the notice.

971 (a) If an insurer is responding to a notice served on the
972 insurer following a denial of coverage by the insurer, the
973 insurer must respond by:

974 1. Accepting coverage;

975 2. Continuing to deny coverage; or

976 3. Asserting the right to reinspect the damaged property.

977 If the insurer responds by asserting the right to reinspect the
978 damaged property, it has 14 business days after the response
979 asserting that right to reinspect the property and accept or
980 continue to deny coverage. The time limits provided in s. 95.11
981 are tolled during the reinspection period if such time limits
982 expire before the end of the reinspection period. If the insurer
983 continues to deny coverage, the claimant may file suit without
984 providing additional notice to the insurer.

985 (b) If an insurer is responding to a notice provided to the
986 insurer alleging an act or omission by the insurer other than a
987 denial of coverage, the insurer must respond by making a
988 settlement offer or requiring the claimant to participate in
989 appraisal or another method of alternative dispute resolution.
990 The time limits provided in s. 95.11 are tolled as long as
991 appraisal or other alternative dispute resolution is ongoing if
992 such time limits expire during the appraisal process or dispute
993 resolution process. If the appraisal or alternative dispute
994 resolution has not been concluded within 90 days after the
995 expiration of the 10-day notice of intent to initiate litigation
996 specified in subsection (3), the claimant or claimant's attorney
997 may immediately file suit without providing the insurer



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998 additional notice.

999 (5) DISMISSAL OF SUIT.—A court must dismiss without
1000 prejudice any claimant's suit relating to a claim for which a
1001 notice of intent to initiate litigation was not given as
1002 required by this section or if such suit is commenced before the
1003 expiration of any time period provided under subsection (4), as
1004 applicable.

1005 (6) ADMISSIBILITY OF NOTICE AND RESPONSE.—The notice
1006 provided pursuant to subsection (3) and, if applicable, the
1007 documentation to support the information provided in the notice:

1008 (a) Are admissible as evidence only in a proceeding
1009 regarding attorney fees.

1010 (b) Do not limit the evidence of attorney fees or costs,
1011 damages, or loss which may be offered at trial.

1012 (c) Do not relieve any obligation that an insured or
1013 assignee has to give notice under any other provision of law.

1014 (7) TOLLING.—If a claim is not resolved during the presuit
1015 notice process and if the time limits provided in s. 95.11
1016 expire in the 30 days following the conclusion of the presuit
1017 notice process, such time limits are tolled for 30 days.

1018 (8) ATTORNEY FEES.—

1019 (a) In a suit arising under a residential or commercial
1020 property insurance policy not brought by an assignee, the amount
1021 of reasonable attorney fees and costs under s. 626.9373(1) or s.
1022 627.428(1) shall be calculated and awarded as follows:

1023 1. If the difference between the amount obtained by the
1024 claimant and the presuit settlement offer, excluding reasonable
1025 attorney fees and costs, is less than 20 percent of the disputed
1026 amount, each party pays its own attorney fees and costs and a



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1027 claimant may not be awarded attorney fees under s. 626.9373(1)
1028 or s. 627.428(1).

1029 2. If the difference between the amount obtained by the
1030 claimant and the presuit settlement offer, excluding reasonable
1031 attorney fees and costs, is at least 20 percent but less than 50
1032 percent of the disputed amount, the insurer pays the claimant's
1033 attorney fees and costs under s. 626.9373(1) or s. 627.428(1)
1034 equal to the percentage of the disputed amount obtained times
1035 the total attorney fees and costs.

1036 3. If the difference between the amount obtained by the
1037 claimant and the presuit settlement offer, excluding reasonable
1038 attorney fees and costs, is at least 50 percent of the disputed
1039 amount, the insurer pays the claimant's full attorney fees and
1040 costs under s. 626.9373(1) or s. 627.428(1).

1041 (b) In a suit arising under a residential or commercial
1042 property insurance policy not brought by an assignee, if a court
1043 dismisses a claimant's suit pursuant to subsection (5), the
1044 court may not award to the claimant any incurred attorney fees
1045 for services rendered before the dismissal of the suit.

1046 Section 13. Section 627.70153, Florida Statutes, is created
1047 to read:

1048 627.70153 Consolidation of residential property insurance
1049 actions.—Each party that is aware of ongoing multiple actions
1050 involving coverage provided under the same residential property
1051 insurance policy for the same property with the same owners must
1052 provide written notice to the court of the multiple actions.
1053 Upon notification of any party, the court may order that the
1054 actions be consolidated and transferred to the court having
1055 jurisdiction based on the total amount in controversy of all



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1056 consolidated claims. If multiple cases are pending in circuit
1057 courts, the cases may be consolidated based on the date on which
1058 the first case was filed.

1059
1060 ===== T I T L E A M E N D M E N T =====

1061 And the title is amended as follows:

1062 Delete lines 1227 - 1319

1063 and insert:

1064 is not included; amending s. 624.424, F.S.; requiring
1065 property insurers, effective a certain date, to
1066 include certain data regarding closed claims in their
1067 annual reports to the Office of Insurance Regulation;
1068 requiring specified insurers to provide the office
1069 with certain information under certain circumstances;
1070 requiring the office to consider certain costs in
1071 determining whether payments made by an insurer to an
1072 affiliate are fair and reasonable; amending s.
1073 626.7451, F.S.; requiring managing general agents to
1074 enter into specified contracts with insurers even when
1075 the managing general agents control, or are controlled
1076 by, the insurers; amending s. 626.7452, F.S.;
1077 providing that a managing general agent may be
1078 examined as if it were the insurer even if the
1079 managing general agent solely represents a single
1080 domestic insurer; amending s. 626.854, F.S.;
1081 prohibiting certain acts by specified licensed
1082 contractors and their subcontractors; providing
1083 construction; prohibiting certain acts by a public
1084 adjuster, public adjuster apprentice, and certain



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1085 other persons; providing that certain acts constitute
1086 unlicensed practice of public adjusting; providing
1087 penalties; amending s. 626.9373, F.S.; providing for
1088 the award of reasonable attorney fees as provided by
1089 specified provisions of law under certain
1090 circumstances; amending s. 627.351, F.S.; revising a
1091 procedure that the plan of operation of Citizens
1092 Property Insurance Corporation must provide; requiring
1093 the corporation to include the costs of catastrophe
1094 reinsurance to its projected 100-year probable maximum
1095 loss in its rate calculations even if the corporation
1096 does not purchase such reinsurance; deleting obsolete
1097 language relating to the corporation's rate filings;
1098 requiring the corporation to annually implement a rate
1099 increase that does not exceed a certain percent for
1100 specified years; requiring the corporation's budget
1101 allocations for salaries for the corporation's
1102 employees, all employee raises exceeding 10 percent,
1103 and an employee compensation plan for the corporation
1104 to be approved by the corporation's board of
1105 governors; amending s. 627.3518, F.S.; conforming a
1106 cross-reference; amending s. 627.428, F.S.; providing
1107 for the award of reasonable attorney fees as provided
1108 by specified provisions of law under certain
1109 circumstances; amending s. 627.70132, F.S.; revising
1110 the definitions of the terms "reopened claim" and
1111 "supplemental claim" to include all perils; providing
1112 that claims and reopened claims, but not supplemental
1113 claims, under certain property insurance policies for



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1114 loss or damage caused by perils are barred unless
1115 notice is given within a specified timeframe; revising
1116 the timeframe for providing notices of property
1117 insurance claims; providing that supplemental claims
1118 are barred under certain circumstances; providing
1119 construction; amending s. 627.7015, F.S.; conforming a
1120 provision to changes made by the act; creating s.
1121 627.70152, F.S.; providing applicability; providing
1122 definitions; requiring a claimant to provide written
1123 notice to the department before a suit is filed under
1124 an insurance policy; requiring certain information to
1125 be included in the notice; requiring a claimant to
1126 serve notice within specified time limits; requiring
1127 an insurer to provide a response to the notice within
1128 a specified timeframe; providing for tolling of time
1129 if appropriate; requiring an insurer to have a
1130 procedure for the prompt investigation, review, and
1131 evaluation of a dispute stated in the notice and to
1132 investigate each claim in the notice in accordance
1133 with the Florida Insurance Code; requiring an insurer
1134 to provide a response to the notice within a specified
1135 timeframe; requiring an insurer to provide a response
1136 in a certain manner; requiring a court to dismiss
1137 without prejudice a claimant's suit under certain
1138 circumstances; providing that the notice and
1139 documentation are admissible as evidence only in
1140 specified proceedings; providing construction;
1141 providing that time limits are tolled under certain
1142 circumstances; providing calculations and awards of



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1143 attorney fees and costs under certain circumstances;
1144 prohibiting a court from awarding attorney fees to a
1145 claimant under certain circumstances; creating s.
1146 627.70153, F.S.; requiring parties that are aware of
1147 certain residential property insurance claims to
1148 notify the court of multiple proceedings; authorizing
1149 the court to consolidate certain residential property
1150 insurance claims upon notification of any party;
1151 amending s.