

1 A bill to be entitled

2 An act relating to assignment of post-loss insurance
3 policy benefits; amending s. 626.854, F.S.; providing
4 that an assignment or agreement that transfers
5 authority to adjust, negotiate, or settle a claim is
6 void; amending s. 627.405, F.S.; prohibiting
7 assignment of an insurable interest except to
8 subsequent purchasers after a loss; amending s.
9 627.422, F.S.; authorizing an insurance policy to
10 prohibit assignment of post-loss benefits; providing
11 exceptions; providing an effective date.

12
13 Be It Enacted by the Legislature of the State of Florida:

14
15 Section 1. Subsection (16) of section 626.854, Florida
16 Statutes, is amended to read:

17 626.854 "Public adjuster" defined; prohibitions.—The
18 Legislature finds that it is necessary for the protection of the
19 public to regulate public insurance adjusters and to prevent the
20 unauthorized practice of law.

21 (16) (a) A licensed contractor under part I of chapter 489,
22 or a subcontractor, may not adjust a claim on behalf of an
23 insured unless licensed and compliant as a public adjuster under
24 this chapter. However, the contractor may discuss or explain a
25 bid for construction or repair of covered property with the
26 residential property owner who has suffered loss or damage

27 covered by a property insurance policy, or the insurer of such
 28 property, if the contractor is doing so for the usual and
 29 customary fees applicable to the work to be performed as stated
 30 in the contract between the contractor and the insured.

31 (b) Any assignment or agreement that purports to transfer
 32 the authority to adjust, negotiate, or settle any portion of a
 33 claim to such contractor or subcontractor, or that is otherwise
 34 in derogation of this section, is void.

35 Section 2. Subsection (4) is added to section 627.405,
 36 Florida Statutes, to read:

37 627.405 Insurable interest; property.—

38 (4) Insurable interest does not survive an assignment,
 39 except to a subsequent purchaser of the property who acquires
 40 insurable interest following a loss.

41 Section 3. Section 627.422, Florida Statutes, is amended
 42 to read:

43 627.422 Assignment of policies; restrictions on post-loss
 44 assignment of benefits.—

45 (1) A policy may be assignable, or not assignable, as
 46 provided by its terms. Subject to its terms relating to
 47 assignability, any life or health insurance policy under the
 48 terms of which the beneficiary may be changed upon the sole
 49 request of the policyowner may be assigned either by pledge or
 50 transfer of title, by an assignment executed by the policyowner
 51 alone and delivered to the insurer, whether or not the pledgee
 52 or assignee is the insurer. Any such assignment shall entitle

53 the insurer to deal with the assignee as the owner or pledgee of
54 the policy in accordance with the terms of the assignment, until
55 the insurer has received at its home office written notice of
56 termination of the assignment or pledge or written notice by or
57 on behalf of some other person claiming some interest in the
58 policy in conflict with the assignment.

59 (2) A property insurance policy may prohibit the post-loss
60 assignment of rights, benefits, causes of action, or other
61 contractual rights under the policy, except:

62 (a) An insured may assign the benefit of payment of no
63 more than \$3,000 to a person or entity providing services or
64 materials to mitigate or repair damage directly arising from a
65 covered loss. The assignment is limited solely to the ability to
66 be named as a copayee for the benefit of payment for the
67 reasonable value of services rendered and materials provided to
68 mitigate or repair the damage. The insured may not assign the
69 right to enforce payment of the post-loss benefits in the
70 policy.

71 (b) For the purpose of compensating a public adjuster for
72 services authorized by s. 626.854(11). The assignment may only
73 be for compensation due to the public adjuster by the insured
74 and not for the remainder of the benefits due to the insured
75 under the policy. This paragraph does not affect any obligation
76 of the insurer to issue the insured a check for payment in the
77 name of the insured or mortgage holder.

78 (c) For payment of an attorney representing the insured,

CS/CS/HB 669

2015

79 if the assignment provides that the benefits must be paid to the
80 attorney representing the insured and that the attorney must
81 disperse the funds to repair the property at the direction of
82 the insured.

83 (3) Any post-loss assignment of rights, benefits, causes
84 of action, or other contractual rights in contravention of this
85 section renders the assignment void.

86 Section 4. This act shall take effect July 1, 2015.