

1 A bill to be entitled
2 An act relating to consumer protection; amending s.
3 501.0051, F.S.; prohibiting consumer reporting
4 agencies from charging to reissue or provide a new
5 unique personal identifier to certain consumers,
6 rather than authorizing such agencies to charge the
7 customers' representatives; amending s. 624.307, F.S.;
8 revising a requirement for persons licensed or
9 authorized by the Department of Financial Services or
10 the Office of Insurance Regulation to respond to the
11 department's Division of Consumer Services regarding
12 consumer complaints; amending s. 626.112, F.S.;
13 removing a provision requiring the department to
14 automatically convert registrations of approved
15 registered insurance agencies to insurance agency
16 licenses; prohibiting unlicensed activity by an
17 adjusting firm unless the firm complies with a
18 specified requirement; providing an exemption;
19 providing an exemption from licensure for branch firms
20 that meet certain criteria; providing an
21 administrative penalty for failing to apply for
22 certain licensure; providing a criminal penalty for
23 aiding or abetting unlicensed activity; creating s.
24 626.5813, F.S.; defining the term "claims adjusting";
25 prohibiting a person from providing claims adjusting

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

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

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

101 agent or temporary bail bond agent who knowingly
 102 engages in certain activities; providing effective
 103 dates.

104
 105 Be It Enacted by the Legislature of the State of Florida:

106
 107 Section 1. Paragraph (b) of subsection (9) of section
 108 501.0051, Florida Statutes, is amended to read:

109 501.0051 Protected consumer report security freeze.—

110 (9)

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

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

119 624.307 General powers; duties.—

120 (10)

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

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

135 | Section 3. Subsection (9) of section 626.112, Florida
 136 | Statutes, is renumbered as subsection (10), paragraph (d) of
 137 | subsection (7) and present subsection (9) are amended, and a new
 138 | subsection (9) is added to that section, to read:

139 | 626.112 License and appointment required; agents, customer
 140 | representatives, adjusters, insurance agencies, service
 141 | representatives, managing general agents, adjusting firms.—

142 | (7)

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

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

151 engages in an activity that may be performed only by a licensed
152 insurance adjuster. However, an adjusting firm that is owned and
153 operated by a single licensed adjuster conducting business in
154 his or her individual name and not employing or otherwise using
155 the services of or appointing other licensees is exempt from the
156 adjusting firm licensing requirements of this paragraph.

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

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

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

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

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

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

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

179 Section 4. Section 626.5813, Florida Statutes, is created
 180 to read:

181 626.5813 Claims adjusting.—

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

184 1. Attempting or undertaking to ascertain and determine
 185 the amount of any claim, loss, or damage payable under an
 186 insurance contract or undertaking to negotiate or effect
 187 settlement of a claim, loss, or damage under an insurance
 188 contract, if such action results in payment to or receipt of
 189 money, commission, or any other thing of value by the party or
 190 parties rendering such service or persons affiliated with such
 191 party or parties; or

192 2. Soliciting services as described in subparagraph 1. or
 193 soliciting an insured or policyholder to file an insurance
 194 claim.

195 (b) The term does not include:

196 1. Paid services as a spokesperson used as part of a
 197 written or an electronic advertisement.

198 2. Paid services as a photographer or videographer used to
 199 capture images of damage.

200 3. Paid services to inventory personal property or

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201 business personal property.

202 4. Discussion or explanation of a bid for construction or
203 repair services by a licensed contractor under part I of chapter
204 489, or a subcontractor for a licensed contractor, with a
205 property owner or the insurer of such property.

206 (2) Except for a duly licensed attorney at law as exempted
207 under s. 626.860, a person may not provide claims adjusting
208 services unless licensed and appointed as an adjuster under this
209 part.

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

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

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

224 Section 6. Subsections (16) and (17) are added to section
225 626.621, Florida Statutes, to read:

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

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

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

246 Section 7. Section 626.782, Florida Statutes, is amended
 247 to read:

248 626.782 "Industrial class insurer" defined.—An "industrial
 249 class insurer" is an insurer collecting premiums on policies of
 250 ~~writing~~ industrial life insurance, as defined in s. 627.502,

251 written before July 1, 2021, and as to such insurance, operates
 252 under a system of collecting a debit by its agent.

253 Section 8. Section 626.783, Florida Statutes, is amended
 254 to read:

255 626.783 "Ordinary-combination class insurer" defined.—An
 256 "ordinary-combination class insurer" is an insurer writing ~~both~~
 257 ordinary class insurance and collecting premiums on existing
 258 industrial life ~~class~~ insurance under s. 626.782.

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

260 Section 10. Subsections (6), (11), and (15) of section
 261 626.854, Florida Statutes, are amended to read:

262 626.854 "Public adjuster" defined; prohibitions.—The
 263 Legislature finds that it is necessary for the protection of the
 264 public to regulate public insurance adjusters and to prevent the
 265 unauthorized practice of law.

266 (6) An insured or claimant may cancel a public adjuster's
 267 contract to adjust a claim without penalty or obligation within
 268 10 calendar ~~3 business~~ days after the date on which the contract
 269 is executed ~~or within 3 business days after the date on which~~
 270 ~~the insured or claimant has notified the insurer of the claim,~~
 271 ~~whichever is later.~~ The public adjuster's contract must contain
 272 the following language in minimum 18-point bold type: "You, the
 273 insured, may cancel this contract for any reason without penalty
 274 or obligation to you within 10 days after the date of this
 275 contract by providing notice to (name of public adjuster) ,

276 submitted in writing and sent by certified mail, return receipt
277 requested, or other form of mailing that provides proof thereof,
278 at the address specified in the contract." ~~disclose to the~~
279 ~~insured or claimant his or her right to cancel the contract and~~
280 ~~advise the insured or claimant that notice of cancellation must~~
281 ~~be submitted in writing and sent by certified mail, return~~
282 ~~receipt requested, or other form of mailing that provides proof~~
283 ~~thereof, to the public adjuster at the address specified in the~~
284 ~~contract; provided, during any state of emergency as declared by~~
285 ~~the Governor and for 1 year after the date of loss, the insured~~
286 ~~or claimant has 5 business days after the date on which the~~
287 ~~contract is executed to cancel a public adjuster's contract.~~

288 (11) Each public adjuster must provide to the claimant or
289 insured a written estimate of the loss to assist in the
290 submission of a proof of loss or any other claim for payment of
291 insurance proceeds within 60 days after the date of the public
292 adjuster's contract. The written estimate must include an
293 itemized, per-unit estimate of the repairs, including itemized
294 information on equipment, materials, labor, and supplies, in
295 accordance with accepted industry standards. The public adjuster
296 shall retain such written estimate for at least 5 years and
297 shall make the estimate available to the claimant or insured,
298 the insurer, and the department upon request.

299 (15) A licensed contractor under part I of chapter 489, or
300 a subcontractor, may not adjust a claim on behalf of an insured,

301 or solicit an insured to file an insurance claim, unless
 302 licensed and compliant as a public adjuster under this chapter.
 303 However, the contractor may discuss or explain a bid for
 304 construction or repair of covered property with the residential
 305 property owner who has suffered loss or damage covered by a
 306 property insurance policy, or the insurer of such property, if
 307 the contractor is doing so for the usual and customary fees
 308 applicable to the work to be performed as stated in the contract
 309 between the contractor and the insured.

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

313 626.916 Eligibility for export.—

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

316 (f) The insured has signed or otherwise provided
 317 documented acknowledgment of a disclosure in substantially the
 318 following form: "You are agreeing to place coverage in the
 319 surplus lines market. Coverage may be available in the admitted
 320 market. Persons insured by surplus lines carriers are not
 321 protected under the Florida Insurance Guaranty Act with respect
 322 to any right of recovery for the obligation of an insolvent
 323 unlicensed insurer."

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

326 626.917.

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

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

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

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

347 Section 12. Paragraph (z) of subsection (1) of section
 348 626.9541, Florida Statutes, is amended to read:

349 626.9541 Unfair methods of competition and unfair or
 350 deceptive acts or practices defined.—

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

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

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

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

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

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

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

376 624.6085, pursuant to the mortgage or other pertinent loan
377 documents or communications regarding the property.

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

380 626.9741 Use of credit reports and credit scores by
381 insurers.—

382 (3) An insurer must inform an applicant or insured, in the
383 same medium as the application is taken, that a credit report or
384 score is being requested for underwriting or rating purposes.
385 The notification to the applicant or insured must include the
386 following language: "The Department of Financial Services offers
387 free financial literacy programs to assist you with insurance-
388 related questions, including how credit works and how credit
389 scores are calculated. To learn more, visit
390 www.myfloridacfo.com." An insurer that makes an adverse decision
391 based, in whole or in part, upon a credit report must provide at
392 no charge, a copy of the credit report to the applicant or
393 insured or provide the applicant or insured with the name,
394 address, and telephone number of the consumer reporting agency
395 from which the insured or applicant may obtain the credit
396 report. The insurer must provide notification to the consumer
397 explaining the reasons for the adverse decision. The reasons
398 must be provided in sufficiently clear and specific language so
399 that a person can identify the basis for the insurer's adverse
400 decision. Such notification must ~~shall~~ include a description of

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401 the four primary reasons, or such fewer number as existed, which
402 were the primary influences of the adverse decision. The use of
403 generalized terms such as "poor credit history," "poor credit
404 rating," or "poor insurance score" does not meet the explanation
405 requirements of this subsection. A credit score may not be used
406 in underwriting or rating insurance unless the scoring process
407 produces information in sufficient detail to permit compliance
408 with the requirements of this subsection. It is ~~shall~~ not be
409 ~~deemed~~ an adverse decision if, due to the insured's credit
410 report or credit score, the insured continues to receive a less
411 favorable rate or placement in a less favorable tier or company
412 at the time of renewal except for renewals or reunderwriting
413 required by this section.

414 Section 14. Subsection (1) of section 626.9957, Florida
415 Statutes, is amended to read:

416 626.9957 Conduct prohibited; denial, revocation, or
417 suspension of registration.—

418 (1) As provided in s. 626.112, only a person licensed as
419 an insurance agent or customer representative may engage in the
420 solicitation of insurance. A person who engages in the
421 solicitation of insurance as described in s. 626.112(1) without
422 such license is subject to the penalties provided under s.
423 626.112(10) ~~s. 626.112(9)~~.

424 Section 15. Subsection (10) of section 627.062, Florida
425 Statutes, is amended to read:

426 627.062 Rate standards.—

427 (10) Any interest paid pursuant to s. 627.70131(7) ~~s.~~
 428 ~~627.70131(5)~~ may not be included in the insurer's rate base and
 429 may not be used to justify a rate or rate change.

430 Section 16. Section 627.502, Florida Statutes, is amended
 431 to read:

432 627.502 "Industrial life insurance" defined; reporting;
 433 prohibition on new policies after a certain date.—

434 (1) For the purposes of this code, "industrial life
 435 insurance" is that form of life insurance written under policies
 436 under which premiums are payable monthly or more often, bearing
 437 the words "industrial policy" or "weekly premium policy" or
 438 words of similar import imprinted upon the policies as part of
 439 the descriptive matter, and issued by an insurer that ~~which~~, as
 440 to such industrial life insurance, is operating under a system
 441 of collecting a debit by its agent.

442 (2) Every life insurer servicing existing ~~transacting~~
 443 industrial life insurance shall report to the office all annual
 444 statement data regarding the exhibit of life insurance,
 445 including relevant information for industrial life insurance.

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

448 Section 17. Effective January 1, 2022, section 627.70131,
 449 Florida Statutes, is amended to read:

450 627.70131 Insurer's duty to acknowledge communications

451 regarding claims; investigation.-

452 (1) (a) Upon an insurer's receiving a communication with
453 respect to a claim, the insurer shall, within 14 calendar days,
454 review and acknowledge receipt of such communication unless
455 payment is made within that period of time or unless the failure
456 to acknowledge is caused by factors beyond the control of the
457 insurer which reasonably prevent such acknowledgment. If the
458 acknowledgment is not in writing, a notification indicating
459 acknowledgment shall be made in the insurer's claim file and
460 dated. A communication made to or by a representative ~~an agent~~
461 of an insurer with respect to a claim shall constitute
462 communication to or by the insurer.

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

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

470 (2) Such acknowledgment shall be responsive to the
471 communication. If the communication constitutes a notification
472 of a claim, unless the acknowledgment reasonably advises the
473 claimant that the claim appears not to be covered by the
474 insurer, the acknowledgment shall provide necessary claim forms,
475 and instructions, including an appropriate telephone number.

476 (3) (a) Unless otherwise provided by the policy of
477 insurance or by law, within 14 ~~10 working~~ days after an insurer
478 receives proof of loss statements, the insurer shall begin such
479 investigation as is reasonably necessary unless the failure to
480 begin such investigation is caused by factors beyond the control
481 of the insurer which reasonably prevent the commencement of such
482 investigation.

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

487 (c) Any subsequent communication with the policyholder
488 regarding the claim must also include the name and license
489 number of the adjuster communicating about the claim.
490 Communication of the adjuster's name and license number may be
491 included along with other information already being provided to
492 the policyholder.

493 (4) An insurer shall maintain a record or log of each
494 adjuster who communicates with the policyholder as provided in
495 paragraphs (3) (b) and (3) (c), and shall provide a list of the
496 adjusters to the policyholder, the office, or the department
497 upon request.

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

500 (6) (a) When providing a preliminary or partial estimate of

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501 damage regarding a claim, an insurer shall include with the
502 estimate the following statement printed in at least 12-point
503 bold, uppercase type: THIS ESTIMATE REPRESENTS OUR CURRENT
504 EVALUATION OF THE COVERED DAMAGES TO YOUR INSURED PROPERTY AND
505 MAY BE REVISED AS WE CONTINUE TO EVALUATE YOUR CLAIM. IF YOU
506 HAVE QUESTIONS, CONCERNS, OR ADDITIONAL INFORMATION REGARDING
507 YOUR CLAIM, WE ENCOURAGE YOU TO CONTACT US.

508 (b) When providing a payment on a claim which is not the
509 full and final payment for the claim, an insurer shall include
510 with the payment the following statement printed in at least 12-
511 point bold, uppercase type: WE ARE CONTINUING TO EVALUATE YOUR
512 CLAIM INVOLVING YOUR INSURED PROPERTY AND MAY ISSUE ADDITIONAL
513 PAYMENTS. IF YOU HAVE QUESTIONS, CONCERNS, OR ADDITIONAL
514 INFORMATION REGARDING YOUR CLAIM, WE ENCOURAGE YOU TO CONTACT
515 US.

516 (7) (a) ~~(5) (a)~~ Within 90 days after an insurer receives
517 notice of an initial, reopened, or supplemental property
518 insurance claim from a policyholder, the insurer shall pay or
519 deny such claim or a portion of the claim unless the failure to
520 pay is caused by factors beyond the control of the insurer which
521 reasonably prevent such payment. Any payment of an initial or
522 supplemental claim or portion of such claim made 90 days after
523 the insurer receives notice of the claim, or made more than 15
524 days after there are no longer factors beyond the control of the
525 insurer which reasonably prevented such payment, whichever is

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526 later, bears interest at the rate set forth in s. 55.03.
527 Interest begins to accrue from the date the insurer receives
528 notice of the claim. The provisions of this subsection may not
529 be waived, voided, or nullified by the terms of the insurance
530 policy. If there is a right to prejudgment interest, the insured
531 shall select whether to receive prejudgment interest or interest
532 under this subsection. Interest is payable when the claim or
533 portion of the claim is paid. Failure to comply with this
534 subsection constitutes a violation of this code. However,
535 failure to comply with this subsection does not form the sole
536 basis for a private cause of action.

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

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

541 2. A claim for structural or contents coverage under a
542 commercial property insurance policy if the insured structure is
543 10,000 square feet or less; or

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

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

549 (8) This section also applies to surplus lines insurers
550 and to surplus lines insurance authorized under ss. 626.913-

551 | 626.937 providing residential coverage.

552 | Section 18. Section 627.7031, Florida Statutes, is created
553 | to read:

554 | 627.7031 Foreign venue clauses prohibited.—After July 1,
555 | 2021, a personal residential property insurance policy sold in
556 | the state and insuring only real property located in the state
557 | may not require an insured to pursue dispute resolution through
558 | litigation, arbitration, or mediation outside the state. This
559 | section also applies to surplus lines insurers and to surplus
560 | lines insurance authorized under ss. 626.913–626.937.

561 | Section 19. Effective January 1, 2022, section 627.7142,
562 | Florida Statutes, is amended to read:

563 | 627.7142 Homeowner Claims Bill of Rights.—An insurer
564 | issuing a personal lines residential property insurance policy
565 | in this state must provide a Homeowner Claims Bill of Rights to
566 | a policyholder within 14 days after receiving an initial
567 | communication with respect to a claim, ~~unless the claim follows~~
568 | ~~an event that is the subject of a declaration of a state of~~
569 | ~~emergency by the Governor.~~ The purpose of the bill of rights is
570 | to summarize, in simple, nontechnical terms, existing Florida
571 | law regarding the rights of a personal lines residential
572 | property insurance policyholder who files a claim of loss. The
573 | Homeowner Claims Bill of Rights is specific to the claims
574 | process and does not represent all of a policyholder's rights
575 | under Florida law regarding the insurance policy. The Homeowner

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576 Claims Bill of Rights does not create a civil cause of action by
577 any individual policyholder or class of policyholders against an
578 insurer or insurers. The failure of an insurer to properly
579 deliver the Homeowner Claims Bill of Rights is subject to
580 administrative enforcement by the office but is not admissible
581 as evidence in a civil action against an insurer. The Homeowner
582 Claims Bill of Rights does not enlarge, modify, or contravene
583 statutory requirements, including, but not limited to, ss.
584 626.854, 626.9541, 627.70131, 627.7015, and 627.7074, and does
585 not prohibit an insurer from exercising its right to repair
586 damaged property in compliance with the terms of an applicable
587 policy or ss. 627.7011(5)(e) and 627.702(7). The Homeowner
588 Claims Bill of Rights must state:

589

590 HOMEOWNER CLAIMS

591 BILL OF RIGHTS

592 This Bill of Rights is specific to the claims process and does
593 not represent all of your rights under Florida law regarding
594 your policy. There are also exceptions to the stated timelines
595 when conditions are beyond your insurance company's control.

596 This document does not create a civil cause of action by an
597 individual policyholder, or a class of policyholders, against an
598 insurer or insurers and does not prohibit an insurer from
599 exercising its right to repair damaged property in compliance
600 with the terms of an applicable policy.

601
602 YOU HAVE THE RIGHT TO:

603 1. Receive from your insurance company an acknowledgment
604 of your reported claim within 14 days after the time you
605 communicated the claim.

606 2. Upon written request, receive from your insurance
607 company within 30 days after you have submitted a complete
608 proof-of-loss statement to your insurance company, confirmation
609 that your claim is covered in full, partially covered, or
610 denied, or receive a written statement that your claim is being
611 investigated.

612 3. Within 90 days, subject to any dual interest noted in
613 the policy, receive full settlement payment for your claim or
614 payment of the undisputed portion of your claim, or your
615 insurance company's denial of your claim.

616 4. Receive payment of interest, as provided in section
617 627.70131, Florida Statutes, from your insurance company, which
618 begins accruing from the date your claim is filed if your
619 insurance company does not pay full settlement of your initial,
620 reopened, or supplemental claim or the undisputed portion of
621 your claim or does not deny your claim within 90 days after your
622 claim is filed. The interest, if applicable, must be paid when
623 your claim or undisputed portion of your claim is paid.

624 ~~5.4.~~ Have free mediation of your disputed claim by the
625 Florida Department of Financial Services, Division of Consumer

626 Services, under most circumstances and subject to certain
 627 restrictions.

628 ~~6.5.~~ Have neutral evaluation of your disputed claim, if
 629 your claim is for damage caused by a sinkhole and is covered by
 630 your policy.

631 ~~7.6.~~ Contact the Florida Department of Financial Services,
 632 Division of Consumer Services' toll-free helpline for assistance
 633 with any insurance claim or questions pertaining to the handling
 634 of your claim. You can reach the Helpline by phone at...(toll-
 635 free phone number)..., or you can seek assistance online at the
 636 Florida Department of Financial Services, Division of Consumer
 637 Services' website at...(website address)....

638
 639 YOU ARE ADVISED TO:

640 1. Contact your insurance company before entering into any
 641 contract for repairs to confirm any managed repair policy
 642 provisions or optional preferred vendors.

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

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

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

657 5. Require all contractors to provide proof of insurance
 658 before beginning repairs.

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

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

665 631.57 Powers and duties of the association.—

666 (1) The association shall:

667 (a)1. Be obligated to the extent of the covered claims
 668 existing:

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

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

673 c. Before the insured replaces the policy or causes its
 674 cancellation, if she or he does so within 30 days of the
 675 determination.

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

682 3.a. Notwithstanding subparagraph 2., the obligation under
683 subparagraph 1. for policies covering condominium associations
684 or homeowners' associations, which associations have a
685 responsibility to provide insurance coverage on residential
686 units within the association, shall include that amount of each
687 covered property insurance claim which is less than \$200,000
688 multiplied by the number of condominium units or other
689 residential units; however, as to homeowners' associations, this
690 sub-subparagraph applies only to claims for damage or loss to
691 residential units and structures attached to residential units.

692 b. Notwithstanding sub-subparagraph a., the association
693 has no obligation to pay covered claims that are to be paid from
694 the proceeds of bonds issued under s. 631.695. However, the
695 association shall assign and pledge the first available moneys
696 from all or part of the assessments to be made under paragraph
697 (3) (a) to or on behalf of the issuer of such bonds for the
698 benefit of the holders of such bonds. The association shall
699 administer any such covered claims and present valid covered
700 claims for payment in accordance with the provisions of the

701 assistance program in connection with which such bonds have been
 702 issued.

703 4. In no event shall the association be obligated to a
 704 policyholder or claimant in an amount in excess of the
 705 obligation of the insolvent insurer under the policy from which
 706 the claim arises.

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

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

714 631.904 Definitions.—As used in this part, the term:

715 (2) "Covered claim" means an unpaid claim, including a
 716 claim for return of unearned premiums, which arises out of, is
 717 within the coverage of, and is not in excess of the applicable
 718 limits of, an insurance policy to which this part applies, which
 719 policy was issued by an insurer and which claim is made on
 720 behalf of a claimant or insured who was a resident of this state
 721 at the time of the injury. The term "covered claim" includes
 722 unpaid claims under any employer liability coverage of a
 723 workers' compensation policy limited to the lesser of \$300,000
 724 or the limits of the policy. The term "covered claim" does not
 725 include any amount sought as a return of premium under any

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726 retrospective rating plan; any amount due any reinsurer,
 727 insurer, insurance pool, or underwriting association, as
 728 subrogation recoveries or otherwise; any claim that would
 729 otherwise be a covered claim that has been rejected or denied by
 730 any other state guaranty fund based upon that state's statutory
 731 exclusions, including, but not limited to, those based on
 732 coverage, policy type, or an insured's net worth, except this
 733 exclusion from the definition of covered claim does not apply to
 734 employers who, before ~~prior to~~ April 30, 2004, entered into an
 735 agreement with the corporation preserving the employer's right
 736 to seek coverage of claims rejected by another state's guaranty
 737 fund; ~~or any return of premium resulting from a policy that was~~
 738 ~~not in force on the date of the final order of liquidation.~~

739 Member insurers have no right of subrogation against the insured
 740 of any insolvent insurer. This provision applies retroactively
 741 to cover claims of an insolvent self-insurance fund resulting
 742 from accidents or losses incurred before ~~prior to~~ January 1,
 743 1994, regardless of the date the petition in circuit court was
 744 filed alleging insolvency and the date the court entered an
 745 order appointing a receiver.

746 Section 22. Section 648.30, Florida Statutes, is amended
 747 to read:

748 648.30 Licensure and appointment required; prohibited
 749 acts; penalties.-

750 (1) A person may not act in the capacity of a bail bond

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751 agent or temporary bail bond agent or perform any of the
752 functions, duties, or powers prescribed for bail bond agents or
753 temporary bail bond agents under this chapter unless that person
754 is qualified, licensed, and appointed as provided in this
755 chapter.

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

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

765 (4) Any person who violates this section commits a felony
766 of the third degree, punishable as provided in s. 775.082, s.
767 775.083, or s. 775.084.

768 (5) Any licensee under this chapter who knowingly aids or
769 abets an unlicensed person in violating this section commits a
770 felony of the third degree, punishable as provided in s.
771 775.082, s. 775.083, or s. 775.084.

772 Section 23. Except as otherwise expressly provided in this
773 act, this act shall take effect upon becoming a law.