



The Florida House of Representatives

Paul Renner
Speaker

NEWS RELEASE

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House Passes Measures to Hold Insurers Accountable

TALLAHASSEE, Fla. (May 3, 2023) — Today, in an effort to increase consumer protections and hold insurance companies accountable to consumers, the Florida House of Representatives passed Senate Bill 7052, giving the Florida Office of Insurance Regulation (OIR) power to issue significantly higher fines for patterns and practices of poor claims handling by insurers.

“Property insurers who prey on Floridians with deliberate efforts to reject or reduce legitimate claims deserve to get hammered,” Florida House Speaker Paul Renner (R-Palm Coast) said. “Recent reforms by this legislature to create a healthier and more balanced property insurance market will make homeowner’s insurance more affordable. As more competition enters the market, we need to ensure Florida’s homeowners are not taken advantage of.”

“Floridians need assurances that their homeowner’s insurers are responsive to claims, competitive on rates, and will be there when they need them,” said House bill sponsor and Insurance & Banking Subcommittee Chair, Representative Wyman Duggan (R-Jacksonville). “We will hold insurers accountable and build a healthy, balanced insurance market that is responsive to policyholders.”

Senate Bill 7052 highlights:

- Requires insurers to follow appropriate claims handling practices;
- Requires residential property insurers to create and use claims-handling manuals that follow the Insurance Code and best practice standards;
- Requires rate filings made by property insurer and motor vehicle insurers include, and the Office of Insurance Regulation (OIR) consider when reviewing rates, the combined effect of recent legislative reforms;

- Appropriates \$500,000 to OIR to obtain an actuarial study to develop appropriate methodology and data to implement this requirement;
- Requires OIR to update a study regarding property insurance mitigation discounts at least every 5 years;
- Increases maximum administrative fines that may be levied on insurers and insurance agents for violating the Insurance Code by 250 percent generally, and 500 percent for violations related to a declared state of emergency, including a hurricane;
- Requires insurers and agents to more promptly respond to the Department of Financial Services' (DFS) Division of Consumer Services and increases fines for failure to respond;
- Increases staffing for OIR and DFS; and
- Provides conditions whereby the OIR must initiate market conduct examinations of insurers following a hurricane.

For more information on Senate Bill 7052, please visit www.myfloridahouse.gov.

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