
ASHTON ADVOCACY CONSULTING

MEMORANDUM

TO: International Association of Certified Home Inspectors

FROM: Jennifer Ashton

DATE: February 27, 2025

SUBJECT: Bills to Watch

Bills to Watch

Home Inspectors:

Home Inspectors- HB 1251 by Rep. Bankson (R-Winter Garden) and identical filed bill SB 638 by Sen. Martin (R Fort Myers) Revising the examination and disclosure requirements for home inspectors; requiring home inspectors to maintain an errors and omissions insurance policy in a specified amount, etc.

- Changes the examination requirements for new inspectors 120 course hours to 200 hours
- Changes the course requirements to include:
 - State Insurance Inspections
 - Wind Mitigation
 - Four-Point
 - Roof Inspections
 - 8 Hours specifically dedicated to
 - Report writing (Practical Component)

Home Hardening Programs:

Home Hardening- HB 853 by Rep. LaMarca (R-Broward) and the similar filed bill-SB1461 by Sen. DiCeglie (R-Indian Rocks Beach) Exempts from sales & use tax impact-resistant doors, garage doors, & windows during specified month; specifies distribution of certain tax revenue proceeds.

My Safe Florida Home Program- HB 551 by Rep. LaMarca (R-Broward) and the identical SB 1466 by Sen. Dicegle (R-Indian Rocks Beach) Creates My Safe Florida Home Trust Fund within DFS; specifies sources of funds & purpose of trust fund; requires that certain percentage of specified sales tax be distributed into fund; requires Department of Revenue to distribute certain funds within specified timeframe.

- This will allow the program to have yearly recurring funds that won't need to be determined on a yearly basis.

My Safe Florida Condo Pilot Program- HB 393 by Re. Lopez (R-Miami) and the identical SB 592 by Senator Leek (R-Alachua) are clean up bills to last years My Safe Florida Condo Pilot Program Legislation. The legislation addresses participation and grant eligibility requirements.

(Section 1)- Participation- This removes detached units from the condominium definition for purposes of this program and changes the participation requirement to only condominiums three stories or more in height.

- changes the 100% association agreement requirement to 75%.
- Defines roof-related improvements for grant eligibility

Roofing:

Roofing Services- HB 715 by Rep. Porres (R-Miami) and the similar Roof Contracting bill- SB 1076 by Senator McClain (R-Alachua) Revises definition of term "roofing contractor"; revises official start date that residential property owner may cancel contract to replace or repair roof without penalty or obligation; revises language required to be in contract, or attached thereto, to replace or repair roof that is executed within a specified time of declaration of state of emergency.

Property Insurance:

Court Judgment Interest Rates and Insurance Reports and Practices– HB 451 by Rep. Alex Andrade (R-Pensacola) and the similar SB 554 by Senator Don Gaetz (R-Pensacola) would essentially undo the 2023 tort reform under HB 837 that eliminated one-way attorney fees for plaintiff attorneys and reverts to something similar to previous attorney fee calculations under SB 76 that were part of the 2021 reforms. HB 451 breakdown by section:

(Section 1) – Increased Judgment Interest Rate – The bill raises the interest rate on court judgments from 400 to 800 basis points.

(Section 2) – Insurance Transparency Reports – The Office of Insurance Regulation (OIR) must compile reports on:

- Business relationships between insurers and related entities that share executives or ownership.
- Executive compensation, detailing salaries, bonuses, and stock options as a percentage of the company's revenue.
- These reports must be public and cannot be labeled "trade secrets" to avoid disclosure.

(Section 3) – Rate Review Consideration

- The newly required insurance reports from Section 2 will now be factored into the state's insurance rate approval process.
- Executive compensation and company relationships will be used to determine if rate increases are justified.

(Section 4) – Claims Adjustments and Documentation

- Insurance company adjusters must use electronic estimating software. Deletes the requirement of the DFS emergency rule from October 2024 that public adjusters are subjected to these provisions
- If an adjuster manually changes pricing data, they must:
- Document all modifications.
- Provide explanations for changes.
- Identify who made the changes.
- Retain records for at least seven years.

(Section 5) – Claim Mediation Timeline – Insurers can no longer reinspect a property before a claim becomes eligible for mediation.

(Section 6) – Dispute Resolution & Attorney Fees

- When a policyholder sends a presuit demand, the insurer must either:
- Accept the demand.
- Make a counteroffer.
- Decline the demand.
- Before filing a lawsuit, both parties must go through mandatory mediation, splitting the cost equally.
- Attorney fees in property insurance cases are awarded based on how much the final judgment matches the original demand:
- 80% or more: Claimant gets full attorney fees.
- 20%-80%: Attorney fees awarded proportionally.
- Less than 20%: No attorney fees awarded.
- Exceptions: Attorney fees may still be awarded if:
- The insurer violates deadlines.
- The claimant's demand is reasonable.
- The court finds bad faith on either side.

(Section 7) – Arbitration Disclosure – If an insurer offers mandatory arbitration with a premium discount, they must clearly show the discount amount in dollars in the policy quote.

(Sections 8, 9, 10) – Technical Adjustments – These sections update cross-references in existing laws to align with the changes introduced in HB 451.

(Section 11) – Effective Date – The bill goes into effect on **July 1, 2025**.

(NEW) Resolution of Disputed Property Insurance Claims– SB 224 by Senator Tina Polsky (D-Boca Raton) and the identical HB 459 by Rep. Leonard Spencer (D-Winter Garden) requires, rather than authorizes, parties in property insurance claim disputes to participate in mediation. Specifically, it provides:

- Mediation must precede filing a lawsuit
- Parties may mutually agree to conduct mediation by teleconference or other electronic means
- Requires all insureds, or their representatives, to personally attend mediation
- Revises & specifies the costs of mediation, requiring the insurer bear all reasonable costs unless the policyholder fails to appear, and requires each party pay the cost for its own expert or representative
- Requires the policyholder to provide insurer with any information & certain documents within a specified timeframe after mediation is invoked
- Revises conditions under which a policyholder has a certain timeframe to rescind settlement.

The bill comes with an appropriation of \$1 million from the Insurance Regulatory Trust Fund to administer its provisions.

Insurance– SB 230 by Senator Keith Truenow (R-Tavares) is the meatiest of all bills filed so far. It would put new restrictions on bad faith claims by first requiring a court ruling and final judgment that an insurance company breached the policy contract before a bad faith claim could be filed. It would also:

- Prohibit a bad faith claim simply because the insurance company paid a claim following a Notice of Intent to Litigate or a demand for judgment;
- Require the plaintiff to cite specific bad faith laws that were allegedly violated;
- Require the plaintiff to note the amount of damages required to cure the violation;
- Require any damages sought to be available under the terms of the insurance policy; and
- Prohibit attorney fees or costs from any damages sought.

The bill is meant to close loopholes identified since the initial bad faith law reforms that were part of the 2022 insurance consumer protections and market reforms. The bill contains other tweaks to current insurance law. It would prohibit public adjusters from engaging in certain adversarial conduct, revise the circumstances under which a carrier or agent may cancel certain policies, and revise the required disclaimer statement on policies that do not provide flood insurance. The bill would also reduce the current coursework requirement from 200 hours to 60 hours to become a general lines insurance agent.

Residential Property Insurers– SB 128 by Senator Danny Burgess (R-Zephyrhills) is meant to give insurance consumers better notification of a policy cancellation, nonrenewal, and rate change by mandating notices be sent by email. Current state law allows emailing such documents only if the policyholder affirmatively elects email delivery, reflecting federal law. We as an industry cannot automatically email someone something, without their prior approval. The bill would also change the timetable for such notifications. Current law requires a 45-day notice for change in premium and 120-

day notice for cancelation and nonrenewal. The bill as filed appears to shorten the 120-day notice of cancelation or nonrenewal to 45 days. Look for potential changes to this bill as a result.

Resilience:

Resilient Buildings– HB 143 by Rep. Webster Barnaby (R-Deltona) and the similar SB 62 by Senator Ana Maria Rodriguez (R-Doral) would authorize owners of resilient buildings to receive a specified tax credit for those improvements and outlines specific LEED (Leadership in Energy and Environmental Design) requirements of a building. The bill also creates the Florida Resilient Building Advisory Council which would work with the Department of Environmental Protection.

Nature-based Methods for Improving Coastal Resilience– SB 50 by Senator Ileana Garcia (R-Miami) would require the Florida Flood Hub for Applied Research and Innovation to develop guidelines and standards for “green and gray infrastructure” to improve coastal resilience to storms. It would also require the Department of Environmental Protection to adopt rules for nature-based methods for coastal resilience and require a statewide feasibility study with the Department of Financial Services Division of Insurance Agent and Agency Services on the value of applying those methods.