

CONTRACTOR PROHIBITIONS

Please review the scenarios below to determine if a contractor is breaking the law.



PERMISSIBLE	PROHIBITED	VIOLATION
Discuss, explain and offer a quote for construction or repair of property	Initiate, negotiate or influence the filing or settlement of an insurance claim on behalf of a consumer	3rd Degree Felony Section 626.8738, Florida Statutes Section 626.854(15), Florida Statutes Section 626.854(19)(d), Florida Statutes
Suggest or recommend a consumer contact their insurance company to determine if the repair is covered under their insurance policy	Interpret insurance policy provisions or advise a consumer on their insurance coverages, unless the contractor is also a licensed Public Adjuster	Fine of up to \$10,000 and/ or other administrative actions such as license suspension or removal Section 489.129, Florida Statutes Section 489.147(2)(d), Florida Statutes
Repair or replace damaged property	Enter into a contract to adjust a claim and engage in construction work on the same property	3rd Degree Felony Section 626.8738, Florida Statutes Section 626.8795, Florida Statutes
File an insurance claim on a property if an Assignment of Benefits * is in place	File an insurance claim without an Assignment of Benefits *	*3rd Degree Felony Section 626.8738, Florida Statutes Section 626.854(15), Florida Statutes Section 626.854(19)(a), Florida Statutes

* Any policy that was issued prior to January 1, 2023, provides a policyholder with the right to assign insurance benefits to a 3rd party as long as you have not chosen to give up that right in order to receive a premium discount.

PERMISSIBLE	PROHIBITED	VIOLATION
<p>Discuss or explain a bid for construction or repair of a property</p>	<p>Advertise, solicit, offer to perform or perform public adjuster services, unless licensed as a Public Adjuster</p>	<p>3rd Degree Felony Fine of up to \$10,000 Section 626.8738, Florida Statutes Section 626.854(15), Florida Statutes Section 626.854(19), Florida Statutes</p>
<p>Include an itemized good faith estimate with an agreement authorizing repairs</p>	<p>Provide an agreement authorizing repairs without also providing a good faith estimate that includes an itemized and detailed cost of services and materials for the repairs</p>	<p>Fine of up to \$10,000 and/or other administrative actions such as license suspension or removal Section 489.129, Florida Statutes Section 489.147(2)(e), Florida Statutes</p>
<p>Provide roof inspection, repair and replacement services</p>	<p>Offer a consumer anything of value in exchange for allowing an inspection of the roof or for filing an insurance claim for damage to the roof</p>	<p>Fine of up to \$10,000 and/or other administrative actions such as license suspension or removal Section 489.129, Florida Statutes Section 489.147(2)(b), Florida Statutes</p>
<p>Provide a notice before entering into a contract for repairing or replacing a roof that contractors cannot offer anything of value in exchange for allowing an inspection of the roof or for filing an insurance claim for damage to the roof</p>	<p>Entering into a contract for repairing or replacing a residential roof without including a notice that the contractor cannot offer a consumer anything of value in exchange for allowing an inspection of the roof or for filing an insurance claim for damage to the roof</p>	<p>Fine of up to \$10,000 and/or other administrative actions such as license suspension or removal Section 489.129, Florida Statutes Section 489.147(5), Florida Statutes</p>
<p>Construct or repair property with a valid license</p>	<p>Construct or repair property without a valid, active license</p>	<p>Up to a 3rd Degree Felony Section 489.127, Florida Statutes</p>

PERMISSIBLE	PROHIBITED	VIOLATION
<p>Must have required insurance including liability, property damage, workers' compensation (or obtain an exemption)</p>	<p>Construct or repair property without proper insurance</p>	<p>Minimum \$1,000 Penalty Section 440.107, Florida Statutes</p>
<p>Obtain a building permit from local officials, as required</p>	<p>Construct or repair property without the appropriate permit or disregard local ordinances</p>	<p>Up to a 3rd Degree Felony Section 489.127, Florida Statutes</p>
<p>Construct or repair within the scope of the license, i.e. building, roofing, pool/spa, etc.</p>	<p>Construct or repair outside of the scope of the license</p>	<p>Up to a 3rd Degree Felony Section 489.127, Florida Statutes</p>
<p>Place a lien on your property for unpaid work – lien rights</p>	<p>Place a lien on a property for paid work</p>	<p>Sections 713.05 and 713.06, Florida Statutes</p>
<p>Require consumer to pay insurance deductible</p>	<p>Waive or rebate an insurance deductible, offer services at no charge, or otherwise compensate the consumer for the deductible or rebate a deductible for filing an insurance claim.</p>	<p>3rd Degree Felony Section 817.234(7)(d), Florida Statutes</p>
<p>Provide a Contractor's Final Payment Affidavit to verify that you have paid all subcontractors and suppliers</p>	<p>Omit providing a Contractor's Final Payment Affidavit</p>	<p>Section 713.06(3)(d), Florida Statutes</p>
<p>Advertise construction services to potential clients</p>	<p>Mislead consumers using untrue or deceptive advertisements</p>	<p>Section 626.854(7), Florida Statutes</p>

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<p>Must have required insurance including liability, property damage, workers' compensation (or obtain an exemption)</p>	<p>Construct or repair property without proper insurance</p>	<p>Minimum \$1,000 Penalty Section 440.107, Florida Statutes</p>
<p>Provide notice to the consumer before entering into a contract for repairing or replacing a roof stating that the consumer is responsible for paying the deductible and that it is a 3rd degree felony for the contractor to waive, pay, rebate, or otherwise compensate the consumer for the deductible, or to file a false, incomplete, or misleading insurance claim.</p>	<p>Advertising or encouraging a consumer to contact a contractor or public adjuster to file a roof damage insurance claim without providing the following notices to the consumer:</p> <ol style="list-style-type: none"> 1. The consumer is required to pay the deductible. 2. A contractor that waives, pays, rebates, or otherwise compensates a consumer for their deductible is committing a 3rd degree felony. 	<p>Fine of up to \$10,000 and/ or other administrative actions such as license suspension or removal. Section 489.127(5)(a)(1), Florida Statutes</p>

