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30 constitutes a waiver by the assignee or transferee, or  
 31 any subcontractor of the assignee or transferee, of  
 32 certain claims against named insureds, except under  
 33 specified circumstances; providing construction  
 34 relating to the validity of such waiver; requiring an  
 35 assignee, before initiating certain litigation against  
 36 an insurer, to provide a certain invoice and estimate  
 37 to the insurer within a specified timeframe; providing  
 38 that certain offers of settlement in certain civil  
 39 actions may not be made until after a specified  
 40 timeframe; requiring the office to require each  
 41 insurer to annually report specified data relating to  
 42 certain claims paid pursuant to assignment agreements;  
 43 authorizing the office to adopt rules; providing  
 44 applicability; providing an effective date.  
 45

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

48  
49 Section 1. Subsection (11) is added to section 627.062,  
50 Florida Statutes, to read:

51 627.062 Rate standards.<sup>1/4</sup>

52 (11) Attorney fees and costs paid by a property insurer  
 53 pursuant to s. 627.428 may not be included in the property  
 54 increase or rate change.  
 55

56 Section 2. Subsection (1) of section 627.409, Florida  
57 Statutes, is amended to read:

58 627.409 Representations in applications; warranties.<sup>1/4</sup>

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59 (1) Any statement or description made by or on behalf of an  
 60 insured or annuitant in an application for an insurance policy  
 61 or annuity contract, or in negotiations for a policy or  
 62 contract, is a representation and not a warranty. Except as  
 63 provided in subsection (3), a misrepresentation, omission,  
 64 concealment of fact, or incorrect statement may prevent recovery  
 65 under the contract or policy only if the misrepresentation,  
 66 omission, concealment of fact, or incorrect statement directly  
 67 relates to the cause of the claim being made and any of the  
 68 following apply:

69 (a) The misrepresentation, omission, concealment, or  
 70 statement is fraudulent or is material to the acceptance of the  
 71 risk or to the hazard assumed by the insurer.

72 (b) If the true facts relative to the loss claimed had been  
 73 known to the insurer pursuant to a policy requirement or other  
 74 requirement, the insurer in good faith would not have:

- 75 1. Issued the policy or contract; ~~it would not have~~
- 76 2. Issued the policy or contract ~~it~~ at a ~~the same~~ premium  
 77 rate at least 20 percent higher than the rate actually charged;  
 78 ~~would not have~~
- 79 3. Issued a policy or contract in as large an amount; ~~it~~ or
- 80 4. ~~would not have~~ Provided coverage with respect to the  
 81 hazard resulting in the loss.

82 Section 3. Section 627.422, Florida Statutes, is amended to  
 83 read:

84 627.422 Assignment of policies or post-loss benefits.<sup>1/4</sup>A  
 85 policy may be assignable, or not assignable, as provided by its  
 86 terms.

87 (1) LIFE OR HEALTH INSURANCE POLICIES.<sup>1/4</sup>Subject to its terms



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146 be raised to estop the insurer from asserting that work done was  
 147 not reasonably necessary or that the notice was insufficient to  
 148 comply with this section.

150 (3) Notwithstanding any other law, the acceptance by an  
 151 assignee of a valid assignment agreement constitutes a waiver by  
 152 the assignee or transferee, and any subcontractor of the  
 153 assignee or transferee, of any and all claims against named  
 154 insureds for payment arising from the specified loss, except  
 155 that all named insureds remain responsible for:

156 (a) The payment of any deductible amount provided for by  
 157 the terms of the insurance policy;

158 (b) The payment for work performed before the rescission of  
 159 the assignment agreement, if there is a rescission;

160 (c) The cost of any betterment specifically authorized by  
 161 the insured in a writing that identifies the work as betterment  
 162 for which the insured will be liable; and

163 (d) Coverage by the homeowner.

166 The waiver in this subsection is valid even if the assignment  
 167 agreement is determined to be invalid.

168 (4) No later than 30 days before an assignee initiates  
 169 litigation against an insurer relating to a residential  
 170 the insurer an invoice for all work that has been performed and  
 171 a current estimate of work remaining to be performed.

173 (5) Property insurance claim under a policy in which an assignment  
 174

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