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July 29, 2019

Media Contact: Glenn Lammi | glammi@wlf.org | 202-588-0302

## Florida High Court Dismisses Insurance Dispute, Leaving in Place Favorable Decision

*(Restoration 1 of Port St. Lucie v. Ark Royal Insurance Co.)*

**“The Florida Legislature having acted, the Florida Supreme Court has wisely chosen to stay in its own lane.”**

**—Cory Andrews, WLF Vice President of Litigation**

WASHINGTON, DC—Earlier today, the Florida Supreme Court discharged its jurisdiction over a high-profile insurance dispute. That dismissal leaves in place a decision by Florida’s Fourth District Court of Appeal upholding a homeowners insurance policy provision that conditions any assignment of claim benefits on the written consent of all insureds and mortgagees named in the policy.

In *Restoration 1 of Port St. Lucie v. Ark Royal Insurance Co.*, the Florida high court had earlier agreed to decide whether homeowners insurance policies may impose conditions on a post-loss assignment of benefits. But after the case was fully briefed, the Florida Legislature passed, and the Governor signed, a Florida law that resolves the question presented “on a going-forward basis” as of July 1, 2019. Under section 627.7153 of the Florida Statutes, insurers are permitted to offer “a policy that restricts in whole or in part an insured’s right to execute an assignment agreement” if certain conditions are met.

The case arose from Ark Royal Insurance Company’s (Ark Royal) homeowners policy issued to John and Liza Squitieri. Under that policy, any assignment of claim benefits is invalid unless it contains the written consent of all insureds and mortgagees named in the policy. After a loss occurrence in 2016, Mrs. Squitieri contracted for clean-up services with Restoration 1 of Port St. Lucie (Restoration 1). At that time, Mrs. Squitieri unilaterally signed a blanket assignment-of-benefits agreement with Restoration 1. Yet PNC Bank, the mortgagee named in the policy, did not sign the agreement or otherwise consent in writing to the assignment. So when Restoration 1 (as Mrs. Squitieri’s purported assignee) sued Ark Royal for breach of contract, the trial court dismissed the suit for lack of standing, and Florida’s Fourth District Court of Appeal affirmed. That decision now stands.

Although unexpected, the court’s resolution of the case comports with arguments advanced in WLF’s *amicus curiae* brief, which emphasized that deciding major questions of public policy is a role reserved to the Legislature, not the Judiciary.

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