



CHIEF FINANCIAL OFFICER  
JEFF ATWATER  
STATE OF FLORIDA

September 13, 2011

Dear Neutral Evaluator:

Upon further review of the changes to the neutral evaluation program made by Senate Bill 408, the department finds that the conduct of the neutral evaluations should proceed as discussed below.

1. The following procedural changes made by SB 408 apply to all new and pending neutral evaluations:
  - a. each party can disqualify 2 neutral evaluators without cause
  - b. the department shall disqualify neutral evaluators for cause based solely on the reasons outlined in statute
  - c. the neutral evaluator shall make reasonable efforts to hold the neutral evaluation conference within 90 days of the referral
  - d. the department will appoint a neutral evaluator if the parties cannot agree to a neutral evaluator within 14 days
  - e. the neutral evaluator shall notify the policyholder and insurer of the date, time, and place of the neutral evaluation within 14 business days after the referral
  - f. the provisions of 627.7074(11), F.S.
  
2. If the sinkhole claim is made under a policy with an effective date before May 17, 2011, then:
  - a. a sinkhole report is not required to be issued to request neutral evaluation
  - b. apply the pre-May 17, 2011 definitions under Section 627.706, F.S., of sinkhole loss and sinkhole activity
  - c. apply the pre-May 17, 2011 statutory requirements of a neutral evaluator's report and complete the Neutral Evaluator's Report effective November 7, 2007, which has been attached to this email.
  - d. access to the insured's property is not required to be provided
  - e. prior reports initiated by the policyholder or the policyholder's agent are not required to be provided
  
3. If the sinkhole claim is made under a policy with an effective date on or after May 17, 2011, then all revisions made by SB 408 apply. Modifications of note include:
  - a. a sinkhole report must be issued to request a neutral evaluation

- b. revised statutory definitions under Section 627.706, F.S., of sinkhole loss, sinkhole activity, structural damage, primary structural member, and primary structural system
- c. revised statutory requirements of the neutral evaluation
- d. revised statutory requirements of neutral evaluator's report. The Neutral Evaluation report that is posted on the Division's website with an effective date of July 2011 should be used.
- e. the insured must grant reasonable access to the property
- f. you must be provided any reports the policyholder or the policyholder's agent initiated
- g. the party choosing to pay for a court reporter or stenographer to record and document the neutral evaluation shall bear the costs to do so

Should you have any questions, please contact our Neutral Evaluation team at 850-413-5818.

Regards,

A handwritten signature in blue ink that reads "Barb Lunn". The signature is written in a cursive, flowing style.