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1  
2 An act relating to consumer protection; amending  
3 501.0051, F.S.; deleting authorization for consumer  
4 reporting agencies to charge a fee for reissuing or  
5 providing a new unique personal identifier to a  
6 consumer; amending s. 624.307, F.S.; revising a  
7 requirement for persons licensed or authorized by the  
8 Department of Financial Services or the Office of  
9 Insurance Regulation to respond to the department's  
10 Division of Consumer Services regarding consumer  
11 complaints; amending s. 624.501, F.S.; deleting a fee  
12 for adjusting firm licenses; amending s. 626.112,  
13 F.S.; deleting an obsolete provision; prohibiting  
14 unlicensed activity by an adjusting firm; providing an  
15 exemption; providing an exemption from licensure for  
16 branch firms that meet certain criteria; providing an  
17 administrative penalty for failing to apply for  
18 certain licensure; providing a criminal penalty for  
19 aiding or abetting unlicensed activity; amending s.  
20 626.602, F.S.; authorizing the department to  
21 disapprove the use of insurance agency names  
22 containing the word "Medicare" or "Medicaid";  
23 providing an exception for certain insurance agencies  
24 for a certain period; providing for expiration of  
25 certain licenses on a certain date; amending s.  
26 626.621, F.S.; adding grounds on which the department  
27 may take certain actions against a license,  
28 appointment, or application of certain insurance  
29 representatives; amending ss. 626.782 and 626.783,

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30 F.S.; revising the definitions of the terms  
31 "industrial class insurer" and "ordinary-combination  
32 class insurer," respectively, to conform to changes  
33 made by the act; repealing s. 626.796, F.S., relating  
34 to the representation of multiple insurers in the same  
35 industrial debit territory; amending s. 626.854, F.S.;  
36 revising the timeframes in which an insured or a  
37 claimant may cancel a public adjuster's contract to  
38 adjust a claim without penalty or obligation;  
39 requiring that a public adjuster's contract include a  
40 specified disclosure; specifying requirements for  
41 written estimates of loss provided by public adjusters  
42 to claimants or insureds; revising a prohibition  
43 against certain contractors or subcontractors  
44 providing insureds with specified services; providing  
45 an exception; revising services a person is prohibited  
46 from performing unless the person meets specified  
47 requirements; authorizing the department to take  
48 administrative actions and impose fines against  
49 persons performing specified activities without  
50 licensure; prohibiting specified persons from charging  
51 insureds or third-party claimants or receiving  
52 payments under certain circumstances; amending s.  
53 626.916, F.S.; revising disclosure requirements for  
54 certain classes of insurance before being eligible for  
55 export under the Surplus Lines Law; amending s.  
56 626.9541, F.S.; adding certain acts or practices to  
57 the definition of sliding; amending s. 626.9741, F.S.;  
58 requiring an insurer to include certain additional

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59 information when providing an applicant or insured  
60 with certain credit report or score information;  
61 amending ss. 626.9953, 626.9957, and 627.062, F.S.;  
62 conforming cross-references; amending s. 627.502,  
63 F.S.; prohibiting life insurers from writing new  
64 policies of industrial life insurance beginning on a  
65 certain date; making technical changes; amending s.  
66 627.70131, F.S.; providing that a communication made  
67 to or by an insurer's representative, rather than to  
68 or by an insurer's agent, constitutes communication to  
69 or by the insurer; defining the term "representative",  
70 rather than "agent"; revising the timeframe for  
71 insurers to begin certain investigations; requiring an  
72 insurer-assigned licensed adjuster to provide the  
73 policyholder with certain information in certain  
74 investigations; requiring insurers to maintain certain  
75 records and provide certain lists upon request;  
76 requiring insurers to include specified notices when  
77 providing preliminary or partial damage estimates or  
78 claim payments; providing applicability; conforming  
79 provisions to changes made by the act; amending s.  
80 627.7142, F.S.; revising information contained in the  
81 Homeowner Claims Bill of Rights; conforming provisions  
82 to changes made by the act; amending s. 631.57, F.S.;  
83 deleting a deductible on the obligation of the Florida  
84 Insurance Guaranty Association, Incorporated, as to  
85 certain covered claims; amending s. 631.904, F.S.;  
86 revising the definition of the term "covered claim";  
87 deleting a requirement that a policy be in force on

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

90

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

92

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

95 501.0051 Protected consumer report security freeze.—

96 (9)~~(a)~~ A consumer reporting agency may not charge any fee  
97 to place or remove a security freeze.

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

104 Section 2. Paragraph (b) of subsection (10) of section  
105 624.307, Florida Statutes, is amended to read:

106 624.307 General powers; duties.—

107 (10)

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

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117 comply with this paragraph of up to \$2,500 per violation upon  
118 any entity licensed by the department or the office and \$250 for  
119 the first violation, \$500 for the second violation, and up to  
120 \$1,000 for the third or subsequent violation upon any individual  
121 licensed by the department or the office.

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

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

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

131 Section 4. Present subsection (9) of section 626.112,  
132 Florida Statutes, is redesignated as subsection (10) and  
133 amended, a new subsection (9) is added to that section, and  
134 paragraph (d) of subsection (7) of that section is amended, to  
135 read:

136 626.112 License and appointment required; agents, customer  
137 representatives, adjusters, insurance agencies, service  
138 representatives, managing general agents, insurance adjusting  
139 firms.—

140 (7)

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

144 (9) (a) An individual, a firm, a partnership, a corporation,  
145 an association, or any other entity may not act in its own name

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146 or under a trade name, directly or indirectly, as an adjusting  
147 firm unless it complies with s. 626.8696 with respect to  
148 possessing an adjusting firm license for each place of business  
149 at which it engages in an activity that may be performed only by  
150 a licensed insurance adjuster. However, an adjusting firm that  
151 is owned and operated by a single licensed adjuster conducting  
152 business in his or her individual name and not employing or  
153 otherwise using the services of or appointing other licensees is  
154 exempt from the adjusting firm licensing requirements of this  
155 subsection.

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

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

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

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

167 (c) If an adjusting firm is required to be licensed but  
168 fails to apply for licensure in accordance with this subsection,  
169 the department must impose an administrative penalty of up to  
170 \$10,000 on the firm.

171 (10)~~(9)~~ Any person who knowingly transacts insurance or  
172 otherwise engages in insurance activities in this state without  
173 a license in violation of this section or who knowingly aids or  
174 abets an unlicensed person in transacting insurance or otherwise

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175 engaging in insurance activities in this state without a license  
176 commits a felony of the third degree, punishable as provided in  
177 s. 775.082, s. 775.083, or s. 775.084.

178 Section 5. Subsection (4) is added to section 626.602,  
179 Florida Statutes, to read:

180 626.602 Insurance agency names; disapproval.—The department  
181 may disapprove the use of any true or fictitious name, other  
182 than the bona fide natural name of an individual, by any  
183 insurance agency on any of the following grounds:

184 (4) The name contains the word "Medicare" or "Medicaid." An  
185 insurance agency whose name contains the word "Medicare" or  
186 "Medicaid" but which is licensed as of July 1, 2021, may  
187 continue to use that name until June 30, 2023, provided that the  
188 agency's license remains valid. If the agency's license expires  
189 or is suspended or revoked, the agency may not be relicensed  
190 using that name. Licenses for agencies with names containing  
191 either of these words automatically expire on July 1, 2023,  
192 unless these words are removed from the name.

193 Section 6. Subsections (16) and (17) are added to section  
194 626.621, Florida Statutes, to read:

195 626.621 Grounds for discretionary refusal, suspension, or  
196 revocation of agent's, adjuster's, customer representative's,  
197 service representative's, or managing general agent's license or  
198 appointment.—The department may, in its discretion, deny an  
199 application for, suspend, revoke, or refuse to renew or continue  
200 the license or appointment of any applicant, agent, adjuster,  
201 customer representative, service representative, or managing  
202 general agent, and it may suspend or revoke the eligibility to  
203 hold a license or appointment of any such person, if it finds

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204 that as to the applicant, licensee, or appointee any one or more  
205 of the following applicable grounds exist under circumstances  
206 for which such denial, suspension, revocation, or refusal is not  
207 mandatory under s. 626.611:

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

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

215 Section 7. Section 626.782, Florida Statutes, is amended to  
216 read:

217 626.782 "Industrial class insurer" defined.—An "industrial  
218 class insurer" is an insurer collecting premiums on policies of  
219 ~~writing~~ industrial life insurance, as defined in s. 627.502,  
220 written before July 1, 2021, and as to such insurance, operates  
221 under a system of collecting a debit by its agent.

222 Section 8. Section 626.783, Florida Statutes, is amended to  
223 read:

224 626.783 "Ordinary-combination class insurer" defined.—An  
225 "ordinary-combination class insurer" is an insurer writing ~~both~~  
226 ordinary class insurance and collecting premiums on existing  
227 industrial life ~~class~~ insurance as defined by s. 627.502.

228 Section 9. Section 626.796, Florida Statutes, is repealed.

229 Section 10. Subsections (6), (11), (15), and (19) of  
230 section 626.854, Florida Statutes, are amended, and subsections  
231 (20) and (21) are added to that section, to read:

232 626.854 "Public adjuster" defined; prohibitions.—The



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233 Legislature finds that it is necessary for the protection of the  
234 public to regulate public insurance adjusters and to prevent the  
235 unauthorized practice of law.

236 (6) An insured or claimant may cancel a public adjuster's  
237 contract to adjust a claim without penalty or obligation within  
238 10 ~~3 business~~ days after the date on which the contract is  
239 ~~executed or within 3 business days after the date on which the~~  
240 ~~insured or claimant has notified the insurer of the claim,~~  
241 ~~whichever is later.~~ The public adjuster's contract must contain  
242 the following language in minimum 18-point bold type: "You, the  
243 insured, may cancel this contract for any reason without penalty  
244 or obligation to you within 10 days after the date of this  
245 contract by providing notice to ...(name of public adjuster)...,  
246 submitted in writing and sent by certified mail, return receipt  
247 requested, or other form of mailing that provides proof thereof,  
248 at the address specified in the contract ~~disclose to the insured~~  
249 ~~or claimant his or her right to cancel the contract and advise~~  
250 ~~the insured or claimant that notice of cancellation must be~~  
251 ~~submitted in writing and sent by certified mail, return receipt~~  
252 ~~requested, or other form of mailing that provides proof thereof,~~  
253 ~~to the public adjuster at the address specified in the contract;~~  
254 ~~provided, during any state of emergency as declared by the~~  
255 ~~Governor and for 1 year after the date of loss, the insured or~~  
256 ~~claimant has 5 business days after the date on which the~~  
257 ~~contract is executed to cancel a public adjuster's contract.~~

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

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262 contract. The written estimate must include an itemized, per-  
263 unit estimate of the repairs, including itemized information on  
264 equipment, materials, labor, and supplies, in accordance with  
265 accepted industry standards. The public adjuster shall retain  
266 such written estimate for at least 5 years and shall make the  
267 estimate available to the claimant or insured, the insurer, and  
268 the department upon request.

269 (15) A licensed contractor under part I of chapter 489, or  
270 a subcontractor of such licensee, may not advertise, solicit,  
271 offer to handle, handle, or perform public adjuster services as  
272 provided in s. 626.854(1) adjust a claim on behalf of an insured  
273 unless licensed and compliant as a public adjuster under this  
274 chapter. The prohibition against solicitation does not preclude  
275 a contractor from suggesting or otherwise recommending to a  
276 consumer that the consumer consider contacting his or her  
277 insurer to determine if the proposed repair is covered under the  
278 consumer's insurance policy. In addition ~~However,~~ the contractor  
279 may discuss or explain a bid for construction or repair of  
280 covered property with the residential property owner who has  
281 suffered loss or damage covered by a property insurance policy,  
282 or the insurer of such property, if the contractor is doing so  
283 for the usual and customary fees applicable to the work to be  
284 performed as stated in the contract between the contractor and  
285 the insured.

286 (19) Except as otherwise provided in this chapter, no  
287 person, except an attorney at law or a licensed public adjuster,  
288 may for money, commission, or any other thing of value, directly  
289 or indirectly:

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

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291 insured or a third-party claimant;

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

295 (c) Offer to initiate or negotiate a claim on behalf of an  
296 insured;

297 (d) Advertise services that require a license for  
298 employment as a public adjuster; or

299 (e) ~~(d)~~ Solicit, investigate, or adjust a claim on behalf of  
300 a public adjuster, an insured, or a third-party claimant.

301 (20) The department may take administrative actions and  
302 impose fines against any persons performing claims adjusting,  
303 soliciting, or any other services described in this section  
304 without the licensure required under this section or s. 626.112.

305 (21) A public adjuster, public adjuster apprentice, or  
306 public adjusting firm that solicits a claim and does not enter  
307 into a contract with an insured or a third-party claimant  
308 pursuant to paragraph (10) (a) may not charge an insured or a  
309 third-party claimant or receive payment by any other source for  
310 any type of service related to the insured or third-party  
311 claimant's claim.

312 Section 11. Effective January 1, 2022, subsection (3) of  
313 section 626.916, Florida Statutes, is amended, and paragraph (f)  
314 is added to subsection (1) of that section, to read:

315 626.916 Eligibility for export.—

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

318 (f) The insured has signed or otherwise provided documented  
319 acknowledgment of a disclosure in substantially the following

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320 form: "You are agreeing to place coverage in the surplus lines  
321 market. Coverage may be available in the admitted market.  
322 Persons insured by surplus lines carriers are not protected  
323 under the Florida Insurance Guaranty Act with respect to any  
324 right of recovery for the obligation of an insolvent unlicensed  
325 insurer."

326 (3) (a) Subsection (1) does not apply to wet marine and  
327 transportation or aviation risks that ~~which~~ are subject to s.  
328 626.917.

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

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

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

335 3. The insured has complied with paragraph (1) (f) ~~must sign~~  
336 ~~a disclosure that substantially provides the following: "You are~~  
337 ~~agreeing to place coverage in the surplus lines market. Superior~~  
338 ~~coverage may be available in the admitted market and at a lesser~~  
339 ~~cost. Persons insured by surplus lines carriers are not~~  
340 ~~protected under the Florida Insurance Guaranty Act with respect~~  
341 ~~to any right of recovery for the obligation of an insolvent~~  
342 ~~unlicensed insurer."~~ If the disclosure notice is signed by the  
343 insured, the insured is presumed to have been informed and to  
344 know that other coverage may be available, and, with respect to  
345 the diligent-effort requirement under subsection (1), there is  
346 no liability on the part of, and no cause of action arises  
347 against, the retail agent presenting the form.

348 Section 12. Paragraph (z) of subsection (1) of section

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349 626.9541, Florida Statutes, is amended to read:

350 626.9541 Unfair methods of competition and unfair or  
351 deceptive acts or practices defined.—

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

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

357 1. Representing to the applicant that a specific ancillary  
358 coverage or product is required by law in conjunction with the  
359 purchase of insurance when such coverage or product is not  
360 required.~~†~~

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

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

367 4. Initiating, effectuating, binding, or otherwise issuing  
368 a policy of insurance without the prior informed consent of the  
369 owner of the property to be insured.

370 5. Mailing, transmitting, or otherwise submitting by any  
371 means an invoice for premium payment to a mortgagee or escrow  
372 agent, for the purpose of effectuating an insurance policy,  
373 without the prior informed consent of the owner of the property  
374 to be insured. However, this subparagraph does not apply in  
375 cases in which the mortgagee or escrow agent is renewing  
376 insurance or issuing collateral protection insurance, as defined  
377 in s. 624.6085, pursuant to the mortgage or other pertinent loan

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378 documents or communications regarding the property.

379 Section 13. Effective January 1, 2022, subsection (3) of  
380 section 626.9741, Florida Statutes, is amended to read:

381 626.9741 Use of credit reports and credit scores by  
382 insurers.—

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

386 The notification to the consumer must include the following  
387 language: "The Department of Financial Services offers free  
388 financial literacy programs to assist you with insurance-related  
389 questions, including how credit works and how credit scores are  
390 calculated. To learn more, visit [www.MyFloridaCFO.com](http://www.MyFloridaCFO.com)." An

391 insurer that makes an adverse decision based, in whole or in  
392 part, upon a credit report must provide at no charge, a copy of  
393 the credit report to the applicant or insured or provide the  
394 applicant or insured with the name, address, and telephone  
395 number of the consumer reporting agency from which the insured  
396 or applicant may obtain the credit report. The insurer must  
397 provide notification to the consumer explaining the reasons for  
398 the adverse decision. The reasons must be provided in  
399 sufficiently clear and specific language so that a person can  
400 identify the basis for the insurer's adverse decision. Such  
401 notification shall include a description of the four primary  
402 reasons, or such fewer number as existed, which were the primary  
403 influences of the adverse decision. The use of generalized terms  
404 such as "poor credit history," "poor credit rating," or "poor  
405 insurance score" does not meet the explanation requirements of  
406 this subsection. A credit score may not be used in underwriting

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407 or rating insurance unless the scoring process produces  
408 information in sufficient detail to permit compliance with the  
409 requirements of this subsection. It shall not be deemed an  
410 adverse decision if, due to the insured's credit report or  
411 credit score, the insured continues to receive a less favorable  
412 rate or placement in a less favorable tier or company at the  
413 time of renewal except for renewals or reunderwriting required  
414 by this section.

415 Section 14. Subsection (5) of section 626.9953, Florida  
416 Statutes, is amended to read:

417 626.9953 Qualifications for registration; application  
418 required.—

419 (5) An applicant must submit a set of his or her  
420 fingerprints to the department and pay the processing fee  
421 established under s. 624.501(23) ~~s. 624.501(24)~~. The department  
422 shall submit the applicant's fingerprints to the Department of  
423 Law Enforcement for processing state criminal history records  
424 checks and local criminal records checks through local law  
425 enforcement agencies and for forwarding to the Federal Bureau of  
426 Investigation for national criminal history records checks. The  
427 fingerprints shall be taken by a law enforcement agency, a  
428 designated examination center, or another department-approved  
429 entity. The department may not approve an application for  
430 registration as a navigator if fingerprints have not been  
431 submitted.

432 Section 15. Subsection (1) of section 626.9957, Florida  
433 Statutes, is amended to read:

434 626.9957 Conduct prohibited; denial, revocation, or  
435 suspension of registration.—

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436 (1) As provided in s. 626.112, only a person licensed as an  
437 insurance agent or customer representative may engage in the  
438 solicitation of insurance. A person who engages in the  
439 solicitation of insurance as described in s. 626.112(1) without  
440 such license is subject to the penalties provided under s.  
441 626.112(10) ~~s. 626.112(9)~~.

442 Section 16. Subsection (10) of section 627.062, Florida  
443 Statutes, is amended to read:

444 627.062 Rate standards.—

445 (10) Any interest paid pursuant to s. 627.70131(7) ~~s.~~  
446 ~~627.70131(5)~~ may not be included in the insurer's rate base and  
447 may not be used to justify a rate or rate change.

448 Section 17. Section 627.502, Florida Statutes, is amended  
449 to read:

450 627.502 "Industrial life insurance" defined; reporting;  
451 prohibition on new policies after a certain date.—

452 (1) For the purposes of this code, "industrial life  
453 insurance" is that form of life insurance written under policies  
454 under which premiums are payable monthly or more often, bearing  
455 the words "industrial policy" or "weekly premium policy" or  
456 words of similar import imprinted upon the policies as part of  
457 the descriptive matter, and issued by an insurer that ~~which~~, as  
458 to such industrial life insurance, is operating under a system  
459 of collecting a debit by its agent.

460 (2) Every life insurer servicing existing ~~transacting~~  
461 industrial life insurance shall report to the office all annual  
462 statement data regarding the exhibit of life insurance,  
463 including relevant information for industrial life insurance.

464 (3) Beginning July 1, 2021, a life insurer may not write a



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465 new policy of industrial life insurance.

466 Section 18. Effective January 1, 2022, section 627.70131,  
467 Florida Statutes, is amended to read:

468 627.70131 Insurer's duty to acknowledge communications  
469 regarding claims; investigation.—

470 (1) (a) Upon an insurer's receiving a communication with  
471 respect to a claim, the insurer shall, within 14 calendar days,  
472 review and acknowledge receipt of such communication unless  
473 payment is made within that period of time or unless the failure  
474 to acknowledge is caused by factors beyond the control of the  
475 insurer which reasonably prevent such acknowledgment. If the  
476 acknowledgment is not in writing, a notification indicating  
477 acknowledgment shall be made in the insurer's claim file and  
478 dated. A communication made to or by a representative ~~an agent~~  
479 of an insurer with respect to a claim shall constitute  
480 communication to or by the insurer.

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

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

488 (2) Such acknowledgment must ~~shall~~ be responsive to the  
489 communication. If the communication constitutes a notification  
490 of a claim, unless the acknowledgment reasonably advises the  
491 claimant that the claim appears not to be covered by the  
492 insurer, the acknowledgment must ~~shall~~ provide necessary claim  
493 forms, and instructions, including an appropriate telephone

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494 number.

495 (3) (a) Unless otherwise provided by the policy of insurance  
496 or by law, within 14 ~~10 working~~ days after an insurer receives  
497 proof of loss statements, the insurer shall begin such  
498 investigation as is reasonably necessary unless the failure to  
499 begin such investigation is caused by factors beyond the control  
500 of the insurer which reasonably prevent the commencement of such  
501 investigation.

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

506 (c) Any subsequent communication with the policyholder  
507 regarding the claim must also include the name and license  
508 number of the adjuster communicating about the claim.  
509 Communication of the adjuster's name and license number may be  
510 included with other information provided to the policyholder.

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

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

517 (6) (a) When providing a preliminary or partial estimate of  
518 damage regarding a claim, an insurer shall include with the  
519 estimate the following statement printed in at least 12-point  
520 bold, uppercase type: THIS ESTIMATE REPRESENTS OUR CURRENT  
521 EVALUATION OF THE COVERED DAMAGES TO YOUR INSURED PROPERTY AND  
522 MAY BE REVISED AS WE CONTINUE TO EVALUATE YOUR CLAIM. IF YOU

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523 HAVE QUESTIONS, CONCERNS, OR ADDITIONAL INFORMATION REGARDING  
524 YOUR CLAIM, WE ENCOURAGE YOU TO CONTACT US.

525 (b) When providing a payment on a claim which is not the  
526 full and final payment for the claim, an insurer shall include  
527 with the payment the following statement printed in at least 12-  
528 point bold, uppercase type: WE ARE CONTINUING TO EVALUATE YOUR  
529 CLAIM INVOLVING YOUR INSURED PROPERTY AND MAY ISSUE ADDITIONAL  
530 PAYMENTS. IF YOU HAVE QUESTIONS, CONCERNS, OR ADDITIONAL  
531 INFORMATION REGARDING YOUR CLAIM, WE ENCOURAGE YOU TO CONTACT  
532 US.

533 (7) (a) ~~(5) (a)~~ Within 90 days after an insurer receives  
534 notice of an initial, reopened, or supplemental property  
535 insurance claim from a policyholder, the insurer shall pay or  
536 deny such claim or a portion of the claim unless the failure to  
537 pay is caused by factors beyond the control of the insurer which  
538 reasonably prevent such payment. Any payment of an initial or  
539 supplemental claim or portion of such claim made 90 days after  
540 the insurer receives notice of the claim, or made more than 15  
541 days after there are no longer factors beyond the control of the  
542 insurer which reasonably prevented such payment, whichever is  
543 later, bears interest at the rate set forth in s. 55.03.  
544 Interest begins to accrue from the date the insurer receives  
545 notice of the claim. The provisions of this subsection may not  
546 be waived, voided, or nullified by the terms of the insurance  
547 policy. If there is a right to prejudgment interest, the insured  
548 shall select whether to receive prejudgment interest or interest  
549 under this subsection. Interest is payable when the claim or  
550 portion of the claim is paid. Failure to comply with this  
551 subsection constitutes a violation of this code. However,

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552 failure to comply with this subsection does not form the sole  
553 basis for a private cause of action.

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

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

558 2. A claim for structural or contents coverage under a  
559 commercial property insurance policy if the insured structure is  
560 10,000 square feet or less; or

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

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

566 (8) This section also applies to surplus lines insurers and  
567 surplus lines insurance authorized under ss. 626.913-626.937  
568 providing residential coverage.

569 Section 19. Effective January 1, 2022, section 627.7142,  
570 Florida Statutes, is amended to read:

571 627.7142 Homeowner Claims Bill of Rights.—An insurer  
572 issuing a personal lines residential property insurance policy  
573 in this state must provide a Homeowner Claims Bill of Rights to  
574 a policyholder within 14 days after receiving an initial  
575 communication with respect to a claim, ~~unless the claim follows~~  
576 ~~an event that is the subject of a declaration of a state of~~  
577 ~~emergency by the Governor.~~ The purpose of the bill of rights is  
578 to summarize, in simple, nontechnical terms, existing Florida  
579 law regarding the rights of a personal lines residential  
580 property insurance policyholder who files a claim of loss. The

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581 Homeowner Claims Bill of Rights is specific to the claims  
582 process and does not represent all of a policyholder's rights  
583 under Florida law regarding the insurance policy. The Homeowner  
584 Claims Bill of Rights does not create a civil cause of action by  
585 any individual policyholder or class of policyholders against an  
586 insurer or insurers. The failure of an insurer to properly  
587 deliver the Homeowner Claims Bill of Rights is subject to  
588 administrative enforcement by the office but is not admissible  
589 as evidence in a civil action against an insurer. The Homeowner  
590 Claims Bill of Rights does not enlarge, modify, or contravene  
591 statutory requirements, including, but not limited to, ss.  
592 626.854, 626.9541, 627.70131, 627.7015, and 627.7074, and does  
593 not prohibit an insurer from exercising its right to repair  
594 damaged property in compliance with the terms of an applicable  
595 policy or ss. 627.7011(5)(e) and 627.702(7). The Homeowner  
596 Claims Bill of Rights must state:

597  
598 HOMEOWNER CLAIMS

599 BILL OF RIGHTS

600 This Bill of Rights is specific to the claims process  
601 and does not represent all of your rights under  
602 Florida law regarding your policy. There are also  
603 exceptions to the stated timelines when conditions are  
604 beyond your insurance company's control. This document  
605 does not create a civil cause of action by an  
606 individual policyholder, or a class of policyholders,  
607 against an insurer or insurers and does not prohibit  
608 an insurer from exercising its right to repair damaged  
609 property in compliance with the terms of an applicable

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610 policy.

611

612 YOU HAVE THE RIGHT TO:

613 1. Receive from your insurance company an  
614 acknowledgment of your reported claim within 14 days  
615 after the time you communicated the claim.

616 2. Upon written request, receive from your  
617 insurance company within 30 days after you have  
618 submitted a complete proof-of-loss statement to your  
619 insurance company, confirmation that your claim is  
620 covered in full, partially covered, or denied, or  
621 receive a written statement that your claim is being  
622 investigated.

623 3. Within 90 days, subject to any dual interest  
624 noted in the policy, receive full settlement payment  
625 for your claim or payment of the undisputed portion of  
626 your claim, or your insurance company's denial of your  
627 claim.

628 4. Receive payment of interest, as provided in s.  
629 627.70131, Florida Statutes, from your insurance  
630 company, which begins accruing from the date your  
631 claim is filed if your insurance company does not pay  
632 full settlement of your initial, reopened, or  
633 supplemental claim or the undisputed portion of your  
634 claim or does not deny your claim within 90 days after  
635 your claim is filed. The interest, if applicable, must  
636 be paid when your claim or the undisputed portion of  
637 your claim is paid.

638 5. Free mediation of your disputed claim by the

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639 Florida Department of Financial Services, Division of  
640 Consumer Services, under most circumstances and  
641 subject to certain restrictions.

642 ~~6.5.~~ Neutral evaluation of your disputed claim,  
643 if your claim is for damage caused by a sinkhole and  
644 is covered by your policy.

645 ~~7.6.~~ Contact the Florida Department of Financial  
646 Services, Division of Consumer Services' toll-free  
647 helpline for assistance with any insurance claim or  
648 questions pertaining to the handling of your claim.  
649 You can reach the Helpline by phone at...(toll-free  
650 phone number)..., or you can seek assistance online at  
651 the Florida Department of Financial Services, Division  
652 of Consumer Services' website at...(website  
653 address)....

654

655 YOU ARE ADVISED TO:

656 1. File all claims directly with your insurance  
657 company.

658 2. Contact your insurance company before entering  
659 into any contract for repairs to confirm any managed  
660 repair policy provisions or optional preferred  
661 vendors.

662 ~~3.2.~~ Make and document emergency repairs that are  
663 necessary to prevent further damage. Keep the damaged  
664 property, if feasible, keep all receipts, and take  
665 photographs or video of damage before and after any  
666 repairs to provide to your insurer.

667 ~~4.3.~~ Carefully read any contract that requires

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668 you to pay out-of-pocket expenses or a fee that is  
669 based on a percentage of the insurance proceeds that  
670 you will receive for repairing or replacing your  
671 property.

672 5.4. Confirm that the contractor you choose is  
673 licensed to do business in Florida. You can verify a  
674 contractor's license and check to see if there are any  
675 complaints against him or her by calling the Florida  
676 Department of Business and Professional Regulation.  
677 You should also ask the contractor for references from  
678 previous work.

679 6.5. Require all contractors to provide proof of  
680 insurance before beginning repairs.

681 7.6. Take precautions if the damage requires you  
682 to leave your home, including securing your property  
683 and turning off your gas, water, and electricity, and  
684 contacting your insurance company and provide a phone  
685 number where you can be reached.

686 Section 20. Paragraph (a) of subsection (1) and subsection  
687 (6) of section 631.57, Florida Statutes, are amended to read:

688 631.57 Powers and duties of the association.—

689 (1) The association shall:

690 (a)1. Be obligated to the extent of the covered claims  
691 existing:

692 a. Prior to adjudication of insolvency and arising within  
693 30 days after the determination of insolvency;

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

696 c. Before the insured replaces the policy or causes its



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697 cancellation, if she or he does so within 30 days of the  
698 determination.

699 2. The obligation under subparagraph 1. includes ~~only~~ the  
700 amount of each covered claim which is ~~in excess of \$100 and is~~  
701 less than \$300,000, except that policies providing coverage for  
702 homeowner's insurance must ~~shall~~ provide for an additional  
703 \$200,000 for the portion of a covered claim which relates only  
704 to the damage to the structure and contents.

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

715 b. Notwithstanding sub-subparagraph a., the association has  
716 no obligation to pay covered claims that are to be paid from the  
717 proceeds of bonds issued under s. 631.695. However, the  
718 association shall assign and pledge the first available moneys  
719 from all or part of the assessments to be made under paragraph  
720 (3) (a) to or on behalf of the issuer of such bonds for the  
721 benefit of the holders of such bonds. The association shall  
722 administer any such covered claims and present valid covered  
723 claims for payment in accordance with the provisions of the  
724 assistance program in connection with which such bonds have been  
725 issued.

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

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

736           Section 21. Subsection (2) of section 631.904, Florida  
737 Statutes, is amended to read:

738           631.904 Definitions.—As used in this part, the term:

739           (2) "Covered claim" means an unpaid claim, including a  
740 claim for return of unearned premiums, which arises out of, is  
741 within the coverage of, and is not in excess of the applicable  
742 limits of, an insurance policy to which this part applies, which  
743 policy was issued by an insurer and which claim is made on  
744 behalf of a claimant or insured who was a resident of this state  
745 at the time of the injury. The term "covered claim" includes  
746 unpaid claims under any employer liability coverage of a  
747 workers' compensation policy limited to the lesser of \$300,000  
748 or the limits of the policy. The term "covered claim" does not  
749 include any amount sought as a return of premium under any  
750 retrospective rating plan; any amount due any reinsurer,  
751 insurer, insurance pool, or underwriting association, as  
752 subrogation recoveries or otherwise; or any claim that would  
753 otherwise be a covered claim that has been rejected or denied by  
754 any other state guaranty fund based upon that state's statutory

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755 exclusions, including, but not limited to, those based on  
756 coverage, policy type, or an insured's net worth, except this  
757 exclusion from the definition of covered claim does not apply to  
758 employers who, prior to April 30, 2004, entered into an  
759 agreement with the corporation preserving the employer's right  
760 to seek coverage of claims rejected by another state's guaranty  
761 ~~fund; or any return of premium resulting from a policy that was~~  
762 ~~not in force on the date of the final order of liquidation.~~  
763 Member insurers have no right of subrogation against the insured  
764 of any insolvent insurer. This provision applies retroactively  
765 to cover claims of an insolvent self-insurance fund resulting  
766 from accidents or losses incurred prior to January 1, 1994,  
767 regardless of the date the petition in circuit court was filed  
768 alleging insolvency and the date the court entered an order  
769 appointing a receiver.

770       Section 22. Except as otherwise expressly provided in this  
771 act, this act shall take effect upon becoming a law.