

YourFLVoice

Insight from Your Insurance Consumer Advocate



Legislative Update

There are many factors negatively impacting the insurance market and, as a result, insurance consumers are paying more for less coverage and are having difficulty finding suitable coverage. To address the issues, I put forth several legislative proposals during the 2021 Legislative Session that will protect consumers, reduce litigation and improve the consumer experience. My hope is that proper implementation of the changes will positively impact insurance rates.

I worked with Chief Financial Officer Jimmy Patronis and several legislators to incorporate the proposals into legislation that was considered this Legislative Session, which ended on April 30th.

Those proposals have been incorporated into the CFO's Consumer Protection Package – Senate Bill 1598 and House Bill 717 – and passed!

The bills will now be sent to the Governor for his signature.



Some of the changes I proposed include:



Consumer Protections

- Require the insurance company to notify the policyholder within 7 business days when an adjuster is assigned to the claim. The requirement will ensure that insurance companies are effectively communicating with the policyholder and keeping the policyholder informed throughout the claim process.

- Require the insurance company to provide written confirmation if claim is fully or partially covered or denied within 30 days of receiving a complete Proof of Loss Statement.
- Require the insurance company to send the Homeowners Claims Bill of Rights within 14 days after the initial filing of a hurricane-related claim. The Homeowners Claim Bill of Rights is an important document that outlines a consumer's rights and responsibilities as a policyholder after filing a claim.
- Add information that details a policyholder's right to accrued interest if the insurance company fails to fully or partially pay or deny the claim within 90 days.
- Add video as an additional option to document damage and repairs. Currently, only photographs are listed.
- Add information that advises policyholders to file all claims directly with their insurance company and to be aware of contractors or repair vendors that offer incentives for free inspections or promise to coordinate with the insurance company to repair the home with no out of pocket expenses. Adding this information will potentially create a more heightened and aware policyholder who will better protect themselves from fraudulent insurance claims and scams.



Public Adjuster Services

The bills also prohibit contractors from advertising, soliciting, offering to handle, handling, or performing public adjuster services.

Additionally, only an attorney or licensed public adjuster can:

- Prepare, complete or file an insurance claim
- Act on behalf of an insured in negotiating or effectuating the settlement of a claim
- Offer to initiate or negotiate a claim

The Department of Financial Services may take administrative actions and impose fines against those who violate these provisions.



Contractor Solicitation

Additionally, Senate Bill 76 includes provisions to protect consumers from unlicensed adjusting and contracting and solicitation fraud:

Some of the prohibitions on contractor solicitation include:

- Using prohibited advertisements
- Offering rebates, gift cards, cash, etc. in exchange for conducting an inspection on a roof or making an insurance claim
- Compensation for referrals
- Interpreting policy provisions or duties
- Providing an agreement without a good faith, itemized estimate

A contractor who violates these prohibitions is subject to a fine up to \$10,000 for each violation. A person who engages in unlicensed contracting can be fined up to \$10,000 for each violation.

Contractor's agreements must include a notice of the prohibitions. If a contract does not include the notice, the homeowner can void the contract within 10 days after execution.

Senate Bill 76 will be sent to the Governor for his signature.

I am hopeful that these changes will assist consumers in being more informed and reduce unlicensed activity and insurance fraud.

Thank you for allowing me to advocate for you and fight for positive changes in the insurance market.

If you have ideas for future Legislative Sessions, please share your thoughts and suggestions by emailing me @ YourFLVoice@MyFloridaCFO.com.



— Tasha Carter —

Office of the Insurance Consumer Advocate
Florida Department of Financial Services
200 East Gaines Street, Tallahassee, Florida 32399
YourFLVoice@MyFloridaCFO.com

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YourFLVoice@MyFloridaCFO.com

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