



249528

LEGISLATIVE ACTION

Senate

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House

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The Committee on Banking and Insurance (Richter) recommended the following:

**Senate Amendment (with title amendment)**

Delete lines 2518 - 2538

and insert:

(a) For a dwelling, the insurer must initially pay at least the actual cash value of the insured loss, less any applicable deductible. To receive payment from an insurer for replacement costs, the policyholder must enter into a contract for the performance of building and structural repairs, unless the requirement for a contract is waived by the insurer. The insurer shall pay any remaining amounts necessary to perform such repairs as work is performed and expenses are incurred. The



13 insurer or any contractor or subcontractor may not require the  
14 policyholder to advance payment for such repairs or expenses,  
15 with the exception of incidental expenses to mitigate further  
16 damage. If a total loss of a dwelling occurs, the insurer shall  
17 pay the replacement cost coverage without reservation or  
18 holdback of any depreciation in value, pursuant to s. 627.702.

19 (b) For personal property, the insurer may limit the  
20 initial payment to the actual cash value of the personal  
21 property to be replaced. An insurer may require an insured to  
22 provide receipts for the purchase of the property financed by  
23 the initial payment and use such receipts to make the next  
24 payment requested by the insured for the replacement of insured  
25 property, and continue this process until the insured remits all  
26 receipts up to the policy limits for replacement costs. The  
27 insurer must provide clear notice of this process in the  
28 insurance contract. The insurer may not require the policyholder  
29 to advance payment for the replaced property ~~the insurer shall~~  
30 ~~pay~~

31  
32 ===== T I T L E A M E N D M E N T =====

33 And the title is amended as follows:

34 Delete lines 133 - 147

35 and insert:

36 627.7011, F.S.; requiring the insurer to pay the  
37 actual cash value of an insured loss for a dwelling,  
38 less any applicable deductible; requiring a  
39 policyholder to enter into a contract for the  
40 performance of building and structural repairs unless  
41 waived by the insurer; restricting insurers and



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42 contractors from requiring advance payments for  
43 repairs and expenses; authorizing an insurer to limit  
44 the initial payment for personal property to the  
45 actual cash value of the property to be replaced and  
46 to require the insured to provide receipts for  
47 purchases; requiring the insurer to provide notice of  
48 this process in the insurance contract; prohibiting an  
49 insurer from requiring the insured to advance payment;  
50 amending s.