

**FLORIDA DEPARTMENT OF FINANCIAL SERVICES
OFFICE OF THE CHIEF FINANCIAL OFFICER
EMERGENCY ORDER 2024-01**

WHEREAS, on August 1, 2024, Governor DeSantis issued Executive Order 24-156 declaring a state of emergency in certain counties within the state of Florida in response to Invest 97L, which later became Tropical Storm Debby and subsequently, Hurricane Debby.

WHEREAS, on August 2, 2024, Governor DeSantis issued Executive Order 24-157, amending Executive Order 24-156 (Collectively referred to as Governor's Executive Orders for Hurricane Debby).

WHEREAS, Executive Order 24-156 authorizes state agencies to suspend the provisions of any regulatory statute or rule of the agency by Emergency Order if strict compliance with the provisions of such statute, order, or rule would in any way prevent, hinder, or delay necessary action in coping with the emergency.

WHEREAS, Subsection (11), paragraph (b), subparagraph (1) of Section 626.854, Florida Statutes, fixes Public Adjuster compensation at 10% of the amount of insurance claim payments or settlements, exclusive of fees and costs, paid to the insured based on events that are the subject of a declaration of a state of emergency by the Governor.

WHEREAS, property insurance policies are indemnity products that are designed to compensate the insured for the value of covered losses.

WHEREAS, funds paid to Public Adjusters are deducted from claims payments issued to an insured by an insurance company and are therefore not available to help the insured pay for covered damages.

WHEREAS, consumers who retain a public adjuster will have to pay out of pocket to make up the difference between the value of their covered claim and the amount of indemnity payment remaining after compensating the public adjuster.

WHEREAS, Subsection (7) of Section 626.854, Florida Statutes, provides that Public Adjuster contracts entered into based on events that are the subject of a declaration of a state of emergency by the Governor may be cancelled for any reason, without penalty or obligation, within 30 days of the date of loss or 10 days after the date the contract is issued, whichever is longer.

WHEREAS, SB 2-A (2022) amended Paragraph (a), Subsection (3) of Section 627.70131, Florida Statutes, by reducing the generally applicable timeline for insurance companies to begin investigating a claim from 14 calendar days after receiving a proof-of-loss statement to 7 calendar days after receiving a proof-of-loss statement.

WHEREAS, when such investigation involves a physical inspection of the property, SB 2-A (2022) reduced the timeline for such physical inspection from 45 days after receipt of the proof-of-loss statement to 30 days after receipt of the proof-of-loss statement.

WHEREAS, Florida's insurance consumers should be afforded the opportunity to make an informed decision about whether or not a public adjuster's compensation represents fair value in light of the coverage decisions made by their insurance company.

WHEREAS, Section 627.70131, Florida Statutes, requires insurers receiving a communication with respect to a claim to review and acknowledge receipt of such communication within 7 calendar days, unless payment is made within that period of time or unless the failure to acknowledge is caused by factors beyond the control of the insurer.

WHEREAS, insurance companies often contract their claims handling operations to non-employee contractors, who must be licensed as Independent Adjusters by the Florida Department of Financial Services.

WHEREAS, the Department of Financial Services has an interest in ensuring that its licensees take initiative to adhere to the communication timelines provided in Section 627.70131, Florida Statutes, and has further interest in clarifying the corresponding responsibilities of licensees working on behalf of an insurer.

THEREFORE, BE IT RESOLVED THAT I, JIMMY PATRONIS, as Chief Financial Officer of Florida, and acting under my powers as the agency head for the Department of Financial Services, and in accordance with the Governor's

Executive Orders for Hurricane Debby, hereby issue the following Emergency Order:

Section 1. Notwithstanding the provisions of Subsection (7) of Section 626.854, Florida Statutes, a public adjuster contract entered into based on events that are the subject of a Governor's Executive Order for Hurricane Debby may be cancelled without penalty or obligation within 30 days after the date of loss or 30 days after the date on which the contract is executed, whichever is longer.

Section 2. Notwithstanding the provisions of Paragraph (b), Subsection (1), of Section 627.70131, Florida Statutes, an independent adjuster working with insureds on behalf of one or more insurers on a claim arising out of Hurricane Debby is hereby determined to be a "representative" as that term is used in Section 627.70131, Florida Statutes, and he or she is therefore required to review and acknowledge receipt of communications from an insured regarding a claim arising out of Tropical Storm Debby or Hurricane Debby within 7 calendar days of receipt.


Section 3. Notwithstanding the provision of Subsection (2) of Section 626.878, Florida Statutes, requiring persons licensed as adjusters to identify himself or herself in any advertisement, solicitation, or written document based on the adjuster appointment type held, all adjusters verbally interacting with an insured regarding a claim arising from Tropical Storm Debby or Hurricane Debby

shall be duly required to verbally identify themselves to the insured by their adjuster appointment type, be it Company Adjuster, Independent Adjuster, Public Adjuster, or Public Adjuster Apprentice, verbally explain their role in the claims process, and verbally identify who they represent in the claims process.

Section 4. This Emergency Order is only effective with respect to insurance claims that occurred in the following counties: Alachua, Baker, Bradford, Charlotte, Citrus, Clay, Collier, Columbia, Dixie, Duval, Franklin, Gadsden, Gilchrist, Hamilton, Hernando, Hillsborough, Jefferson, Lafayette, Lake, Lee, Leon, Levy, Liberty, Madison, Manatee, Marion, Nassau, Pasco, Pinellas, Putnam, Sarasota, St. Johns, Sumter, Suwannee, Taylor, Union, and Wakulla counties and shall expire upon the expiration of Executive Order 24-156.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Florida to be affixed, this 8th day of August 2024.




Signed, Jimmy Patronis
Chief Financial Officer
State of Florida