

Tab 1 SB 2-D by Boyd; (Identical to H 00001D) Property Insurance							
892970	A	S	RCS	AP, Boyd	Delete L.337 - 490:	05/23	05:06 PM
624398	A	S	RCS	AP, Boyd	Delete L.579 - 632:	05/23	05:06 PM
233284	A	S	UNFAV	AP, Powell	Delete L.818:	05/23	05:06 PM
142174	A	S	UNFAV	AP, Brandes	Delete L.899:	05/23	05:06 PM
920248	A	S	UNFAV	AP, Rouson	Delete L.1023 - 1026:	05/23	05:06 PM
698794	A	S	RCS	AP, Boyd	Delete L.1295 - 1499:	05/23	05:06 PM
651870	A	S	WD	AP, Gibson	btw L.1512 - 1513:	05/23	05:06 PM
630500	SA	S	L UNFAV	AP, Gibson	btw L.1512 - 1513:	05/23	05:06 PM
965780	A	S	UNFAV	AP, Book	btw L.1512 - 1513:	05/23	05:06 PM
406018	A	S	WD	AP, Pizzo	btw L.1512 - 1513:	05/23	05:06 PM

Tab 2 SB 4-D by Boyd; (Identical to H 00003D) Roof Repair, Replacement, and Recovering Requirements							
155692	A	S	L 00	AP, Pizzo	btw L.33 - 34:	05/23	05:00 PM

The Florida Senate
COMMITTEE MEETING EXPANDED AGENDA

APPROPRIATIONS
Senator Stargel, Chair
Senator Bean, Vice Chair

MEETING DATE: Monday, May 23, 2022
TIME: 10:30 a.m.—4:00 p.m.
PLACE: Pat Thomas Committee Room, 412 Knott Building

MEMBERS: Senator Stargel, Chair; Senator Bean, Vice Chair; Senators Albritton, Baxley, Book, Boyd, Bracy, Brandes, Broxson, Diaz, Gainer, Gibson, Hooper, Hutson, Mayfield, Passidomo, Perry, Pizzo, Powell, Rouson, and Stewart

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
1	SB 2-D Boyd (Identical H 1-D, Compare H 11-D, H 15-D)	Property Insurance; Creating the Reinsurance to Assist Policyholders program to be administered by the State Board of Administration; requiring certain property insurers to obtain coverage under the program; adding a requirement for hurricane mitigation inspection applications; requiring claimants to establish that property insurers have breached the insurance contract to prevail in certain claims for damages; requiring the Office of Insurance Regulation to aggregate on a statewide basis and make publicly available certain data submitted by insurers and insurer groups, etc. AP 05/23/2022 Fav/CS	Fav/CS Yeas 19 Nays 2
2	SB 4-D Boyd (Identical H 3-D, Compare H 19-D)	Roof Repair, Replacement, and Recovering Requirements; Providing that the entire roofing system or roof section of certain existing buildings or structures does not have to be repaired, replaced, or recovered in accordance with the Florida Building Code under certain circumstances; requiring the Florida Building Commission to adopt rules and incorporate the rules into the building code; prohibiting local governments from adopting certain administrative or technical amendments to the building code, etc. AP 05/23/2022 Favorable	Favorable Yeas 20 Nays 0

Other Related Meeting Documents

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: CS/SB 2-D

INTRODUCER: Appropriations Committee and Senator Boyd

SUBJECT: Property Insurance

DATE: May 23, 2022

REVISED: _____

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Johnson/Schrader/ Knudson	Shettle	AP	Fav/CS

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 2-D provides the following changes to address access and affordability of property insurance, and to mitigate insurance fraud in Florida's property insurance market.

Reinsurance to Assist Policyholders (RAP) Program

- Authorizes a \$2 billion dollar reimbursement layer of reinsurance for hurricane losses directly below the mandatory layer of the Florida Hurricane Catastrophe Fund (FHCF). All eligible insurers must participate in the program.
 - The FHCF mandatory retention is \$8.5 billion for the 2022-2023 contract year.
- Requires the RAP program to reimburse 90 percent of each insurer's covered losses and 10 percent of their loss adjustment expenses up to each individual insurer's limit of coverage for the two hurricanes causing the largest losses for that insurer during the contract year.
- Specifies that each insurer's limit of the \$2 billion in RAP coverage is their pro-rata market share among all insurers that participate in the RAP program. Thus, an insurer with five percent of the risk reinsured by RAP coverage would have a limit of coverage of \$100 million.
- Requires all eligible insurers to participate in the RAP program for one year. Insurers that do not have private reinsurance within the RAP layer of coverage for the 2022-2023 contract year must participate during the 2022-2023 contract year. Insurers that have private reinsurance at the RAP layer for the 2022-2023 contract year must defer using RAP program coverage until the 2023-2024 contract year. A RAP insurer that has any private reinsurance that duplicates RAP coverage for the 2022-2023 contract year must notify the State Board of

Administration of the private reinsurance and must defer participation in the RAP program until the 2023-2024 contract year.

- Prohibits an insurer from obtaining RAP coverage if the Insurance Commissioner certifies it is in “unsound financial condition.”
- Specifies that insurers do not pay premiums for RAP program coverage, but must reduce rates to reflect savings. Insurers that participate in the RAP program for 2022-2023 must reduce their rates by June 30, 2022, to reflect the savings from RAP coverage. Insurers that defer using the RAP program until 2023-2024 must reduce rates to reflect savings by May 1, 2023.
- Provides funding for the RAP coverage through a \$2 billion dollar appropriation from the General Revenue Fund. Monies are only transferred to the State Board of Administration (the program administrator) if the RAP program coverage must be paid because of a hurricane.
- Specifies that, if funds are transferred to the State Board of Administration (SBA) because of a hurricane, the SBA may request funds for the administration of the program from the General Revenue Fund, not to exceed \$5 million.
- Provides the RAP program expires July 1, 2025, if no General Revenue funds have been transferred to fund the RAP program. If such funds were transferred, the statute expires July 1, 2029, and all unencumbered RAP Program funds must be transferred back to the General Revenue Fund.

My Safe Florida Home Program

- Appropriates \$150 million from the General Revenue Fund to the Department of Financial Services’ My Safe Florida Home Program to provide hurricane mitigation inspections and matching grants for the performance of hurricane retrofitting on homestead single family homes with a value of \$500,000 or less located in the wind-borne debris region set forth in the Florida Building Code. The My Safe Florida Home Program, which is administered by the Department of Financial Services, will provide financial incentives for Florida residential property owners to obtain free home inspections that would identify mitigation measures and provide grants to retrofit such properties, thereby reducing their vulnerability to hurricane damage and helping decrease the cost of residential property insurance.
- Establishes additional eligibility criteria:
 - Requires that a homeowner who participates in the program must agree to make his or her home available for inspection after the mitigation project is completed.
 - Requires that a building permit for initial construction of the home must have been made before January 1, 2008.
 - Requires the home to have undergone an acceptable hurricane mitigation inspection after July 1, 2008.
- Requires that grants awarded under the program provide \$2 in grant funds for every \$1 provided by the homeowner. Exceptions are provided for low-income homeowners. Applicants may receive up to \$10,000 in program money.
- Requires the Department of Financial Services to include in the annual report of program activities the average annual amount of insurance premium discounts and the total of such discounts received from insurers.
- Allocates appropriated funds as follows:
 - \$25 million for hurricane mitigation inspections.

- \$115 million for hurricane mitigation grants.
- \$4 million for education and consumer awareness.
- \$1 million for public outreach to contractors, real estate brokers, and sales associates.
- \$5 million for administrative costs.
- Provides that any unexpended balance of appropriated funds remaining on June 30, 2023, reverts and is appropriated to the Department of Financial Services for the 2023-2024 fiscal year for the My Safe Florida Home program.

Contractor Solicitation of Roof Claims

- Prohibits contractors from making written or electronic communications that encourage or induce a consumer to contact a contractor or public adjuster for the purposes of making a property insurance claim for roof damage unless such solicitation provides notice that:
 - The consumer is responsible for the payment of any deductible.
 - It is insurance fraud punishable as a third-degree felony for a contractor to pay or waive an insurance deductible.
 - It is insurance fraud punishable as a third-degree felony to intentionally file an insurance claim containing false, fraudulent, or misleading information.

Separate Roof Deductibles

- Allows property insurers to include in the policy a separate roof deductible of up to two percent of the Coverage A limit of the policy or 50 percent of the cost to replace the roof. The policyholder must also be offered the option to decline the roof deductible by signing a form approved by the Office of Insurance Regulation (OIR). If a roof deductible is added to the policy at renewal, the insurer must provide a notice of change in policy terms and allow the policyholder to decline the separate roof deductible.
- Requires that policyholders that select a roof deductible must receive an actuarially sound premium credit or discount.
- Provides that the roof deductible does not apply to:
 - A total loss to the primary structure in accordance with the valued policy law under s. 627.702, F.S., which is caused by a covered peril.
 - A loss caused by a hurricane.
 - A roof loss resulting from a tree fall or other hazard that damages the roof and punctures the roof deck.
 - A roof loss requiring the repair of less than 50 percent of the roof.
- Specifies that when a roof deductible is applied, no other deductibles under the policy may be applied.
- Specifies that a roof deductible only applies to a claim adjusted on a replacement cost basis.
- Authorizes an insurer to limit the claim payment for a roof to the actual cash value of the loss to the roof until the insurer receives reasonable proof of payment by the policyholder of the roof deductible.
- Requires a roof deductible provision to be clear and unambiguous.
- Requires the inclusion of the following disclosures:
 - On the page immediately behind the declarations page, notice that a roof deductible may result in high out-of-pocket expenses to the policyholder.

- On the policy declarations page, prominent display of the actual dollar value of the roof deductible at issuance and renewal. Allows an insurer to limit payment on a roof claim to actual cash value until the policyholder pays the roof deductible.

Roofs – Insurer Underwriting

- Prohibits an insurer from refusing to issue or refusing to renew a homeowner's insurance policy insuring a residential structure with a roof that is less than 15 years old solely because of the age of the roof.
- Requires that, if the roof is at least 15 years old, an insurer must allow a homeowner to have a roof inspection performed by an authorized inspector at the homeowner's expense before requiring the replacement of the roof as a condition of issuing or renewing a homeowner's insurance policy. The insurer may not refuse to issue or refuse to renew a homeowner's insurance policy solely because of roof age if an inspection of the roof of the residential structure performed by an authorized inspector indicates that the roof has five years or more of useful life.

Insurer Claims Handling

- Requires property insurers to conduct any physical inspection of the property related to a claim within 45 days of receiving proof of loss statements. Does not apply to hurricane claims.
- Requires insurers to notify policyholders of their right to receive any detailed report generated by an insurer's adjuster that estimates the amount of the loss. The report must be provided to the requesting policyholder within the later of seven days after the policyholder requests the report or the completion of the report.
- Specifies insurers must provide a reasonable explanation of the claim decision in relation to the insurance policy, facts, and law. If the insurer makes a claim payment that is less than contained in the insurer's adjuster estimate of the loss, the insurer must explain the discrepancy.

Civil Remedy

- Requires a claimant to establish a property insurer breached the insurance contract in order for the claimant to prevail in a bad faith claim for extracontractual damages under s. 624.155(1)(b), F.S. Will apply to civil remedy actions based upon a property insurer:
 - Not attempting in good faith to settle claims when, under all the circumstances, it could and should have done so, had it acted fairly and honestly toward its insured and with due regard for his or her interests;
 - Making claims payments to insureds or beneficiaries not accompanied by a statement setting forth the coverage under which payments are being made; or
 - Except as to liability coverages, failing to settle claims promptly, when the obligation to settle a claim has become reasonably clear, under one portion of the insurance policy coverage in order to influence settlements under other portions of the insurance policy.

Attorney Fees – Assignment of Benefits (AOB)

- Prohibits assignment of the right to obtain attorney fees in suits arising out of a property insurance policy to persons other than a named or omnibus insured or a named beneficiary under the policy. Result is that assignment agreements may occur, but the assignee vendor will no longer be able to recover attorney fees in suits against an insurer. Applies to property insurance lawsuits brought by vendor assignees against authorized insurers and surplus lines insurers.
- Eliminates statutory language detailing the methodology for awarding attorney fees to plaintiffs or defendants in litigation brought by an assignee of benefits under a property insurance policy. The language is no longer necessary because the bill prohibits assignment of the right to recover attorney fees in suits arising out of a property insurance policy.

Attorney Fees – Fee Multipliers

- Creates a new standard for the award of an attorney fee multiplier in property insurance litigation. The bill creates a presumption that in property insurance cases, attorney fee awards based on the Lodestar methodology are sufficient and reasonable. Attorney fee multipliers may only be awarded under rare and exceptional circumstances with evidence that competent counsel could not be hired in a reasonable manner.
- Allows a court to award attorney fees when a first-party claimant's property insurance suit is dismissed without prejudice for failure to provide a Notice of Intent to Initiate Litigation.

Attorney Fees – Dismissal for Failure to Provide Notice

- Provides that a defendant insurer may obtain attorney fees and costs associated with securing a dismissal without prejudice for failure to provide the required Notice of Intent to Initiate Litigation at least 10 days before filing a suit against a property insurer.

Assignment of Benefits (AOB)

- Revises the definition of "assignment agreement" to include assignments executed by a party that inspects the property, clarifies that public adjuster fees are not an assignment agreement, and clarifies the requirement to provide a Notice of Intent to Initiate Litigation before filing suit.
- Requires that a valid AOB must specify that the assignee will hold harmless the assignor from all liabilities, including attorney fees.

Regulation of Insurers and Insurer Transparency

- Requires the OIR to publish all orders, specified insurance industry data, and reports issued by the newly created Property Insurance Stability Unit. The scope of the Property Insurance Stability Unit is limited to matters related to homeowners' and condominium unit owners' insurance.
- Requires the OIR within the annual statistical report an analysis of the availability of reinsurance to domestic insurers selling homeowners' and condominium unit owners' insurance in Florida.

- Requires that the OIR include within its annual report additional data regarding property insurers against which delinquency or similar proceedings were instituted, a concise statement of the circumstances that led to each insurer's delinquency, a summary of actions taken by the insurer and the OIR to avoid delinquency, and that results or status of each delinquency proceeding.
- Requires the OIR to maintain and make available upon request reports relating to the health of the homeowners' and condominium unit owners' insurance market that include specified information regarding market trends and the percentage of policies written by voluntary carriers and Citizens Property Insurance Corporation.
- Directs the OIR to make data publicly available detailing the statewide number of policies, amount of premium, number of cancellations, and other data for each property insurer. Specifies such information is not a trade secret.
- Creates a Property Insurer Stability Unit within the OIR to aid in the detection and prevention of insurer insolvencies in the homeowners' and condominium unit owners' insurance market. Insurers must be referred to the unit for enhanced monitoring upon the occurrence of specified events. The unit must:
 - Provide enhanced monitoring when the OIR identifies significant concerns about various aspects of the insurer.
 - Conduct a target market conduct exam when there is reason to believe the insurer may be in an unsound financial condition.
 - Closely monitor insurer financial data.
 - Conduct annual catastrophe stress tests of domestic insurers.
 - Update mind mitigation credits.
 - Review the causes of insolvency and business practices of insurers referred to the Division of Rehabilitation and Liquidation within the Department of Financial Services.
 - Twice annually, provide a report on the status of the homeowners' and condominium unit owners' insurance market.
- Requires the OIR to execute an affidavit identifying the grounds for initiating delinquency proceedings against an insurer.
- For an insolvency involving a domestic property insurer, the Department of Financial Services must:
 - Begin an analysis of the history and causes of the insolvency no later than the initiation of delinquency proceedings against the insurer;
 - Review the OIR's regulatory oversight of the insurer.
 - Submit an initial report analyzing the history and causes of the insolvency no later than two months after the initiation of the delinquency proceeding;
 - Provide a special report within ten days of identifying any condition or practice that may lead to insolvency in the property insurance marketplace; and
 - Submit a final report analyzing the history and causes of the insolvency and the OIR's regulatory oversight within 30 days of the conclusion of the insolvency proceeding.

Conflict with Laws Passed During the 2022 Regular Session

- Provides that if any law amended by this act was also amended by a law enacted during the 2022 Regular Session of the Legislature, such laws shall be construed as if enacted during the same session of the Legislature, and full effect shall be given to each if possible.

Effective Date

Except as otherwise provided, the act becomes effective upon becoming a law.

II. Present Situation:

Property Insurance Market in Florida

Rating Agencies Outlooks and Downgrades

Recently, A.M. Best Company released a commentary on Florida's property insurance market. According to the report, hurricane losses were not the primary cause of Florida's troubled property market. The deterioration in the performance was characterized as a by-product of the greater frequency of secondary hazards (severe thunderstorms, wind, hail), higher reinsurance costs, escalating litigation costs, and building codes and laws that have been ignored by parties looking for profit.¹ In response, insurers are requesting significant rate increases, underwriting changes, and targeted non-renewals.²

The report noted that the Florida market has led to some downgrades to both outlooks and ratings as higher losses and loss adjustment expenses have eroded performance and hurt balance sheet strength.³ Currently, the property insurers rated by the agency have credit ratings of "Good" or better.⁴

On March 29, 2022, Demotech withdrew the rating previously assigned to Lighthouse Property Insurance Corporation and Lighthouse Excalibur Insurance Company.⁵ Despite a substantial capital contribution in the fourth quarter of 2021, the operating loss in 2021, which reflected the evaluation of losses and loss adjustment expenses associated with Hurricane Ida, resulted in a level of capitalization below what was needed to sustain financial stability ratings at the A level.⁶

On April 15, 2022, Demotech downgraded FedNat⁷ from "A exceptional" to "S Substantial."⁸ The rating indicates that the insurer still has substantial resources and stability and is not in

¹ A.M. Best Company, *Troubled Florida Property Market Participants under Immense Pressure*, (May 2, 2022) on file with Senate Banking and Insurance Committee.

² *Id.*

³ *Id.*

⁴ *Id.*

⁵ Demotech, [Demotech Withdraws Financial Stability Ratings® Assigned to Lighthouse Property Insurance Corporation and Lighthouse Excalibur Insurance Company - Demotech](#) (last visited May 14, 2022).

⁶ Demotech, [Demotech Withdraws Financial Stability Ratings® Assigned to Lighthouse Property Insurance Corporation and Lighthouse Excalibur Insurance Company - Demotech](#) (last visited May 14, 2022).

⁷ Demotech, *Financial Stability Rating of FedNat Insurance Company* (April 15, 2022) [FEDNAT INSURANCE COMPANY - Demotech](#) (Last visited May 15, 2022).

⁸ Demotech, [Definitions for Financial Stability Ratings® Terminology \(demotech.com\)](#) (last visited May 14, 2022)

According to Demotech, S Substantial: Regardless of the severity of a general economic downturn or deterioration in the insurance cycle, insurers earning a Financial Stability Rating® of S possess substantial financial stability related to maintaining surplus as regards policyholders at an acceptable level. Regardless of the severity of a general economic downturn or deterioration in the insurance cycle, at least ninety-five percent of all the insurers countrywide receiving a Financial Stability Rating® of S are expected to have positive surplus as regards policyholders as of eighteen months from the initial date of rating assignment.

imminent danger of collapsing.⁹ Further, Demotech noted that FedNat had adequate reserves in only one of the last five years.¹⁰ Many mortgage lenders may not accept less than an exceptional rating for homeowners insurance coverage.¹¹ Demotech attributed the downgrade partly due to losses in Louisiana and Texas, after a massive winter storm and Hurricane Ida in 2021.¹²

Fannie Mae and Freddie Mac Minimum Insurance Requirements

The Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac) provide liquidity, stability, and affordability to the mortgage market by buying mortgages from lenders and either holding the mortgages in their own portfolios or packaging the mortgages into mortgage-based securities for purposes of selling in the secondary mortgage market.¹³ Fannie Mae and Freddie Mac, in turn, protect their interest in each mortgage by requiring minimum insurance coverages and settlement on the basis of replacement cost.¹⁴ Fannie Mae does not accept a property insurance policy that limits or excludes coverage, in whole or in part, for windstorm, hurricane, hail damages, or any other perils that normally are included under an extended coverage endorsement.¹⁵ The borrower may not obtain a property insurance policy that includes such limitation or exclusion unless the borrower is able to obtain a separate policy or endorsement from another insurer that provides adequate coverage for the limited or excluded peril, or from an insurance pool that the state has established to cover the limitation or exclusions.¹⁶ For first-lien residential mortgages, Fannie Mae requires coverage equal to the lesser of the following:

- 100 percent of the insurable value of the improvements, as established by the property insurer; or
- The unpaid principal balance of the mortgage, as long as it at least equals the minimum amount (80 percent of the insurable value of the improvements) required for compensating damage or loss on a replacement cost basis.¹⁷

Freddie Mac does not accept a property insurance policy that excludes coverage for loss or damage from fire, lightning, and other perils, including windstorm, hail, explosion, riot, civil commotion, damage by aircraft, damage by vehicles, and damage by smoke, covered within the

⁹ *Id.*

¹⁰ *Id.*

¹¹ FedNat Holding Company 8K filing with the Securities and Exchange Commission, (April 21, 2022) [Fednat Holding Co 2022 Current Report 8-K \(sec.report\)](#) (last visited May 18, 2022).

¹² *Id.*

¹³ Federal House Finance Agency, *About Fannie Mae and Freddie Mac*, <https://www.fhfa.gov/about-fannie-mae-freddie-mac> (last visited May 18, 2022).

¹⁴ Fannie Mae, *Selling Guide: Fannie Mae Single Family* (Dec. 15, 2021), <https://singlefamily.fanniemae.com/media/30286/display#page=905> (last visited May 17, 2022); Freddie Mac, *Minimum Property Insurance Types and Amounts* (Mar. 2, 2022), <https://guide.freddiemac.com/app/guide/section/4703.2> (last visited May 17, 2022).

¹⁵ See Fannie Mae, *Selling Guide: Fannie Mae Single Family* (Dec. 15, 2021), <https://singlefamily.fanniemae.com/media/30286/display#page=905> (last visited May 17, 2022); Extended coverage must include, at minimum, wind, hurricane, civil commotion (including riots), smoke, hail, and damages caused by aircraft, vehicle, or explosion. Typhoon coverage is required for security properties located in Guam.

¹⁶ *Id.*

¹⁷ *Id.*

scope standard extended coverage.¹⁸ The borrower may not obtain a property insurance policy that includes such exclusion unless the borrower is able to obtain a separate policy or endorsement from another insurer that provides adequate coverage for the limited or excluded peril, or from an insurance pool the state has established to cover the limitation or exclusions.¹⁹ For one-to-four unit residential properties, Freddie Mac requires coverage at least equal to the higher of the following, not to exceed the replacement cost of the insurable improvements:

- The unpaid principal balance of the mortgage; or
- Eighty percent of the full replacement cost of the insurable improvements.

Recent Regulatory Actions by the Office of Insurance Regulation

In recent years, the Office of Insurance Regulation (OIR) has approved the cancellation of policies to protect the best interest of the public and policyholders. The OIR regulates specified insurance products, insurers and other risk bearing entities.²⁰ Due to the market conditions in Florida, many insurers have reduced their exposure in Florida or requested significant rate increase, as described below:²¹

2020 – The OIR authorized Capital Preferred Insurance Company to cancel about 27,500 policies.²²

2021 – The OIR approved the cancellation of more than 50,000 total policies from Universal Insurance Company of North America,²³ South Fidelity Insurance Company,²⁴ and Gulfstream Property and Casualty Company (prior to receivership),²⁵ and Westin Insurance Company.²⁶

2022 – Lexington Insurance Company announced it would no longer write in Florida.²⁷ Progressive also notified the OIR it would nonrenew about 60,000 policies.²⁸

¹⁸ Freddie Mac, *Minimum Property Insurance Types and Amounts* (Mar. 2 2022), <https://guide.freddiemac.com/app/guide/section/4703.2> (last visited May 17, 2022).

¹⁹ *Id.*

²⁰ Section 20.121(3)(a), F.S. The Financial Services Commission, composed of the Governor, the Attorney General, the Chief Financial Officer, and the Commissioner of Agriculture, serves as agency head of the Office of Insurance Regulation for purposes of rulemaking. Further, the Financial Services Commission appoints the commissioner of the Office of Insurance Regulation.

²¹ *Id.*

²² OIR Capital Preferred Consent Order, Case No. 263348-20-CO, (May 12, 2020) [SKM_80820051216110 \(floir.com\)](https://www.floir.com/skm/80820051216110) (last visited May 17, 2022).

²³ OIR Universal Insurance Company of North America, Case No. 280396-21-CO (May 6, 2021) [SKM_80820051216110 \(floir.com\)](https://www.floir.com/skm/80820051216110) (last visited May 14, 2022)

²⁴ Southern Fidelity Insurance Company Consent Order, Case No. 280009-21-CO (April 28, 2021) [SKM_80821042816140 \(floir.com\)](https://www.floir.com/skm/80821042816140)

²⁵ Gulfstream Property and Casualty Insurance Company, Consent Order, Case No. 280398-21-CO (May 6, 2021), to cancel 20,311 policies. [SKM_80821042816140 \(floir.com\)](https://www.floir.com/skm/80821042816140), Consent Order for Public Administrative Supervision, Case No. 282917-21-CO (June 25, 2021)

²⁶ Westin Insurance Company Consent Order, Case No. 275858-21-CO (Feb. 10, 2021). [SKM_80821021013390 \(floir.com\)](https://www.floir.com/skm/80821021013390)

²⁷ [Lexington Insurance Pulling Out of Florida, Other Markets for High-End Homes \(insurancejournal.com\)](https://www.insurancejournal.com/news-florida/2022/03/29/lexington-insurance-pulling-out-of-florida/) (Mar. 29, 2022). In Florida, the company specialized in homes with replacement values of \$1 million or more. The article noted that the company appears to be discontinuing its personal lines division nationwide.

²⁸ [Progressive CEO: Focus Is on De-Risking Florida Book as Loss Costs Keep Rising \(ambest.com\)](https://www.ambest.com/news/progressive-ceo-focus-is-on-de-risking-florida-book-as-loss-costs-keep-rising/) (May 3, 2022). Florida Farm Bureau requested 48.7 percent rate increase for property insurance policies.

On April 21, 2022, FedNat Holding Company (company) and its wholly owned insurance carriers, FedNat Insurance Company (FNIC), Maison Insurance Company (MIC) and Monarch National Insurance Company (MNIC,” and together with FNIC and MIC, the carriers), entered into a consent order (order) with the OIR. In a subsequent consent order filed May 13, 2022, the OIR authorized the cancellation of 56,000 of FedNat’s residential policies, 8,400 of MNIC’s residential policies, and all of MIC’s personal residential policies (about 3,300 policies).²⁹ The OIR recently held three hearings on May 17, 2022,³⁰ to consider requests for statewide average rate increases for Kin Interinsurance Network (25.1 percent), First Floridian Auto and Home Insurance Co. (23 percent), and Florida Farm Bureau General Insurance Co., and Florida Farm Bureau Casualty Insurance Co. (48.7 percent).³¹

Recent Insolvencies of Property Insurers

Federal law specifies that insurance companies cannot file for bankruptcy and are instead subject to state laws regarding receivership.³² Typically, insurers that are insolvent or about to become insolvent are put into liquidation to liquidate the business of the insurer and use the proceeds to pay off the company’s debts and outstanding insurance claims,³³ whereas, the goal of rehabilitation³⁴ is to return the company to solvency. The Division of Rehabilitation and Liquidation within the Department of Financial Services (DFS) is the court appointed receiver that administers insurance companies that are placed into receivership in Florida. Rehabilitation is a mechanism that can be used to remedy an insurer’s problems, to resolve its liabilities in order to avoid liquidation, or to prepare the insurer for liquidation.³⁵

2019 Liquidation. On October 2, 2019, Florida Specialty Insurance Company (FSIC) was ordered into receivership for purposes of liquidation by the Second Judicial Circuit Court in Leon County, Florida. The FSIC was a property and casualty insurance company located in Sarasota, Florida. The company, licensed in 1997, wrote personal property insurance policies for homeowners, condominiums, renters, and manufactured homes.³⁶

2021 Liquidations. On April 14, 2021, American Capital Assurance Corporation (AmCap) was ordered into receivership for purposes of liquidation by the Second Judicial Circuit Court in Leon County, Florida.³⁷ AmCap was a property and casualty insurance company located in St. Petersburg, Florida. The company was licensed in Florida in 2011, and authorized to write homeowners multiple peril, commercial multiple peril, inland marine, allied lines, fire, and other

²⁹ FedNat Insurance Company, Maison Insurance Company, and Monarch National Insurance Company Consent Order with OIR Case No. 295625-22-CO (May 13, 2022).

³⁰ OIR Public Rate Hearings (May 17, 2022) (last visited May 17, 2022).

³¹ Saunders, Jim, Property insurers seek hefty rate hikes (May 17, 2022) The News Service of Florida.

³² The U.S. Bankruptcy Code expressly provides that "a domestic insurance company" may not be the subject of a federal bankruptcy proceeding. 11 U.S.C. § 109(b)(2). The exclusion of insurers from the federal bankruptcy court process is consistent with federal policy generally allowing states to regulate the business of insurance. See 15 U.S.C. § 1012 (McCarran-Ferguson Act).

³³ Section 631.061, F.S.

³⁴ Section 631.051, F.S.

³⁵ Part I, ch. 631, F.S.

³⁶ [Florida Specialty Insurance Company – Florida Insurance Guaranty Association \(figafacts.com\)](https://figafacts.com) (last visited May 14, 2022).

³⁷ [American Capital Assurance Corporation – Florida Insurance Guaranty Association \(figafacts.com\)](https://figafacts.com) (last visited May 17, 2022).

liability coverage in Florida, Georgia, Louisiana, North Carolina, South Carolina and Texas. The company had approximately 2,300 in-force policies at the time of receivership.³⁸

On July 28, 2021, Gulfstream Property and Casualty Insurance Company, was ordered liquidated by the Second Judicial Circuit Court in Leon County, Florida.³⁹ Gulfstream Property and Casualty Insurance Company and its wholly-owned subsidiary, Gulfstream Select Insurance Company, were merged into one entity. Gulfstream Property and Casualty Insurance Company is the surviving entity after the merger and will hereinafter be referred to as (Gulfstream). The company was licensed in Florida in 2004, and authorized to write homeowners multiple peril, mobile home multiple peril, inland marine, allied lines, fire, mobile home physical damage and other liability coverage in Alabama, Florida, Louisiana, Mississippi, South Carolina and Texas. The company had approximately 45,000 in-force policies at the time of receivership.⁴⁰

2022 Liquidations. On April 28, 2022, Lighthouse Property Insurance Corporation was ordered into liquidation by the 19th Judicial Circuit Court in the parish of East Baton Rouge, Louisiana.⁴¹ The Louisiana Department of Insurance is the court appointed receiver for the Company. The company also wrote policies in Florida, South Carolina, and Texas.⁴²

On March 14, 2022, Avatar Property and Casualty was ordered into receivership for purposes of liquidation by the Second Judicial Circuit Court in Leon County, Florida.⁴³

On February 25, 2022, St. Johns Insurance Company was ordered into receivership for purposes of liquidation by the Second Judicial Circuit Court in Leon County, Florida. The Florida Department of Financial Services is the court appointed Receiver of St. Johns Insurance Company.⁴⁴ The company was licensed in Florida in 2004, and authorized to write homeowners multi-peril, commercial multi-peril, fire, allied lines, and inland marine coverage in Florida and South Carolina.⁴⁵

Office of Insurance Regulation Reports on Florida's Property Insurance Market

In a presentation to the Florida Senate Committee on Banking and Insurance on January 12, 2021, the Florida Insurance Commissioner attributed the property insurance net underwriting losses, combined ratios, and resulting rate increases to several related trends and behaviors present in Florida's domestic property insurance market:

- Claims with litigation;

³⁸ [AMERICAN CAPITAL ASSURANCE CORPORATION \(myfloridacfo.com\)](https://www.myfloridacfo.com) (last visited May 17, 2022).

³⁹ [Gulfstream Property & Casualty Insurance – Florida Insurance Guaranty Association \(figafacts.com\)](https://www.figafacts.com) (last visited May 17, 2022).

⁴⁰ [GULFSTREAM PROPERTY AND CASUALTY INSURANCE COMPANY \(myfloridacfo.com\)](https://www.myfloridacfo.com) (last visited May 17, 2022).

⁴¹ [Lighthouse Property Insurance Corporation – Florida Insurance Guaranty Association \(figafacts.com\)](https://www.figafacts.com) (last visited May 17, 2022).

⁴² Lighthouse Property Insurance FAQ (May 3, 2022), [LHPIC-LEX-FAQ.pdf \(lighthouse.insurance\)](https://www.lighthouse.insurance) (last visited May 17, 2017).

⁴³ [Avatar Property & Casualty Insurance Company – Florida Insurance Guaranty Association \(figafacts.com\)](https://www.figafacts.com) (last visited May 16, 2017).

⁴⁴ [St. Johns Insurance Company – Florida Insurance Guaranty Association \(figafacts.com\)](https://www.figafacts.com) (last visited May 14, 2022).

⁴⁵ [ST. JOHNS INSURANCE COMPANY, INC. \(myfloridacfo.com\)](https://www.myfloridacfo.com) (last visited May 14, 2022).

- Claims solicitation; and
- Adverse loss reserve development.⁴⁶

In 2020, the OIR conducted a data call of Florida’s domestic property insurers.⁴⁷ The data call revealed that the severity of non-weather water claims with litigation was nearly double the claims that were closed without litigation.⁴⁸ Further, increased severity of claims with litigation was driving adverse loss reserve development, leading to higher rate filings.⁴⁹ Loss reserve development is the difference between the original loss as initially reserved by the insurer and its subsequent evaluation later or at the time of its final disposal.⁵⁰ When adverse loss reserve development occurs, the cost of the claim was more than its reserve as originally estimated by the insurer. The one-year and two-year look-backs periods for calendar years 2018 and 2019 show claims costing \$241-\$682 million more than their corresponding loss reserves.

In April 2021, the OIR provided information relating to litigation in the Florida property insurance market. Based on 2019 information obtained from the National Association of Insurance Commissioners (NAIC) Market Conduct Annual Statement (MCAS)⁵¹ for homeowners insurance, Florida accounted for 8.16 percent of all homeowners’ claims opened by insurance companies in the United States,⁵² however, Florida accounted for 76.45 percent of all homeowners’ lawsuits opened against insurance companies in the United States.⁵³ The OIR notes that Florida is experiencing far more claims-related litigation than other reporting states.⁵⁴

Impact of Fraud on Catastrophic and Severe Weather Claims

According to the National Insurance Crime Bureau (NICB), property and casualty insurers in the United States paid between \$4.6 billion and \$9.2 billion extra in disaster claims because of insurance fraud in 2021.⁵⁵ As a result, the NICB estimates that disaster fraud adds between 5-to-10 percent to the total insurance claims paid following a disaster event.⁵⁶

⁴⁶ Florida Senate, *Meeting of the Florida Senate Committee on Banking and Insurance* (January 12, 2021)(statements of David Altmaier, Commissioner, Florida Office of Insurance Regulation)

⁴⁷ <https://www.flor.com/Sections/PandC/AssignmentofBenefits.aspx> (last visited May 17, 2022).

⁴⁸ Florida Senate, *Meeting of the Committee on Banking and Insurance* (January 12, 2021) (statement of David Altmaier, Commissioner, Florida Office of Insurance Regulation)

⁴⁹ Florida Senate, *Meeting of the Committee on Banking and Insurance* (January 12, 2021)(statement of David Altmaier, Commissioner, Florida Office of Insurance Regulation)

⁵⁰ International Risk Management Institute, *Glossary*, <https://www.irmi.com/term/insurance-definitions/loss-development> (last visited May 17, 2022).

⁵¹ NAIC, MCAS Data Dashboard, [MCAS Data Dashboard - Market Conduct Annual Statements \(naic.org\)](https://www.naic.org/mcas-data-dashboard) (last visited May 14, 2022). In 2009, the NAIC approved the Market Conduct Annual Statement (MCAS) collection tool to provide regulators with a uniform system of collecting uniform market-related metrics and to assist states monitor the market conduct of companies. This tool also public access to state scorecards that allow trending and comparison of standardized state metric results.

⁵² Office of Insurance Regulation, memorandum from Commissioner Altmaier to Rep. Ingoglia (April 2, 2021) on file with Senate Banking and Insurance Committee.

⁵³ NAIC MCAS Annual Statement-2021 Reporting Changes. The reporting element, “Number of lawsuits closed with consideration for the consumer,” will be required for the 2021 state data call. On file with Senate Banking and Committee.

⁵⁴ Supra at note 23.

⁵⁵ [Fraudulent disaster claims cost P&C insurers extra \\$4.6bn to \\$9.2bn - Artemis.bm](https://www.irmi.com/term/insurance-definitions/loss-development) (May 18, 2022) (last visited May 18, 2022).

⁵⁶ *Id.*

In regards to Florida, the NICB notes that contractor fraud is one element contributing to increasing premiums, insurer insolvency, and consumers scrambling under deadlines to find an insurer to meet mortgage lender requirements.⁵⁷ The NCIB suggested that one method to help reduce insurance fraud is through consumer awareness. Consumers and contractors following disasters are inextricably linked. NCIB argues that if consumers are armed with the understanding of the claims process and contractor hiring, they will be able to identify potential fraud, and, in the process, protect themselves and their wallet.⁵⁸

Regulation of Insurance in Florida

The OIR regulates specified insurance products, insurers and other risk bearing entities in Florida.⁵⁹

Rate Regulation

Part I of ch. 627, F.S., is the Rating Law, which governs property, casualty, and surety insurance. The rating law provides that rates may not be excessive, inadequate, or discriminatory.⁶⁰ All insurers must file rates with the OIR either 90 days before the proposed effective date of a new rate, which is considered “file and use” rate filing, or 30 days after the effective date of a new rate, which is considered a “use and file” rate filing. Upon receipt of a rate filing, the OIR reviews the filing to determine if the rate is excessive, inadequate, or unfairly discriminatory. The OIR makes this determination in accordance with generally acceptable actuarial techniques and, in property insurance, considers the following factors:

- Past and prospective loss experience;
- Past and prospective expenses;
- The degree of competition among insurers for the risk insured;
- Investment income reasonably expected by the insurer;
- The reasonableness of the judgment reflected in the rate filing;
- Dividends, savings, or unabsorbed premium deposits returned to policyholders;
- The adequacy of loss reserves;
- The cost of reinsurance;
- Trend factors, including trends in actual losses per insured unit for the insurer;
- Conflagration and catastrophe hazards;
- Projected hurricane losses;
- Projected flood losses, if the policy covers the risk of flood;
- A reasonable margin for underwriting profit and contingencies; and
- Other relevant factors that affect the frequency or severity of claims or expenses.

⁵⁷ NCIB, Recognizing Fraud Scams Can Help Disaster Survivors Recover (May 17, 2022) [NICB: Insurance Fraud Adds Billions of Dollars to Insurer Payouts After Disasters | National Insurance Crime Bureau](#) (last visited May 17, 2022).

⁵⁸ Id.

⁵⁹ Section 20.121(3)(a), F.S. The Financial Services Commission, composed of the Governor, the Attorney General, the Chief Financial Officer, and the Commissioner of Agriculture, serves as agency head of the Office of Insurance Regulation for purposes of rulemaking. Further, the Financial Services Commission appoints the commissioner of the Office of Insurance Regulation.

⁶⁰ Section 627.062(1), F.S.

Residential Property Insurance Mitigation Credits, Discounts, or Other Rate Differentials

Residential property insurance rate filings must account for mitigation measures undertaken by policyholders to reduce hurricane losses.⁶¹ Specifically, the rate filings must include actuarially reasonable discounts, credits, or other rate differentials or appropriate reductions in deductibles to consumers who implement mitigation techniques for windstorm loss to their properties.⁶² Further, any credits, discounts, or other rate differentials, or appropriate reductions in deductibles, for fixtures and construction techniques that meet the minimum requirements of the Florida Building Code must be included in the rate filing.⁶³ Upon their filing by an insurer, the OIR determines the discounts, credits, other rate differentials and appropriate reductions in deductibles that reflect the full actuarial value of such revaluation,⁶⁴ which in turn may be used in rate filings under the Rating Law. Windstorm mitigation measures that must be evaluated for purposes of mitigation discounts include fixtures or construction techniques that enhance roof strength; roof covering performance, roof-to-wall strength; wall-to-floor foundation strength; opening protections; and window, door, and skylight strength.⁶⁵

Examination of Insurers

The OIR is responsible for examining the affairs, transactions, accounts, records, and assets of each insurer that holds a certificate of authority to transact insurance business in Florida.⁶⁶ With certain exceptions, the OIR must examine domestic insurers⁶⁷ at least once every five years and the scope of the examination must cover the preceding five fiscal years.⁶⁸ As part of the examination process, all persons being examined must make available to the OIR the accounts, records, documents, files, information, assets, and matters in their possession or control that relate to the subject of the examination.⁶⁹ The OIR is also authorized to conduct market conduct examinations to determine compliance with applicable provisions of the Insurance Code and ch. 440, F.S., if applicable.⁷⁰

Replacement Cost and Actual Cash Value Loss Settlement Provisions

There are two primary settlement options available when purchasing a homeowner's property insurance policy: *replacement cost* and *actual cash value*. Replacement cost is usually defined in the policy as the cost to repair or replace the damaged property with materials of like kind and quality, without any deduction for depreciation.⁷¹ Replacement cost is designed to cover the difference between what the property is actually worth and what it would cost to rebuild or repair

⁶¹ Section 627.062(2)(j), F.S.

⁶² Section 627.0629(1), F.S.

⁶³ *Id.*

⁶⁴ *Id.*

⁶⁵ *Id.*

⁶⁶ Section 624.316(1)(a), F.S.

⁶⁷ A domestic insurer is one formed under the laws of Florida. Section 624.06(1), F.S.

⁶⁸ Section 624.316(2)(a), F.S.

⁶⁹ Section 624.318(2), F.S.

⁷⁰ Section 624.3161, F.S.

⁷¹ National Association of Insurance Commissioners, *Glossary of Insurance Terms*, https://content.naic.org/consumer_glossary.htm (last visited May 19, 2022).

that property.⁷² Following a covered loss, the insurer assumes the full cost of repairing or replacing the damaged property.⁷³

By contrast, actual cash value is the repayment value for indemnification due to loss or damage of property, in most cases it is replacement cost minus depreciation.⁷⁴ Following a covered loss, the insured assumes the cost to cover the difference between the depreciated value of the damaged property and the cost of repairing or replacing it.

Florida law currently requires insurers writing homeowner's property insurance policies to offer adjustment to the dwelling, including the roof, on the basis of replacement cost.⁷⁵ The OIR will approve policy forms that adjust roof losses on the basis of actual cash value, or the depreciated value of the roof. The insurer must, however, also offer replacement cost adjustment on the roof before issuing the policy.

Valued Policy Law

Florida's Valued Policy Law (VPL)⁷⁶ has been in effect since 1899,⁷⁷ and requires the insurer to set the value of the insured property in the event of a total loss.⁷⁸ The VPL originally applied to damages caused by fire and lightning; however, in 1982, the Legislature extended VPL to all covered perils.⁷⁹ In the event of a total loss caused by a covered peril, where the covered peril alone would have caused the loss, an insurer's liability under a property insurance policy equals the total coverage limit for which a premium was paid.⁸⁰ However, in the event of total loss caused in part by a covered peril and in part by a noncovered peril, the insurer's liability is limited to the amount of the loss caused by the covered peril.⁸¹

Florida's VPL currently applies to the total loss of buildings, structures, mobile homes, or manufactured buildings located in Florida and insured as to a covered peril. While it does not differentiate between residential and commercial property, it does not cover policies issued by surplus lines insurers.

⁷² See *Trinidad v. Florida Peninsula Ins. Co.*, 121 So.3d 433, 438 (Fla. 2013) (quoting *State Farm Fire & Cas. Co. v. Patrick*, 647 So.2d 983 (Fla. 3d DCA 1994))

⁷³ Insureds that elect for adjustment on the basis of replacement cost receive greater coverage than adjustment on the basis of actual cash value because depreciation is not excluded from replacement cost, whereas it is generally excluded from actual cash value. See *Trinidad* at 438 (quoting *Goff v. State Farm Florida Ins. Co.*, 999 So.2d 684, 689 (Fla. 2d DCA 2008))

⁷⁴ National Association of Insurance Commissioner, *Glossary of Insurance Terms*, https://content.naic.org/consumer_glossary.htm (last visited May 19, 2022).

⁷⁵ Section 627.7011(1), F.S.

⁷⁶ Section 627.702, F.S.

⁷⁷ *Florida Farm Bureau Cas. Ins. Co. v. Cox*, 967 So. 2d 815, 818 (Fla. 2007).

⁷⁸ *Id.*

⁷⁹ *Id.* Ch. 82-243, Laws of Fla. The Legislature amended the VPL in 2005 after *Mierzwa v Florida Windstorm Underwriting Ass'n*, 877 So.2d 774 (Fla. 4th DCA 2004) was released, "expressly providing that "when a loss was caused in part by a covered peril and in part by a noncovered peril, paragraph (a) does not apply. In such circumstances, the insurer's liability under this section shall be limited to the amount of the loss caused by the covered peril. See s. 627.702(1)(b), F.S. (2005)."

⁸⁰ Section 627.702(1)(a), F.S.

⁸¹ Section 627.702(1)(b), F.S.

Insurer Reporting of Property Insurance Data and other Information to the Office of Insurance Regulation

All insurers with a Florida certificate of authority to transact insurance business must file quarterly and annual reports with the OIR containing various financial data, including audited financial statements and actuarial opinions, and claims data.⁸²

Report on Residential and Commercial Property Insurance Closed Claims

In 2021, the Legislature enacted legislation⁸³ to assist the OIR and the Legislature in identifying current and emerging property insurance litigation trends that are cost drivers adversely affecting insurance rates. Effective January 1, 2022, each insurer or insurer group doing business in Florida must provide specific pieces of data regarding litigation of personal and commercial residential property insurance claims to the OIR on an annual basis.⁸⁴ This data includes, but is not limited to, the following information on a per claim basis:

- Type of policy;
- Date, location, and type of loss;
- Name and type of vendors utilized for mitigation, repair, or replacement;
- Dates on which the claim was reported to the insurer, closed by the insurer, and reopened by the insurer;
- Dates on which a supplemental claim was made;
- Whether the claimant had a public adjuster or an attorney;
- Total amounts that the insurer paid for indemnity, loss adjustment expenses,⁸⁵ and insured's attorney fees;
- Whether the insured's attorney requested that a contingency risk multiplier (CRM)⁸⁶ be applied to the attorney fees calculation and, if so, what CRM was applied.

Insurer Quarterly Reports

Section 624.424(10), F.S., requires insurers and insurer groups doing business in Florida to file quarterly reports with the OIR. These reports, also known as QUASR reports, must include the following information for each county in Florida, compiled on a quarterly basis:

The total number of policies in force at the end of each month.

- The total number of policies canceled.
- The total number of policies nonrenewed.
- The number of policies canceled due to hurricane risk.
- The number of policies nonrenewed due to hurricane risk.
- The number of new policies written.
- The total dollar value of structure exposure under policies that include wind coverage.
- The number of policies that exclude wind coverage.

⁸² Section 624.424, F.S.

⁸³ Ch. 2021-77, Laws of Fla.

⁸⁴ Section 624.424(11), F.S.

⁸⁵ Loss adjustment expenses are the costs associated with investigating and adjusting losses or insurance claims. IRMI, <https://www.irmi.com/term/insurance-definitions/loss-adjustment-expense> (last visited Apr. 2, 2021).

⁸⁶ A CRM is a multiplier applied to attorney fees that reflects the risk of attorneys accepting, on a contingency fee basis, cases that may be difficult to win. *See e.g., Joyce v. Federated Nat'l Ins. Co.*, 228 So. 3d 1122 (Fla. 2017).

Protection for Trade Secrets

In 2014, State Farm Florida Insurance Company (State Farm) began filing its QUASR reports on media marked as trade secret. State Farm subsequently sought a declaratory opinion to prevent the OIR from releasing the information. A trial court found in favor of State Farm, a decision which was affirmed by the Florida First District Court of Appeal (First DCA). State Farm argued that “it wrote very limited new business from 2007 to 2014 and began writing additional new homeowners business in the first quarter of 2014.” Further, State Farm claimed that “county-level data and information provided in its QUASR report was trade secret information that would allow competitors to identify where its business and marketing efforts were focused.” The First DCA agreed with State Farm’s reasoning and found that State Farm’s QUASR data had independent economic value, or at least potential value, and was trade secret under s. 688.002, F.S. Therefore, pursuant to s. 119.0175, F.S., the information was confidential and exempt from public records disclosure under s. 119.07(1), F.S., and s. 24(a), Art. I of the State Constitution. Since this decision in 2017, other insurers in Florida have exercised similar trade secret claims regarding their QUASR data.

In addition to statutory protections, in most states, trade secrets are property protected by the Takings Clause of the Fifth Amendment to the United States Constitution.⁸⁷ Florida provides significant protections for trade secrets. For example, Florida provides for injunctive relief for actual and threatened misappropriation of trade secrets,⁸⁸ damages for misappropriation,⁸⁹ exceptions from public records disclosure,⁹⁰ and significant criminal penalties for trade secret theft or trafficking.⁹¹

In analyzing whether a regulatory taking of a trade secret has occurred, federal courts have used the three part analysis used in *Penn Cent. Transp. Co. v. City of New York*, 438 U.S. 104 (1978).⁹² In *Penn Central* the United States Supreme Court used a three-part “ad hoc, factual inquiry” to evaluate whether a regulatory taking has occurred: (1) what is the economic impact of the regulation; (2) whether the government action interferes with reasonable investment-backed expectations; and (3) what is the character of the government action. If a regulatory taking occurs, the owner of the taken property has a constitutional right to receive just compensation for it. Once such a constitutional right arises, the government may not require a person to give it up in exchange for discretionary benefit conferred by the government where the benefit sought has little or no relationship to the property.⁹³ In regards to trade secrets, the United States Supreme Court has found that, as part of a regulatory scheme which confers some benefit, the government may require the relinquishment of a trade secret.⁹⁴

⁸⁷ *Philip Morris, Inc. v. Reilly*, 312 F.3d 24, 31 (1st Cir. 2002).

⁸⁸ Section 688.003, F.S.

⁸⁹ Section 688.004, F.S.

⁹⁰ Section 119.0175, F.S.

⁹¹ Section 812.081, F.S.

⁹² *Philip Morris* at 33.

⁹³ *Id.*

⁹⁴ *Id.* at 47, citing *Ruckelshaus v. Monsanto Co.*, 467 U.S. 986 (1984).

Claims Adjustment

Communications between a Consumer and Insurer

Section 627.70131, F.S., provides base requirements for communications between an insurer and consumer who has notified the insurer of a possible claim. Generally, the residential property insurance company must respond to the consumer within 14 days to acknowledge the claim and provide necessary claim forms, instructions, and telephone contact information. The insurer is then required to commence an investigation within 14 days after it received proof of loss statements from the consumer. Additionally, if the investigation involves a physical inspection of the property, the insurance company's assigned adjuster must provide the policyholder with a document containing the adjuster's name and license number. Subsequent communications with the policyholder regarding the claim must also include this information. Lastly, the insurer is required to pay or deny a claim within 90 days after notice of the claim was made;⁹⁵ if the insurer fails to make such a payment until after 90 days have passed, the payment bears interest due to the consumer. These duties generally constitute the consumer rights outlined in the Homeowner Claims Bill of Rights.⁹⁶

The Homeowner Claims Bill of Rights

The Homeowner Claims Bill of Rights (Bill of Rights) outlines consumers' rights and responsibilities as a homeowner's insurance policyholder during the insurance claims process.⁹⁷ An insurance company must provide a consumer with a copy of the Bill of Rights within 14 days of receiving any communication about a claim.⁹⁸ Florida law provides form language that the insurer must include in the Bill of Rights, which gives notice of the consumer's right to:⁹⁹

- Receive from their insurance company an acknowledgment of their reported claim within 14 days after the time you communicated the claim.
- Receive written confirmation of a claim's coverage, denial, or continued investigation within 30 days of specific communication;
- Obtain full settlement payment, or partial payment on the undisputed portion of a claim, within 90 days;
- Receive free mediation of a disputed claim, under most circumstances and subject to certain restrictions;
- Receive neutral evaluation of a claim relating to sinkhole damage; and
- Contact the Department of Financial Services for assistance.

The Bill of Rights also includes consumer advice for best practices after a loss has been incurred.

⁹⁵ The statute does provide an exception the failure to pay is caused by factors beyond the control of the insurer which reasonably prevent such payment. In such case, the payment is due 15 days after such condition abates.

⁹⁶ See further discussion of the Homeowner Claims Bill of Rights, *infra*.

⁹⁷ Florida Department of Financial Services, *Know Your Rights- Homeowner Claims Bill of Rights* (Jan. 2022), available at <https://www.myfloridacfo.com/Division/Consumers/understandingCoverage/Guides/documents/HOABillRights.pdf> (last visited May 19, 2022).

⁹⁸ Section 627.7142, F.S.

⁹⁹ *Id.* These consumer rights are partially based on the insurer's duties as outlined in s. 627.70131, F.S.

Disclosure of Adjuster Reports and Other Elements of Property Insurance Claim Files

Currently, under Florida law, an insurer is not required to provide a claimant with a copy of any adjuster reports it has received regarding the claimant's claim. However, Florida courts have found that such reports may be obtained, in some instances, through the discovery process if a claimant files suit against an insurer regarding their claim. Some insurers have attempted to assert a "claims file privilege" to prevent such discovery, but Florida's courts have generally rebuffed such a privilege per se.¹⁰⁰ However, some documents in a claim file may be protectable work product (i.e. Work-Product Privilege) under Florida Rule of Civil Procedure 1.280(b)(4) if said documents were prepared in anticipation of litigation.¹⁰¹ As found by the Fifth District Court of Appeal in *Bankers Sec. Ins. Co. v. Symons*, 889 So. 2d 93, 96 (Fla. 5th DCA 2004), while a claims file may be compiled in anticipation of litigation (and materials within such a file frequently fit within the definition of work product),¹⁰² it does not necessarily make a document within said claims file automatically work product. Instead, each document for which protection is asserted must meet the requirements of being a protected work product. The mere act of placing a document within a claim file does not make it immune from discovery and there is no categorical protection of items within a claim file.¹⁰³

Florida courts have denied plaintiff access to documents within claims files in mere breach of contract claims, finding that such documents are irrelevant to the determination of whether liability for coverage was still in dispute.¹⁰⁴ However, Florida courts have allowed for broader discovery in bad faith claims, where the claims handling conduct of the insurer is at issue.¹⁰⁵

Though Florida statutes do not have a particular right for consumers or claimants to see all or portions of a claim file, a few states do provide for such a privilege. California Insurance Code s. 2071 provides a standard form insurance policy and requires that insurers "notify every claimant that they may obtain, upon request, copies of claim-related documents," and that the insurer must provide such documents, upon receipt of such request by a claimant, within 15 days. The Code defines "claim-related documents" as those that "relate to the evaluation of damages, including, but not limited to, repair and replacement estimates and bids, appraisals, scopes of loss, drawings, plans, reports, third-party findings on the amount of loss, covered damages, and cost

¹⁰⁰ See *Homeowners Choice Prop. & Cas. Ins. Co. v. Avila*, 248 So. 3d 180, 184 (Fla. 3d DCA 2018), which states that there is no such thing as a claims file privilege. Cited with approval in *Avatar Prop. & Cas. Ins. Co. v. Flores*, 46 Fla. L. Weekly D884 (Fla. 2d DCA Apr. 16, 2021).

¹⁰¹ *Avatar Prop. & Cas. Ins. Co. v. Simmons*, 298 So. 3d 1252, 1254 (Fla. 5th DCA 2020).

¹⁰² *Progressive Am. Ins. Co. v. Herzoff*, 290 So. 3d 153, 157 (Fla. 2d DCA 2020), citing *Zirkelbach Constr., Inc. v. Rajan*, 93 So. 3d 1124, 1127 (Fla. 2d DCA 2012), *Ill. Nat'l Ins. Co. v. Bolen*, 997 So. 2d 1194, 1196 (Fla. 5th DCA 2008), *Scottsdale Ins. Co. v. Camara De Comercio Latino-Americana De Los Estados Unidos, Inc.*, 813 So. 2d 250, 252 (Fla. 3d DCA 2002), and *Nat'l Sec. Fire & Cas. Co. v. Dunn*, 705 So. 2d 605, 607 (Fla. 5th DCA 1997).

¹⁰³ See also *Avatar*, 298 So. 3d 1252, 1254. Cited with approval in *People's Tr. Ins. Co. v. Foster*, 47 Fla. L. Weekly D299 (Fla. 1st DCA Jan. 26, 2022).

¹⁰⁴ See *Homeowners Choice Prop. & Cas. Ins. Co., Inc. v. Avila*, 248 So. 3d 180, 182 (Fla. 3d DCA 2018), *Nationwide Ins. Co. of Fla. v. Demmo*, 57 So.3d 982 (Fla. 2d DCA 2011), and *Avatar Prop. & Cas. Ins. Co. v. Mitchell*, 314 So. 3d 640, 642 (Fla. 3d DCA 2021). However, a recent First District Court of Appeal case, *People's Tr. Ins. Co. v. Foster*, 47 Fla. L. Weekly D299 (Fla. 1st DCA Jan. 26, 2022), states that though "number of cases have quashed the premature discovery of insurers' business practices, claims files, underwriting files, underwriting manuals, and the like in breach of contract actions, there is no categorical legal rule prohibiting discovery of underwriting manuals in breach of contract cases, especially if they are relevant."

¹⁰⁵ See *Allstate Indem. Co. v. Ruiz*, 899 So. 2d 1121, 1129 (Fla. 2005), and *Am. Home Assurance Co., Inc. v. Sebo*, 324 So. 3d 977 (Fla. 2d DCA 2021), reh'g denied (Aug. 24, 2021).

of repairs, and all other valuation, measurement, and loss adjustment calculations of the amount of loss, covered damage, and cost of repairs.” Attorney work product and attorney-client privileged documents, and documents that indicate fraud by the insured or that contain medically privileged information, are excluded from this requirement.

Louisiana has recently adopted a more limited requirement. In 2021, the Louisiana State Legislature made significant revisions to LA R.S. 22:1892—one of the state’s bad faith statutes. As part of the revisions, a requirement that insurance companies must provide an insured claimant with any field adjuster report, relative to the insured’s property damage claim. Such report must be provided within 15 days of receiving a request for such from the insured.

Time Limits for Filing Claims

A property insurance claim or reopened claim must be provided to the authorized or surplus lines insurer within two years of the date of loss.¹⁰⁶ A supplemental claim is barred unless notice is provided to the insurer within three years after the date of loss.¹⁰⁷ Further, the law clarifies that the date of loss for claims resulting from hurricanes, tornadoes, windstorms, severe rain, or weather-related events is the date a hurricane makes landfall or when the tornado, windstorm, severe rain, or another type of weather-related event is verified by the National Oceanic and Atmospheric Administration.¹⁰⁸ Florida law currently places a five-year statute of limitations for bringing an action for the breach of a property insurance contract that runs from the date of the loss.¹⁰⁹

Litigation of Property Insurance Claims

Presuit Notice to Initiate Litigation

A claimant must provide the DFS with written notice of intent to initiate litigation at least 10 business days before filing suit.¹¹⁰ The notification must be made on a form provided by the DFS and may not be given before the earlier of the insurer’s denial of coverage or the expiration of the 90-day period to adjust a claim under s. 627.70131, F.S. The notice must detail the alleged acts or omissions of the insurer giving rise to the suit. If the insurer denied coverage, the notice must include an estimate of damages. If the insurer did not deny coverage, notice must include a presuit settlement demand that itemizes damages, attorney fees, costs, and the disputed amount. The notice may include supporting documents. The notice and supporting documents are admissible only in a proceeding regarding attorney fees. A court must dismiss without prejudice any claimant’s suit if the claimant has not complied with the requirement to provide 10 business days’ notice of intent to initiate litigation.

The insurer must respond in writing within 10 business days after receiving notice of intent to initiate litigation.¹¹¹ If the insurer denied coverage, the insurer must either accept coverage, deny coverage, or assert the right to re-inspect the property within 14 business days. If the notice

¹⁰⁶ Section 627.70132(2), F.S.

¹⁰⁷ *Id.*

¹⁰⁸ Section 627.70132(3), F.S.

¹⁰⁹ Section 95.11(2), F.S.

¹¹⁰ Section 627.70152(3), F.S.

¹¹¹ Section 627.70152(4), F.S.

alleges the insurer did an act other than denying coverage, the insurer must respond by making a settlement offer or requiring the claimant to participate in an appraisal or another method of alternative dispute resolution (ADR). If appraisal or ADR is not concluded within 90 days after the 10-day notice of intent to initiate litigation, the claimant may immediately file suit.

Consolidation of Multiple Residential Property Insurance Actions

Each party that is aware of ongoing multiple actions, based upon coverage provided under the same residential property insurance policy for the same property and owners, must provide written notice to the court of the multiple actions.¹¹² Once the court receives notice, it may order that the actions be consolidated and transferred to the court having jurisdiction based on the total amount in controversy of all consolidated claims. If multiple cases are pending in circuit courts, the cases may be consolidated based on the date the first case was filed.

Attorney Fee Awards in Suits Arising Under Property Insurance Policies

For suits under surplus lines¹¹³ and authorized residential and commercial property insurance policies¹¹⁴ not brought by an assignee, attorney fees may only be awarded as provided in s. 57.105, F.S., or s. 627.70152, F.S. Section 627.428, F.S., generally governs the award of attorney fees in civil litigation under a property insurance policy. There are circumstances, however, where the insurer may obtain attorney fees from an insured. These circumstances include when litigation is brought by an assignee of benefits under a residential property insurance policy, when a claimant brings an action that has no good faith legal or genuine factual basis, or in certain circumstances when the insurer's offer of settlement is refused.

The provisions of s. 627.70152, F.S., apply exclusively to all suits not brought by an assignee arising under a residential or commercial property insurance policy, including such coverage issued by an eligible surplus lines insurer.

Attorney fees and costs are awarded based on a formula that compares the amount obtained by the claimant in excess of the insurer's presuit settlement offer (exclusive of attorney fees and costs) with the disputed amount between the two parties (the difference between the claimant's presuit settlement demand and the insurer's presuit settlement offer, also exclusive of attorney fees and costs).¹¹⁵ If the amount obtained by the claimant in excess of the insurer's presuit settlement offer is:

- Less than 20 percent of the disputed amount, each party pays its own attorney fees and costs.
- At least 20 percent but less than 50 percent of the disputed amount, the insurer pays the claimant's attorney fees equal to the percentage of the disputed amount obtained times the total attorney fees and costs.
- At least 50 percent of the disputed amount, the insurer pays the claimant's full attorney fees and costs.

¹¹² Section 627.70153, F.S.

¹¹³ Section 626.9373, F.S.

¹¹⁴ Section 627.428, F.S.

¹¹⁵ Section 627.70152(8), F.S.

Lodestar Calculation

Florida courts set reasonable attorney fees using the federal lodestar approach, which is calculated as the product of the number of hours reasonably expended multiplied by a reasonable hourly rate.¹¹⁶ In adopting a “suitable foundation for an objective structure” for the award of attorney fees, the Court explained in *Fla. Patient’s Comp. Fund v. Rowe*, that:

There is but little analogy between the elements that control the determination of a lawyer’s fee and those which determine the compensation of skilled craftsmen in other fields. Lawyers are officers of the court. The court is an instrument of society for the administration of justice. Justice should be administered economically, efficiently, and expeditiously. The attorney’s fee is, therefore, a very important factor in the administration of justice, and if it is not determined with proper relation to that fact it results in a species of social malpractice that undermines the confidence of the public in the bench and bar. It does more than that. It brings the court into disrepute and destroys its power to perform adequately the function of its creation.¹¹⁷

In calculating the lodestar amount under *Rowe*, courts must consider the following elements:

- The time and labor required, the novelty and difficulty of the question involved, and the skill requisite to perform the legal service.
- The likelihood, if apparent to the client, that the acceptance of the particular employment will preclude other employment by the lawyer.
- The fee customarily charged in the locality for similar legal services.
- The amount involved and the results obtained.
- The time limitations imposed by the client or by the circumstances.
- The nature and length of the professional relationship with the client.
- The experience, reputation, and ability of the lawyer or lawyers performing the services.
- Whether the fee is fixed or contingent.¹¹⁸

Contingency Fee Multipliers – Florida Court Discretion to Apply a Contingency Fee Multiplier and the Contingency Fee Multiplier Schedule

Florida courts have discretion to consider applying a contingency fee multiplier to the produced lodestar amount.¹¹⁹ However, before determining that a multiplier is warranted, a court must consider whether:

- The relevant market requires a contingency fee multiplier to obtain competent counsel.
- The attorney was able to mitigate the risk of nonpayment in any way.
- Any of the factors set forth in *Rowe* are applicable, especially, the amount involved, the results obtained, and the type of fee arrangement between the attorney and the client.¹²⁰

¹¹⁶ *Fla. Patient’s Comp. Fund v. Rowe*, 472 So. 2d 1145, 1150 (Fla. 1985).

¹¹⁷ *Id.* at 1149 (quoting *Baruch v. Giblin*, 122 Fla. 59, 63, 164 So. 831, 833 (1935)).

¹¹⁸ *Fla. Patient’s Comp. Fund v. Rowe*, 472 So. 2d 1145, 1150 (Fla. 1985).

¹¹⁹ *Joyce v. Federated National Insurance Company*, 228 So.3d 1122, 1124 (Fla. 2017).

¹²⁰ *Id.*

When a court concludes the presented evidence supports utilization of a multiplier, courts may use the following *Quanstrom* multiplier schedule:¹²¹

Contingency Fee Multiplier	Case's Likelihood of Success at Outset
1.0 to 1.5	More likely than not.
1.5 to 2.0	Approximately even.
2.0 to 2.5	Unlikely.

Florida's adoption of this approach in *Rowe* was followed by a series of United States Supreme Court decisions rejecting and limiting the use of contingency fee multipliers in federal cases. In response, the Florida Supreme Court has reaffirmed Florida precedent and the underlying public policy reasoning for the use of contingency fee multipliers as articulated in *Rowe* on multiple occasions.

Federal Precedent Limiting the Use of Contingency Fee Multipliers

Following the Florida Supreme Court's decision in *Rowe*, Justice Scalia, writing the majority opinion in *Dague*, couched his disapproval of contingency fee multipliers by reasoning that the multipliers incentivize nonmeritorious claims, so that those claims are effectively raised as often as meritorious claims:

[T]he consequence of awarding contingency enhancement to take account of this "merits" factor would be to provide attorneys with the same incentive to bring relatively meritless claims as relatively meritorious ones. Assume, for example, two claims, one with underlying merit of 20 percent, the other of 80 percent. Absent any contingency enhancement, a contingent-fee attorney would prefer to take the latter, since he is four times more likely to be paid. But with a contingency enhancement, this preference will disappear: the enhancement for the 20 percent claim would be a multiplier of 5 (100/20), which is quadruple the 1.25 multiplier (100/80) that would attach to the 80 percent claim. Thus, enhancement for the contingency risk posed by each case would encourage meritorious claims to be brought, but only at the social cost of indiscriminately encouraging nonmeritorious claims to be brought as well. We think that an unlikely objective of the "reasonable fees" provisions.¹²²

Building on *Dague*, the U.S. Supreme Court in *Perdue* further limited the use of contingency fee multipliers, reserving them for "rare and exceptional circumstances" in which the lodestar insufficiently accounts for a factor that may properly be considered in determining a reasonable fee.¹²³ Such circumstances "require specific evidence that the lodestar fee would not have been 'adequate to attract competent counsel.'¹²⁴

¹²¹ *Id.*

¹²² *City of Burlington v. Dague*, 505 U.S. 557, 563 (1992).

¹²³ *Perdue v. Kenny A. ex rel. Winn*, 559 U.S. 542, 543 (2010).

¹²⁴ *See id.* at 543.

Florida Precedent Approving the Use of Contingency Fee Multipliers

The Florida Supreme Court has rejected the U.S. Supreme Court’s reasoning in *Dague* and *Perdue* on multiple occasions. Beginning with *Bell*, the Court reaffirmed the *Rowe* rationale for contingency fee multipliers, explaining:

[W]e find that the primary policy that favors the consideration of the multiplier is that it assists parties with legitimate causes of action or defenses in obtaining competent legal representation even if they are unable to pay an attorney on an hourly basis. In this way, the availability of the multiplier levels the playing field between parties with unequal abilities to secure legal representation.¹²⁵

In *Lane*, the Court similarly noted the role full contingency fee cases, generally, and partial contingency fee cases, specifically, play in providing access to the court system:

Attorneys should be encouraged to take cases based on a partial contingency-fee arrangement, since this policy also will encourage attorneys to provide services to persons who otherwise could not afford the customary legal fee. No incentive would exist under the approach taken by the district court below, because no “enhancement” of the customary fee would be given to offset losses.¹²⁶

More recently, the Florida Supreme Court has rejected the “rare and exceptional” standard as articulated in *Perdue*. In *Joyce*, the Court held there is no “rare and exceptional” circumstances requirement before a court can apply a contingency fee multiplier.¹²⁷ *Joyce* also reaffirmed *Rowe*, *Quanstrom*, and *Bell*. Moreover, Justice Pariente, writing for the majority, criticized Justice Scalia’s reasoning from the majority opinion in *Dague*, arguing that Justice Scalia wrongly conflated nonmeritorious claims with claims that are unlikely to prevail in arguing that multipliers incentivize the pursuit of nonmeritorious claims.¹²⁸

Statutory and Common Law Bad Faith Actions

Florida’s bad faith law and jurisprudence were designed to hold insurers accountable for failing to fulfill their contractual obligation to indemnify the insured or beneficiary on a valid claim.¹²⁹ Florida recognizes two distinct bad faith causes of action that may be initiated against an insurer. In the first, s. 624.155, F.S., provides first-party and third-party statutory bad faith causes of action against an insurer. Here, bad faith is defined as the commission of any of the following acts by the insurer:

- Not attempting in good faith to settle claims when, under all the circumstances, it could and should have done so, had it acted fairly and honestly toward its insured with due regard for her or his interests;

¹²⁵ *Bell v. U.S.B. Acquisition Co. Inc.*, 734 So.2d 403, 411 (Fla. 1999).

¹²⁶ *Lane v. Head*, 566 So. 2d 508, 511 (Fla. 1990).

¹²⁷ *Joyce v. Federated National Insurance Company*, 228 So.3d 1122, 1135 (Fla. 2017).

¹²⁸ *Id.* at 1132-33.

¹²⁹ *Harvey v. GEICO General Insurance Company*, 251 So.3d 1, 6, (Fla. 2018)(quoting *Berges v. Infinity Insurance Company*, 896 So.2d 665 at 682).

- Making claims payments to insureds or beneficiaries not accompanied by a statement setting forth the coverage under which payments are being made; or
- Except as to liability coverages, failing to promptly settle claims, when the obligation to settle the claim has become reasonably clear, under one portion of the insurance policy coverage in order to influence settlements under other portions of the insurance policy coverage.¹³⁰

The second recognized bad faith cause of action provides a third-party common law cause of action when an insurer fails in good faith to settle a third party's claim against the insurer within policy limits and exposes the insured to liability in excess of his or her insurance coverage.¹³¹ Florida courts do not recognize a common law first-party bad faith causes of action by the insured against its own insurer.¹³² Most property insurance claims are first-party claims¹³³, thus bad faith actions on such claims may proceed only pursuant to s. 624.155, F.S.

In most United States jurisdictions, the default rule is that each party to the litigation pays its own attorney, regardless of the outcome of the litigation, and a court may only award attorney fees to the prevailing side if authorized by statute or agreement of the parties to the litigation.¹³⁴ This is often referred to as the "American Rule" for attorney fees, and contravenes the "English Rule" under which English courts generally awarded attorney fees to the prevailing party in litigation.¹³⁵

Florida has enacted a number of statutes that authorize the award of attorney fees in civil litigation. As the Florida Supreme Court (Court) has noted, these statutory provisions are of two types.¹³⁶ In the first, statutes direct the courts to assess attorney fees against only one side of the litigation in certain types of actions. An example is found in s. 627.428, F.S., which directs the court to assess the insurer a reasonable sum as fees for the prevailing party's attorney. The second category adopts the English Rule, authorizing the prevailing party, whether plaintiff or defendant, to recover attorney fees from the opposing party. An example is found in the recently enacted s. 627.7152, F.S., which directs the court to award an attorney fee to the statutorily defined prevailing party in assignment of benefits litigation under a residential or commercial property insurance policy.

Property Insurance Related Practices by Contractors

The 2021 property insurance reforms¹³⁷ attempted to address increases in roof claims by prohibiting contractors, and persons acting on behalf of contractors, from engaging in the following practices:

¹³⁰ Section 624.155(1)(b)(1)-(3), F.S.

¹³¹ *Opperman v. Nationwide Mutual Fire Insurance Company*, 515 So.2d 263, 265 (Fla. 5th DCA 1987).

¹³² *State Farm Mut. Auto. Ins. Co. v. Laforet*, 658 So.2d 55, 58-59 (Fla. 1995).

¹³³ Homeowners insurance provides liability coverage, thus third-party litigation may occur under a property insurance policy.

¹³⁴ *Florida Patient's Compensation Fund v. Rowe*, 472 So. 2d 1147-1148, (Fla. 1985).

¹³⁵ *Id.*

¹³⁶ *Id.*

¹³⁷ Ch. 2021-77, Laws of Fla.

- Soliciting residential property owners through prohibited advertisements, which are communications to a consumer that encourage, instruct, or induce a consumer to contact a contractor to file an insurance claim for roof damage;
- Offering the residential property owner consideration to perform a roof inspection or file an insurance claim;
- Offering or receiving consideration for referrals when property insurance proceeds are payable;
- Engaging in unlicensed public adjusting; and
- Providing an authorization agreement to the insured without providing a good faith estimate.¹³⁸

The above acts are subject to discipline by the Department of Business and Professional Regulation and a \$10,000 fine per violation. The law provides the residential property owner may void the contract with the contractor within 10 days of its execution if the contractor fails to provide notice to the residential property owner of these prohibited practices.¹³⁹

The law prohibits licensed contractors and subcontractors from advertising, soliciting, offering to handle, handling, or performing public adjuster (PA) services without a license.¹⁴⁰ The prohibition does not prohibit the contractor from recommending the consumer consider contacting his or her insurer to determine if the proposed repair is covered by insurance.

The law prohibits a PA, PA apprentice, or person acting on behalf of a PA or PA apprentice, from offering financial inducements for allowing a roof inspection of residential property or making an insurance claim for roof damage. The law also prohibits them from offering or accepting consideration for referring services related to a roof claim. Each violation subjects the PA or PA licensee to up to a \$10,000 fine. Unlicensed persons not otherwise exempted from PA licensure commit the unlicensed practice of public adjusting when they do these prohibited acts, and are subject to a \$10,000 fine per act and the criminal penalty for unlicensed activity.¹⁴¹

Regulations of Commercial Speech

The United States Supreme Court set forth the standards for analyzing whether a restriction on commercial speech¹⁴² violates the First Amendment of the United States Constitution in the case of *Central Hudson Gas & Elec. Corp. v. Public Service Commission of New York*.¹⁴³ Justice Powell succinctly set forth the standards.

In commercial speech cases, then, a four-part analysis has developed. At the outset, we must determine whether the expression is protected by the First Amendment. For commercial speech to come within that provision, it at least must concern lawful activity and not be misleading. Next, we ask whether the asserted governmental interest is substantial. If both inquiries

¹³⁸ Section 489.147, F.S.

¹³⁹ *Id.*

¹⁴⁰ Section 626.854, F.S.

¹⁴¹ *Id.*

¹⁴² Commercial speech is expression related solely to the economic interests of the speaker and its audience.

¹⁴³ 447 U.S. 557 (1980).

yield positive answers, we must determine whether the regulation directly advances the governmental interest asserted, and whether it is not more extensive than is necessary to serve that interest.¹⁴⁴

The court explained in *Central Hudson* that if a law restricts commercial speech that address speech that is not misleading or related to unlawful activity, the government's power to regulate such speech is limited:

If the communication is neither misleading nor related to unlawful activity, the government's power is more circumscribed. The State must assert a substantial interest to be achieved by restrictions on commercial speech. Moreover, the regulatory technique must be in proportion to that interest. The limitation on expression must be designed carefully to achieve the State's goal. Compliance with this requirement may be measured by two criteria. First, the restriction must directly advance the state interest involved; the regulation may not be sustained if it provides only ineffective or remote support for the government's purpose. Second, if the governmental interest could be served as well by a more limited restriction on commercial speech, the excessive restrictions cannot survive.

Florida Courts have applied the *Central Hudson* test to determine whether government restrictions on commercial speech violate article 1, section 4 of the Florida Constitution.¹⁴⁵

The United State Supreme Court in *Zauderer v. Office of Disciplinary Counsel of the Supreme Court of Ohio*, noted state laws that require disclosures in advertising do not receive the same degree of constitutional protection as a prohibition on commercial free speech.

Because the extension of First Amendment protection to commercial speech is justified principally by the value to consumers of the information such speech provides, appellant's constitutionally protected interest in not providing any particular factual information in his advertising is minimal. An advertiser's rights are adequately protected as long as disclosure requirements are reasonably related to the State's interest in preventing deception of consumers.¹⁴⁶

The United States Supreme Court (Court) used the *Zauderer* test to uphold disclosure requirements in *Milavetz, Gallop & Milavetz, P.A., v. U.S.* In delivering the opinion of the Court, Supreme Court Associate Justice Sonia Sotomayor upheld disclosure requirements placed by federal law¹⁴⁷ upon debt relief agents that provide bankruptcy assistance for payment because, "...the disclosures are intended to combat the problem of inherently misleading commercial advertisements... [and] ... entail only an accurate statement of the advertiser's legal status and the character of the assistance provided."¹⁴⁸

¹⁴⁴ See *Central Hudson Gas*, 447 U.S. 557 at pg. 565.

¹⁴⁵ See *Kortum v. Sink*, 54 So.3d 1012 (Fla. 1st DCA, 2010).

¹⁴⁶ *Zauderer v. Office of Disciplinary Counsel of the Supreme Court of Ohio*, 471 U.S. 626, at pg. 628 (1985).

¹⁴⁷ 11 U.S.C. s. 528 (2006).

¹⁴⁸ *Milavetz, Gallop & Milavetz, P.A., v. U.S.*, 559 U.S. 229 at pg. 231 (2010).

Federal Preliminary Injunction against Provisions of SB 76 Banning Prohibited Advertisements

On July 11, 2021, a federal district court enjoined the enforcement of the provisions of CS/CS/CS/SB 76 (2021)¹⁴⁹ that ban contractors from making prohibited advertisements regarding property insurance roof claims.¹⁵⁰ Within the law, a prohibited advertisement is any written or electronic communication that encourages, instructs, or induces a consumer to contract a public adjuster or contractor for purposes of making an insurance claim for roof damage. The preliminary injunction prevents the enforcement of specific prohibitions in newly created s. 489.147, F.S., specifically (2)(a), (3), and (4)(b), F.S. These provisions are:

- (2)(a): A contractor may not directly or indirectly solicit a residential property owner by means of a prohibited advertisement;
- (3): A contractor who violates this section is subject to a disciplinary proceeding through Department of Business and Professional Regulation (DBPR) under s. 489.129, F.S., and is subject to a \$10,000 fine for each violation; and
- (4)(b): An unlicensed person who violates s. 489.147, F.S., is subject to the penalties in s. 489.13, F.S., and is subject to a fine of up to \$10,000 for each violation.

The judge issued the injunction on the basis that these provisions of the bill violate First Amendment commercial free speech rights of contractors under the United States Constitution. The injunction against subsections (3) and (4)(b) above only apply to the prohibited advertisement provision. The prohibitions in s. 489.147, F.S., regarding roof claims that ban offering inducements to consumers, accepting or paying referral fees, interpreting the insurance policy, or signing a contract with a consumer for roof repairs without providing a good faith estimate remain valid and enforceable. The judge did not enjoin enforcement of the rest of the bill, thus the only provisions affected are those mentioned above that were specifically addressed by the preliminary injunction order.

Citizens Property Insurance Corporation

Citizens is a state-created, not-for-profit, tax-exempt government entity that is an integral part of the state, whose public purpose is to provide property insurance to those unable to find affordable coverage in the private market.¹⁵¹ Citizens is governed by an eight member Board of Governors (board) that administers its plan of operations (plan).¹⁵² The plan is subject to approval by the Financial Services Commission (FSC).

¹⁴⁹ Ch. 2021-77, Laws of Fla.

¹⁵⁰ *Gale Force Roofing & Restoration, LLC v. Julie I. Brown*, 2021 WL 3046800, Case No. 4:21CV246-MW/MAF (U.S.D.C., N.D. Fla., Tallahassee Division) (Order Granting Preliminary Injunction, July 11, 2021).

¹⁵¹ Section. 627.351(6)(a)1., F.S.

¹⁵² *Id.*

Current Policy Count

On December 31, 2021, Citizens reported 759,305 policies in force with a total exposure of \$232,502,323,529.¹⁵³ As of May 13, 2022, Citizens reports 861,764 policies in force with a total exposure of \$281,498,561,911.¹⁵⁴

Rates

From 2007 until 2010, Citizens' rates were frozen by statute at the level that had been established in 2006. In 2010, the Legislature established a "glidepath" to impose annual rate increases up to a level that is actuarially sound. Under the original glidepath, Citizens had to implement an annual rate increase that, except for sinkhole coverage, does not exceed 10 percent above the previous year for any individual policyholder, adjusted for coverage changes and surcharges. In 2021, the Legislature revised this glidepath to increase it one percent per year to 15 percent, as follows:¹⁵⁵

- 11 percent for 2022.
- 12 percent for 2023.
- 13 percent for 2024.
- 14 percent for 2025.
- 15 percent for 2026 and all subsequent years.

The implementation of this increase ceases when Citizens has achieved actuarially sound rates.¹⁵⁶ In addition to the overall glide path rate increase, Citizens can increase its rates to recover the additional reimbursement premium it incurs as a result of the annual cash build-up factor added to the price of the mandatory layer of the Florida Hurricane Catastrophe Fund coverage, pursuant to s. 215.555(5)(b), F.S.¹⁵⁷

Policyholder Eligibility

Current law requires Citizens to provide a procedure for determining the eligibility of a potential risk for insurance in Citizens and provides specific eligibility requirements based on premium amounts, value of the property insured, and the location of the property. Risks not meeting the statutory eligibility requirements cannot be insured by Citizens. Citizens has additional eligibility requirements set out in their underwriting rules. These rules are approved by the OIR and are established in Citizens' underwriting manuals.¹⁵⁸

¹⁵³ Citizens Property Insurance, *About Us, Snapshot, December 31, 2021*, <https://www.citizensfla.com/-/20211231-policies-in-force> (last visited May. 17, 2022).

¹⁵⁴ Email from Citizens staff, Policies In Force Weekly Summary (May 13, 2022). On file with Senate Banking and Insurance Committee.

¹⁵⁵ Section 627.351(6)(n)5., F.S. (Ch. 2021-77, Laws of Fla).

¹⁵⁶ Section 627.351(6)(n)7., F.S.

¹⁵⁷ Section 627.351(6)(n)6., F.S.

¹⁵⁸ See Citizens Property Insurance Corporation *Revised Underwriting Manuals*, <https://www.citizensfla.com/-/20160329-revised-underwriting-manuals> (last visited Jan. 22, 2022).

Citizens Financial Resources

If the Citizens' Board of Directors determines a Citizens' account has a projected deficit, Citizens is authorized to levy assessments¹⁵⁹ on its policyholders and on each line of property and casualty line of business other than workers' compensation insurance and medical malpractice insurance.¹⁶⁰ Citizens may impose three assessment tiers and their sequence is as follows:¹⁶¹

Citizens Policyholder Surcharge – A surcharge of up to 15 percent of premium on all Citizens' policies, collected upon issuance or renewal. This 15 percent assessment can be levied for each of the three Citizens' accounts—the CLA, the PLA, and the Coastal Account—that project a deficit. Thus, the total maximum premium surcharge a policyholder could be assessed is 45 percent.¹⁶²

Regular Assessment – If the Citizens' surcharge is insufficient to cure the deficit for the coastal account, Citizens can require an assessment against all other insurers except medical malpractice and workers' compensation. The assessment may be recouped from policyholders through a rate filing process of up to two percent of premium or two percent of the deficit, whichever is greater.¹⁶³ This assessment is not levied against Citizens' policyholders.

Emergency Assessment – Requires any remaining deficit for Citizens' three accounts be funded by multi-year emergency assessments on all insurance policyholders (except medical malpractice and workers' compensation), including Citizens' policyholders. This assessment may not exceed the greater of 10 percent of the amount needed to cover the deficit, plus interest, fees, commissions, required reserves, and other costs associated with financing the original deficit, or 10 percent of the aggregate statewide direct written premium for subject lines of business and all accounts of the corporation for the prior year, plus interest, fees, commissions, required reserves, and other costs associated with financing the deficit.¹⁶⁴

Florida Hurricane Catastrophe Fund

The Florida Hurricane Catastrophe Fund (FHCF) is a tax-exempt fund created by the Legislature in 1993 as a form of reinsurance for residential property catastrophic hurricane losses.¹⁶⁵ The purpose of the FHCF is to protect and advance the state's interest in maintaining insurance capacity in Florida by providing reimbursements to insurers for a portion of their catastrophic losses.¹⁶⁶ The FHCF provides insurers a source of reinsurance that is stable and generally less expensive than private reinsurance.

¹⁵⁹ Assessments are charges that Citizens and non-Citizens policyholders can be required to pay, in addition to their regular policy premiums.

¹⁶⁰ Accident and health insurance and policies written under the National Flood Insurance Program or the Federal Crop Insurance Program are not assessable types of property and casualty insurance. Surplus lines insurers are not assessable, but their policyholders are. Section 627.351(6)(b)3.f.-h., F.S.

¹⁶¹ Section 627.351, F.S.

¹⁶² Sections 627.351.(6)(b)3.i.(I) and 627.351.(6)(c)21., F.S.

¹⁶³ Section 627.351(6)(b)3.a., F.S.

¹⁶⁴ Section 627.351(6)(b)3.d., F.S.

¹⁶⁵ See s. 215.555, F.S.

¹⁶⁶ See *id.*

The State Board of Administration (board) administers the FHCF and reimburses property insurers for a selected percentage of hurricane losses to residential property when those losses exceed the insurer's retention (deductible).¹⁶⁷ The FHCF industry retention for the 2022-2023 contract year will be approximately \$8.5 billion. The FHCF reimburses participating insurers for losses under covered policies, subject to limitations.¹⁶⁸ A covered policy is defined as "any insurance policy covering residential property" in Florida, including, but not limited to the following types of policies:

- Homeowner;
- Mobile home owner;
- Farm owner;
- Condominium association;
- Condominium unit owner;
- Tenant;
- Apartment building policy; and
- Any other policy covering a residential structure or its contents.¹⁶⁹

Covered policies may be issued by any authorized insurer,¹⁷⁰ a commercial self-insurance fund holding a certificate of authority issued by the OIR, Citizens Property Insurance Corporation (Citizens), and any joint underwriting association or similar legal entity.¹⁷¹

FHCF Mandatory Coverage

All insurers admitted to transact business in this state writing residential property insurance that includes wind coverage must buy reimbursement coverage (reinsurance) on their residential property exposure through the FHCF.¹⁷² The FHCF is authorized by statute to sell \$17 billion of mandatory layer coverage.¹⁷³ Each insurer that purchases coverage may receive up to its proportional share of the \$17 billion mandatory layer of coverage based upon the insurer's share of the actual premium paid for the contract year, multiplied by the claims paying capacity of the fund. Each insurer may select a reimbursement contract wherein the FHCF promises to reimburse the insurer for 45 percent, 75 percent, or 90 percent of covered losses, plus 10 percent¹⁷⁴ of the reimbursed losses for loss adjustment expenses.¹⁷⁵

¹⁶⁷ *Id.* Retention is defined as the amount of losses below which an insurer is not entitled to reimbursement from the FHCF. It is calculated for each insurer based upon that insurer's proportionate share of overall premiums charged by the FHCF. *See s. 215.555(2)(e), F.S.*

¹⁶⁸ Section 215.555(2)(d), F.S.

¹⁶⁹ Section 215.555(2)(c), F.S.

¹⁷⁰ Authorized insurers are those insurers that have obtained a certificate of authority from the OIR to transact insurance business in Florida. *s. 624.09(1), F.S.*

¹⁷¹ Section 215.555(2)(c), F.S.

¹⁷² *Id.*

¹⁷³ Section 215.555(4)(c)1., F.S.

¹⁷⁴ Section 215.555(4)(b), F.S.

¹⁷⁵ Loss adjustment expenses are costs incurred by insurers when investigating, adjusting, and processing a claim.

FHCF Premiums

The FHCF must charge insurers the actuarially indicated premium¹⁷⁶ for the coverage provided, based on hurricane loss projection models found acceptable by the Florida Commission on Hurricane Loss Projection Methodology.¹⁷⁷ The actuarially indicated premium is an amount that is adequate to pay current and future obligations and expenses of the fund. In practice, each insurer pays the FHCF annual reimbursement premiums that are proportionate to each insurer's share of the FHCF's risk exposure. The cost of FHCF coverage is generally lower than the cost of private reinsurance because the fund is a tax-exempt non-profit corporation and does not charge a risk load as it relates to overhead and operating expenses incurred by other private insurers.¹⁷⁸

Hazard Mitigation

The goal of natural hazard mitigation efforts is to reduce loss of life and property by lessening the impact of disasters.¹⁷⁹ Hazard mitigation may include adopting up-to-date building codes and exceeding codes to addressing the retrofit of existing buildings.¹⁸⁰

One of the dominant source of natural-hazard risk today is the existing inventory of older buildings that predate modern building codes.¹⁸¹ In 2019, the median age of owner-occupied housing stock in Florida was in the range of 31-35 years. Older homes may not be as resilient as newer construction. Studies demonstrate that modern building codes have been very effective in preventing the destruction of homes due to various storms, fires and earthquakes.¹⁸² For example, after Hurricane Michael hit Mexico Beach, Florida, studies indicated that homes built post-2000 remained standing, while older homes did not.¹⁸³ According to a 2019 report, the implementation of some of the most common or practical retrofit measures on existing residential building inventory produces \$4 of benefit for every \$1 invested.¹⁸⁴

¹⁷⁶ Section 215.555(2)(a), F.S.

¹⁷⁷ See State Board of Administration of Florida, *Florida Commission on Hurricane Loss Methodology*, <https://www.sbafla.com/method/> (last visited December 29, 2021).

¹⁷⁸ *State Board of Administration of Florida, Florida Hurricane Catastrophe Fund, 2020 Annual Report*, https://www.sbafla.com/fhcf/Portals/FHCF/Content/Reports/Annual/20210614_2020_FHCFAnnualReport.pdf?ver=2021-06-14-123243-403 (last visited December 29, 2021).

¹⁷⁹ Florida Mitigation Projects Prove Successful (Mar. 14, 2018) [Florida Mitigation Projects Prove Successful | FEMA.gov](https://www.fema.gov/press-releases/2018/03/14/florida-mitigation-projects-prove-successful) (last visited May 13, 2022).

¹⁸⁰ Multi-Hazard Mitigation Council (2019), Natural Hazard Mitigation Saves [Natural Hazard Mitigation Saves: 2019 Report | National Institute of Building Sciences \(nibs.org\)](https://www.nibs.org/reports/natural-hazard-mitigation-saves-2019-report) (last visited May 13, 2022).

¹⁸¹ National Home Builders Association, Age of Housing Stock by Age (Mar. 26, 2021) [Age of Housing Stock by State | Eye On Housing](https://www.nhba.com/age-of-housing-stock-by-age) (last visited May 13, 2022).

¹⁸² National Home Builders Association, Market-Driven Solutions Will Keep Homes Resilient and Affordable, [Market-Driven Solutions Will Keep Homes Resilient and Affordable - NAHB](https://www.nhba.com/market-driven-solutions-will-keep-homes-resilient-and-affordable) (last visited May 13, 2022).

¹⁸³ *Id.*

¹⁸⁴ Multi-Hazard Mitigation Council (2019), Natural Hazard Mitigation Saves [Natural Hazard Mitigation Saves: 2019 Report | National Institute of Building Sciences \(nibs.org\)](https://www.nibs.org/reports/natural-hazard-mitigation-saves-2019-report) last visited May 13, 2022. .

My Safe Florida Home Program

During the 2004 and 2005 hurricane seasons, 2.8 million Florida homeowners suffered more than \$33 billion in insured property damage.¹⁸⁵ At that time, 86 percent of the 4.4 million homes in Florida were built prior to the adoption of stronger building codes in 2002. The average age of a home was 26 years.¹⁸⁶

In response, the Legislature created the My Safe Florida Home Program within the DFS¹⁸⁷ to provide financial incentives for Florida residential property owners to obtain free home inspections that would identify mitigation measures and provide grants to retrofit such properties, thereby reducing their vulnerability to hurricane damage and helping decrease the cost of residential property insurance. The Legislature appropriated \$250 million for the program.¹⁸⁸

In 2007, the Legislature directed the DFS to:

- Provide free home inspections for at least 400,000 single family, residential properties, and
- Provide mitigation grants for hardening homes to at least 35,000 applicants before June 30, 2009.

The DFS contracted with wind certification entities to provide free hurricane mitigation inspections. At a minimum, the inspections included:

- A home inspection and report that identifies recommended improvements a homeowner may take to mitigate hurricane damage.
- A range of cost estimates regarding the recommended mitigation improvements.
- Insurer-specific information regarding premium discounts correlated to current mitigation features and the recommended mitigation improvements identified by the inspection.

The program offered matching grants of up to \$5,000 to homeowners. Low-income homeowners were not required to provide matching funds. A homeowner was required to meet the following requirements to be eligible for a grant:

- The homeowner must have been granted a homestead exemption for the property pursuant to ch. 196, F.S.
- The home must be a dwelling with an insured value of \$300,000 or less. However, a low-income homeowner is exempt from this requirement.
- The home must have undergone an acceptable hurricane mitigation inspection after May 1, 2007.
- The home must be located in the wind-borne debris region as that term is defined in the Florida Building Code.¹⁸⁹

¹⁸⁵ Department of Financial Services, My Safe Florida Home, 2008 Annual Report (Feb. 2009) (On file with Senate Banking and Insurance Committee).

¹⁸⁶ *Id.* My Safe Florida Home 2008 Annual Report.

¹⁸⁷ The Legislature initially established the program as the Florida Comprehensive Hurricane Damage Mitigation Program (Ch. 2006-12, Laws of Fla.) however, the name was subsequently changed in 2007. (Ch. 2007-126, Laws of Fla.) Significant changes were made to the program in 2007.

¹⁸⁸ Ch. 2006-12 Laws of Fla. Any unused funds appropriated to the program would revert to the state on June 30, 2009. The program was not funded thereafter.

¹⁸⁹ The term, “wind-borne debris region,” is defined in the Florida Building Code.

- The building permit application for initial construction of the home was made before March 1, 2002.

As of January 30, 2009, the program had performed more than 391,000 inspections and awarded 39,000 grants. Funding for the program ceased on June 30, 2009.¹⁹⁰

Independent Evaluations of the My Safe Florida Home Program (program)

RMS Impact Analysis¹⁹¹

Risk Management Solutions (RMS) conducted an impact analysis of the My Safe Florida Home program. The RMS® U.S. Hurricane Model was used to analyze the impact of the program on individual structures retrofitted with MSFH grant money. This study evaluated the benefits on a statewide basis. In 2009, RMS issued a report that made the following conclusions regarding the impact of the program. The results of the study found that the program reduced the statewide economic liability and the risk carried by the homeowners in Florida. As of May 2009, less than one percent of the 4.9 million homes in Florida had been retrofitted under the program. Approximately \$93 million in grants of the \$250 million appropriation were allocated to roughly 32,000 homes.

The Florida Auditor General's Performance Audit of the My Safe Florida Home Program¹⁹²

In 2010, the Auditor General released an operational audit report of the DFS My Safe Florida Home program. The report focused on selected operational aspects and activities of the My Safe Florida Home Program during the period July 2007 through February 2009.

The Auditor General's report made the following findings about the program:

Based on a review of monthly invoices submitted by the contractor for the period August 2008 through February 2009, approximately 31 percent (2,385 out of 7,600) of the hurricane mitigation inspections and approximately 9 percent (96 out of 1,093) of the mitigation grant retrofit projects included on the DFS' listings were not reinspected by the contractor. According to information provided to the DFS by the contractor, a homeowner's refusal to allow for reinspection was the most common reason a reinspection was not performed.

Further, the Auditor General made the following recommendation:

As part of the quality assurance reinspection process, the Department should follow up on all selected properties that were not reinspected and

¹⁹⁰ Supra note 9. My Safe Florida Annual Report.

¹⁹¹ [RMS ANALYZING THE EFFECTS OF THE MY SAFE FLORIDA HOME PROGRAM ON FLORIDA INSURANCE RISK, RMS Special Report Summary of an analysis prepared for the Florida Department of Financial Services \(May 14, 2009\), MSFH Report May 2009.pdf \(sbafla.com\)](#) (last visited May 23, 2022).

¹⁹² Florida Office of the Auditor General, Operational Audit of the Department of Financial Services, My Safe Florida Home program (Jan. 1010) REPORT NO. 2010-074, [Microsoft Word - 2010-074 DFS MSFH.docx \(flauditor.gov\)](#) (last visited May 23, 2022).

determine why the reinspections were not completed. In addition, the Department should modify any future written agreements with homeowners for hurricane mitigation inspections to include provisions requiring that homeowners make their homes available for reinspection. The Department should also reevaluate the results of prior reinspection efforts and follow up as deemed appropriate on all selected properties that were not subject to reinspection.

III. Effect of Proposed Changes:

Reinsurance to Assist Policyholders (RAP) Program

Section 1 creates s. 215.5551, F.S., to establish the Reinsurance to Assist Policyholders (RAP) program within the State Board of Administration (board). The bill authorizes the transfer of up to \$2 billion dollars from the General Revenue Fund to the program for the 2022-2023 contract term beginning June 1, 2022. The RAP program statute expires July 1, 2025, if no general revenue funds have been transferred to fund the RAP program. If such funds were transferred, the statute expires July 1, 2029, and all unencumbered RAP Program funds must be transferred back to the General Revenue Fund.

The RAP program authorizes a \$2 billion dollar reimbursement layer of reinsurance for hurricane losses directly below the mandatory layer of the Florida Hurricane Catastrophe Fund (FHCF). The FHCF mandatory retention is \$8.5 billion for the 2022-2023 contract year. All eligible insurers must participate in the program. The RAP program coverage reimburses 90 percent of each insurer's covered losses and 10 percent of their loss adjustment expenses up to each individual insurer's limit of coverage for the two hurricanes causing the largest losses for that insurer during the contract year. Each insurer's limit of the \$2 billion in RAP coverage is their pro-rata market share among all insurers that participate in the RAP program. Thus, an insurer with five percent of the risk reinsured by RAP coverage would have a limit of coverage of \$100 million.

All eligible insurers will participate in the RAP program for one year. Insurers that do not have private reinsurance within the RAP layer of coverage for the 2022-2023 contract year must participate during the 2022-2023 contract year. Insurers that have private reinsurance that duplicates RAP coverage for the 2022-2023 contract year must notify the board in writing of such duplicative coverage no later than June 30, 2022. Participation in the RAP program for such insurers is deferred until the 2023-2024 contract year.

The bill establishes a process to trigger release of funds necessary to reimburse RAP insurers for losses associated with covered events and the administration of the program.

- Requires the board to submit an initial notice, and any subsequent requests, if applicable, to the Executive Office of the Governor if it determines that a specified amount of funds for the RAP program will be necessary to reimburse RAP insurers for losses associated with a covered event. Upon receipt of such notice, the EOG will direct the Chief Financial Officer to draw a warrant from the General Revenue Fund for a transfer to the board for the RAP program in the amount requested. Cumulative transfers to the board to pay claims may not exceed \$2 billion.

- The board may request, via the same process for reimbursing RAP insurers, up to \$5 million for the administration of the program and post-event examinations for covered events that require RAP coverage.

The bill defines the following terms as follows:

- “Covered event” to mean any one storm declared to be a hurricane by the National Hurricane Center, which storm causes insured losses in this state.
- “RAP insurer” as an insurer in the FHCF on June 1, 2022. Residual markets, risk apportionment plans, or other entities created pursuant to s. 627.351, F.S., are not considered RAP insurers and are prohibited from obtaining coverage under the RAP program
- “RAP limit” as a RAP insurer’s maximum payout, which is its share of the \$2 billion RAP layer aggregate limit.
- “RAP qualification ratio” in the following manner:
 - For the 2022-2023 contract year, the ratio of FHCF mandatory premium adjusted to 90 percent for RAP insurers divided by the FHCF mandatory premium adjusted to 90 percent for all insurers.
 - For the 2023-2024 contract year, the ratio of FHCF mandatory premium adjusted to 90 percent for the qualified RAP insurers that have deferred RAP coverage to 2023-2024 divided by the FHCF mandatory premium adjusted to 90 percent for all insurers.
- “RAP reimbursement contract” as the reimbursement contract reflecting the obligations of the RAP program to insurers.

Qualifications and Requirements of RAP Program Insurers

The bill specifies that an insurer is ineligible to participate in the RAP program if the board receives a notice from the Office of Insurance Regulation (OIR) Commissioner that certifies that the insurer is in a unsound financial condition no later than June 15, 2022, for participation in the 2022-2023 contract year or February 1, 2023, for RAP insurers that defer and participate during the 2023-2024 contract year. The OIR must determine whether an insurer is in an unsound financial condition based on the following factors:

- The insurer’s compliance with the requirements to qualify for and hold a certificate of authority under s. 624.404, F.S.;
- The insurer’s compliance with the applicable surplus requirements of s. 624.408, F.S.;
- The insurer’s compliance with the applicable risk-based capital requirements under s. 624.4085, F.S.;
- The insurer’s compliance with the applicable premium to surplus requirements under s. 624.4095; F.S., and
- An analysis of quarterly and annual statements, including an actuarial opinion summary, and other information submitted to the office pursuant to s. 624.424, F.S.

Additionally, the bill provides that if the board receives timely notice from the OIR regarding an insurer, such insurer is disqualified from participating in the program.

RAP Program Reimbursement Contracts

The board must enter into a RAP reimbursement contract with each eligible RAP insurer writing covered policies in Florida to provide reimbursement through the RAP program. The contract is effective:

- June 1, 2022, for RAP insurers that participate in the RAP program during the 2022-2023 contract year; or
- June 1, 2023, for RAP insurers that defer and participate during the 2023-2024 contract year.

The RAP reimbursement contract must be executed no later than July 15, 2022, for RAP insurers that participate in the program during the 2022-2023 contract year; or March 1, 2023, for those RAP insurers that are subject to deferral and participate in the program during the 2023-2024 contract year. If a RAP insurer fails to execute the RAP reimbursement contract by the dates required in this paragraph, the RAP insurance contract is deemed to have been executed by the RAP insurer.

The sum of the losses and a 10 percent LAE allocation from the RAP layer may not exceed the RAP limit. Recoveries on losses in the FHCF mandatory layer must inure to the benefit of the RAP contract layer.

The RAP reimbursement amounts may not be reduced by reinsurance paid or payable to the insurer from other sources, excluding the FHCF.

The board must calculate and report to each RAP insurer the RAP payout multiples formula. The RAP payout multiples is the ratio of the RAP industry limit of \$2 billion for contract year 2022-2023, or the deferred limit for contract year 2023-2024, to the mandatory FHCF retention multiplied by the mandatory FHCF retention multiples divided by the RAP qualification ratio. The RAP payout multiple for an insurer is multiplied by the RAP insurer's FHCF premium to calculate its RAP maximum payout. RAP payout multiples are calculated for 45 percent, 75 percent, and 90 percent FHCF mandatory coverage selections.

The retention for a RAP insurer is calculated in the following manner:

- The RAP retention multiples for each FHCF coverage selection is the FHCF retention multiple minus the RAP payout multiple.
- The RAP retention multiple for an insurer is multiplied by the RAP insurer's FHCF premium to calculate its RAP retention. RAP retention multiples are calculated for 45 percent, 75 percent, and 90 percent FHCF coverage selections.

The RAP industry retention for the 2022-2023 contract year is the FHCF industry retention minus \$2 billion, prior to allocation to qualifying RAP insurers. The RAP industry retention for the 2023-2024 contract year is the FHCF industry retention for the 2023-2024 contract year minus the total deferred RAP limit, prior to allocation to qualifying RAP insurers. A RAP insurer must determine its actual RAP retention by multiplying its actual mandatory reimbursement FHCF premium by the RAP retention multiple.

The bill authorizes the board to inspect, examine, and verify the records of covered policies of each RAP insure to validate the accuracy of losses reported pursuant to the RAP reimbursement contract.

The RAP reimbursement contract must provide for a commutation period not to exceed five years from the end of the 2022-2023 contract year for RAP insurers that participate during that contract year; or the 2023-2024 contract year for RAP insurers that defer and participate during that contract year.

Other Provisions

- Prohibits the payment of premiums for participation in the RAP program.
- Provides that the RAP program shall not affect the claims-paying capacity of the FHCF.
- Specifies that any violation of this section or of rules adopted under the section constitutes a violation of the insurance code.
- Requires the RAP reimbursement contract to provide that in the event of an insolvency of a RAP insurer, the RAP program shall pay reimbursements directly to the applicable state guaranty fund for the benefit of Florida policyholders of the RAP insurer.
- Provides that, if an authorized insurer or Citizens assumes or otherwise provides coverage for policies of an unsound RAP insurer, the authorized insurer or Citizens may, pursuant to conditions mutually agreed to between the authorized insurer or Citizens and the State Board of Administration, accept an assignment of the unsound RAP insurer's RAP contract with the FHCF.
- Provides that, if an authorized insurer or Citizens accepts an assignment of an unsound RAP insurer's RAP contract, the FHCF shall apply the unsound RAP insurer's RAP contract to such policies and treat the authorized insurer or Citizens as if it were the unsound RAP insurer for the remaining term of the RAP contract, with all rights and duties of the unsound RAP insurer beginning on the date it provides coverage for such policies.
- Authorizes the board to take any action necessary to enforce the provisions, rules, and requirements of the RAP reimbursement contract.
- Authorizes the board to adopt rules to implement this section and it is the intent of the Legislature that all rules adopted to implement this section will be adopted as emergency rules pursuant to s. 120.54(4), F.S.
- Requires the board to submit a report to Executive Office of the Governor, the President of the Senate, and the Speaker of the House of Representatives no later than January 31, 2023, and quarterly thereafter. The report must delineate any reimbursement obligations of the RAP program, all loss development projections, the amount of RAP reimbursement coverage deferred until the 2023-2024 contract year, and information regarding administrative and post-event examination expenses.

Section 2 creates an undesignated section and requires an insurer that participates in RAP program for 2022-2023 to reduce their rates by filing a rate filing or amending a pending rate filing with the OIR by June 30, 2022, to reflect the savings from the RAP program. An insurer that defers using the RAP program until the 2023 year must reduce rates in a rate filing submitted to the OIR by May 1, 2023. The OIR is directed to expedite the review of such filings.

My Safe Florida Home Program

Section 3 amends s. 215.5586, F.S., to revise the My Safe Florida Home Program.

Eligibility for Hurricane Mitigation Inspections

The bill requires that a homeowner who receives a My Safe Florida Home grant must agree to make his or her home available for inspection after the mitigation project is completed.

Eligibility for Mitigation Grants

The homeowner eligibility requirements for the mitigation grants are revised in the following manner:

- The home must be a dwelling with an insured value of \$500,000 or less. Low-income homeowners are exempt from this requirement. The current maximum insured value is \$300,000 or less.
- Requires as a condition for participation in the program, a building permit for the initial construction of the home must have been made before January 1, 2008. Current law specifies May 1, 2007.
- Requires the home must have undergone an acceptable hurricane mitigation inspection after July 1, 2008, instead of May 2007. The program is effective July 1, 2022.
- Clarifies that the home must be in the “wind-borne debris,” as that term is defined in the Florida Building Code. This is a technical change.

All program grants must be matched on the basis of \$1 provided by the applicant for \$2 provided by the state, up to a maximum state contribution of \$10,000 toward the actual cost of the mitigation project. Low-income homeowners may receive up to \$5,000 in grant funds without providing matching dollars.

Program Transparency Requirements

The bill expands the scope of the current annual report of program activities the DFS submits to the President of the Senate and the Speaker of the House of Representatives to include the average annual amount of insurance premium discounts and the total of such discounts homeowners received from insurers resulting from the mitigation funded through the program.

This section is effective July 1, 2022.

Funding of My Safe Florida Home Program

Section 4 provides funding for the My Safe Florida Home Program in the following manner:

- Appropriates \$150 million from nonrecurring funds from the General Revenue Fund for the 2022-2023 fiscal year to implement the program.
- Requires that appropriated funds be placed in reserve. The DFS must submit budget amendments requesting release of the funds held in reserve pursuant to ch. 216, F.S. The budget amendment must include a detailed spending plan.
- Provides that the funds must be allocated as follows:
 - \$25 million dollars for hurricane mitigation inspections.
 - \$115 million dollars for mitigation grants.

- \$4 million for education and consumer awareness.
- \$1 million for public outreach for contractors and real estate brokers and sales associates.
- \$5 million for administrative costs.
- Specifies that any unexpended balance of funds remaining on June 30, 2023, reverts and is appropriated to the DFS for the 2023-2024 fiscal year for the same purpose.

This section expires October 1, 2024.

Contractor Solicitation of Roof Claims

Section 5 amends s. 489.147, F.S., relating to prohibited property insurance practices. The section prohibits contractors from making written or electronic communications that encourage or induce a consumer to contact a contractor or public adjuster for the purpose of making a property insurance claim for roof damage unless such solicitation provides notice in a prescribed format that:

- The consumer is responsible for the payment of any deductible;
- It is insurance fraud punishable as a third-degree felony for a contractor to knowingly or willfully, and with intent to injure, defraud, or deceive, pay, waive, or rebate all or part of an insurance deductible applicable to payment to the contractor for repairs to a property covered by a property insurance policy; and
- It is insurance fraud punishable as a third-degree felony to file intentionally an insurance claim containing false, fraudulent, or misleading information.

Civil Remedy

Section 6 creates s. 624.1551, F.S., to require a claimant to establish that a property insurer breached the insurance contract in order for the claimant to prevail in a bad faith claim for extracontractual damages under s. 624.155(1) (b), F.S. The provisions will apply to civil remedy actions based upon a property insurer:

- Not attempting in good faith to settle claims when, under all the circumstances, it could and should have done so, had it acted fairly and honestly toward its insured and with due regard for his or her interests;
- Making claims payments to insureds or beneficiaries not accompanied by a statement setting forth the coverage under which payments are being made; or
- Except as to liability coverages, failing to promptly settle claims, when the obligation to settle a claim has become reasonably clear, under one portion of the insurance policy coverage in order to influence settlements under other portions of the insurance policy.

Insurer Transparency and Reporting

Section 7 amends s. 624.307, F.S., relating to the OIR, to require the OIR to publish all orders, data required by s. 627.915, F.S., reports required by s. 627.7154(3), F.S., and all reports that are not confidential and exempt on its website in a timely manner.

Section 8 amends s. 624.313, F.S., relating to publications, to require the OIR to provide an analysis of the availability of reinsurance to domestic insurers selling homeowners' and

condominium unit owners' insurance in Florida in the OIR's annual statistical report. The report must be available no later than July 1 of each year.

Section 9 amends s. 624.315, F.S., to revise the scope of the OIR annual report and other available information in the following manner:

- Requires the inclusion of the date a delinquency or similar proceedings was instituted against a property insurer, including the date that each insurer was deemed impaired of capital or surplus, as the terms "impairment of capital" and "impairment of surplus" are defined in s. 631.011, F.S., or insolvent, as the term "insolvency" is defined in s. 631.011, F.S.; and
- Requires a concise statement of the circumstances that led to each insurer's delinquency; a summary of the actions taken by the insurer and the office to avoid delinquency; and the results or status of each such proceeding.

Further, the OIR must maintain the following information and make such information available upon request:

- Reports relating to the health of the homeowners' and condominium unit owners' insurance market must include the percentage of policies written by voluntary carriers, the percentage of policies written by Citizens; and
- Any trends related to the relative shares of the voluntary and residual markets.

Section 10 amends s. 624.424, F.S., relating to annual statements and other insurer reporting requirements. The section directs the OIR to make publicly available data detailing the number of policies, amount of premium, number of cancellations, and other data for each property insurer on a statewide basis. The information must be published on the OIR website within one month after each quarterly and annual filing. The section specifies such information is not a trade secret as defined in s. 688.002(4), F.S., or s. 812.081, F.S., and is not subject to the public records exemption for trade secrets provided in s. 119.0715, F.S.

Attorney Fees – Prohibiting Assignment of the Right to Recover Attorney Fees

Sections 11 and 12 amend ss. 626.9373 and 627.428, F.S., respectively, to prohibit assignment of the right to obtain attorney fees in suits arising out of a property insurance policy to persons other than a named or omnibus insured or a named beneficiary under the policy. This prohibition applies to surplus lines and authorized insurers. As a result, agreements may occur, but the assignee vendor will no longer be able to recover attorney fees in suits against an insurer.

Roof Deductibles

Section 13 amends s. 627.701, F.S., to allow property insurers to include in a homeowner's policy a separate roof deductible of up to two percent of the Coverage A limit of the policy or 50 percent of the cost to replace the roof. The policyholder must also be offered the option to decline the roof deductible by signing a form approved by the OIR. If a roof deductible is added to the policy at renewal, the insurer must provide a notice of change in policy terms and allow the policyholder to decline the separate roof deductible.

Policyholders that select a roof deductible must receive an actuarially sound premium credit or discount.

The bill specifies that the roof deductible does not apply to:

- A total loss to the primary structure in accordance with the valued policy law under s. 627.702, F.S., which is caused by a covered peril.
- A roof loss caused by a hurricane.
- A loss resulting from a tree fall or other hazard that damages the roof and punctures the roof deck.
- A roof loss requiring the repair of less than 50 percent of the roof.

Roof deductibles may only be applied to a claim adjusted on a replacement cost basis.

When a roof deductible is applied, no other deductibles under the policy may be applied.

The bill requires a roof deductible provision to be clear and unambiguous.

The bill requires the inclusion of the following disclosures related to the roof deductible:

- On the page immediately behind the declarations page, notice that a roof deductible may result in high out-of-pocket expenses to the policyholder.
- On the policy declarations page, prominent display of the actual dollar value of the roof deductible at issuance and renewal.

Roofs – Insurer Underwriting and Requirement to Pay Roof Deductible

Section 14 amends s. 627.7011, F.S., to provide that an insurer may not refuse to issue or refuse to renew a homeowner's policy insuring a residential structure with a roof that is less than 15 years solely because of the age of the roof. When a roof is at least 15 years old, an insurer must allow a homeowner to have a roof inspection performed by an authorized inspector at the homeowner's expense before requiring the replacement of the roof as a condition of issuing or renewing a homeowner's insurance policy. The insurer may not refuse to issue or refuse to renew a homeowner's insurance policy solely because of roof age if an inspection of the roof of the residential structure performed by an authorized inspector indicates that the roof has five years or more of useful life.

The bill allows an insurer to limit payment on a roof claim to actual cash value until the policyholder pays the roof deductible.

Claims Handling

Section 15 amends s. 627.70131, F.S., relating to communications between an insurers and insureds in the following manner:

- Provides that for claims other than those subject to a hurricane deductible, an insurer must conduct any such physical inspection within 45 days after its receipt of the proof of loss statements.
- Requires insurers to notify policyholders of their right to receive any detailed report created by an adjuster that estimates the amount of the loss.

- The insurer must provide a reasonable explanation of the claim decision in relation to the insurance policy, facts, and law. If the insurer makes a claim payment that is less than contained in an adjuster's estimate of the loss, the insurer must explain the discrepancy.

This section is effective January 1, 2023.

Attorney Fees – Standard for Fee Multiplier Awards

Section 16 amends s. 627.70152, F.S., in the following manner:

- Creates a new standard for the award of an attorney fee multiplier in property insurance litigation. The bill creates a presumption that in property insurance cases, attorney fee awards based on the Lodestar methodology are presumed sufficient and reasonable. Attorney fee multipliers may only be awarded under rare and exceptional circumstances with evidence that competent counsel could not be hired in a reasonable manner.
- Allows a court to award attorney fees when a first-party claimant's property insurance suit is dismissed without prejudice for failure to provide a Notice of Intent to Initiate Litigation.

Technical Change

Section 17 provides a technical, conforming change to update a cross reference in s. 627.7142, F.S.

Assignment of Benefits

Section 18 amends s. 627.7152, F.S., relating to assignment agreements, to revise the definition of assignment agreement to include AOBs executed by a party that inspects the property, clarifies that public adjuster fees are not an assignment agreement, and clarifies the requirement to provide a Notice of Intent to Initiate Litigation before filing suit. Further, the section:

- Requires that a valid AOB must specify that the assignee will hold harmless the assignor from all liabilities, including attorney fees.
- Eliminates statutory language authorizing attorney fee awards to plaintiffs or defendants in litigation brought by an assignee of benefits under a property insurance policy.

The bill repeals statutory language detailing the methodology for awarding attorney fees to plaintiffs or defendants in litigation brought by an assignee of benefits under a property insurance policy. The language is no longer necessary because the bill prohibits assignment of the right to recover attorney fees in suits arising out of a property insurance policy.

Office of Insurance Regulation Insurer Stability Unit

Section 19 creates s. 627.7154, F.S., to establish a property insurer stability unit (unit) within the OIR. The purpose of the unit is to detect and prevent insurer insolvencies in the homeowners' and condominium unit owners' insurance market. Specifically, the unit is to identify significant concerns regarding insurer compliance with the insurance code. The unit must, at minimum:

- Conduct target market exams when there is reason to believe that an insurer's claims practices, rate requirements, investment activities, or financial statements suggest said insurer may be in an unsound financial condition.

- Monitor closely all risk-based capital reports, own-risked solvency assessments, reinsurance agreements, and financial statements filed by insurers.
- Have primary responsibility, coordinating with Florida Commission on Hurricane Loss Projection Methodology, to conduct annual catastrophe stress tests of all domestic insurers and insurers that are commercially domiciled in this state.
- Update required wind mitigation credits.
- Review the causes of insolvency and business practices of insurers that have been referred to the Division of Rehabilitation and Liquidation of the DFS, and make recommendations to prevent future occurrences of such insurers.
- File biannual reports on the status of the homeowners' and condominium unit owners' insurance market to the Governor, the President of the Senate, the Speaker of the House of Representatives, the Minority Leader of the Senate, the Minority Leader of the House of Representatives, and the chairs of the legislative committees with jurisdiction over matters of insurance.

The section also specifies events that trigger a referral to the insurer stability unit. Expenses for the unit are to be paid from the Insurance Regulatory Trust Fund, except that, if the unit recommends that a market conduct examination or targeted market examination be conducted, the reasonable cost of the examination shall be paid by the person examined.

Initiation and Commencement of Delinquency Proceedings; Prevention of Insolvencies

Sections 20 and 21 amend ss. 631.031 and 631.398, F.S., respectively, to require the OIR to include an affidavit that identifies the grounds for rehabilitation pursuant to s. 631.051, F.S., a statement of the circumstances that led to the insurer's delinquency, and a summary of the actions taken by the insurer and the OIR to avoid delinquency. Further, the DFS is required to develop a summary report on property insurer insolvencies, as described below:

- An initial report analyzing the history and causes of such insolvency must be submitted to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the OIR within four months after the DFS is appointed as a receiver.
- Such report must be updated at least annually until the submission of the final report.
- The DFS is required to submit a final report within 30 days of the conclusion of the insolvency proceeding.

The report may not be used as evidence in any proceeding brought by the DFS or others to recover assets on behalf of the receivership estate as part of its duties under s. 631.141(8), F.S. Further, the submission of such a report must not be considered a waiver of an evidentiary privilege the DFS may assert under state or federal law.

Conflict with Laws Passed During the 2022 Regular Session

Section 22 provides that if any law amended by this act was also amended by a law enacted during the 2022 Regular Session of the Legislature, such laws shall be construed as if enacted during the same session of the Legislature, and full effect shall be given to each if possible.

Effective Date

Section 23 provides that except as otherwise provided, the bill is effective upon becoming a law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Private Sector Impact:

Inspections and retrofits of residential homes through the My Safe Florida Home will result in homeowners having more resilient and safer homes, and receiving reductions in insurance premiums due to such mitigation. Additionally, insurers must submit rate filings reducing rates to reflect the savings generated from the mandatory RAP program. Insurers that participate in the RAP program during the 2022-2023 contract year must make such rate filing no later than June 30, 2022. Insurers that must defer participation in the RAP program to the 2023-2024 contract year must make such rate filing no later than May 1, 2023.

B. Tax/Fee Issues:

None.

C. Government Sector Impact:

There is \$2 billion in nonrecurring funds from the General Revenue Fund designated for reimbursements for the RAP program. These funds may be used if the SBA determines that funds from the RAP program coverage will be necessary to reimburse RAP insurers for losses associated with a hurricane. Additionally, there is \$5 million in nonrecurring

funds from the General Revenue Fund designated for administrative costs of the State Board of Administration in the event such RAP program reimbursements are implemented.

There is \$150 million in nonrecurring funds from the General Revenue Fund appropriated to the Department of Financial Services for the My Safe Florida Home Program. These funds are designated for the following purposes:

- \$25 million for hurricane mitigation inspections.
- \$115 million for hurricane mitigation grants.
- \$4 million for education and consumer awareness.
- \$1 million for public outreach to contractors, real estate brokers, and sales associates.
- \$5 million for administrative costs.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 215.5586, 489.147, 624.307, 624.313, 624.315, 624.424, 626.9373, 627.428, 627.701, 627.7011, 627.70131, 627.70152, 627.7142, 627.7152, 631.031, and 631.398.

This bill creates the following sections of the Florida Statutes: 215.5551, 624.1551, and 627.7154.

IX. Additional Information:

- A. **Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Appropriations on May 23, 2022:

The committee substitute provides the following changes:

Reinsurance to Assist Policyholders (RAP)

- Clarifies that a RAP insurer that has private reinsurance that duplicates RAP coverage for the 2022-2023 contract year must notify the SBA of that fact and must defer participation in the RAP program until the 2023-2024 contract year.
- Makes a technical correction regarding the requirement that a homeowner who receives a My Safe Florida Home grant must agree to make his or her home available for inspection once a mitigation project is completed.

Regulatory Oversight of Property Insurers

- Narrows the scope of some of the requirements of the CS regarding the OIR's regulatory duties for the purpose of applying them to property insurers because the CS is an act relating to "property insurance."

Property Insurance Stability Unit and Other Solvency Provisions

- Makes technical, clarifying changes to language creating the Property Insurance Stability Unit.
- Clarifies that provisions requiring the OIR Director to execute an affidavit identifying the grounds for rehabilitation of an insurer and other specified information only applies to property insurers.
- Revises the bill's requirement that the Department of Financial Services create reports regarding the history and causes of a property insurer's insolvency. The revisions are for the purpose of ensuring the DFS is able to carry out its duties when appointed as the receiver of an insolvent property insurer.
 - Specifies the DFS must begin its analysis upon being appointed receiver by the court.
 - Requires the initial report to be submitted within 4 months after being appointed receiver.
 - Specifies that the initial report may not be used as evidence in any proceeding brought by the DFS or others to recover assets on behalf of the receivership estate.
 - Specifies that the submission of an initial report does not waive any evidentiary privilege the DFS may assert under state or federal law.

B. Amendments:

None.



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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
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The Committee on Appropriations (Boyd) recommended the following:

Senate Amendment (with title amendment)

Delete lines 337 - 490

and insert:

(a) A RAP insurer that has any private reinsurance that duplicates RAP coverage such insurer would receive for the 2022-2023 contract year shall notify the board in writing of such duplicative coverage no later than June 30, 2022. Participation in the RAP program for such RAP insurers shall be deferred until the 2023-2024 contract year.



11 (b) A new participating insurer that begins writing covered
12 policies in this state after June 1, 2022, is deemed to defer
13 its RAP coverage to the 2023-2024 contract year.

14 (7) RAP PREMIUMS.—Premiums may not be charged for
15 participation in the RAP program.

16 (8) CLAIMS-PAYING CAPACITY.—The RAP program shall not
17 affect the claims-paying capacity of the FHCF as provided in s.
18 215.555(4)(c)1.

19 (9) INSOLVENCY OF RAP INSURER.—

20 (a) The RAP reimbursement contract shall provide that in
21 the event of an insolvency of a RAP insurer, the RAP program
22 shall pay reimbursements directly to the applicable state
23 guaranty fund for the benefit of policyholders in this state of
24 the RAP insurer.

25 (b) If an authorized insurer or the Citizens Property
26 Insurance Corporation accepts an assignment of an unsound RAP
27 insurer's RAP contract, the FHCF shall apply the unsound RAP
28 insurer's RAP contract to such policies and treat the authorized
29 insurer or the Citizens Property Insurance Corporation as if it
30 were the unsound RAP insurer for the remaining term of the RAP
31 contract, with all rights and duties of the unsound RAP insurer
32 beginning on the date it provides coverage for such policies.

33 (10) VIOLATIONS.—Any violation of this section or of rules
34 adopted under this section constitutes a violation of the
35 insurance code.

36 (11) LEGAL PROCEEDINGS.—The board is authorized to take any
37 action necessary to enforce the rules, provisions, and
38 requirements of the RAP reimbursement contract, required by and
39 adopted pursuant to this section.



40 (12) RULEMAKING.—The board may adopt such rules as are
41 reasonable and necessary to implement this section, and it is
42 the intent of the Legislature that all rules adopted to
43 implement this section will be done as emergency rules pursuant
44 to s. 120.54(4).

45 (13) APPROPRIATION.—

46 (a) Within 60 days after a covered event, the board shall
47 submit written notice to the Executive Office of the Governor if
48 the board determines that funds from the RAP program coverage
49 established by this section will be necessary to reimburse RAP
50 insurers for losses associated with the covered event. The
51 initial notice, and any subsequent requests, must specify the
52 amount necessary to provide RAP reimbursements. Upon receiving
53 such notice, the Executive Office of the Governor shall instruct
54 the Chief Financial Officer to draw a warrant from the General
55 Revenue Fund for a transfer to the board for the RAP program in
56 the amount requested. The Executive Office of the Governor shall
57 provide written notification to the chair and vice chair of the
58 Legislative Budget Commission at least 3 days before the
59 effective date of the warrant. Cumulative transfers authorized
60 under this paragraph may not exceed \$2 billion.

61 (b) If General Revenue Funds are transferred to the board
62 for the RAP program under paragraph (a), the board shall submit
63 written notice to the Executive Office of the Governor that
64 funds will be necessary for the administration of the RAP
65 program and post-event examinations for covered events that
66 require RAP coverage. The initial notice, and any subsequent
67 requests, must specify the amount necessary for administration
68 of the RAP program and post-event examinations. Upon receiving



69 such notice, the Executive Office of the Governor shall instruct
70 the Chief Financial Officer to draw a warrant from the General
71 Revenue Fund for a transfer to the board for the RAP program in
72 the amount requested. The Executive Office of the Governor shall
73 provide written notification to the chair and vice chair of the
74 Legislative Budget Commission at least 3 days before the
75 effective date of the warrant. Cumulative transfers authorized
76 under this paragraph may not exceed \$5 million.

77 (c) No later than January 31, 2023, and quarterly
78 thereafter, the board shall submit a report to the Executive
79 Office of the Governor, the President of the Senate, and the
80 Speaker of the House of Representatives detailing any
81 reimbursements of the RAP program, all loss development
82 projections, the amount of RAP reimbursement coverage deferred
83 until the 2023-2024 contract year, and detailed information
84 about administrative and post-event examination expenditures.

85 (14) EXPIRATION DATE.—If no General Revenue Funds have been
86 transferred to the board for the RAP program under subsection
87 (13) by June 30, 2025, this section expires on July 1, 2025. If
88 General Revenue Funds have been transferred to the board for the
89 RAP program under subsection (13) by June 30, 2025, this section
90 expires on July 1, 2029, and all unencumbered RAP program funds
91 shall be transferred by the board back to the General Revenue
92 Fund unallocated.

93 Section 2. (1) No later than June 30, 2022, each insurer
94 that participates during the 2022-2023 contract year in the
95 Reinsurance to Assist Policyholders program under s. 215.5551,
96 Florida Statutes, shall reduce its rates to reflect the cost
97 savings realized by participating in the program through a rate



98 filing with the Office of Insurance Regulation or by amending a
99 pending rate filing. The insurer shall make no other changes to
100 its rates in the filing.

101 (2) No later than May 1, 2023, each insurer that defers
102 participation in the Reinsurance to Assist Policyholders program
103 until the 2023-2024 year under s. 215.5551, Florida Statutes,
104 shall reduce its rates to reflect the cost savings realized by
105 participating in the program through a rate filing with the
106 Office of Insurance Regulation or by amending a pending rate
107 filing. The insurer shall make no other changes to its rates in
108 the filing.

109 (3) The Office of Insurance Regulation shall expedite the
110 review of the filings made under this section.

111 Section 3. Effective July 1, 2022, paragraphs (a) and (b)
112 of subsection (2) and subsection (10) of section 215.5586,
113 Florida Statutes, are amended to read:

114 215.5586 My Safe Florida Home Program.—There is established
115 within the Department of Financial Services the My Safe Florida
116 Home Program. The department shall provide fiscal
117 accountability, contract management, and strategic leadership
118 for the program, consistent with this section. This section does
119 not create an entitlement for property owners or obligate the
120 state in any way to fund the inspection or retrofitting of
121 residential property in this state. Implementation of this
122 program is subject to annual legislative appropriations. It is
123 the intent of the Legislature that the My Safe Florida Home
124 Program provide trained and certified inspectors to perform
125 inspections for owners of site-built, single-family, residential
126 properties and grants to eligible applicants as funding allows.



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127 The program shall develop and implement a comprehensive and
128 coordinated approach for hurricane damage mitigation that may
129 include the following:

130 (2) MITIGATION GRANTS.—Financial grants shall be used to
131 encourage single-family, site-built, owner-occupied, residential
132 property owners to retrofit their properties to make them less
133 vulnerable to hurricane damage.

134 (a) For a homeowner to be eligible for a grant, the
135 following criteria must be met:

136 1. The homeowner must have been granted a homestead
137 exemption on the home under chapter 196.

138 2. The home must be a dwelling with an insured value of
139 \$500,000 ~~\$300,000~~ or less. Homeowners who are low-income
140 persons, as defined in s. 420.0004(11), are exempt from this
141 requirement.

142 3. The home must have undergone an acceptable hurricane
143 mitigation inspection after July 1, 2008 ~~May 1, 2007~~.

144 4. The home must be located in the "wind-borne debris
145 region" as that term is defined in the Florida Building Code s.
146 ~~1609.2, International Building Code (2006), or as subsequently~~
147 ~~amended~~.

148 5. The building permit application for initial construction
149 of the home must have been made before January 1, 2008 ~~March 1,~~
150 ~~2002~~.

151 6. The homeowner must agree to make his or her home
152 available for inspection once a mitigation project is completed.

154 ===== T I T L E A M E N D M E N T =====

155 And the title is amended as follows:



156 Delete lines 19 - 52
157 and insert:
158 providing for deferral of coverage under the program;
159 prohibiting premiums from being charged for
160 participation in the program; providing that the
161 program does not affect the claims-paying capacity of
162 the Florida Hurricane Catastrophe Fund; requiring the
163 program to pay reimbursements directly to the
164 applicable state guaranty fund in the event of
165 insolvency; specifying requirements for the Florida
166 Hurricane Catastrophe Fund if an insurer or the
167 Citizens Property Insurance Corporation accept
168 assignments of unsound insurers; providing that
169 certain violations are violations of the insurance
170 code; authorizing the board to enforce certain
171 requirements; authorizing the board to adopt rules;
172 providing legislative intent; requiring the board to
173 submit a written notice within a certain timeframe to
174 the Executive Office of the Governor relating to the
175 program funds, under certain circumstances; providing
176 a requirement for the notice and subsequent requests;
177 requiring the Executive Office of the Governor to
178 instruct the Chief Financial Officer to draw a warrant
179 for a transfer to the board for the program under
180 certain circumstances and to provide notification to
181 specified persons within a certain timeframe;
182 prohibiting cumulative transfers from exceeding a
183 specified amount; providing reporting requirements;
184 providing for expiration and transfer of unencumbered



185 funds; requiring certain property insurers to reduce
186 rates to reflect certain cost savings through rate
187 filings by a specified date; prohibiting such insurers
188 from making other rate changes; requiring the Office
189 of Insurance Regulation to expedite the review of
190 certain filings; amending s. 215.5586, F.S.; revising
191 homeowner eligibility criteria



624398

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
05/23/2022	.	
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The Committee on Appropriations (Boyd) recommended the following:

Senate Amendment (with title amendment)

Delete lines 579 - 632
and insert:
s. 627.915(2), reports required by s. 627.7154(3), and all reports that are not confidential and exempt on its website in a timely fashion.

Section 8. Subsection (1) of section 624.313, Florida Statutes, is amended to read:

624.313 Publications.—



11 (1) As early as reasonably possible, the office shall
12 annually have printed and made available a statistical report
13 which must include all of the following information on either a
14 calendar year or fiscal year basis:

15 (a) A summary of all information reported to the office
16 under s. 627.915(1).

17 (b) The total amount of premiums written and earned by line
18 of insurance.

19 (c) The total amount of losses paid and losses incurred by
20 line of insurance.

21 (d) The ratio of premiums written to losses paid by line of
22 insurance.

23 (e) The ratio of premiums earned to losses incurred by line
24 of insurance.

25 (f) The market share of the 10 largest insurers or insurer
26 groups by line of insurance and of each insurer or insurer group
27 that has a market share of at least 1 percent of a line of
28 insurance in this state.

29 (g) The profitability of each major line of insurance.

30 (h) An analysis of the impact of the insurance industry on
31 the economy of the state.

32 (i) A complaint ratio by line of insurance for the insurers
33 referred to in paragraph (f), based upon information provided to
34 the office by the department. The office shall determine the
35 most appropriate ratio or ratios for quantifying complaints.

36 (j) An analysis of such lines or kinds of insurance for
37 which the office determines that an availability problem exists
38 in this state, and an analysis of the availability of
39 reinsurance to domestic insurers selling homeowners' and



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40 condominium unit owners' insurance in this state.

41 (k) A summary of the findings of market examinations
42 performed by the office under s. 624.3161 during the preceding
43 year.

44 (l) Such other information as the office deems relevant.

45 Section 9. Paragraph (c) of subsection (1) and paragraph
46 (n) of subsection (2) of section 624.315, Florida Statutes, is
47 amended to read:

48 624.315 Department; annual report.—

49 (1) As early as reasonably possible, the office, with such
50 assistance from the department as requested, shall annually
51 prepare a report to the Speaker and Minority Leader of the House
52 of Representatives, the President and Minority Leader of the
53 Senate, the chairs of the legislative committees with
54 jurisdiction over matters of insurance, and the Governor
55 showing, with respect to the preceding calendar year:

56 (c) Names of insurers against which delinquency or similar
57 proceedings were instituted. For property insurers for which
58 the delinquency or similar proceedings were instituted, the
59 annual report must also include the date that each

60
61 ===== T I T L E A M E N D M E N T =====

62 And the title is amended as follows:

63 Delete lines 67 - 70

64 and insert:

65 revising the information the office must include in a
66 certain annual report; amending s. 624.315, F.S.;

67 revising the



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LEGISLATIVE ACTION

Senate	.	House
Comm: UNFAV	.	
05/23/2022	.	
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The Committee on Appropriations (Powell) recommended the following:

Senate Amendment

Delete line 818
and insert:
percent of the coverage A limit of the policy or 20 percent
of



142174

LEGISLATIVE ACTION

Senate	.	House
Comm: UNFAV	.	
05/23/2022	.	
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The Committee on Appropriations (Brandes) recommended the following:

Senate Amendment (with title amendment)

Delete line 899

and insert:

(b) The Citizens Property Insurance Corporation may not refuse to issue or refuse to renew a

===== T I T L E A M E N D M E N T =====

And the title is amended as follows:

Delete line 113



142174

11 and insert:

12 the term "authorized inspector"; prohibiting the

13 Citizens Property Insurance Corporation



920248

LEGISLATIVE ACTION

Senate	.	House
Comm: UNFAV	.	
05/23/2022	.	
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The Committee on Appropriations (Rouson) recommended the following:

Senate Amendment (with title amendment)

Delete lines 1023 - 1026
and insert:
court shall determine a reasonable fee using the lodestar method. However, a contingency fee multiplier may be applied in rare or exceptional circumstances upon consideration of the following factors:
1. Whether the relevant market requires a contingency fee multiplier to obtain competent counsel;



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11 2. Whether the attorney was able to mitigate the risk of
12 nonpayment in any way; and

13 3. Whether the amount involved and the results obtained
14 justify a contingency fee multiplier.

15

16 ===== T I T L E A M E N D M E N T =====

17 And the title is amended as follows:

18 Delete lines 128 - 131

19 and insert:

20 dismissals; requiring courts to determine reasonable
21 fees using the lodestar method in awarding certain
22 attorney fees; authorizing the application of
23 contingency fee multipliers in certain circumstances
24 upon consideration of specified factors; amending s.



698794

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
05/23/2022	.	
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The Committee on Appropriations (Boyd) recommended the following:

Senate Amendment (with title amendment)

Delete lines 1295 - 1499
and insert:

(1) A property insurer stability unit is created within the office to aid in the detection and prevention of insurer insolvencies in the homeowners' and condominium unit owners' insurance market. The following responsibilities are limited only to matters related to homeowners' and condominium unit owners' insurance.



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11 (2) The insurer stability unit shall provide enhanced
12 monitoring whenever the office identifies significant concerns
13 about an insurer's solvency, rates, proposed contracts,
14 underwriting rules, market practices, claims handling, consumer
15 complaints, litigation practices and outcomes, and any other
16 issue related to compliance with the insurance code.

17 (3) The insurer stability unit shall, at a minimum:

18 (a) Conduct a target market exam when there is reason to
19 believe that an insurer's claims practices, rate requirements,
20 investment activities, or financial statements suggest that the
21 insurer may be in an unsound financial condition.

22 (b) Closely monitor all risk-based capital reports, own-
23 risk solvency assessments, reinsurance agreements, and financial
24 statements filed by insurers selling homeowners' and condominium
25 unit owners' insurance policies in this state.

26 (c) Have primary responsibility to conduct annual
27 catastrophe stress tests of all domestic insurers and insurers
28 that are commercially domiciled in this state.

29 1. The insurer stability unit shall cooperate with the
30 Florida Commission on Hurricane Loss Projection Methodology to
31 select the hurricane scenarios that are used in the annual
32 catastrophe stress test.

33 2. Catastrophe stress testing must determine:

34 a. Whether an individual insurer can survive a one in 130-
35 year probable maximum loss (PML), and a second event 50-year
36 return PML following a first event that exceeds a 100-year
37 return PML; and

38 b. The impact of the selected hurricane scenarios on the
39 Citizens Property Insurance Corporation, the Florida Hurricane



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40 Catastrophe Fund, the Florida Insurance Guaranty Association,
41 and taxpayers.

42 (d) Update wind mitigation credits required by s. 627.711
43 and associated rules.

44 (e) Review the causes of insolvency and business practices
45 of insurers that have been referred to the department's Division
46 of Rehabilitation and Liquidation and make recommendations to
47 prevent similar failures in the future.

48 (f) On January 1 and July 1 of each year, provide a report
49 on the status of the homeowners' and condominium unit owners'
50 insurance market to the Governor, the President of the Senate,
51 the Speaker of the House of Representatives, the Minority Leader
52 of the Senate, the Minority Leader of the House of
53 Representatives, and the chairs of the legislative committees
54 with jurisdiction over matters of insurance showing:

55 1. Litigation practices and outcomes of insurance
56 companies.

57 2. Percentage of homeowners and condominium unit owners who
58 obtain insurance in the voluntary market.

59 3. Percentage of homeowners and condominium unit owners who
60 obtain insurance from the Citizens Property Insurance
61 Corporation.

62 4. Profitability of the homeowners' and condominium unit
63 owners' lines of insurance in this state, including a comparison
64 with similar lines of insurance in other hurricane-prone states
65 and with the national average.

66 5. Average premiums charged for homeowners' and condominium
67 unit owners' insurance in each of the 67 counties in this state.

68 6. Results of the latest annual catastrophe stress tests of



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69 all domestic insurers and insurers that are commercially
70 domiciled in this state.

71 7. The availability of reinsurance in the personal lines
72 insurance market.

73 8. The number of property and casualty insurance carriers
74 referred to the insurer stability unit for enhanced monitoring,
75 including the reason for the referral.

76 9. The number of referrals to the insurer stability unit
77 which were deemed appropriate for enhanced monitoring, including
78 the reason for the monitoring.

79 10. The name of any insurer against which delinquency
80 proceedings were instituted, including the grounds for
81 rehabilitation pursuant to s. 631.051 and the date that each
82 insurer was deemed impaired of capital or surplus, as the terms
83 impairment of capital and impairment of surplus are defined in
84 s. 631.011, or insolvent, as the term insolvency is defined in
85 s. 631.011; a concise statement of the circumstances that led to
86 the insurer's delinquency; and a summary of the actions taken by
87 the insurer and the office to avoid delinquency.

88 11. Recommendations for improvements to the regulation of
89 homeowners' and condominium unit owners' insurance market and an
90 indication of whether such improvements require any change to
91 existing laws or rules.

92 12. Identification of any trends that may warrant attention
93 in the future.

94 (4) Any of the following events must trigger a referral to
95 the insurer stability unit:

96 (a) Consumer complaints related to homeowners' insurance or
97 condominium unit owners' insurance under s. 624.307(10), if the



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98 complaints, in the aggregate, suggest a trend within the
99 marketplace and are not an isolated incident.

100 (b) There is reason to believe that an insurer who is
101 authorized to sell homeowners' or condominium unit owners'
102 insurance in this state has engaged in an unfair trade practice
103 under part IX of chapter 626.

104 (c) A market conduct examination determines that an insurer
105 has exhibited a pattern or practice of willful violations of an
106 unfair insurance trade practice related to claims-handling which
107 caused harm to policyholders, as prohibited by s.
108 626.9541(1)(i).

109 (d) An insurer authorized to sell homeowners' or
110 condominium unit owners' insurance in this state requests a rate
111 increase that exceeds 15 percent, in accordance with s.
112 627.0629(6).

113 (e) An insurer authorized to sell homeowners' or
114 condominium unit owners' insurance in this state violates the
115 ratio of actual or projected annual written premiums required by
116 s. 624.4095(4)(a).

117 (f) An insurer authorized to sell homeowners' or
118 condominium unit owners' insurance in this state files a notice
119 pursuant to s. 624.4305 advising the office that it intends to
120 nonrenew more than 10,000 residential property insurance
121 policies in this state within a 12-month period.

122 (g) A quarterly or annual financial statement required by
123 ss. 624.424 and 627.915 demonstrates that an insurer authorized
124 to sell homeowners' or condominium unit owners' insurance in
125 this state is in an unsound condition, as defined in s.
126 624.80(2); has exceeded its powers in a manner as described in



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127 s. 624.80(3); is impaired, as defined in s. 631.011(12) or (13);
128 or is insolvent, as defined in s. 631.011.

129 (h) An insurer authorized to sell homeowners' or
130 condominium unit owners' insurance in this state files a
131 quarterly or annual financial statement required by ss. 624.424
132 and 627.915 which is misleading or contains material errors.

133 (i) An insurer authorized to sell homeowners' or
134 condominium unit owners' insurance in this state fails to timely
135 file a quarterly or annual financial statement required by ss.
136 624.424 and 627.915.

137 (j) An insurer authorized to sell homeowners' or
138 condominium unit owners' insurance in this state files a risk-
139 based capital report that triggers a company action level event,
140 regulatory action level event, authorized control level event,
141 or mandatory control level event, as those terms are defined in
142 s. 624.4085.

143 (k) An insurer selling homeowners' or condominium unit
144 owners' insurance in this state that is subject to the own-risk
145 solvency assessment requirement of s. 628.8015, and fails to
146 timely file the own-risk solvency assessment.

147 (l) A reinsurance agreement creates a substantial risk of
148 insolvency for an insurer authorized to sell homeowners' or
149 condominium unit owners' insurance in this state, pursuant to s.
150 624.610(13).

151 (m) An insurer authorized to sell homeowners' or
152 condominium unit owners' insurance in this state is party to a
153 reinsurance agreement that does not create a meaningful transfer
154 of risk of loss to the reinsurer, pursuant to s. 624.610(14).

155 (n) Citizens Property Insurance Corporation is required to



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156 absorb policies from an insurer that participated in the
157 corporation's depopulation program authorized by s. 627.3511
158 within 3 years after the insurer takes policies out of the
159 corporation.

160

161 The insurer stability unit's supervisors shall review all
162 referrals triggered by the statutory provisions to determine
163 whether enhanced scrutiny of the insurer is appropriate.

164 (5) Expenses of the insurer stability unit shall be paid
165 from moneys allocated to the Insurance Regulatory Trust Fund.
166 However, if the unit recommends that a market conduct exam or
167 targeted market exam be conducted, the reasonable cost of the
168 examination shall be paid by the person examined, in accordance
169 with s. 624.3161.

170 Section 20. Subsection (1) of section 631.031, Florida
171 Statutes, is amended to read:

172 631.031 Initiation and commencement of delinquency
173 proceeding.-

174 (1) Upon a determination by the office that one or more
175 grounds for the initiation of delinquency proceedings exist
176 pursuant to this chapter and that delinquency proceedings must
177 be initiated, the Director of the Office of Insurance Regulation
178 shall notify the department of such determination and shall
179 provide the department with all necessary documentation and
180 evidence. If the director must notify the department of a
181 determination regarding a property insurer, the notification
182 must include an affidavit that identifies the grounds for
183 rehabilitation pursuant to s. 631.051; the date that each
184 insurer was deemed impaired of capital or surplus, as the terms



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185 impairment of capital and impairment of surplus are defined in
186 s. 631.011, or insolvent, as the term insolvency is defined in
187 s. 631.011; a concise statement of the circumstances that led to
188 the insurer's delinquency; and a summary of the actions taken by
189 the insurer and the office to avoid delinquency. The department
190 shall then initiate such delinquency proceedings.

191 Section 21. Subsection (3) of section 631.398, Florida
192 Statutes, is amended to read:

193 631.398 Prevention of insolvencies.—To aid in the detection
194 and prevention of insurer insolvencies or impairments:

195 (3) (a) The department shall, no later than the conclusion
196 of any domestic insurer insolvency proceeding, prepare a summary
197 report containing such information as is in its possession
198 relating to the history and causes of such insolvency, including
199 a statement of the business practices of such insurer which led
200 to such insolvency.

201 (b) For an insolvency involving a domestic property
202 insurer, the department shall:

203 1. Begin an analysis of the history and causes of the
204 insolvency once the department is appointed by the court as
205 receiver.

206 2. Submit an initial report analyzing the history and
207 causes of the insolvency to the Governor, the President of the
208 Senate, the Speaker of the House of Representatives, and the
209 office. The initial report must be submitted no later than 4
210 months after the department is appointed as receiver. The
211 initial report shall be updated at least annually until the
212 submission of the final report. The report may not be used as
213 evidence in any proceeding brought by the department or others



698794

214 to recover assets on behalf of the receivership estate as part
215 of its duties under s. 631.141(8). The submission of a report
216 under this subparagraph shall not be considered a waiver of any
217 evidentiary privilege the department may assert under state or
218 federal law.

219
220 ===== T I T L E A M E N D M E N T =====

221 And the title is amended as follows:

222 Delete lines 143 - 153

223 and insert:

224 627.7154, F.S.; creating a property insurer stability
225 unit within the office for a specified purpose;
226 specifying the duties of the unit; requiring the unit
227 to provide a specified report biannually; specifying
228 requirements for such report; specifying events that
229 trigger referrals to the unit; requiring the unit's
230 supervisors to review such referrals for a certain
231 determination; requiring unit expenses be paid from a
232 specified fund; requiring costs of examinations to be
233 paid by examined persons in a specified circumstance;
234 amending s. 631.031, F.S.; requiring certain
235 notifications by



651870

LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
05/23/2022	.	
	.	
	.	
	.	

The Committee on Appropriations (Gibson) recommended the following:

Senate Amendment (with title amendment)

Between lines 1512 and 1513

insert:

Section 22. Subsection (4) is added to section 626.9201, Florida Statutes, to read:

626.9201 Notice of cancellation or nonrenewal.—

(4) (a) An insurer may not issue a notice of nonrenewal pursuant to this section for residential property insurance coverage as defined by s. 627.4025 for a period of 9 months



651870

11 when, after a loss event, a claimant has provided to the
12 claimant's insurer:

13 1. A post-loss communication;

14 2. A notification of claim;

15 3. A proof of loss statement; or

16 4. Prior to the conclusion of a claims investigation.

17 (b) Insurers may not issue a notice of nonrenewal once the
18 claimant files a legal complaint and until the final conclusion
19 of the litigation.

20 (c) After the litigation has concluded, the insurer must
21 administratively close the insured's claim within 60 days.

22 Section 23. Subsection (9) is added to section 627.4133,
23 Florida Statutes, to read:

24 627.4133 Notice of cancellation, nonrenewal, or renewal
25 premium.—

26 (9) (a) An insurer may not issue a notice of nonrenewal
27 pursuant to this section for residential property insurance
28 coverage as defined by s. 627.4025 for a period of 9 months
29 when, after a loss event, a claimant has filed:

30 1. A post-loss communication;

31 2. A notification of claim;

32 3. A proof of loss statement; or

33 4. Prior to the conclusion of a claims investigation.

34 (b) Insurers may not issue a notice of nonrenewal once the
35 claimant files a legal complaint and until the final conclusion
36 of the litigation.

37 (c) After the litigation has concluded, the insurer must
38 administratively close the insured's claim within 60 days.

39



651870

40 ===== T I T L E A M E N D M E N T =====

41 And the title is amended as follows:

42 Delete line 158

43 and insert:

44 insurer insolvency proceedings; amending s. 626.9201,
45 F.S.; prohibiting insurers from issuing certain
46 notices for a specified timeframe in certain
47 circumstances; requiring insurers to administratively
48 close claims within a specified timeframe; amending s.
49 627.4133, F.S.; prohibiting insurers from issuing
50 certain notices for a specified timeframe in certain
51 circumstances; requiring insurers to administratively
52 close claims within a specified timeframe; providing
53 for



630500

LEGISLATIVE ACTION

Senate	.	House
Comm: UNFAV	.	
05/23/2022	.	
	.	
	.	
	.	

The Committee on Appropriations (Gibson) recommended the following:

1 **Senate Substitute for Amendment (651870) (with title**
2 **amendment)**

3
4 Between lines 1512 and 1513
5 insert:

6 Section 22. Subsection (4) is added to section 626.9201,
7 Florida Statutes, to read:

8 626.9201 Notice of cancellation or nonrenewal.—

9 (4) (a) An insurer may not issue a notice of nonrenewal
10 pursuant to this section for residential property insurance



630500

11 coverage as defined by s. 627.4025 for a period of 9 months
12 when, after a loss event:

13 1. A claimant has provided one of the following to the
14 claimant's insurer:

- 15 a. A post-loss communication;
- 16 b. A notification of claim; or
- 17 c. A proof of loss statement; or

18 2. A claims investigation has not been concluded.

19 (b) Insurers may not issue a notice of nonrenewal once the
20 claimant files a legal complaint and until the final conclusion
21 of the litigation.

22 (c) After the litigation has concluded, the insurer must
23 administratively close the insured's claim within 60 days.

24 Section 23. Subsection (9) is added to section 627.4133,
25 Florida Statutes, to read:

26 627.4133 Notice of cancellation, nonrenewal, or renewal
27 premium.—

28 (9) (a) An insurer may not issue a notice of nonrenewal
29 pursuant to this section for residential property insurance
30 coverage as defined by s. 627.4025 for a period of 9 months
31 when, after a loss event:

- 32 1. A claimant has filed:
 - 33 a. A post-loss communication;
 - 34 b. A notification of claim; or
 - 35 c. A proof of loss statement; or

36 2. A claims investigation has not been concluded.

37 (b) Insurers may not issue a notice of nonrenewal once the
38 claimant files a legal complaint and until the final conclusion
39 of the litigation.



40 (c) After the litigation has concluded, the insurer must
41 administratively close the insured's claim within 60 days.

42
43 ===== T I T L E A M E N D M E N T =====

44 And the title is amended as follows:

45 Delete line 158

46 and insert:

47 insurer insolvency proceedings; amending s. 626.9201,
48 F.S.; prohibiting insurers from issuing certain
49 notices for a specified timeframe in certain
50 circumstances; requiring insurers to administratively
51 close claims within a specified timeframe; amending s.
52 627.4133, F.S.; prohibiting insurers from issuing
53 certain notices for a specified timeframe in certain
54 circumstances; requiring insurers to administratively
55 close claims within a specified timeframe; providing
56 for



965780

LEGISLATIVE ACTION

Senate	.	House
Comm: UNFAV	.	
05/23/2022	.	
	.	
	.	
	.	

The Committee on Appropriations (Book) recommended the following:

Senate Amendment (with title amendment)

Between lines 1512 and 1513
insert:

Section 22. For insurers writing residential or commercial property insurance as defined in s. 624.604, Florida Statutes, the rates in effect on June 30, 2022, shall remain in effect until June 30, 2023, except for any rate change that results in a lower rate pursuant to Section 2 of this act to reflect the cost savings realized by participating in the Reinsurance to



965780

11 Assist Policyholders program.

12

13 ===== T I T L E A M E N D M E N T =====

14 And the title is amended as follows:

15 Delete line 158

16 and insert:

17 insurer insolvency proceedings; requiring rates for
18 certain insurers to remain in effect until a specified
19 date; providing an exception; providing for



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LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
05/23/2022	.	
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The Committee on Appropriations (Pizzo) recommended the following:

Senate Amendment (with title amendment)

Between lines 1512 and 1513

insert:

Section 22. Subsection (1) of section 468.4334, Florida Statutes, is amended to read:

468.4334 Professional practice standards; liability.-

(1) (a) A community association manager or a community association management firm is deemed to act as agent on behalf of a community association as principal within the scope of



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11 authority authorized by a written contract or under this
12 chapter. A community association manager and a community
13 association management firm shall discharge duties performed on
14 behalf of the association as authorized by this chapter loyally,
15 skillfully, and diligently; dealing honestly and fairly; in good
16 faith; with care and full disclosure to the community
17 association; accounting for all funds; and not charging
18 unreasonable or excessive fees.

19 (b) If a community association manager or a community
20 association management firm has a contract with a community
21 association that has a building on the association's property
22 that is subject to s. 553.899, the community association manager
23 or the community association management firm must comply with
24 that section as directed by the board.

25 Section 23. Section 553.899, Florida Statutes, is created
26 to read:

27 553.899 Mandatory structural inspections for condominium
28 and cooperative buildings.-

29 (1) The Legislature finds that maintaining the structural
30 integrity of a building throughout its service life is of
31 paramount importance in order to ensure that buildings are
32 structurally sound so as to not pose a threat to the public
33 health, safety, or welfare. As such, the Legislature finds that
34 the imposition of a statewide structural inspection program for
35 aging condominium and cooperative buildings in this state is
36 necessary to ensure that such buildings are safe for continued
37 use.

38 (2) As used in this section, the terms:

39 (a) "Milestone inspection" means a structural inspection of



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40 a building, including an inspection of load-bearing walls and
41 the primary structural members and primary structural systems as
42 those terms are defined in s. 627.706, by a licensed architect
43 or engineer authorized to practice in this state for the
44 purposes of attesting to the life safety and adequacy of the
45 structural components of the building and, to the extent
46 reasonably possible, determining the general structural
47 condition of the building as it affects the safety of such
48 building, including a determination of any necessary
49 maintenance, repair, or replacement of any structural component
50 of the building. The purpose of such inspection is not to
51 determine if the condition of an existing building is in
52 compliance with the Florida Building Code or the firesafety
53 code.

54 (b) "Substantial structural deterioration" means
55 substantial structural distress that negatively affects a
56 building's general structural condition and integrity. The term
57 does not include surface imperfections such as cracks,
58 distortion, sagging, deflections, misalignment, signs of
59 leakage, or peeling of finishes unless the licensed engineer or
60 architect performing the phase one or phase two inspection
61 determines that such surface imperfections are a sign of
62 substantial structural deterioration.

63 (3) A condominium association under chapter 718 and a
64 cooperative association under chapter 719 must have a milestone
65 inspection performed for each building that is three stories or
66 more in height by December 31 of the year in which the building
67 reaches 30 years of age, based on the date the certificate of
68 occupancy for the building was issued, and every 10 years



69 thereafter. If the building is located within 3 miles of a
70 coastline as defined in s. 376.031, the condominium association
71 or cooperative association must have a milestone inspection
72 performed by December 31 of the year in which the building
73 reaches 25 years of age, based on the date the certificate of
74 occupancy for the building was issued, and every 10 years
75 thereafter. The condominium association or cooperative
76 association must arrange for the milestone inspection to be
77 performed and is responsible for ensuring compliance with the
78 requirements of this section. The condominium association or
79 cooperative association is responsible for all costs associated
80 with the inspection. This subsection does not apply to a two-
81 family or three-family dwelling with three or fewer habitable
82 stories above ground.

83 (4) If a milestone inspection is required under this
84 section and the building's certificate of occupancy was issued
85 on or before July 1, 1992, the building's initial milestone
86 inspection must be performed before December 31, 2024. If the
87 date of issuance for the certificate of occupancy is not
88 available, the date of issuance of the building's certificate of
89 occupancy shall be the date of occupancy evidenced in any record
90 of the local building official.

91 (5) Upon determining that a building must have a milestone
92 inspection, the local enforcement agency must provide written
93 notice of such required inspection to the condominium
94 association or cooperative association by certified mail, return
95 receipt requested.

96 (6) Within 180 days after receiving the written notice
97 under subsection (5), the condominium association or cooperative



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98 association must complete phase one of the milestone inspection.

99 For purposes of this section, completion of phase one of the

100 milestone inspection means the licensed engineer or architect

101 who performed the phase one inspection submitted the inspection

102 report by e-mail, United States Postal Service, or commercial

103 delivery service to the local enforcement agency.

104 (7) A milestone inspection consists of two phases:

105 (a) For phase one of the milestone inspection, a licensed

106 architect or engineer authorized to practice in this state shall

107 perform a visual examination of habitable and nonhabitable areas

108 of a building, including the major structural components of a

109 building, and provide a qualitative assessment of the structural

110 conditions of the building. If the architect or engineer finds

111 no signs of substantial structural deterioration to any building

112 components under visual examination, phase two of the

113 inspection, as provided in paragraph (b), is not required. An

114 architect or engineer who completes a phase one milestone

115 inspection shall prepare and submit an inspection report

116 pursuant to subsection (8).

117 (b) A phase two of the milestone inspection must be

118 performed if any substantial structural deterioration is

119 identified during phase one. A phase two inspection may involve

120 destructive or nondestructive testing at the inspector's

121 direction. The inspection may be as extensive or as limited as

122 necessary to fully assess areas of structural distress in order

123 to confirm that the building is structurally sound and safe for

124 its intended use and to recommend a program for fully assessing

125 and repairing distressed and damaged portions of the building.

126 When determining testing locations, the inspector must give



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127 preference to locations that are the least disruptive and most
128 easily repairable while still being representative of the
129 structure. An inspector who completes a phase two milestone
130 inspection shall prepare and submit an inspection report
131 pursuant to subsection (8).

132 (8) Upon completion of a phase one or phase two milestone
133 inspection, the architect or engineer who performed the
134 inspection must submit a sealed copy of the inspection report
135 with a separate summary of, at minimum, the material findings
136 and recommendations in the inspection report to the condominium
137 association or cooperative association, and to the building
138 official of the local government which has jurisdiction. The
139 inspection report must, at a minimum, meet all of the following
140 criteria:

141 (a) Bear the seal and signature, or the electronic
142 signature, of the licensed engineer or architect who performed
143 the inspection.

144 (b) Indicate the manner and type of inspection forming the
145 basis for the inspection report.

146 (c) Identify any substantial structural deterioration,
147 within a reasonable professional probability based on the scope
148 of the inspection, describe the extent of such deterioration,
149 and identify any recommended repairs for such deterioration.

150 (d) State whether unsafe or dangerous conditions, as those
151 terms are defined in the Florida Building Code, were observed.

152 (e) Recommend any remedial or preventive repair for any
153 items that are damaged but are not substantial structural
154 deterioration.

155 (f) Identify and describe any items requiring further



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156 inspection.

157 (9) The association must distribute a copy of the
158 inspector-prepared summary of the inspection report to each
159 condominium unit owner or cooperative unit owner, regardless of
160 the findings or recommendations in the report, by United States
161 mail or personal delivery and by electronic transmission to unit
162 owners who previously consented to received notice by electronic
163 transmission; must post a copy of the inspector-prepared summary
164 in a conspicuous place on the condominium or cooperative
165 property; and must publish the full report and inspector-
166 prepared summary on the association's website, if the
167 association is required to have a website.

168 (10) A local enforcement agency may prescribe timelines and
169 penalties with respect to compliance with this section.

170 (11) A board of county commissioners may adopt an ordinance
171 requiring that a condominium or cooperative association schedule
172 or commence repairs for substantial structural deterioration
173 within a specified timeframe after the local enforcement agency
174 receives a phase two inspection report; however, such repairs
175 must be commenced within 365 days after receiving such report.
176 If an association fails to submit proof to the local enforcement
177 agency that repairs have been scheduled or have commenced for
178 substantial structural deterioration identified in a phase two
179 inspection report within the required timeframe, the local
180 enforcement agency must review and determine if the building is
181 unsafe for human occupancy.

182 (12) The Florida Building Commission shall review the
183 milestone inspection requirements under this section and make
184 recommendations, if any, to the Legislature to ensure



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185 inspections are sufficient to determine the structural integrity
186 of a building. The commission must provide a written report of
187 any recommendations to the Governor, the President of the
188 Senate, and the Speaker of the House of Representatives by
189 December 31, 2022.

190 (13) The Florida Building Commission shall consult with the
191 State Fire Marshal to provide recommendations to the Legislature
192 for the adoption of comprehensive structural and life safety
193 standards for maintaining and inspecting all types of buildings
194 and structures in this state that are three stories or more in
195 height. The commission shall provide a written report of its
196 recommendations to the Governor, the President of the Senate,
197 and the Speaker of the House of Representatives by December 31,
198 2023.

199 Section 24. Paragraphs (a), (c), and (g) of subsection (12)
200 of section 718.111, Florida Statutes, are amended to read:

201 718.111 The association.—

202 (12) OFFICIAL RECORDS.—

203 (a) From the inception of the association, the association
204 shall maintain each of the following items, if applicable, which
205 constitutes the official records of the association:

206 1. A copy of the plans, permits, warranties, and other
207 items provided by the developer under s. 718.301(4).

208 2. A photocopy of the recorded declaration of condominium
209 of each condominium operated by the association and each
210 amendment to each declaration.

211 3. A photocopy of the recorded bylaws of the association
212 and each amendment to the bylaws.

213 4. A certified copy of the articles of incorporation of the



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214 association, or other documents creating the association, and
215 each amendment thereto.

216 5. A copy of the current rules of the association.

217 6. A book or books that contain the minutes of all meetings
218 of the association, the board of administration, and the unit
219 owners.

220 7. A current roster of all unit owners and their mailing
221 addresses, unit identifications, voting certifications, and, if
222 known, telephone numbers. The association shall also maintain
223 the e-mail addresses and facsimile numbers of unit owners
224 consenting to receive notice by electronic transmission. The e-
225 mail addresses and facsimile numbers are not accessible to unit
226 owners if consent to receive notice by electronic transmission
227 is not provided in accordance with sub-subparagraph (c)3.e.
228 However, the association is not liable for an inadvertent
229 disclosure of the e-mail address or facsimile number for
230 receiving electronic transmission of notices.

231 8. All current insurance policies of the association and
232 condominiums operated by the association.

233 9. A current copy of any management agreement, lease, or
234 other contract to which the association is a party or under
235 which the association or the unit owners have an obligation or
236 responsibility.

237 10. Bills of sale or transfer for all property owned by the
238 association.

239 11. Accounting records for the association and separate
240 accounting records for each condominium that the association
241 operates. Any person who knowingly or intentionally defaces or
242 destroys such records, or who knowingly or intentionally fails



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243 to create or maintain such records, with the intent of causing
244 harm to the association or one or more of its members, is
245 personally subject to a civil penalty pursuant to s.
246 718.501(1)(d). The accounting records must include, but are not
247 limited to:

248 a. Accurate, itemized, and detailed records of all receipts
249 and expenditures.

250 b. A current account and a monthly, bimonthly, or quarterly
251 statement of the account for each unit designating the name of
252 the unit owner, the due date and amount of each assessment, the
253 amount paid on the account, and the balance due.

254 c. All audits, reviews, accounting statements, and
255 financial reports of the association or condominium.

256 d. All contracts for work to be performed. Bids for work to
257 be performed are also considered official records and must be
258 maintained by the association for at least 1 year after receipt
259 of the bid.

260 12. Ballots, sign-in sheets, voting proxies, and all other
261 papers and electronic records relating to voting by unit owners,
262 which must be maintained for 1 year from the date of the
263 election, vote, or meeting to which the document relates,
264 notwithstanding paragraph (b).

265 13. All rental records if the association is acting as
266 agent for the rental of condominium units.

267 14. A copy of the current question and answer sheet as
268 described in s. 718.504.

269 15. A copy of the inspection reports ~~report~~ as described in
270 ss. 553.899 and 718.301(4)(p) and any other inspection report
271 relating to a structural or life safety inspection of



272 condominium property. Such record must be maintained by the
273 association for 15 years after receipt of the report s-
274 718.301(4) (p).

275 16. Bids for materials, equipment, or services.

276 17. All affirmative acknowledgments made pursuant to s.
277 718.121(4) (c).

278 18. All other written records of the association not
279 specifically included in the foregoing which are related to the
280 operation of the association.

281 (c)1. The official records of the association are open to
282 inspection by any association member or the authorized
283 representative of such member at all reasonable times. The right
284 to inspect the records includes the right to make or obtain
285 copies, at the reasonable expense, if any, of the member or
286 authorized representative of such member. A renter of a unit has
287 a right to inspect and copy only the declaration of condominium,
288 ~~and~~ the association's bylaws and rules, and the inspection
289 reports described in ss. 553.899 and 718.301(4) (p). The
290 association may adopt reasonable rules regarding the frequency,
291 time, location, notice, and manner of record inspections and
292 copying but may not require a member to demonstrate any purpose
293 or state any reason for the inspection. The failure of an
294 association to provide the records within 10 working days after
295 receipt of a written request creates a rebuttable presumption
296 that the association willfully failed to comply with this
297 paragraph. A unit owner who is denied access to official records
298 is entitled to the actual damages or minimum damages for the
299 association's willful failure to comply. Minimum damages are \$50
300 per calendar day for up to 10 days, beginning on the 11th



301 working day after receipt of the written request. The failure to
302 permit inspection entitles any person prevailing in an
303 enforcement action to recover reasonable attorney fees from the
304 person in control of the records who, directly or indirectly,
305 knowingly denied access to the records.

306 2. Any person who knowingly or intentionally defaces or
307 destroys accounting records that are required by this chapter to
308 be maintained during the period for which such records are
309 required to be maintained, or who knowingly or intentionally
310 fails to create or maintain accounting records that are required
311 to be created or maintained, with the intent of causing harm to
312 the association or one or more of its members, is personally
313 subject to a civil penalty pursuant to s. 718.501(1)(d).

314 3. The association shall maintain an adequate number of
315 copies of the declaration, articles of incorporation, bylaws,
316 and rules, and all amendments to each of the foregoing, as well
317 as the question and answer sheet as described in s. 718.504 and
318 year-end financial information required under this section, on
319 the condominium property to ensure their availability to unit
320 owners and prospective purchasers, and may charge its actual
321 costs for preparing and furnishing these documents to those
322 requesting the documents. An association shall allow a member or
323 his or her authorized representative to use a portable device,
324 including a smartphone, tablet, portable scanner, or any other
325 technology capable of scanning or taking photographs, to make an
326 electronic copy of the official records in lieu of the
327 association's providing the member or his or her authorized
328 representative with a copy of such records. The association may
329 not charge a member or his or her authorized representative for



330 the use of a portable device. Notwithstanding this paragraph,
331 the following records are not accessible to unit owners:

332 a. Any record protected by the lawyer-client privilege as
333 described in s. 90.502 and any record protected by the work-
334 product privilege, including a record prepared by an association
335 attorney or prepared at the attorney's express direction, which
336 reflects a mental impression, conclusion, litigation strategy,
337 or legal theory of the attorney or the association, and which
338 was prepared exclusively for civil or criminal litigation or for
339 adversarial administrative proceedings, or which was prepared in
340 anticipation of such litigation or proceedings until the
341 conclusion of the litigation or proceedings.

342 b. Information obtained by an association in connection
343 with the approval of the lease, sale, or other transfer of a
344 unit.

345 c. Personnel records of association or management company
346 employees, including, but not limited to, disciplinary, payroll,
347 health, and insurance records. For purposes of this sub-
348 subparagraph, the term "personnel records" does not include
349 written employment agreements with an association employee or
350 management company, or budgetary or financial records that
351 indicate the compensation paid to an association employee.

352 d. Medical records of unit owners.

353 e. Social security numbers, driver license numbers, credit
354 card numbers, e-mail addresses, telephone numbers, facsimile
355 numbers, emergency contact information, addresses of a unit
356 owner other than as provided to fulfill the association's notice
357 requirements, and other personal identifying information of any
358 person, excluding the person's name, unit designation, mailing



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359 address, property address, and any address, e-mail address, or
360 facsimile number provided to the association to fulfill the
361 association's notice requirements. Notwithstanding the
362 restrictions in this sub-subparagraph, an association may print
363 and distribute to unit owners a directory containing the name,
364 unit address, and all telephone numbers of each unit owner.
365 However, an owner may exclude his or her telephone numbers from
366 the directory by so requesting in writing to the association. An
367 owner may consent in writing to the disclosure of other contact
368 information described in this sub-subparagraph. The association
369 is not liable for the inadvertent disclosure of information that
370 is protected under this sub-subparagraph if the information is
371 included in an official record of the association and is
372 voluntarily provided by an owner and not requested by the
373 association.

374 f. Electronic security measures that are used by the
375 association to safeguard data, including passwords.

376 g. The software and operating system used by the
377 association which allow the manipulation of data, even if the
378 owner owns a copy of the same software used by the association.
379 The data is part of the official records of the association.

380 h. All affirmative acknowledgments made pursuant to s.
381 718.121(4)(c).

382 (g)1. By January 1, 2019, an association managing a
383 condominium with 150 or more units which does not contain
384 timeshare units shall post digital copies of the documents
385 specified in subparagraph 2. on its website or make such
386 documents available through an application that can be
387 downloaded on a mobile device.



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388 a. The association's website or application must be:
389 (I) An independent website, application, or web portal
390 wholly owned and operated by the association; or
391 (II) A website, application, or web portal operated by a
392 third-party provider with whom the association owns, leases,
393 rents, or otherwise obtains the right to operate a web page,
394 subpage, web portal, collection of subpages or web portals, or
395 an application which is dedicated to the association's
396 activities and on which required notices, records, and documents
397 may be posted or made available by the association.
398 b. The association's website or application must be
399 accessible through the Internet and must contain a subpage, web
400 portal, or other protected electronic location that is
401 inaccessible to the general public and accessible only to unit
402 owners and employees of the association.
403 c. Upon a unit owner's written request, the association
404 must provide the unit owner with a username and password and
405 access to the protected sections of the association's website or
406 application which contain any notices, records, or documents
407 that must be electronically provided.
408 2. A current copy of the following documents must be posted
409 in digital format on the association's website or application:
410 a. The recorded declaration of condominium of each
411 condominium operated by the association and each amendment to
412 each declaration.
413 b. The recorded bylaws of the association and each
414 amendment to the bylaws.
415 c. The articles of incorporation of the association, or
416 other documents creating the association, and each amendment to



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417 the articles of incorporation or other documents. The copy
418 posted pursuant to this sub-subparagraph must be a copy of the
419 articles of incorporation filed with the Department of State.

420 d. The rules of the association.

421 e. A list of all executory contracts or documents to which
422 the association is a party or under which the association or the
423 unit owners have an obligation or responsibility and, after
424 bidding for the related materials, equipment, or services has
425 closed, a list of bids received by the association within the
426 past year. Summaries of bids for materials, equipment, or
427 services which exceed \$500 must be maintained on the website or
428 application for 1 year. In lieu of summaries, complete copies of
429 the bids may be posted.

430 f. The annual budget required by s. 718.112(2)(f) and any
431 proposed budget to be considered at the annual meeting.

432 g. The financial report required by subsection (13) and any
433 monthly income or expense statement to be considered at a
434 meeting.

435 h. The certification of each director required by s.
436 718.112(2)(d)4.b.

437 i. All contracts or transactions between the association
438 and any director, officer, corporation, firm, or association
439 that is not an affiliated condominium association or any other
440 entity in which an association director is also a director or
441 officer and financially interested.

442 j. Any contract or document regarding a conflict of
443 interest or possible conflict of interest as provided in ss.
444 468.436(2)(b)6. and 718.3027(3).

445 k. The notice of any unit owner meeting and the agenda for



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446 the meeting, as required by s. 718.112(2)(d)3., no later than 14
447 days before the meeting. The notice must be posted in plain view
448 on the front page of the website or application, or on a
449 separate subpage of the website or application labeled "Notices"
450 which is conspicuously visible and linked from the front page.
451 The association must also post on its website or application any
452 document to be considered and voted on by the owners during the
453 meeting or any document listed on the agenda at least 7 days
454 before the meeting at which the document or the information
455 within the document will be considered.

456 1. Notice of any board meeting, the agenda, and any other
457 document required for the meeting as required by s.
458 718.112(2)(c), which must be posted no later than the date
459 required for notice under s. 718.112(2)(c).

460 m. The inspection reports described in ss. 553.899 and
461 718.301(4)(p) and any other inspection report relating to a
462 structural or life safety inspection of condominium property.

463 3. The association shall ensure that the information and
464 records described in paragraph (c), which are not allowed to be
465 accessible to unit owners, are not posted on the association's
466 website or application. If protected information or information
467 restricted from being accessible to unit owners is included in
468 documents that are required to be posted on the association's
469 website or application, the association shall ensure the
470 information is redacted before posting the documents.

471 Notwithstanding the foregoing, the association or its agent is
472 not liable for disclosing information that is protected or
473 restricted under this paragraph unless such disclosure was made
474 with a knowing or intentional disregard of the protected or



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475 restricted nature of such information.

476 4. The failure of the association to post information
477 required under subparagraph 2. is not in and of itself
478 sufficient to invalidate any action or decision of the
479 association's board or its committees.

480 Section 25. Paragraph (p) is added to subsection (2) of
481 section 718.112, Florida Statutes, to read:

482 718.112 Bylaws.—

483 (2) REQUIRED PROVISIONS.—The bylaws shall provide for the
484 following and, if they do not do so, shall be deemed to include
485 the following:

486 (p) Mandatory milestone inspections.—If an association is
487 required to have a milestone inspection performed pursuant to s.
488 553.899, the association must arrange for the milestone
489 inspection to be performed and is responsible for ensuring
490 compliance with the requirements of s. 553.899. The association
491 is responsible for all costs associated with the inspection. If
492 the officers or directors of an association willfully and
493 knowingly fail to have a milestone inspection performed pursuant
494 to s. 553.899, such failure is a breach of the officers' and
495 directors' fiduciary relationship to the unit owners under s.
496 718.111(1)(a). Upon completion of a phase one or phase two
497 milestone inspection and receipt of the inspector-prepared
498 summary of the inspection report from the architect or engineer
499 who performed the inspection, the association must distribute a
500 copy of the inspector-prepared summary of the inspection report
501 to each unit owner, regardless of the findings or
502 recommendations in the report, by United States mail or personal
503 delivery and by electronic transmission to unit owners who



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504 previously consented to receive notice by electronic
505 transmission; must post a copy of the inspector-prepared summary
506 in a conspicuous place on the condominium property; and must
507 publish the full report and inspector-prepared summary on the
508 association's website, if the association is required to have a
509 website.

510 Section 26. Paragraph (p) of subsection (4) of section
511 718.301, Florida Statutes, is amended to read:

512 718.301 Transfer of association control; claims of defect
513 by association.—

514 (4) At the time that unit owners other than the developer
515 elect a majority of the members of the board of administration
516 of an association, the developer shall relinquish control of the
517 association, and the unit owners shall accept control.

518 Simultaneously, or for the purposes of paragraph (c) not more
519 than 90 days thereafter, the developer shall deliver to the
520 association, at the developer's expense, all property of the
521 unit owners and of the association which is held or controlled
522 by the developer, including, but not limited to, the following
523 items, if applicable, as to each condominium operated by the
524 association:

525 (p) Notwithstanding when the certificate of occupancy was
526 issued or the height of the building, a milestone inspection
527 report in compliance with s. 553.899 included in the official
528 records, under seal of an architect or engineer authorized to
529 practice in this state, and attesting to required maintenance,
530 condition, useful life, and replacement costs of the following
531 applicable condominium property ~~common elements~~ comprising a
532 turnover inspection report:



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- 533 1. Roof.
- 534 2. Structure, including load-bearing walls and primary
- 535 structural members and primary structural systems as those terms
- 536 are defined in s. 627.706.
- 537 3. Fireproofing and fire protection systems.
- 538 4. Elevators.
- 539 5. Heating and cooling systems.
- 540 6. Plumbing.
- 541 7. Electrical systems.
- 542 8. Swimming pool or spa and equipment.
- 543 9. Seawalls.
- 544 10. Pavement and parking areas.
- 545 11. Drainage systems.
- 546 12. Painting.
- 547 13. Irrigation systems.
- 548 14. Waterproofing.
- 549 Section 27. Subsection (1) of section 718.501, Florida
- 550 Statutes, is amended, and subsection (3) is added to that
- 551 section, to read:
- 552 718.501 Authority, responsibility, and duties of Division
- 553 of Florida Condominiums, Timeshares, and Mobile Homes.—
- 554 (1) The division may enforce and ensure compliance with
- 555 this chapter and rules relating to the development,
- 556 construction, sale, lease, ownership, operation, and management
- 557 of residential condominium units and complaints related to the
- 558 procedural completion of milestone inspections under s. 553.899.
- 559 In performing its duties, the division has complete jurisdiction
- 560 to investigate complaints and enforce compliance with respect to
- 561 associations that are still under developer control or the



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562 control of a bulk assignee or bulk buyer pursuant to part VII of
563 this chapter and complaints against developers, bulk assignees,
564 or bulk buyers involving improper turnover or failure to
565 turnover, pursuant to s. 718.301. However, after turnover has
566 occurred, the division has jurisdiction to investigate
567 complaints related only to financial issues, elections, and the
568 maintenance of and unit owner access to association records
569 under s. 718.111(12).

570 (a)1. The division may make necessary public or private
571 investigations within or outside this state to determine whether
572 any person has violated this chapter or any rule or order
573 hereunder, to aid in the enforcement of this chapter, or to aid
574 in the adoption of rules or forms.

575 2. The division may submit any official written report,
576 worksheet, or other related paper, or a duly certified copy
577 thereof, compiled, prepared, drafted, or otherwise made by and
578 duly authenticated by a financial examiner or analyst to be
579 admitted as competent evidence in any hearing in which the
580 financial examiner or analyst is available for cross-examination
581 and attests under oath that such documents were prepared as a
582 result of an examination or inspection conducted pursuant to
583 this chapter.

584 (b) The division may require or permit any person to file a
585 statement in writing, under oath or otherwise, as the division
586 determines, as to the facts and circumstances concerning a
587 matter to be investigated.

588 (c) For the purpose of any investigation under this
589 chapter, the division director or any officer or employee
590 designated by the division director may administer oaths or



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591 affirmations, subpoena witnesses and compel their attendance,
592 take evidence, and require the production of any matter which is
593 relevant to the investigation, including the existence,
594 description, nature, custody, condition, and location of any
595 books, documents, or other tangible things and the identity and
596 location of persons having knowledge of relevant facts or any
597 other matter reasonably calculated to lead to the discovery of
598 material evidence. Upon the failure by a person to obey a
599 subpoena or to answer questions propounded by the investigating
600 officer and upon reasonable notice to all affected persons, the
601 division may apply to the circuit court for an order compelling
602 compliance.

603 (d) Notwithstanding any remedies available to unit owners
604 and associations, if the division has reasonable cause to
605 believe that a violation of any provision of this chapter or
606 related rule has occurred, the division may institute
607 enforcement proceedings in its own name against any developer,
608 bulk assignee, bulk buyer, association, officer, or member of
609 the board of administration, or its assignees or agents, as
610 follows:

611 1. The division may permit a person whose conduct or
612 actions may be under investigation to waive formal proceedings
613 and enter into a consent proceeding whereby orders, rules, or
614 letters of censure or warning, whether formal or informal, may
615 be entered against the person.

616 2. The division may issue an order requiring the developer,
617 bulk assignee, bulk buyer, association, developer-designated
618 officer, or developer-designated member of the board of
619 administration, developer-designated assignees or agents, bulk



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620 assignee-designated assignees or agents, bulk buyer-designated
621 assignees or agents, community association manager, or community
622 association management firm to cease and desist from the
623 unlawful practice and take such affirmative action as in the
624 judgment of the division carry out the purposes of this chapter.
625 If the division finds that a developer, bulk assignee, bulk
626 buyer, association, officer, or member of the board of
627 administration, or its assignees or agents, is violating or is
628 about to violate any provision of this chapter, any rule adopted
629 or order issued by the division, or any written agreement
630 entered into with the division, and presents an immediate danger
631 to the public requiring an immediate final order, it may issue
632 an emergency cease and desist order reciting with particularity
633 the facts underlying such findings. The emergency cease and
634 desist order is effective for 90 days. If the division begins
635 nonemergency cease and desist proceedings, the emergency cease
636 and desist order remains effective until the conclusion of the
637 proceedings under ss. 120.569 and 120.57.

638 3. If a developer, bulk assignee, or bulk buyer fails to
639 pay any restitution determined by the division to be owed, plus
640 any accrued interest at the highest rate permitted by law,
641 within 30 days after expiration of any appellate time period of
642 a final order requiring payment of restitution or the conclusion
643 of any appeal thereof, whichever is later, the division must
644 bring an action in circuit or county court on behalf of any
645 association, class of unit owners, lessees, or purchasers for
646 restitution, declaratory relief, injunctive relief, or any other
647 available remedy. The division may also temporarily revoke its
648 acceptance of the filing for the developer to which the



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649 restitution relates until payment of restitution is made.

650 4. The division may petition the court for appointment of a
651 receiver or conservator. If appointed, the receiver or
652 conservator may take action to implement the court order to
653 ensure the performance of the order and to remedy any breach
654 thereof. In addition to all other means provided by law for the
655 enforcement of an injunction or temporary restraining order, the
656 circuit court may impound or sequester the property of a party
657 defendant, including books, papers, documents, and related
658 records, and allow the examination and use of the property by
659 the division and a court-appointed receiver or conservator.

660 5. The division may apply to the circuit court for an order
661 of restitution whereby the defendant in an action brought under
662 subparagraph 4. is ordered to make restitution of those sums
663 shown by the division to have been obtained by the defendant in
664 violation of this chapter. At the option of the court, such
665 restitution is payable to the conservator or receiver appointed
666 under subparagraph 4. or directly to the persons whose funds or
667 assets were obtained in violation of this chapter.

668 6. The division may impose a civil penalty against a
669 developer, bulk assignee, or bulk buyer, or association, or its
670 assignee or agent, for any violation of this chapter or related
671 rule. The division may impose a civil penalty individually
672 against an officer or board member who willfully and knowingly
673 violates this chapter, an adopted rule, or a final order of the
674 division; may order the removal of such individual as an officer
675 or from the board of administration or as an officer of the
676 association; and may prohibit such individual from serving as an
677 officer or on the board of a community association for a period



678 of time. The term "willfully and knowingly" means that the
679 division informed the officer or board member that his or her
680 action or intended action violates this chapter, a rule adopted
681 under this chapter, or a final order of the division and that
682 the officer or board member refused to comply with the
683 requirements of this chapter, a rule adopted under this chapter,
684 or a final order of the division. The division, before
685 initiating formal agency action under chapter 120, must afford
686 the officer or board member an opportunity to voluntarily
687 comply, and an officer or board member who complies within 10
688 days is not subject to a civil penalty. A penalty may be imposed
689 on the basis of each day of continuing violation, but the
690 penalty for any offense may not exceed \$5,000. The division
691 shall adopt, by rule, penalty guidelines applicable to possible
692 violations or to categories of violations of this chapter or
693 rules adopted by the division. The guidelines must specify a
694 meaningful range of civil penalties for each such violation of
695 the statute and rules and must be based upon the harm caused by
696 the violation, the repetition of the violation, and upon such
697 other factors deemed relevant by the division. For example, the
698 division may consider whether the violations were committed by a
699 developer, bulk assignee, or bulk buyer, or owner-controlled
700 association, the size of the association, and other factors. The
701 guidelines must designate the possible mitigating or aggravating
702 circumstances that justify a departure from the range of
703 penalties provided by the rules. It is the legislative intent
704 that minor violations be distinguished from those which endanger
705 the health, safety, or welfare of the condominium residents or
706 other persons and that such guidelines provide reasonable and



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707 meaningful notice to the public of likely penalties that may be
708 imposed for proscribed conduct. This subsection does not limit
709 the ability of the division to informally dispose of
710 administrative actions or complaints by stipulation, agreed
711 settlement, or consent order. All amounts collected shall be
712 deposited with the Chief Financial Officer to the credit of the
713 Division of Florida Condominiums, Timeshares, and Mobile Homes
714 Trust Fund. If a developer, bulk assignee, or bulk buyer fails
715 to pay the civil penalty and the amount deemed to be owed to the
716 association, the division shall issue an order directing that
717 such developer, bulk assignee, or bulk buyer cease and desist
718 from further operation until such time as the civil penalty is
719 paid or may pursue enforcement of the penalty in a court of
720 competent jurisdiction. If an association fails to pay the civil
721 penalty, the division shall pursue enforcement in a court of
722 competent jurisdiction, and the order imposing the civil penalty
723 or the cease and desist order is not effective until 20 days
724 after the date of such order. Any action commenced by the
725 division shall be brought in the county in which the division
726 has its executive offices or in the county where the violation
727 occurred.

728 7. If a unit owner presents the division with proof that
729 the unit owner has requested access to official records in
730 writing by certified mail, and that after 10 days the unit owner
731 again made the same request for access to official records in
732 writing by certified mail, and that more than 10 days has
733 elapsed since the second request and the association has still
734 failed or refused to provide access to official records as
735 required by this chapter, the division shall issue a subpoena



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736 requiring production of the requested records where the records
737 are kept pursuant to s. 718.112.

738 8. In addition to subparagraph 6., the division may seek
739 the imposition of a civil penalty through the circuit court for
740 any violation for which the division may issue a notice to show
741 cause under paragraph (r). The civil penalty shall be at least
742 \$500 but no more than \$5,000 for each violation. The court may
743 also award to the prevailing party court costs and reasonable
744 attorney fees and, if the division prevails, may also award
745 reasonable costs of investigation.

746 (e) The division may prepare and disseminate a prospectus
747 and other information to assist prospective owners, purchasers,
748 lessees, and developers of residential condominiums in assessing
749 the rights, privileges, and duties pertaining thereto.

750 (f) The division may adopt rules to administer and enforce
751 this chapter.

752 (g) The division shall establish procedures for providing
753 notice to an association and the developer, bulk assignee, or
754 bulk buyer during the period in which the developer, bulk
755 assignee, or bulk buyer controls the association if the division
756 is considering the issuance of a declaratory statement with
757 respect to the declaration of condominium or any related
758 document governing such condominium community.

759 (h) The division shall furnish each association that pays
760 the fees required by paragraph (2)(a) a copy of this chapter, as
761 amended, and the rules adopted thereto on an annual basis.

762 (i) The division shall annually provide each association
763 with a summary of declaratory statements and formal legal
764 opinions relating to the operations of condominiums which were



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765 rendered by the division during the previous year.

766 (j) The division shall provide training and educational
767 programs for condominium association board members and unit
768 owners. The training may, in the division's discretion, include
769 web-based electronic media, and live training and seminars in
770 various locations throughout the state. The division may review
771 and approve education and training programs for board members
772 and unit owners offered by providers and shall maintain a
773 current list of approved programs and providers and make such
774 list available to board members and unit owners in a reasonable
775 and cost-effective manner.

776 (k) The division shall maintain a toll-free telephone
777 number accessible to condominium unit owners.

778 (l) The division shall develop a program to certify both
779 volunteer and paid mediators to provide mediation of condominium
780 disputes. The division shall provide, upon request, a list of
781 such mediators to any association, unit owner, or other
782 participant in alternative dispute resolution proceedings under
783 s. 718.1255 requesting a copy of the list. The division shall
784 include on the list of volunteer mediators only the names of
785 persons who have received at least 20 hours of training in
786 mediation techniques or who have mediated at least 20 disputes.
787 In order to become initially certified by the division, paid
788 mediators must be certified by the Supreme Court to mediate
789 court cases in county or circuit courts. However, the division
790 may adopt, by rule, additional factors for the certification of
791 paid mediators, which must be related to experience, education,
792 or background. Any person initially certified as a paid mediator
793 by the division must, in order to continue to be certified,



794 comply with the factors or requirements adopted by rule.
795 (m) If a complaint is made, the division must conduct its
796 inquiry with due regard for the interests of the affected
797 parties. Within 30 days after receipt of a complaint, the
798 division shall acknowledge the complaint in writing and notify
799 the complainant whether the complaint is within the jurisdiction
800 of the division and whether additional information is needed by
801 the division from the complainant. The division shall conduct
802 its investigation and, within 90 days after receipt of the
803 original complaint or of timely requested additional
804 information, take action upon the complaint. However, the
805 failure to complete the investigation within 90 days does not
806 prevent the division from continuing the investigation,
807 accepting or considering evidence obtained or received after 90
808 days, or taking administrative action if reasonable cause exists
809 to believe that a violation of this chapter or a rule has
810 occurred. If an investigation is not completed within the time
811 limits established in this paragraph, the division shall, on a
812 monthly basis, notify the complainant in writing of the status
813 of the investigation. When reporting its action to the
814 complainant, the division shall inform the complainant of any
815 right to a hearing under ss. 120.569 and 120.57. The division
816 may adopt rules regarding the submission of a complaint against
817 an association.
818 (n) Condominium association directors, officers, and
819 employees; condominium developers; bulk assignees, bulk buyers,
820 and community association managers; and community association
821 management firms have an ongoing duty to reasonably cooperate
822 with the division in any investigation under this section. The



823 division shall refer to local law enforcement authorities any
824 person whom the division believes has altered, destroyed,
825 concealed, or removed any record, document, or thing required to
826 be kept or maintained by this chapter with the purpose to impair
827 its verity or availability in the department's investigation.

828 (o) The division may:

829 1. Contract with agencies in this state or other
830 jurisdictions to perform investigative functions; or

831 2. Accept grants-in-aid from any source.

832 (p) The division shall cooperate with similar agencies in
833 other jurisdictions to establish uniform filing procedures and
834 forms, public offering statements, advertising standards, and
835 rules and common administrative practices.

836 (q) The division shall consider notice to a developer, bulk
837 assignee, or bulk buyer to be complete when it is delivered to
838 the address of the developer, bulk assignee, or bulk buyer
839 currently on file with the division.

840 (r) In addition to its enforcement authority, the division
841 may issue a notice to show cause, which must provide for a
842 hearing, upon written request, in accordance with chapter 120.

843 (s) The division shall submit to the Governor, the
844 President of the Senate, the Speaker of the House of
845 Representatives, and the chairs of the legislative
846 appropriations committees an annual report that includes, but
847 need not be limited to, the number of training programs provided
848 for condominium association board members and unit owners, the
849 number of complaints received by type, the number and percent of
850 complaints acknowledged in writing within 30 days and the number
851 and percent of investigations acted upon within 90 days in



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852 accordance with paragraph (m), and the number of investigations
853 exceeding the 90-day requirement. The annual report must also
854 include an evaluation of the division's core business processes
855 and make recommendations for improvements, including statutory
856 changes. The report shall be submitted by September 30 following
857 the end of the fiscal year.

858 (3) (a) On or before January 1, 2023, condominium
859 associations existing on or before July 1, 2022, must provide
860 the following information to the division in writing, by e-mail,
861 United States Postal Service, commercial delivery service, or
862 hand delivery, at a physical address or e-mail address provided
863 by the division and on a form posted on the division's website:

864 1. The number of buildings on the condominium property that
865 are three stories or higher in height.

866 2. The total number of units in all such buildings.

867 3. The addresses of all such buildings.

868 4. The counties in which all such buildings are located.

869 (b) The division must compile a list of the number of
870 buildings on condominium property that are three stories or
871 higher in height, which is searchable by county, and must post
872 the list on the division's website. This list must include all
873 of the following information:

874 1. The name of each association with buildings on the
875 condominium property that are three stories or higher in height.

876 2. The number of such buildings on each association's
877 property.

878 3. The addresses of all such buildings.

879 4. The counties in which all such buildings are located.

880 (c) An association must provide an update in writing to the



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881 division if there are any changes to the information in the list
882 under paragraph (b) within 6 months after the change.

883 Section 28. Present paragraphs (b) and (c) of subsection
884 (2) of section 718.503, Florida Statutes, are redesignated as
885 paragraphs (c) and (d), respectively, a new paragraph (b) is
886 added to that subsection, and paragraph (b) of subsection (1)
887 and paragraph (a) of subsection (2) of that section are amended,
888 to read:

889 718.503 Developer disclosure prior to sale; nondeveloper
890 unit owner disclosure prior to sale; voidability.—

891 (1) DEVELOPER DISCLOSURE.—

892 (b) *Copies of documents to be furnished to prospective*
893 *buyer or lessee.*—Until such time as the developer has furnished
894 the documents listed below to a person who has entered into a
895 contract to purchase a residential unit or lease it for more
896 than 5 years, the contract may be voided by that person,
897 entitling the person to a refund of any deposit together with
898 interest thereon as provided in s. 718.202. The contract may be
899 terminated by written notice from the proposed buyer or lessee
900 delivered to the developer within 15 days after the buyer or
901 lessee receives all of the documents required by this section.
902 The developer may not close for 15 days after ~~following~~ the
903 execution of the agreement and delivery of the documents to the
904 buyer as evidenced by a signed receipt for documents unless the
905 buyer is informed in the 15-day voidability period and agrees to
906 close before ~~prior to~~ the expiration of the 15 days. The
907 developer shall retain in his or her records a separate
908 agreement signed by the buyer as proof of the buyer's agreement
909 to close before ~~prior to~~ the expiration of the ~~said~~ voidability



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910 period. The developer must retain such ~~Said~~ proof ~~shall be~~
911 ~~retained~~ for a period of 5 years after the date of the closing
912 of the transaction. The documents to be delivered to the
913 prospective buyer are the prospectus or disclosure statement
914 with all exhibits, if the development is subject to ~~the~~
915 ~~provisions of~~ s. 718.504, or, if not, then copies of the
916 following which are applicable:

917 1. The question and answer sheet described in s. 718.504,
918 and declaration of condominium, or the proposed declaration if
919 the declaration has not been recorded, which shall include the
920 certificate of a surveyor approximately representing the
921 locations required by s. 718.104.

922 2. The documents creating the association.

923 3. The bylaws.

924 4. The ground lease or other underlying lease of the
925 condominium.

926 5. The management contract, maintenance contract, and other
927 contracts for management of the association and operation of the
928 condominium and facilities used by the unit owners having a
929 service term in excess of 1 year, and any management contracts
930 that are renewable.

931 6. The estimated operating budget for the condominium and a
932 schedule of expenses for each type of unit, including fees
933 assessed pursuant to s. 718.113(1) for the maintenance of
934 limited common elements where such costs are shared only by
935 those entitled to use the limited common elements.

936 7. The lease of recreational and other facilities that will
937 be used only by unit owners of the subject condominium.

938 8. The lease of recreational and other common facilities



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939 that will be used by unit owners in common with unit owners of
940 other condominiums.

941 9. The form of unit lease if the offer is of a leasehold.

942 10. Any declaration of servitude of properties serving the
943 condominium but not owned by unit owners or leased to them or
944 the association.

945 11. If the development is to be built in phases or if the
946 association is to manage more than one condominium, a
947 description of the plan of phase development or the arrangements
948 for the association to manage two or more condominiums.

949 12. If the condominium is a conversion of existing
950 improvements, the statements and disclosure required by s.
951 718.616.

952 13. The form of agreement for sale or lease of units.

953 14. A copy of the floor plan of the unit and the plot plan
954 showing the location of the residential buildings and the
955 recreation and other common areas.

956 15. A copy of all covenants and restrictions that ~~which~~
957 will affect the use of the property and ~~which~~ are not contained
958 in the foregoing.

959 16. If the developer is required by state or local
960 authorities to obtain acceptance or approval of any dock or
961 marina facilities intended to serve the condominium, a copy of
962 any such acceptance or approval acquired by the time of filing
963 with the division under s. 718.502(1), or a statement that such
964 acceptance or approval has not been acquired or received.

965 17. Evidence demonstrating that the developer has an
966 ownership, leasehold, or contractual interest in the land upon
967 which the condominium is to be developed.



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968 18. A copy of the inspector-prepared summary of the
969 milestone inspection report as described in ss. 553.899 and
970 718.301(4)(p).

971 (2) NONDEVELOPER DISCLOSURE.—

972 (a) Each unit owner who is not a developer as defined by
973 this chapter must ~~shall~~ comply with ~~the provisions of~~ this
974 subsection before ~~prior to~~ the sale of his or her unit. Each
975 prospective purchaser who has entered into a contract for the
976 purchase of a condominium unit is entitled, at the seller's
977 expense, to a current copy of all of the following:

978 1. The declaration of condominium.┐

979 2. Articles of incorporation of the association.┐

980 3. Bylaws and rules of the association.┐

981 4. Financial information required by s. 718.111.┐

982 5. A copy of the inspector-prepared summary of the
983 milestone inspection report as described in ss. 553.899 and
984 718.301(4)(p), if applicable.

985 7. and The document entitled "Frequently Asked Questions
986 and Answers" required by s. 718.504.

987 (b) On and after January 1, 2009, The prospective purchaser
988 is ~~shall~~ also ~~be~~ entitled to receive from the seller a copy of a
989 governance form. Such form shall be provided by the division
990 summarizing governance of condominium associations. In addition
991 to such other information as the division considers helpful to a
992 prospective purchaser in understanding association governance,
993 the governance form shall address the following subjects:

994 1. The role of the board in conducting the day-to-day
995 affairs of the association on behalf of, and in the best
996 interests of, the owners.



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997 2. The board's responsibility to provide advance notice of
998 board and membership meetings.

999 3. The rights of owners to attend and speak at board and
1000 membership meetings.

1001 4. The responsibility of the board and of owners with
1002 respect to maintenance of the condominium property.

1003 5. The responsibility of the board and owners to abide by
1004 the condominium documents, this chapter, rules adopted by the
1005 division, and reasonable rules adopted by the board.

1006 6. Owners' rights to inspect and copy association records
1007 and the limitations on such rights.

1008 7. Remedies available to owners with respect to actions by
1009 the board which may be abusive or beyond the board's power and
1010 authority.

1011 8. The right of the board to hire a property management
1012 firm, subject to its own primary responsibility for such
1013 management.

1014 9. The responsibility of owners with regard to payment of
1015 regular or special assessments necessary for the operation of
1016 the property and the potential consequences of failure to pay
1017 such assessments.

1018 10. The voting rights of owners.

1019 11. Rights and obligations of the board in enforcement of
1020 rules in the condominium documents and rules adopted by the
1021 board.

1022

1023 The governance form shall also include the following statement
1024 in conspicuous type: "This publication is intended as an
1025 informal educational overview of condominium governance. In the



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1026 event of a conflict, the provisions of chapter 718, Florida
1027 Statutes, rules adopted by the Division of Florida Condominiums,
1028 Timeshares, and Mobile Homes of the Department of Business and
1029 Professional Regulation, the provisions of the condominium
1030 documents, and reasonable rules adopted by the condominium
1031 association's board of administration prevail over the contents
1032 of this publication."

1033 Section 29. Paragraph (q) is added to subsection (24) of
1034 section 718.504, Florida Statutes, to read:

1035 718.504 Prospectus or offering circular.—Every developer of
1036 a residential condominium which contains more than 20
1037 residential units, or which is part of a group of residential
1038 condominiums which will be served by property to be used in
1039 common by unit owners of more than 20 residential units, shall
1040 prepare a prospectus or offering circular and file it with the
1041 Division of Florida Condominiums, Timeshares, and Mobile Homes
1042 prior to entering into an enforceable contract of purchase and
1043 sale of any unit or lease of a unit for more than 5 years and
1044 shall furnish a copy of the prospectus or offering circular to
1045 each buyer. In addition to the prospectus or offering circular,
1046 each buyer shall be furnished a separate page entitled
1047 "Frequently Asked Questions and Answers," which shall be in
1048 accordance with a format approved by the division and a copy of
1049 the financial information required by s. 718.111. This page
1050 shall, in readable language, inform prospective purchasers
1051 regarding their voting rights and unit use restrictions,
1052 including restrictions on the leasing of a unit; shall indicate
1053 whether and in what amount the unit owners or the association is
1054 obligated to pay rent or land use fees for recreational or other



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1055 commonly used facilities; shall contain a statement identifying
1056 that amount of assessment which, pursuant to the budget, would
1057 be levied upon each unit type, exclusive of any special
1058 assessments, and which shall further identify the basis upon
1059 which assessments are levied, whether monthly, quarterly, or
1060 otherwise; shall state and identify any court cases in which the
1061 association is currently a party of record in which the
1062 association may face liability in excess of \$100,000; and which
1063 shall further state whether membership in a recreational
1064 facilities association is mandatory, and if so, shall identify
1065 the fees currently charged per unit type. The division shall by
1066 rule require such other disclosure as in its judgment will
1067 assist prospective purchasers. The prospectus or offering
1068 circular may include more than one condominium, although not all
1069 such units are being offered for sale as of the date of the
1070 prospectus or offering circular. The prospectus or offering
1071 circular must contain the following information:

1072 (24) Copies of the following, to the extent they are
1073 applicable, shall be included as exhibits:

1074 (q) A copy of the inspector-prepared summary of the
1075 milestone inspection report as described in ss. 553.899 and
1076 718.301(4)(p), as applicable.

1077 Section 30. Paragraphs (a) and (c) of subsection (2) of
1078 section 719.104, Florida Statutes, are amended to read:

1079 719.104 Cooperatives; access to units; records; financial
1080 reports; assessments; purchase of leases.—

1081 (2) OFFICIAL RECORDS.—

1082 (a) From the inception of the association, the association
1083 shall maintain a copy of each of the following, where



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1084 applicable, which shall constitute the official records of the
1085 association:

1086 1. The plans, permits, warranties, and other items provided
1087 by the developer pursuant to s. 719.301(4).

1088 2. A photocopy of the cooperative documents.

1089 3. A copy of the current rules of the association.

1090 4. A book or books containing the minutes of all meetings
1091 of the association, of the board of directors, and of the unit
1092 owners.

1093 5. A current roster of all unit owners and their mailing
1094 addresses, unit identifications, voting certifications, and, if
1095 known, telephone numbers. The association shall also maintain
1096 the e-mail addresses and the numbers designated by unit owners
1097 for receiving notice sent by electronic transmission of those
1098 unit owners consenting to receive notice by electronic
1099 transmission. The e-mail addresses and numbers provided by unit
1100 owners to receive notice by electronic transmission shall be
1101 removed from association records when consent to receive notice
1102 by electronic transmission is revoked. However, the association
1103 is not liable for an erroneous disclosure of the e-mail address
1104 or the number for receiving electronic transmission of notices.

1105 6. All current insurance policies of the association.

1106 7. A current copy of any management agreement, lease, or
1107 other contract to which the association is a party or under
1108 which the association or the unit owners have an obligation or
1109 responsibility.

1110 8. Bills of sale or transfer for all property owned by the
1111 association.

1112 9. Accounting records for the association and separate



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1113 accounting records for each unit it operates, according to good
1114 accounting practices. The accounting records shall include, but
1115 not be limited to:

1116 a. Accurate, itemized, and detailed records of all receipts
1117 and expenditures.

1118 b. A current account and a monthly, bimonthly, or quarterly
1119 statement of the account for each unit designating the name of
1120 the unit owner, the due date and amount of each assessment, the
1121 amount paid upon the account, and the balance due.

1122 c. All audits, reviews, accounting statements, and
1123 financial reports of the association.

1124 d. All contracts for work to be performed. Bids for work to
1125 be performed shall also be considered official records and shall
1126 be maintained for a period of 1 year.

1127 10. Ballots, sign-in sheets, voting proxies, and all other
1128 papers and electronic records relating to voting by unit owners,
1129 which shall be maintained for a period of 1 year after the date
1130 of the election, vote, or meeting to which the document relates.

1131 11. All rental records where the association is acting as
1132 agent for the rental of units.

1133 12. A copy of the current question and answer sheet as
1134 described in s. 719.504.

1135 13. All affirmative acknowledgments made pursuant to s.
1136 719.108(3)(b)3.

1137 14. A copy of the inspection reports described in s.
1138 553.899 and 719.301(4)(p) and any other inspection report
1139 relating to a structural or life safety inspection of the
1140 cooperative property. Such record must be maintained by the
1141 association for 15 years after receipt of the report.



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1142 15. All other written records of the association not
1143 specifically included in the foregoing which are related to the
1144 operation of the association.

1145 (c) The official records of the association are open to
1146 inspection by any association member or the authorized
1147 representative of such member at all reasonable times. The right
1148 to inspect the records includes the right to make or obtain
1149 copies, at the reasonable expense, if any, of the association
1150 member. A renter of a unit has a right to inspect and copy only
1151 the association's bylaws and rules and the inspection reports
1152 described in ss. 553.899 and 719.301(4)(p). The association may
1153 adopt reasonable rules regarding the frequency, time, location,
1154 notice, and manner of record inspections and copying, but may
1155 not require a member to demonstrate any purpose or state any
1156 reason for the inspection. The failure of an association to
1157 provide the records within 10 working days after receipt of a
1158 written request creates a rebuttable presumption that the
1159 association willfully failed to comply with this paragraph. A
1160 member who is denied access to official records is entitled to
1161 the actual damages or minimum damages for the association's
1162 willful failure to comply. The minimum damages are \$50 per
1163 calendar day for up to 10 days, beginning on the 11th working
1164 day after receipt of the written request. The failure to permit
1165 inspection entitles any person prevailing in an enforcement
1166 action to recover reasonable attorney fees from the person in
1167 control of the records who, directly or indirectly, knowingly
1168 denied access to the records. Any person who knowingly or
1169 intentionally defaces or destroys accounting records that are
1170 required by this chapter to be maintained during the period for



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1171 which such records are required to be maintained, or who
1172 knowingly or intentionally fails to create or maintain
1173 accounting records that are required to be created or
1174 maintained, with the intent of causing harm to the association
1175 or one or more of its members, is personally subject to a civil
1176 penalty under s. 719.501(1)(d). The association shall maintain
1177 an adequate number of copies of the declaration, articles of
1178 incorporation, bylaws, and rules, and all amendments to each of
1179 the foregoing, as well as the question and answer sheet as
1180 described in s. 719.504 and year-end financial information
1181 required by the department, on the cooperative property to
1182 ensure their availability to members and prospective purchasers,
1183 and may charge its actual costs for preparing and furnishing
1184 these documents to those requesting the same. An association
1185 shall allow a member or his or her authorized representative to
1186 use a portable device, including a smartphone, tablet, portable
1187 scanner, or any other technology capable of scanning or taking
1188 photographs, to make an electronic copy of the official records
1189 in lieu of the association providing the member or his or her
1190 authorized representative with a copy of such records. The
1191 association may not charge a member or his or her authorized
1192 representative for the use of a portable device. Notwithstanding
1193 this paragraph, the following records shall not be accessible to
1194 members:

1195 1. Any record protected by the lawyer-client privilege as
1196 described in s. 90.502 and any record protected by the work-
1197 product privilege, including any record prepared by an
1198 association attorney or prepared at the attorney's express
1199 direction which reflects a mental impression, conclusion,



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1200 litigation strategy, or legal theory of the attorney or the
1201 association, and which was prepared exclusively for civil or
1202 criminal litigation or for adversarial administrative
1203 proceedings, or which was prepared in anticipation of such
1204 litigation or proceedings until the conclusion of the litigation
1205 or proceedings.

1206 2. Information obtained by an association in connection
1207 with the approval of the lease, sale, or other transfer of a
1208 unit.

1209 3. Personnel records of association or management company
1210 employees, including, but not limited to, disciplinary, payroll,
1211 health, and insurance records. For purposes of this
1212 subparagraph, the term "personnel records" does not include
1213 written employment agreements with an association employee or
1214 management company, or budgetary or financial records that
1215 indicate the compensation paid to an association employee.

1216 4. Medical records of unit owners.

1217 5. Social security numbers, driver license numbers, credit
1218 card numbers, e-mail addresses, telephone numbers, facsimile
1219 numbers, emergency contact information, addresses of a unit
1220 owner other than as provided to fulfill the association's notice
1221 requirements, and other personal identifying information of any
1222 person, excluding the person's name, unit designation, mailing
1223 address, property address, and any address, e-mail address, or
1224 facsimile number provided to the association to fulfill the
1225 association's notice requirements. Notwithstanding the
1226 restrictions in this subparagraph, an association may print and
1227 distribute to unit owners a directory containing the name, unit
1228 address, and all telephone numbers of each unit owner. However,



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1229 an owner may exclude his or her telephone numbers from the
1230 directory by so requesting in writing to the association. An
1231 owner may consent in writing to the disclosure of other contact
1232 information described in this subparagraph. The association is
1233 not liable for the inadvertent disclosure of information that is
1234 protected under this subparagraph if the information is included
1235 in an official record of the association and is voluntarily
1236 provided by an owner and not requested by the association.

1237 6. Electronic security measures that are used by the
1238 association to safeguard data, including passwords.

1239 7. The software and operating system used by the
1240 association which allow the manipulation of data, even if the
1241 owner owns a copy of the same software used by the association.
1242 The data is part of the official records of the association.

1243 8. All affirmative acknowledgments made pursuant to s.
1244 719.108(3)(b)3.

1245 Section 31. Paragraph (n) is added to subsection (1) of
1246 section 719.106, Florida Statutes, to read:

1247 719.106 Bylaws; cooperative ownership.—

1248 (1) MANDATORY PROVISIONS.—The bylaws or other cooperative
1249 documents shall provide for the following, and if they do not,
1250 they shall be deemed to include the following:

1251 (n) Mandatory milestone inspections.—If an association is
1252 required to have a milestone inspection performed pursuant to s.
1253 553.899, the association must arrange for the milestone
1254 inspection to be performed and is responsible for ensuring
1255 compliance with the requirements of s. 553.899. The association
1256 is responsible for all costs associated with the inspection. If
1257 the officers or directors of an association willfully and



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1258 knowingly fail to have a milestone inspection performed pursuant
1259 to s. 553.899, such failure is a breach of the officers' and
1260 directors' fiduciary relationship to the unit owners under s.
1261 719.104(8)(a). Upon completion of a phase one or phase two
1262 milestone inspection and receipt of the inspector-prepared
1263 summary of the inspection report from the architect or engineer
1264 who performed the inspection, the association must distribute a
1265 copy of the inspector-prepared summary of the inspection report
1266 to each unit owner, regardless of the findings or
1267 recommendations in the report, by United States mail or personal
1268 delivery and by electronic transmission to unit owners who
1269 previously consented to receive notice by electronic
1270 transmission; must post a copy of the inspector-prepared summary
1271 in a conspicuous place on the cooperative property; and must
1272 publish the full report and inspector-prepared summary on the
1273 association's website, if the association is required to have a
1274 website.

1275 Section 32. Paragraph (p) is added to subsection (4) of
1276 section 719.301, Florida Statutes, to read:

1277 719.301 Transfer of association control.—

1278 (4) When unit owners other than the developer elect a
1279 majority of the members of the board of administration of an
1280 association, the developer shall relinquish control of the
1281 association, and the unit owners shall accept control.
1282 Simultaneously, or for the purpose of paragraph (c) not more
1283 than 90 days thereafter, the developer shall deliver to the
1284 association, at the developer's expense, all property of the
1285 unit owners and of the association held or controlled by the
1286 developer, including, but not limited to, the following items,



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1287 if applicable, as to each cooperative operated by the
1288 association:

1289 (p) Notwithstanding when the certificate of occupancy was
1290 issued or the height of the building, a milestone inspection
1291 report in compliance with s. 553.899 included in the official
1292 records, under seal of an architect or engineer authorized to
1293 practice in this state, attesting to required maintenance,
1294 condition, useful life, and replacement costs of the following
1295 applicable cooperative property comprising a turnover inspection
1296 report:

1297 1. Roof.

1298 2. Structure, including load-bearing walls and primary
1299 structural members and primary structural systems as those terms
1300 are defined in s. 627.706.

1301 3. Fireproofing and fire protection systems.

1302 4. Elevators.

1303 5. Heating and cooling systems.

1304 6. Plumbing.

1305 7. Electrical systems.

1306 8. Swimming pool or spa and equipment.

1307 9. Seawalls.

1308 10. Pavement and parking areas.

1309 11. Drainage systems.

1310 12. Painting.

1311 13. Irrigation systems.

1312 14. Waterproofing.

1313 Section 33. Subsection (1) of section 719.501, Florida
1314 Statutes, is amended, and subsection (3) is added to that
1315 section, to read:



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1316 719.501 Powers and duties of Division of Florida
1317 Condominiums, Timeshares, and Mobile Homes.—

1318 (1) The Division of Florida Condominiums, Timeshares, and
1319 Mobile Homes of the Department of Business and Professional
1320 Regulation, referred to as the "division" in this part, in
1321 addition to other powers and duties prescribed by chapter 718,
1322 has the power to enforce and ensure compliance with this chapter
1323 and adopted rules relating to the development, construction,
1324 sale, lease, ownership, operation, and management of residential
1325 cooperative units and complaints related to the procedural
1326 completion of milestone inspections under s. 553.899. In
1327 performing its duties, the division shall have the following
1328 powers and duties:

1329 (a) The division may make necessary public or private
1330 investigations within or outside this state to determine whether
1331 any person has violated this chapter or any rule or order
1332 hereunder, to aid in the enforcement of this chapter, or to aid
1333 in the adoption of rules or forms hereunder.

1334 (b) The division may require or permit any person to file a
1335 statement in writing, under oath or otherwise, as the division
1336 determines, as to the facts and circumstances concerning a
1337 matter to be investigated.

1338 (c) For the purpose of any investigation under this
1339 chapter, the division director or any officer or employee
1340 designated by the division director may administer oaths or
1341 affirmations, subpoena witnesses and compel their attendance,
1342 take evidence, and require the production of any matter which is
1343 relevant to the investigation, including the existence,
1344 description, nature, custody, condition, and location of any



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1345 books, documents, or other tangible things and the identity and
1346 location of persons having knowledge of relevant facts or any
1347 other matter reasonably calculated to lead to the discovery of
1348 material evidence. Upon failure by a person to obey a subpoena
1349 or to answer questions propounded by the investigating officer
1350 and upon reasonable notice to all persons affected thereby, the
1351 division may apply to the circuit court for an order compelling
1352 compliance.

1353 (d) Notwithstanding any remedies available to unit owners
1354 and associations, if the division has reasonable cause to
1355 believe that a violation of any provision of this chapter or
1356 related rule has occurred, the division may institute
1357 enforcement proceedings in its own name against a developer,
1358 association, officer, or member of the board, or its assignees
1359 or agents, as follows:

1360 1. The division may permit a person whose conduct or
1361 actions may be under investigation to waive formal proceedings
1362 and enter into a consent proceeding whereby orders, rules, or
1363 letters of censure or warning, whether formal or informal, may
1364 be entered against the person.

1365 2. The division may issue an order requiring the developer,
1366 association, officer, or member of the board, or its assignees
1367 or agents, to cease and desist from the unlawful practice and
1368 take such affirmative action as in the judgment of the division
1369 will carry out the purposes of this chapter. Such affirmative
1370 action may include, but is not limited to, an order requiring a
1371 developer to pay moneys determined to be owed to a condominium
1372 association.

1373 3. The division may bring an action in circuit court on



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1374 behalf of a class of unit owners, lessees, or purchasers for
1375 declaratory relief, injunctive relief, or restitution.

1376 4. The division may impose a civil penalty against a
1377 developer or association, or its assignees or agents, for any
1378 violation of this chapter or related rule. The division may
1379 impose a civil penalty individually against any officer or board
1380 member who willfully and knowingly violates a provision of this
1381 chapter, a rule adopted pursuant to this chapter, or a final
1382 order of the division. The term "willfully and knowingly" means
1383 that the division informed the officer or board member that his
1384 or her action or intended action violates this chapter, a rule
1385 adopted under this chapter, or a final order of the division,
1386 and that the officer or board member refused to comply with the
1387 requirements of this chapter, a rule adopted under this chapter,
1388 or a final order of the division. The division, prior to
1389 initiating formal agency action under chapter 120, shall afford
1390 the officer or board member an opportunity to voluntarily comply
1391 with this chapter, a rule adopted under this chapter, or a final
1392 order of the division. An officer or board member who complies
1393 within 10 days is not subject to a civil penalty. A penalty may
1394 be imposed on the basis of each day of continuing violation, but
1395 in no event shall the penalty for any offense exceed \$5,000. By
1396 January 1, 1998, the division shall adopt, by rule, penalty
1397 guidelines applicable to possible violations or to categories of
1398 violations of this chapter or rules adopted by the division. The
1399 guidelines must specify a meaningful range of civil penalties
1400 for each such violation of the statute and rules and must be
1401 based upon the harm caused by the violation, the repetition of
1402 the violation, and upon such other factors deemed relevant by



1403 the division. For example, the division may consider whether the
1404 violations were committed by a developer or owner-controlled
1405 association, the size of the association, and other factors. The
1406 guidelines must designate the possible mitigating or aggravating
1407 circumstances that justify a departure from the range of
1408 penalties provided by the rules. It is the legislative intent
1409 that minor violations be distinguished from those which endanger
1410 the health, safety, or welfare of the cooperative residents or
1411 other persons and that such guidelines provide reasonable and
1412 meaningful notice to the public of likely penalties that may be
1413 imposed for proscribed conduct. This subsection does not limit
1414 the ability of the division to informally dispose of
1415 administrative actions or complaints by stipulation, agreed
1416 settlement, or consent order. All amounts collected shall be
1417 deposited with the Chief Financial Officer to the credit of the
1418 Division of Florida Condominiums, Timeshares, and Mobile Homes
1419 Trust Fund. If a developer fails to pay the civil penalty, the
1420 division shall thereupon issue an order directing that such
1421 developer cease and desist from further operation until such
1422 time as the civil penalty is paid or may pursue enforcement of
1423 the penalty in a court of competent jurisdiction. If an
1424 association fails to pay the civil penalty, the division shall
1425 thereupon pursue enforcement in a court of competent
1426 jurisdiction, and the order imposing the civil penalty or the
1427 cease and desist order shall not become effective until 20 days
1428 after the date of such order. Any action commenced by the
1429 division shall be brought in the county in which the division
1430 has its executive offices or in the county where the violation
1431 occurred.



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1432 (e) The division may prepare and disseminate a prospectus
1433 and other information to assist prospective owners, purchasers,
1434 lessees, and developers of residential cooperatives in assessing
1435 the rights, privileges, and duties pertaining thereto.

1436 (f) The division has authority to adopt rules pursuant to
1437 ss. 120.536(1) and 120.54 to implement and enforce the
1438 provisions of this chapter.

1439 (g) The division shall establish procedures for providing
1440 notice to an association when the division is considering the
1441 issuance of a declaratory statement with respect to the
1442 cooperative documents governing such cooperative community.

1443 (h) The division shall furnish each association which pays
1444 the fees required by paragraph (2)(a) a copy of this act,
1445 subsequent changes to this act on an annual basis, an amended
1446 version of this act as it becomes available from the Secretary
1447 of State's office on a biennial basis, and the rules adopted
1448 thereto on an annual basis.

1449 (i) The division shall annually provide each association
1450 with a summary of declaratory statements and formal legal
1451 opinions relating to the operations of cooperatives which were
1452 rendered by the division during the previous year.

1453 (j) The division shall adopt uniform accounting principles,
1454 policies, and standards to be used by all associations in the
1455 preparation and presentation of all financial statements
1456 required by this chapter. The principles, policies, and
1457 standards shall take into consideration the size of the
1458 association and the total revenue collected by the association.

1459 (k) The division shall provide training and educational
1460 programs for cooperative association board members and unit



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1461 owners. The training may, in the division's discretion, include
1462 web-based electronic media, and live training and seminars in
1463 various locations throughout the state. The division may review
1464 and approve education and training programs for board members
1465 and unit owners offered by providers and shall maintain a
1466 current list of approved programs and providers and make such
1467 list available to board members and unit owners in a reasonable
1468 and cost-effective manner.

1469 (l) The division shall maintain a toll-free telephone
1470 number accessible to cooperative unit owners.

1471 (m) When a complaint is made to the division, the division
1472 shall conduct its inquiry with reasonable dispatch and with due
1473 regard to the interests of the affected parties. Within 30 days
1474 after receipt of a complaint, the division shall acknowledge the
1475 complaint in writing and notify the complainant whether the
1476 complaint is within the jurisdiction of the division and whether
1477 additional information is needed by the division from the
1478 complainant. The division shall conduct its investigation and
1479 shall, within 90 days after receipt of the original complaint or
1480 timely requested additional information, take action upon the
1481 complaint. However, the failure to complete the investigation
1482 within 90 days does not prevent the division from continuing the
1483 investigation, accepting or considering evidence obtained or
1484 received after 90 days, or taking administrative action if
1485 reasonable cause exists to believe that a violation of this
1486 chapter or a rule of the division has occurred. If an
1487 investigation is not completed within the time limits
1488 established in this paragraph, the division shall, on a monthly
1489 basis, notify the complainant in writing of the status of the



1490 investigation. When reporting its action to the complainant, the
1491 division shall inform the complainant of any right to a hearing
1492 pursuant to ss. 120.569 and 120.57.

1493 (n) The division shall develop a program to certify both
1494 volunteer and paid mediators to provide mediation of cooperative
1495 disputes. The division shall provide, upon request, a list of
1496 such mediators to any association, unit owner, or other
1497 participant in arbitration proceedings under s. 718.1255
1498 requesting a copy of the list. The division shall include on the
1499 list of voluntary mediators only persons who have received at
1500 least 20 hours of training in mediation techniques or have
1501 mediated at least 20 disputes. In order to become initially
1502 certified by the division, paid mediators must be certified by
1503 the Supreme Court to mediate court cases in county or circuit
1504 courts. However, the division may adopt, by rule, additional
1505 factors for the certification of paid mediators, which factors
1506 must be related to experience, education, or background. Any
1507 person initially certified as a paid mediator by the division
1508 must, in order to continue to be certified, comply with the
1509 factors or requirements imposed by rules adopted by the
1510 division.

1511 (3) (a) On or before January 1, 2023, cooperative
1512 associations existing on or before July 1, 2022, must provide
1513 the following information to the division in writing, by e-mail,
1514 United States Postal Service, commercial delivery service, or
1515 hand delivery, at a physical address or e-mail address provided
1516 by the division and on a form posted on the division's website:

1517 1. The number of buildings on the cooperative property that
1518 are three stories or higher in height.



1519 2. The total number of units in all such buildings.
1520 3. The addresses of all such buildings.
1521 4. The counties in which all such buildings are located.
1522 (b) The division must compile a list of the number of
1523 buildings on cooperative property that are three stories or
1524 higher in height, which is searchable by county, and must post
1525 the list on the division's website. This list must include all
1526 of the following information:
1527 1. The name of each association with buildings on the
1528 cooperative property that are three stories or higher in height.
1529 2. The number of such buildings on each association's
1530 property.
1531 3. The addresses of all such buildings.
1532 4. The counties in which all such buildings are located.
1533 (c) An association must provide an update in writing to the
1534 division if there are any changes to the information in the list
1535 under paragraph (b) within 6 months after the change.
1536 Section 34. Paragraph (b) of subsection (1) and paragraph
1537 (a) of subsection (2) of section 719.503, Florida Statutes, are
1538 amended to read:
1539 719.503 Disclosure prior to sale.—
1540 (1) DEVELOPER DISCLOSURE.—
1541 (b) *Copies of documents to be furnished to prospective*
1542 *buyer or lessee.*—Until such time as the developer has furnished
1543 the documents listed below to a person who has entered into a
1544 contract to purchase a unit or lease it for more than 5 years,
1545 the contract may be voided by that person, entitling the person
1546 to a refund of any deposit together with interest thereon as
1547 provided in s. 719.202. The contract may be terminated by



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1548 written notice from the proposed buyer or lessee delivered to
1549 the developer within 15 days after the buyer or lessee receives
1550 all of the documents required by this section. The developer may
1551 ~~shall~~ not close for 15 days after ~~following~~ the execution of the
1552 agreement and delivery of the documents to the buyer as
1553 evidenced by a receipt for documents signed by the buyer unless
1554 the buyer is informed in the 15-day voidability period and
1555 agrees to close before ~~prior to~~ the expiration of the 15 days.
1556 The developer shall retain in his or her records a separate
1557 signed agreement as proof of the buyer's agreement to close
1558 before ~~prior to~~ the expiration of the ~~said~~ voidability period.
1559 The developer must retain such ~~Said~~ proof ~~shall be retained~~ for
1560 a period of 5 years after the date of the closing transaction.
1561 The documents to be delivered to the prospective buyer are the
1562 prospectus or disclosure statement with all exhibits, if the
1563 development is subject to ~~the provisions of~~ s. 719.504, or, if
1564 not, then copies of the following which are applicable:
1565 1. The question and answer sheet described in s. 719.504,
1566 and cooperative documents, or the proposed cooperative documents
1567 if the documents have not been recorded, which shall include the
1568 certificate of a surveyor approximately representing the
1569 locations required by s. 719.104.
1570 2. The documents creating the association.
1571 3. The bylaws.
1572 4. The ground lease or other underlying lease of the
1573 cooperative.
1574 5. The management contract, maintenance contract, and other
1575 contracts for management of the association and operation of the
1576 cooperative and facilities used by the unit owners having a



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1577 service term in excess of 1 year, and any management contracts
1578 that are renewable.

1579 6. The estimated operating budget for the cooperative and a
1580 schedule of expenses for each type of unit, including fees
1581 assessed to a shareholder who has exclusive use of limited
1582 common areas, where such costs are shared only by those entitled
1583 to use such limited common areas.

1584 7. The lease of recreational and other facilities that will
1585 be used only by unit owners of the subject cooperative.

1586 8. The lease of recreational and other common areas that
1587 will be used by unit owners in common with unit owners of other
1588 cooperatives.

1589 9. The form of unit lease if the offer is of a leasehold.

1590 10. Any declaration of servitude of properties serving the
1591 cooperative but not owned by unit owners or leased to them or
1592 the association.

1593 11. If the development is to be built in phases or if the
1594 association is to manage more than one cooperative, a
1595 description of the plan of phase development or the arrangements
1596 for the association to manage two or more cooperatives.

1597 12. If the cooperative is a conversion of existing
1598 improvements, the statements and disclosure required by s.
1599 719.616.

1600 13. The form of agreement for sale or lease of units.

1601 14. A copy of the floor plan of the unit and the plot plan
1602 showing the location of the residential buildings and the
1603 recreation and other common areas.

1604 15. A copy of all covenants and restrictions that ~~which~~
1605 will affect the use of the property and ~~which~~ are not contained



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1606 in the foregoing.

1607 16. If the developer is required by state or local
1608 authorities to obtain acceptance or approval of any dock or
1609 marina facilities intended to serve the cooperative, a copy of
1610 any such acceptance or approval acquired by the time of filing
1611 with the division pursuant to s. 719.502(1) or a statement that
1612 such acceptance or approval has not been acquired or received.

1613 17. Evidence demonstrating that the developer has an
1614 ownership, leasehold, or contractual interest in the land upon
1615 which the cooperative is to be developed.

1616 18. A copy of the inspector-prepared summary of the
1617 milestone inspection report as described in ss. 553.899 and
1618 719.301(4)(p), if applicable.

1619 (2) NONDEVELOPER DISCLOSURE.—

1620 (a) Each unit owner who is not a developer as defined by
1621 this chapter must comply with ~~the provisions of~~ this subsection
1622 before ~~prior to~~ the sale of his or her interest in the
1623 association. Each prospective purchaser who has entered into a
1624 contract for the purchase of an interest in a cooperative is
1625 entitled, at the seller's expense, to a current copy of all of
1626 the following:

1627 1. The articles of incorporation of the association.~~7~~

1628 2. The bylaws~~7~~ and rules of the association.

1629 3. ~~as well as~~ A copy of the question and answer sheet as
1630 provided in s. 719.504.

1631 4. A copy of the inspector-prepared summary of the
1632 milestone inspection report as described in ss. 553.899 and
1633 719.301(4)(p), if applicable.

1634 Section 35. Paragraph (q) is added to subsection (23) of



1635 section 719.504, Florida Statutes, to read:
1636 719.504 Prospectus or offering circular.—Every developer of
1637 a residential cooperative which contains more than 20
1638 residential units, or which is part of a group of residential
1639 cooperatives which will be served by property to be used in
1640 common by unit owners of more than 20 residential units, shall
1641 prepare a prospectus or offering circular and file it with the
1642 Division of Florida Condominiums, Timeshares, and Mobile Homes
1643 prior to entering into an enforceable contract of purchase and
1644 sale of any unit or lease of a unit for more than 5 years and
1645 shall furnish a copy of the prospectus or offering circular to
1646 each buyer. In addition to the prospectus or offering circular,
1647 each buyer shall be furnished a separate page entitled
1648 “Frequently Asked Questions and Answers,” which must be in
1649 accordance with a format approved by the division. This page
1650 must, in readable language: inform prospective purchasers
1651 regarding their voting rights and unit use restrictions,
1652 including restrictions on the leasing of a unit; indicate
1653 whether and in what amount the unit owners or the association is
1654 obligated to pay rent or land use fees for recreational or other
1655 commonly used facilities; contain a statement identifying that
1656 amount of assessment which, pursuant to the budget, would be
1657 levied upon each unit type, exclusive of any special
1658 assessments, and which identifies the basis upon which
1659 assessments are levied, whether monthly, quarterly, or
1660 otherwise; state and identify any court cases in which the
1661 association is currently a party of record in which the
1662 association may face liability in excess of \$100,000; and state
1663 whether membership in a recreational facilities association is



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1664 mandatory and, if so, identify the fees currently charged per
1665 unit type. The division shall by rule require such other
1666 disclosure as in its judgment will assist prospective
1667 purchasers. The prospectus or offering circular may include more
1668 than one cooperative, although not all such units are being
1669 offered for sale as of the date of the prospectus or offering
1670 circular. The prospectus or offering circular must contain the
1671 following information:

1672 (23) Copies of the following, to the extent they are
1673 applicable, shall be included as exhibits:

1674 (q) A copy of the inspector-prepared summary of the
1675 milestone inspection report as described in ss. 553.899 and
1676 719.301(4)(p), if applicable.

1677
1678 ===== T I T L E A M E N D M E N T =====

1679 And the title is amended as follows:

1680 Delete line 158

1681 and insert:

1682 insurer insolvency proceedings; amending s. 468.4334,
1683 F.S.; requiring community association managers and
1684 community association management firms to comply with
1685 a specified provision under certain circumstances;
1686 creating s. 553.899, F.S.; providing legislative
1687 findings; defining the terms "milestone inspection"
1688 and "substantial structural deterioration"; specifying
1689 that the purpose of a milestone inspection is not to
1690 determine compliance with the Florida Building Code or
1691 the firesafety code; requiring condominium
1692 associations and cooperative associations to have



1693 milestone inspections performed on certain buildings
1694 at specified times; specifying that such associations
1695 are responsible for costs relating to milestone
1696 inspections; providing applicability; requiring that
1697 initial milestone inspections for certain buildings be
1698 performed before a specified date; requiring local
1699 enforcement agencies to provide certain written notice
1700 to condominium associations and cooperative
1701 associations; requiring condominium associations and
1702 cooperative associations to complete phase one of a
1703 milestone inspection within a specified timeframe;
1704 specifying that milestone inspections consist of two
1705 phases; providing requirements for each phase of a
1706 milestone inspection; requiring architects and
1707 engineers performing a milestone inspection to submit
1708 a sealed copy of the inspection report and a summary
1709 that includes specified findings and recommendations
1710 to certain entities; providing requirements for such
1711 inspection reports; requiring condominium associations
1712 and cooperative associations to distribute and post a
1713 copy of each inspection report and summary in a
1714 specified manner; authorizing local enforcement
1715 agencies to prescribe timelines and penalties relating
1716 to milestone inspections; authorizing boards of county
1717 commissioners to adopt certain ordinances relating to
1718 repairs for substantial structural deterioration;
1719 requiring local enforcement agencies to review and
1720 determine if a building is unsafe for human occupancy
1721 under certain circumstances; requiring the Florida



1722 Building Commission to review milestone inspection
1723 requirements and make any recommendations to the
1724 Governor and the Legislature by a specified date;
1725 requiring the commission to consult with the State
1726 Fire Marshal to provide certain recommendations to the
1727 Governor and the Legislature by a specified date;
1728 amending s. 718.111, F.S.; revising the types of
1729 records that constitute the official records of a
1730 condominium association; requiring associations to
1731 maintain specified records for a certain timeframe;
1732 specifying that renters of a unit have the right to
1733 inspect and copy certain reports; requiring
1734 associations to post a copy of certain reports and
1735 reserve studies on the association's website; amending
1736 s. 718.112, F.S.; restating requirements for
1737 associations relating to milestone inspections;
1738 specifying that if the officers or directors of a
1739 condominium association fail to have a milestone
1740 inspection performed, such failure is a breach of
1741 their fiduciary relationship to the unit owners;
1742 amending s. 718.301, F.S.; revising reporting
1743 requirements relating to the transfer of association
1744 control; amending s. 718.501, F.S.; revising the
1745 Division of Florida Condominiums, Timeshares, and
1746 Mobile Homes' authority relating to enforcement and
1747 compliance; requiring certain associations to provide
1748 certain information and updates to the division by a
1749 specified date and within a specified timeframe;
1750 requiring the division to compile a list with certain



1751 information and post such list on its website;
1752 amending s. 718.503, F.S.; revising the documents that
1753 must be delivered to a prospective buyer or lessee of
1754 a residential unit; revising requirements for
1755 nondeveloper disclosures; amending s. 718.504, F.S.;
1756 revising requirements for prospectuses and offering
1757 circulars; amending s. 719.104, F.S.; revising the
1758 types of records that constitute the official records
1759 of a cooperative association; requiring associations
1760 to maintain specified records for a certain timeframe;
1761 specifying that renters of a unit have the right to
1762 inspect and copy certain reports; amending s. 719.106,
1763 F.S.; restating requirements for associations relating
1764 to milestone inspections; specifying that if the
1765 officers or directors of a cooperative association
1766 fail to have a milestone inspection performed, such
1767 failure is a breach of their fiduciary relationship to
1768 the unit owners; amending s. 719.301, F.S.; requiring
1769 developers to deliver a turnover inspection report
1770 relating to cooperative property under certain
1771 circumstances; amending s. 719.501, F.S.; revising the
1772 division's authority relating to enforcement and
1773 compliance; requiring certain associations to provide
1774 certain information and updates to the division by a
1775 specified date and within a specified time; requiring
1776 the division to compile a list with certain
1777 information and post such list on its website;
1778 amending s. 719.503, F.S.; revising the documents that
1779 must be delivered to a prospective buyer or lessee of



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1780 a residential unit; revising nondeveloper disclosure
1781 requirements; amending s. 719.504, F.S.; revising
1782 requirements for prospectuses and offering circulars;
1783 providing for

By Senator Boyd

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1 A bill to be entitled
 2 An act relating to property insurance; creating s.
 3 215.5551, F.S.; creating the Reinsurance to Assist
 4 Policyholders program to be administered by the State
 5 Board of Administration; defining terms; requiring
 6 certain property insurers to obtain coverage under the
 7 program; requiring the board to provide reimbursement
 8 to property insurers under the program; requiring the
 9 board and property insurers to enter into contracts to
 10 provide certain insurance reimbursement; providing
 11 requirements for the contracts; providing
 12 construction; providing calculations for specified
 13 amounts of losses to determine reimbursement under the
 14 program; authorizing the board to inspect, examine,
 15 and verify insurer records; providing insurer
 16 eligibility qualifications for the program; providing
 17 for disqualification; requiring certain insurers to
 18 notify the board under a specified circumstance;
 19 prohibiting premiums from being charged for
 20 participation in the program; providing that the
 21 program does not affect the claims-paying capacity of
 22 the Florida Hurricane Catastrophe Fund; requiring the
 23 program to pay reimbursements directly to the
 24 applicable state guaranty fund in the event of
 25 insolvency; specifying requirements for the Florida
 26 Hurricane Catastrophe Fund if an insurer or the
 27 Citizens Property Insurance Corporation accept
 28 assignments of unsound insurers; providing that
 29 certain violations are violations of the insurance

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30 code; authorizing the board to enforce certain
 31 requirements; authorizing the board to adopt rules;
 32 providing legislative intent; requiring the board to
 33 submit a written notice within a certain timeframe to
 34 the Executive Office of the Governor relating to the
 35 program funds, under certain circumstances; providing
 36 a requirement for the notice and subsequent requests;
 37 requiring the Executive Office of the Governor to
 38 instruct the Chief Financial Officer to draw a warrant
 39 for a transfer to the board for the program under
 40 certain circumstances and to provide notification to
 41 specified persons within a certain timeframe;
 42 prohibiting cumulative transfers from exceeding a
 43 specified amount; providing reporting requirements;
 44 providing for expiration and transfer of unencumbered
 45 funds; requiring certain property insurers to reduce
 46 rates to reflect certain cost savings through rate
 47 filings by a specified date; prohibiting such insurers
 48 from making other rate changes; requiring the Office
 49 of Insurance Regulation to expedite the review of
 50 certain filings; amending s. 215.5586, F.S.; adding a
 51 requirement for hurricane mitigation inspection
 52 applications; revising homeowner eligibility criteria
 53 for mitigation grants; specifying matching
 54 requirements for grants; revising reporting
 55 requirements; providing an appropriation; requiring
 56 the Department of Financial Services to submit budget
 57 amendments; specifying requirements for budget
 58 amendments; providing for reversion and appropriation

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59 of any unexpended balance; providing for expiration;
 60 amending s. 489.147, F.S.; revising the definition of
 61 the term "prohibited advertisement"; creating s.
 62 624.1551, F.S.; requiring claimants to establish that
 63 property insurers have breached the insurance contract
 64 to prevail in certain claims for damages; amending s.
 65 624.307, F.S.; requiring the office to publish certain
 66 information on its website; amending s. 624.313, F.S.;
 67 requiring the office to print and make a specified
 68 report available by a specified date annually;
 69 revising the information the office must include in
 70 such report; amending s. 624.315, F.S.; revising the
 71 information the office must include in certain
 72 reports; amending s. 624.424, F.S.; requiring the
 73 Office of Insurance Regulation to aggregate on a
 74 statewide basis and make publicly available certain
 75 data submitted by insurers and insurer groups;
 76 specifying requirements for publishing such data;
 77 providing that such information is not a trade secret
 78 and is not subject to a certain public records
 79 exemption; amending s. 626.9373, F.S.; revising
 80 conditions for the award of reasonable attorney fees
 81 to apply to all suits brought under residential or
 82 commercial property insurance policies, rather than
 83 those not brought by assignees; limiting the transfer,
 84 assignment, or acquisition of rights to attorney fees
 85 in certain property insurance suits; amending s.
 86 627.428, F.S.; revising conditions for the award of
 87 reasonable attorney fees to apply to all suits brought

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88 under residential or commercial property insurance
 89 policies, rather than those not brought by assignees;
 90 limiting the transfer, assignment, or acquisition of
 91 rights to attorney fees in certain property insurance
 92 suits; amending s. 627.701, F.S.; revising a
 93 prohibition against the issuance of insurance policies
 94 containing certain deductible provisions; revising the
 95 conditions a personal lines residential property
 96 insurance policy covering certain risks must meet
 97 under certain circumstances; requiring personal lines
 98 residential property insurance policies containing
 99 separate roof deductibles to include specified
 100 information; authorizing property insurers to include
 101 separate roof deductibles if certain requirements are
 102 met; providing requirements for policyholders in
 103 rejecting such deductibles under certain
 104 circumstances; requiring the office to expedite the
 105 review of filing of certain forms; authorizing the
 106 commission to adopt certain model forms or guidelines;
 107 requiring the office to review certain filings within
 108 a specified timeframe; providing that roof deductible
 109 portions of the filing are not subject to a specified
 110 extension for review; amending s. 627.7011, F.S.;
 111 authorizing property insurers to limit certain roof
 112 claim payments under certain circumstances; defining
 113 the term "authorized inspector"; prohibiting insurers
 114 from refusing to issue or renew homeowners' policies
 115 insuring certain structures; requiring insurers to
 116 allow homeowners to have roof inspections performed

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117 before requiring roof replacement; providing
 118 applicability; amending s. 627.70131, F.S.; requiring
 119 insurers to conduct physical inspections for certain
 120 claims within a specified timeframe; requiring
 121 property insurers to notify and provide certain
 122 detailed estimates to policyholders; providing
 123 construction; requiring property insurers to provide
 124 reasonable explanations related to claims under
 125 certain circumstances; amending s. 627.70152, F.S.;
 126 making a technical change; authorizing property
 127 insurers to be awarded attorney fees in certain suit
 128 dismissals; providing that a strong presumption is
 129 created that a lodestar fee is sufficient and
 130 reasonable; providing that such presumption may be
 131 rebutted only under certain circumstances; amending s.
 132 627.7142, F.S.; conforming a cross-reference; amending
 133 s. 627.7152, F.S.; revising the definition of the term
 134 "assignment agreement"; deleting the definitions of
 135 the terms "disputed amount" and "judgment obtained";
 136 revising a requirement for assignment agreements;
 137 revising the requirement for assignees to indemnify
 138 and hold harmless assignors; specifying a timeframe
 139 during which and the addresses to which a notice of
 140 intent must be served; deleting certain limitations on
 141 the recovery and award of attorney fees in suits
 142 related to assignment agreements; creating s.
 143 627.7154, F.S.; creating an insurer stability unit
 144 within the office for a specified purpose; specifying
 145 the duties of the unit; requiring the unit to provide

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146 a specified report biannually; specifying requirements
 147 for such report; specifying events that trigger
 148 referrals to the unit; requiring the unit's
 149 supervisors to review such referrals for a certain
 150 determination; requiring unit expenses be paid from a
 151 specified fund; requiring costs of examinations to be
 152 paid by examined persons in a specified circumstance;
 153 amending s. 631.031, F.S.; requiring notifications by
 154 the office to the department of grounds for
 155 delinquency proceedings to include an affidavit;
 156 specifying contents of such affidavit; amending s.
 157 631.398, F.S.; specifying duties of the department for
 158 insurer insolvency proceedings; providing for
 159 construction of the act in pari materia with laws
 160 enacted during the 2022 Regular Session of the
 161 Legislature; providing effective dates.
 162
 163 Be It Enacted by the Legislature of the State of Florida:
 164
 165 Section 1. Section 215.5551, Florida Statutes, is created
 166 to read:
 167 215.5551 Reinsurance to Assist Policyholders program.—
 168 (1) CREATION OF THE REINSURANCE TO ASSIST POLICYHOLDERS
 169 PROGRAM.—There is created the Reinsurance to Assist
 170 Policyholders program to be administered by the State Board of
 171 Administration.
 172 (2) DEFINITIONS.—As used in this section, the term:
 173 (a) "Board" means the State Board of Administration.
 174 (b) "Contract year" means the period beginning on June 1 of

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175 a specified calendar year and ending on May 31 of the following
176 calendar year.

177 (c) "Covered event" means any one storm declared to be a
178 hurricane by the National Hurricane Center, which storm causes
179 insured losses in this state.

180 (d) "Covered policy" has the same meaning as in s.
181 215.555(2)(c).

182 (e) "FHCF" means the Florida Hurricane Catastrophe Fund
183 created under s. 215.555.

184 (f) "Losses" has the same meaning as in s. 215.555(2)(d).

185 (g) "RAP" means the Reinsurance to Assist Policyholders
186 program created by this section.

187 (h) "RAP insurer" means an insurer that is a participating
188 insurer in the FHCF on June 1, 2022, which must obtain coverage
189 under the RAP program and qualifies under subsection (5).
190 However, any joint underwriting association, risk apportionment
191 plan, or other entity created under s. 627.351 is not considered
192 a RAP insurer and is prohibited from obtaining coverage under
193 the RAP program.

194 (i) "RAP limit" means, for the 2022-2023 contract year, the
195 RAP insurer's maximum payout, which is its share of the \$2
196 billion RAP layer aggregate limit. For the 2023-2024 contract
197 year, for RAP insurers that are subject to participation
198 deferral under subsection (6) and participate during the 2023-
199 2024 contract year, the RAP limit means the RAP insurer's
200 maximum payout, which is its share of the total amount of the
201 RAP program layer aggregate limit deferred from 2022-2023.

202 (j) "RAP qualification ratio" means:

203 1. For the 2022-2023 contract year, the ratio of FHCF

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204 mandatory premium adjusted to 90 percent for RAP insurers
205 divided by the FHCF mandatory premium adjusted to 90 percent for
206 all insurers. The preliminary RAP qualification ratio shall be
207 based on the 2021-2022 contract year's company premiums, as of
208 December 31, 2021, adjusted to 90 percent based on the 2022-2023
209 contract year coverage selections. The RAP qualification ratio
210 shall be based on the reported 2022-2023 contract year company
211 premiums, as of December 31, 2022, adjusted to 90 percent.

212 2. For the 2023-2024 contract year, the ratio of FHCF
213 mandatory premium adjusted to 90 percent for the qualified RAP
214 insurers that have deferred RAP coverage to 2023-2024 divided by
215 the FHCF mandatory premium adjusted to 90 percent for all
216 insurers. The preliminary RAP qualification ratio shall be based
217 on the 2022-2023 contract year's company premiums as of December
218 31, 2022, adjusted to 90 percent based on the 2023-2024 contract
219 year coverage selections. The RAP qualification ratio shall be
220 based on the reported 2023-2024 contract year company premiums
221 as of December 31, 2023, adjusted to 90 percent.

222 (k) "RAP reimbursement contract" means the reimbursement
223 contract reflecting the obligations of the RAP program to
224 insurers.

225 (l) "RAP retention" means the amount of losses below which
226 a RAP insurer is not entitled to reimbursement under the RAP
227 program.

228 (m) "Unsound insurer" means a RAP insurer determined by the
229 Office of Insurance Regulation to be in unsound condition as
230 defined in s. 624.80(2) or a RAP insurer placed in receivership
231 under chapter 631.

232 (3) COVERAGE.-

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233 (a) As a condition of doing business in this state, each
 234 RAP insurer shall obtain coverage under the RAP program.
 235 (b) The board shall provide a reimbursement layer of \$2
 236 billion below the FHCF retention prior to the third event
 237 dropdown of the FHCF retention set forth in s. 215.555(2)(e).
 238 Subject to the mandatory notice provisions in subsection (5),
 239 the board shall enter into a RAP reimbursement contract with
 240 each eligible RAP insurer writing covered policies in this state
 241 to provide to the insurer the reimbursement described in this
 242 section.
 243 (4) RAP REIMBURSEMENT CONTRACTS.-
 244 (a)1. The board shall issue a RAP reimbursement contract to
 245 each eligible RAP insurer which is effective:
 246 a. June 1, 2022, for RAP insurers that participate in the
 247 RAP program during the 2022-2023 contract year; or
 248 b. June 1, 2023, for RAP insurers that are subject to
 249 participation deferral under subsection (6) and participate in
 250 the RAP program during the 2023-2024 contract year.
 251 2. The reimbursement contract shall be executed no later
 252 than:
 253 a. July 15, 2022, for RAP insurers that participate in the
 254 RAP program during the 2022-2023 contract year; or
 255 b. March 1, 2023, for RAP insurers that are subject to
 256 participation deferral under subsection (6) and participate in
 257 the RAP program during the 2023-2024 contract year.
 258 3. If a RAP insurer fails to execute the RAP reimbursement
 259 contract by the dates required in this paragraph, the RAP
 260 insurance contract is deemed to have been executed by the RAP
 261 insurer.

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262 (b) For the two covered events with the largest losses, the
 263 RAP reimbursement contract must contain a promise by the board
 264 to reimburse the RAP insurer for 90 percent of its losses from
 265 each covered event in excess of the insurer's RAP retention,
 266 plus 10 percent of the reimbursed losses to cover loss
 267 adjustment expenses. The sum of the losses and 10 percent loss
 268 adjustment expense allocation from the RAP layer may not exceed
 269 the RAP limit. Recoveries on losses in the FHCF mandatory layer
 270 shall inure to the benefit of the RAP contract layer.
 271 (c) The RAP reimbursement contract must provide that
 272 reimbursement amounts are not reduced by reinsurance paid or
 273 payable to the insurer from other sources excluding the FHCF.
 274 (d) The board shall calculate and report to each RAP
 275 insurer the RAP payout multiples as the ratio of the RAP
 276 industry limit of \$2 billion for the 2022-2023 contract year, or
 277 the deferred limit for the 2022-2023 contract year, to the
 278 mandatory FHCF retention multiplied by the mandatory FHCF
 279 retention multiples divided by the RAP qualification ratio. The
 280 RAP payout multiple for an insurer is multiplied by the RAP
 281 insurer's FHCF premium to calculate its RAP maximum payout. RAP
 282 payout multiples are calculated for 45 percent, 75 percent, and
 283 90 percent FHCF mandatory coverage selections.
 284 (e) A RAP insurer's RAP retention is calculated as follows:
 285 1. The board shall calculate and report to each RAP insurer
 286 the RAP retention multiples for each FHCF coverage selection as
 287 the FHCF retention multiple minus the RAP payout multiple. The
 288 RAP retention multiple for an insurer is multiplied by the RAP
 289 insurer's FHCF premium to calculate its RAP retention. RAP
 290 retention multiples are calculated for 45 percent, 75 percent,

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291 and 90 percent FHCF mandatory coverage selections.

292 2. The RAP industry retention for the 2022-2023 contract

293 year is the FHCF's industry retention minus \$2 billion, prior to

294 allocation to qualifying RAP insurers. The RAP industry

295 retention for the 2023-2024 contract year is the FHCF's industry

296 retention for the 2023-2024 contract year minus the total

297 deferred RAP limit, prior to allocation to qualifying RAP

298 insurers.

299 3. A RAP insurer determines its actual RAP retention by

300 multiplying its actual mandatory reimbursement FHCF premium by

301 the RAP retention multiple.

302 (f) To ensure that insurers have properly reported the

303 losses for which RAP reimbursements have been made, the board

304 may inspect, examine, and verify the records of each RAP

305 insurer's covered policies at such times as the board deems

306 appropriate for the specific purpose of validating the accuracy

307 of losses required to be reported under the terms and conditions

308 of the RAP reimbursement contract.

309 (5) INSURER QUALIFICATION.—

310 (a) An insurer is not eligible to participate in the RAP

311 program if the board receives a notice from the Commissioner of

312 Insurance Regulation which certifies that the insurer is in an

313 unsound financial condition no later than:

314 1. June 15, 2022, for RAP insurers that participate during

315 the 2022-2023 contract year; or

316 2. February 1, 2023, for RAP insurers subject to

317 participation deferral under subsection (6) and participate

318 during the 2023-2024 contract year.

319 (b) The office must make this determination based on the

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320 following factors:

321 1. The insurer's compliance with the requirements to

322 qualify for and hold a certificate of authority under s.

323 624.404;

324 2. The insurer's compliance with the applicable surplus

325 requirements of s. 624.408;

326 3. The insurer's compliance with the applicable risk-based

327 capital requirements under s. 624.4085;

328 4. The insurer's compliance with the applicable premium to

329 surplus requirements under s. 624.4095; and

330 5. An analysis of quarterly and annual statements,

331 including an actuarial opinion summary, and other information

332 submitted to the office pursuant to s. 624.424.

333 (c) If the board receives timely notice pursuant to

334 paragraph (a) regarding an insurer, such insurer is disqualified

335 from participating in the RAP program.

336 (6) PARTICIPATION DEFERRAL.—

337 (a) A RAP insurer that has any private reinsurance within

338 the RAP layer of coverage for the 2022-2023 contract year shall

339 notify the board in writing of such coverage no later than June

340 30, 2022. Participation in the RAP program for such RAP insurers

341 shall be deferred until the 2023-2024 contract year.

342 (b) A new participating insurer that begins writing covered

343 policies in this state after June 1, 2022, is deemed to defer

344 its RAP coverage to the 2023-2024 contract year.

345 (7) RAP PREMIUMS.—Premiums may not be charged for

346 participation in the RAP program.

347 (8) CLAIMS-PAYING CAPACITY.—The RAP program shall not

348 affect the claims-paying capacity of the FHCF as provided in s.

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349 215.555(4)(c)1.

350 (9) INSOLVENCY OF RAP INSURER.-

351 (a) The RAP reimbursement contract shall provide that in
 352 the event of an insolvency of a RAP insurer, the RAP program
 353 shall pay reimbursements directly to the applicable state
 354 guaranty fund for the benefit of policyholders in this state of
 355 the RAP insurer.

356 (b) If an authorized insurer or the Citizens Property
 357 Insurance Corporation accepts an assignment of an unsound RAP
 358 insurer's RAP contract, the FHCf shall apply the unsound RAP
 359 insurer's RAP contract to such policies and treat the authorized
 360 insurer or the Citizens Property Insurance Corporation as if it
 361 were the unsound RAP insurer for the remaining term of the RAP
 362 contract, with all rights and duties of the unsound RAP insurer
 363 beginning on the date it provides coverage for such policies.

364 (10) VIOLATIONS.-Any violation of this section or of rules
 365 adopted under this section constitutes a violation of the
 366 insurance code.

367 (11) LEGAL PROCEEDINGS.-The board is authorized to take any
 368 action necessary to enforce the rules, provisions, and
 369 requirements of the RAP reimbursement contract, required by and
 370 adopted pursuant to this section.

371 (12) RULEMAKING.-The board may adopt such rules as are
 372 reasonable and necessary to implement this section, and it is
 373 the intent of the Legislature that all rules adopted to
 374 implement this section will be done as emergency rules pursuant
 375 to s. 120.54(4).

376 (13) APPROPRIATION.-377 (a) Within 60 days after a covered event, the board shall

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378 submit written notice to the Executive Office of the Governor if
 379 the board determines that funds from the RAP program coverage
 380 established by this section will be necessary to reimburse RAP
 381 insurers for losses associated with the covered event. The
 382 initial notice, and any subsequent requests, must specify the
 383 amount necessary to provide RAP reimbursements. Upon receiving
 384 such notice, the Executive Office of the Governor shall instruct
 385 the Chief Financial Officer to draw a warrant from the General
 386 Revenue Fund for a transfer to the board for the RAP program in
 387 the amount requested. The Executive Office of the Governor shall
 388 provide written notification to the chair and vice chair of the
 389 Legislative Budget Commission at least 3 days before the
 390 effective date of the warrant. Cumulative transfers authorized
 391 under this paragraph may not exceed \$2 billion.

392 (b) If General Revenue Funds are transferred to the board
 393 for the RAP program under paragraph (a), the board shall submit
 394 written notice to the Executive Office of the Governor that
 395 funds will be necessary for the administration of the RAP
 396 program and post-event examinations for covered events that
 397 require RAP coverage. The initial notice, and any subsequent
 398 requests, must specify the amount necessary for administration
 399 of the RAP program and post-event examinations. Upon receiving
 400 such notice, the Executive Office of the Governor shall instruct
 401 the Chief Financial Officer to draw a warrant from the General
 402 Revenue Fund for a transfer to the board for the RAP program in
 403 the amount requested. The Executive Office of the Governor shall
 404 provide written notification to the chair and vice chair of the
 405 Legislative Budget Commission at least 3 days before the
 406 effective date of the warrant. Cumulative transfers authorized

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407 under this paragraph may not exceed \$5 million.

408 (c) No later than January 31, 2023, and quarterly

409 thereafter, the board shall submit a report to the Executive

410 Office of the Governor, the President of the Senate, and the

411 Speaker of the House of Representatives detailing any

412 reimbursements of the RAP program, all loss development

413 projections, the amount of RAP reimbursement coverage deferred

414 until the 2023-2024 contract year, and detailed information

415 about administrative and post-event examination expenditures.

416 (14) EXPIRATION DATE.—If no General Revenue Funds have been

417 transferred to the board for the RAP program under subsection

418 (13) by June 30, 2025, this section expires on July 1, 2025. If

419 General Revenue Funds have been transferred to the board for the

420 RAP program under subsection (13) by June 30, 2025, this section

421 expires on July 1, 2029, and all unencumbered RAP program funds

422 shall be transferred by the board back to the General Revenue

423 Fund unallocated.

424 Section 2. (1) No later than June 30, 2022, each insurer

425 that participates during the 2022-2023 contract year in the

426 Reinsurance to Assist Policyholders program under s. 215.5551,

427 Florida Statutes, shall reduce its rates to reflect the cost

428 savings realized by participating in the program through a rate

429 filing with the Office of Insurance Regulation or by amending a

430 pending rate filing. The insurer shall make no other changes to

431 its rates in the filing.

432 (2) No later than May 1, 2023, each insurer that defers

433 participation in the Reinsurance to Assist Policyholders program

434 until the 2023-2024 year under s. 215.5551, Florida Statutes,

435 shall reduce its rates to reflect the cost savings realized by

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436 participating in the program through a rate filing with the

437 Office of Insurance Regulation or by amending a pending rate

438 filing. The insurer shall make no other changes to its rates in

439 the filing.

440 (3) The Office of Insurance Regulation shall expedite the

441 review of the filings made under this section.

442 Section 3. Effective July 1, 2022, paragraph (d) of

443 subsection (1), paragraphs (a) and (b) of subsection (2), and

444 subsection (10) of section 215.5586, Florida Statutes, are

445 amended to read:

446 215.5586 My Safe Florida Home Program.—There is established

447 within the Department of Financial Services the My Safe Florida

448 Home Program. The department shall provide fiscal

449 accountability, contract management, and strategic leadership

450 for the program, consistent with this section. This section does

451 not create an entitlement for property owners or obligate the

452 state in any way to fund the inspection or retrofitting of

453 residential property in this state. Implementation of this

454 program is subject to annual legislative appropriations. It is

455 the intent of the Legislature that the My Safe Florida Home

456 Program provide trained and certified inspectors to perform

457 inspections for owners of site-built, single-family, residential

458 properties and grants to eligible applicants as funding allows.

459 The program shall develop and implement a comprehensive and

460 coordinated approach for hurricane damage mitigation that may

461 include the following:

462 (1) HURRICANE MITIGATION INSPECTIONS.—

463 (d) An application for an inspection must contain:

464 1. A provision requiring the applicant to make his or her

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465 home available for inspection once a mitigation project is
 466 completed; and

467 2. A signed or electronically verified statement made under
 468 penalty of perjury that the applicant has submitted only a
 469 single application for that home.

470 (2) MITIGATION GRANTS.—Financial grants shall be used to
 471 encourage single-family, site-built, owner-occupied, residential
 472 property owners to retrofit their properties to make them less
 473 vulnerable to hurricane damage.

474 (a) For a homeowner to be eligible for a grant, the
 475 following criteria must be met:

476 1. The homeowner must have been granted a homestead
 477 exemption on the home under chapter 196.

478 2. The home must be a dwelling with an insured value of
 479 \$500,000 ~~\$300,000~~ or less. Homeowners who are low-income
 480 persons, as defined in s. 420.0004(11), are exempt from this
 481 requirement.

482 3. The home must have undergone an acceptable hurricane
 483 mitigation inspection after July 1, 2008 ~~May 1, 2007~~.

484 4. The home must be located in the “wind-borne debris
 485 region” as that term is defined in the Florida Building Code or
 486 1609.2, International Building Code (2006), or as subsequently
 487 amended.

488 5. The building permit application for initial construction
 489 of the home must have been made before January 1, 2008 ~~March 1,~~
 490 ~~2002.~~

491 An application for a grant must contain a signed or
 492 electronically verified statement made under penalty of perjury

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494 that the applicant has submitted only a single application and
 495 must have attached documents demonstrating the applicant meets
 496 the requirements of this paragraph.

497 (b) All grants must be matched on the basis of \$1 provided
 498 by the applicant for \$2 provided by the state ~~a dollar for~~
 499 ~~dollar basis~~ up to a maximum state contribution total of \$10,000
 500 toward ~~for~~ the actual cost of the mitigation project ~~with the~~
 501 ~~state's contribution not to exceed \$5,000.~~

502 (10) REPORTS.—The department shall make an annual report on
 503 the activities of the program that shall account for the use of
 504 state funds and indicate the number of inspections requested,
 505 the number of inspections performed, the number of grant
 506 applications received, ~~and~~ the number and value of grants
 507 approved, and the average annual amount of insurance premium
 508 discounts and total annual amount of insurance premium discounts
 509 homeowners received from insurers as a result of mitigation
 510 funded through the program. The report shall be delivered to the
 511 President of the Senate and the Speaker of the House of
 512 Representatives by February 1 of each year.

513 Section 4. (1) For the 2022-2023 fiscal year, the sum of
 514 \$150 million in nonrecurring funds is appropriated from the
 515 General Revenue Fund to the Department of Financial Services for
 516 the My Safe Florida Home Program. The funds shall be placed in
 517 reserve. The department shall submit budget amendments
 518 requesting release of the funds held in reserve pursuant to
 519 chapter 216, Florida Statutes. The budget amendments shall
 520 include a detailed spending plan.

521 (2) The funds shall be allocated as follows:

522 (a) Twenty-five million dollars for hurricane mitigation

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523 inspections.524 (b) One hundred fifteen million dollars for mitigation
525 grants.526 (c) Four million dollars for education and consumer
527 awareness.528 (d) One million dollars for public outreach for contractors
529 and real estate brokers and sales associates.530 (e) Five million dollars for administrative costs.531 (3) Any unexpended balance of funds from this appropriation
532 remaining on June 30, 2023, shall revert and is appropriated to
533 the Department of Financial Services for the 2023-2024 fiscal
534 year for the same purpose.535 (4) This section shall expire October 1, 2024.536 Section 5. Paragraph (a) of subsection (1) of section
537 489.147, Florida Statutes, is amended to read:

538 489.147 Prohibited property insurance practices.—

539 (1) As used in this section, the term:

540 (a) "Prohibited advertisement" means any written or
541 electronic communication by a contractor ~~which that~~ encourages,
542 instructs, or induces a consumer to contact a contractor or
543 public adjuster for the purpose of making an insurance claim for
544 roof damage, if such communication does not state in a font size
545 of at least 12 points and at least half as large as the largest
546 font size used in the communication that:547 1. The consumer is responsible for payment of any insurance
548 deductible;549 2. It is insurance fraud punishable as a felony of the
550 third degree for a contractor to knowingly or willfully, and
551 with intent to injure, defraud, or deceive, pay, waive, or

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552 rebate all or part of an insurance deductible applicable to
553 payment to the contractor for repairs to a property covered by a
554 property insurance policy; and555 3. It is insurance fraud punishable as a felony of the
556 third degree to intentionally file an insurance claim containing
557 any false, incomplete, or misleading information.
558559 The term includes, but is not limited to, door hangers, business
560 cards, magnets, flyers, pamphlets, and e-mails.561 Section 6. Section 624.1551, Florida Statutes, is created
562 to read:563 624.1551 Civil remedy actions against property insurers.—
564 Notwithstanding any provision of s. 624.155, a claimant must
565 establish that the property insurer breached the insurance
566 contract to prevail in a claim for extracontractual damages
567 under s. 624.155(1)(b).568 Section 7. Subsection (4) of section 624.307, Florida
569 Statutes, is amended to read:

570 624.307 General powers; duties.—

571 (4) The department and office may each collect, propose,
572 publish, and disseminate information relating to the subject
573 matter of any duties imposed upon it by law.574 (a) Aggregate information may include information asserted
575 as trade secret information unless the trade secret information
576 can be individually extrapolated, in which case the trade secret
577 information remains protected as provided under s. 624.4213.578 (b) The office shall publish all orders, data required by
579 ss. 624.313, 624.315, and 627.915, reports required by s.
580 627.7154(3), and all reports that are not confidential and

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581 exempt on its website in a timely fashion.

582 Section 8. Subsection (1) of section 624.313, Florida
583 Statutes, is amended to read:

584 624.313 Publications.—

585 (1) As early as reasonably possible and no later than July
586 1 of each year, the office shall annually have printed and made
587 available a statistical report which must include all of the
588 following information on either a calendar year or fiscal year
589 basis:

590 (a) A summary of all information reported to the office
591 under s. 627.915(1).

592 (b) The total amount of premiums written and earned by line
593 of insurance.

594 (c) The total amount of losses paid and losses incurred by
595 line of insurance.

596 (d) The ratio of premiums written to losses paid by line of
597 insurance.

598 (e) The ratio of premiums earned to losses incurred by line
599 of insurance.

600 (f) The market share of the 10 largest insurers or insurer
601 groups by line of insurance and of each insurer or insurer group
602 that has a market share of at least 1 percent of a line of
603 insurance in this state.

604 (g) The profitability of each major line of insurance.

605 (h) An analysis of the impact of the insurance industry on
606 the economy of the state.

607 (i) A complaint ratio by line of insurance for the insurers
608 referred to in paragraph (f), based upon information provided to
609 the office by the department. The office shall determine the

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610 most appropriate ratio or ratios for quantifying complaints.

611 (j) An analysis of such lines or kinds of insurance for
612 which the office determines that an availability problem exists
613 in this state, and an analysis of the availability of
614 reinsurance to domestic insurers selling homeowners' and
615 condominium unit owners' insurance in this state.

616 (k) A summary of the findings of market examinations
617 performed by the office under s. 624.3161 during the preceding
618 year.

619 (1) Such other information as the office deems relevant.

620 Section 9. Paragraph (c) of subsection (1) and paragraph
621 (n) of subsection (2) of section 624.315, Florida Statutes, is
622 amended to read:

623 624.315 Department; annual report.—

624 (1) As early as reasonably possible, the office, with such
625 assistance from the department as requested, shall annually
626 prepare a report to the Speaker and Minority Leader of the House
627 of Representatives, the President and Minority Leader of the
628 Senate, the chairs of the legislative committees with
629 jurisdiction over matters of insurance, and the Governor
630 showing, with respect to the preceding calendar year:

631 (c) Names of insurers against which delinquency or similar
632 proceedings were instituted, including the date that each
633 insurer was deemed impaired of capital or surplus, as the terms
634 impairment of capital and impairment of surplus are defined in
635 s. 631.011, or insolvent, as the term insolvency is defined in
636 s. 631.011; ~~and~~ a concise statement of the circumstances that
637 led to each insurer's delinquency; a summary of the actions
638 taken by the insurer and the office to avoid delinquency; and

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639 the results or status of each such proceeding.

640 (2) The office shall maintain the following information and
641 make such information available upon request:

642 (n) Trends; emerging trends as exemplified by the
643 percentage change in frequency and severity of both paid and
644 incurred claims, and pure premium (Florida and countrywide).
645 Reports relating to the health of the homeowners' and
646 condominium unit owners' insurance market must include the
647 percentage of policies written by voluntary carriers, the
648 percentage of policies written by the Citizens Property
649 Insurance Corporation, and any trends related to the relative
650 shares of the voluntary and residual markets.

651 Section 10. Subsection (10) of section 624.424, Florida
652 Statutes, is amended to read:

653 624.424 Annual statement and other information.—

654 (10) (a) Each insurer or insurer group doing business in
655 this state shall file on a quarterly basis in conjunction with
656 financial reports required by paragraph (1) (a) a supplemental
657 report on an individual and group basis on a form prescribed by
658 the commission with information on personal lines and commercial
659 lines residential property insurance policies in this state. The
660 supplemental report shall include separate information for
661 personal lines property policies and for commercial lines
662 property policies and totals for each item specified, including
663 premiums written for each of the property lines of business as
664 described in ss. 215.555(2) (c) and 627.351(6) (a). The report
665 shall include the following information for each county on a
666 monthly basis:

667 1. (a) Total number of policies in force at the end of each

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668 month.

669 2. (b) Total number of policies canceled.

670 3. (c) Total number of policies nonrenewed.

671 4. (d) Number of policies canceled due to hurricane risk.

672 5. (e) Number of policies nonrenewed due to hurricane risk.

673 6. (f) Number of new policies written.

674 7. (g) Total dollar value of structure exposure under
675 policies that include wind coverage.

676 8. (h) Number of policies that exclude wind coverage.

677 (b) The office shall aggregate on a statewide basis the
678 data submitted by each insurer or insurer group under paragraph
679 (a) and make such data publicly available by publishing such
680 data on the office's website within 1 month after each quarterly
681 and annual filing. Such information, when aggregated on a
682 statewide basis as to an individual insurer or insurer group, is
683 not a trade secret as defined in s. 688.002(4) or s. 812.081 and
684 is not subject to the public records exemption for trade secrets
685 provided in s. 119.0715.

686 Section 11. Section 626.9373, Florida Statutes, is amended
687 to read:

688 626.9373 Attorney fees.—

689 (1) Upon the rendition of a judgment or decree by any court
690 of this state against a surplus lines insurer in favor of any
691 named or omnibus insured or the named beneficiary under a policy
692 or contract executed by the insurer on or after the effective
693 date of this act, the trial court or, if the insured or
694 beneficiary prevails on appeal, the appellate court, shall
695 adjudge or decree against the insurer in favor of the insured or
696 beneficiary a reasonable sum as fees or compensation for the

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697 insured's or beneficiary's attorney prosecuting the lawsuit for
 698 which recovery is awarded. In a suit arising under a residential
 699 or commercial property insurance policy ~~not brought by an~~
 700 ~~assignee~~, the amount of reasonable attorney fees shall be
 701 awarded only as provided in s. 57.105 or s. 627.70152, as
 702 applicable.

703 (2) If awarded, attorney fees or compensation shall be
 704 included in the judgment or decree rendered in the case.

705 (3) In a suit arising under a residential or commercial
 706 property insurance policy, the right to attorney fees under this
 707 section may not be transferred to, assigned to, or acquired in
 708 any other manner by anyone other than a named or omnibus insured
 709 or a named beneficiary.

710 Section 12. Section 627.428, Florida Statutes, is amended
 711 to read:

712 627.428 Attorney fees.—

713 (1) Upon the rendition of a judgment or decree by any of
 714 the courts of this state against an insurer and in favor of any
 715 named or omnibus insured or the named beneficiary under a policy
 716 or contract executed by the insurer, the trial court or, in the
 717 event of an appeal in which the insured or beneficiary prevails,
 718 the appellate court shall adjudge or decree against the insurer
 719 and in favor of the insured or beneficiary a reasonable sum as
 720 fees or compensation for the insured's or beneficiary's attorney
 721 prosecuting the suit in which the recovery is had. In a suit
 722 arising under a residential or commercial property insurance
 723 policy ~~not brought by an assignee~~, the amount of reasonable
 724 attorney fees shall be awarded only as provided in s. 57.105 or
 725 s. 627.70152, as applicable.

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726 (2) As to suits based on claims arising under life
 727 insurance policies or annuity contracts, no such attorney fees
 728 shall be allowed if such suit was commenced prior to expiration
 729 of 60 days after proof of the claim was duly filed with the
 730 insurer.

731 (3) When so awarded, compensation or fees of the attorney
 732 shall be included in the judgment or decree rendered in the
 733 case.

734 (4) In a suit arising under a residential or commercial
 735 property insurance policy, the right to attorney fees under this
 736 section may not be transferred to, assigned to, or acquired in
 737 any other manner by anyone other than a named or omnibus insured
 738 or a named beneficiary.

739 Section 13. Paragraph (d) of subsection (4) of section
 740 627.701, Florida Statutes, is amended, paragraph (c) of
 741 subsection (2), paragraph (e) of subsection (4), and subsection
 742 (10) are added to that section, and subsection (7) of that
 743 section is republished, to read:

744 627.701 Liability of insureds; coinsurance; deductibles.—

745 (2) Unless the office determines that the deductible
 746 provision is clear and unambiguous, a property insurer may not
 747 issue an insurance policy or contract covering real property in
 748 this state which contains a deductible provision that:

749 (c) Applies solely to a roof loss as provided in subsection
 750 (10).

751 (4)

752 (d)1. A personal lines residential property insurance
 753 policy covering a risk valued at less than \$500,000 may not have
 754 a hurricane deductible in excess of 10 percent of the policy

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755 dwelling limits, unless the following conditions are met:

756 a. The policyholder must personally write or type and
 757 provide to the insurer the following statement ~~in his or her own~~
 758 ~~handwriting~~ and sign his or her name, which must also be signed
 759 by every other named insured on the policy, and dated: "I do not
 760 want the insurance on my home to pay for the first (specify
 761 dollar value) of damage from hurricanes. I will pay those costs.
 762 My insurance will not."

763 b. If the structure insured by the policy is subject to a
 764 mortgage or lien, the policyholder must provide the insurer with
 765 a written statement from the mortgageholder or lienholder
 766 indicating that the mortgageholder or lienholder approves the
 767 policyholder electing to have the specified deductible.

768 2. A deductible subject to the requirements of this
 769 paragraph applies for the term of the policy and for each
 770 renewal thereafter. Changes to the deductible percentage may be
 771 implemented only as of the date of renewal.

772 3. An insurer shall keep the original copy of the signed
 773 statement required by this paragraph, electronically or
 774 otherwise, and provide a copy to the policyholder providing the
 775 signed statement. A signed statement meeting the requirements of
 776 this paragraph creates a presumption that there was an informed,
 777 knowing election of coverage.

778 4. The commission shall adopt rules providing appropriate
 779 alternative methods for providing the statements required by
 780 this section for policyholders who have a handicapping or
 781 disabling condition that prevents them from providing a
 782 handwritten statement.

783 (e)1. A personal lines residential property insurance

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784 policy that contains a separate roof deductible must include, on
 785 the page immediately behind the declarations page, with no other
 786 policy language on the page, in boldfaced type no smaller than
 787 18 point, the following statement: "YOU ARE ELECTING TO PURCHASE
 788 COVERAGE ON YOUR HOME WHICH CONTAINS A SEPARATE DEDUCTIBLE FOR
 789 ROOF LOSSES. BE ADVISED THAT THIS MAY RESULT IN HIGH OUT-OF-
 790 POCKET EXPENSES TO YOU. PLEASE DISCUSS WITH YOUR INSURANCE
 791 AGENT."

792 2. For any personal lines residential property insurance
 793 policy containing a separate roof deductible, the insurer shall
 794 compute and prominently display on the declarations page of the
 795 policy or on the premium renewal notice the actual dollar value
 796 of the roof deductible of the policy at issuance and renewal.

797 (7) Prior to issuing a personal lines residential property
 798 insurance policy on or after April 1, 1997, or prior to the
 799 first renewal of a residential property insurance policy on or
 800 after April 1, 1997, the insurer must offer a deductible equal
 801 to \$500 applicable to losses from perils other than hurricane.
 802 The insurer must provide the policyholder with notice of the
 803 availability of the deductible specified in this subsection in a
 804 form approved by the office at least once every 3 years. The
 805 failure to provide such notice constitutes a violation of this
 806 code but does not affect the coverage provided under the policy.
 807 An insurer may require a higher deductible only as part of a
 808 deductible program lawfully in effect on June 1, 1996, or as
 809 part of a similar deductible program.

810 (10) (a) Notwithstanding any other provision of law, an
 811 insurer issuing a personal lines residential property insurance
 812 policy may include in such policy a separate roof deductible

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813 that meets all of the following requirements:

814 1. The insurer has complied with the offer requirements
 815 under subsection (7) regarding a deductible applicable to losses
 816 from perils other than a hurricane.

817 2. The roof deductible may not exceed the lesser of 2
 818 percent of the coverage A limit of the policy or 50 percent of
 819 the cost to replace the roof.

820 3. The premium that a policyholder is charged for the
 821 policy includes an actuarially sound credit or premium discount
 822 for the roof deductible.

823 4. The roof deductible applies only to a claim adjusted on
 824 a replacement cost basis.

825 5. The roof deductible does not apply to any of the
 826 following events:

827 a. A total loss to a primary structure in accordance with
 828 the valued policy law under s. 627.702 which is caused by a
 829 covered peril.

830 b. A roof loss resulting from a hurricane as defined in s.
 831 627.4025(2)(c).

832 c. A roof loss resulting from a tree fall or other hazard
 833 that damages the roof and punctures the roof deck.

834 d. A roof loss requiring the repair of less than 50 percent
 835 of the roof.

836

837 If a roof deductible is applied, no other deductible under the
 838 policy may be applied to the loss.

839 (b) At the time of initial issuance of a personal lines
 840 residential property insurance policy, an insurer may offer the
 841 policyholder a separate roof deductible with the ability to opt-

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842 out and reject the separate roof deductible. To reject a
 843 separate roof deductible, the policyholder shall sign a form
 844 approved by the office.

845 (c) At the time of renewal, an insurer may add a separate
 846 roof deductible to a personal lines residential property
 847 insurance policy if the insurer provides a notice of change in
 848 policy terms pursuant to s. 627.43141. The insurer must also
 849 offer the policyholder the ability to opt-out and reject the
 850 separate roof deductible. To reject a separate roof deductible,
 851 the policyholder shall sign a form approved by the office.

852 (d) The office shall expedite the review of any filing of
 853 insurance forms that only contain a separate roof deductible
 854 pursuant to this subsection. The commission may adopt model
 855 forms or guidelines that provide options for roof deductible
 856 language which may be used for filing by insurers. If an insurer
 857 makes a filing pursuant to a model form or guideline issued by
 858 the office, the office must review the filing within the initial
 859 30-day review period authorized by s. 627.410(2), and the roof
 860 deductible portion of the filing is not subject to the 15-day
 861 extension for review under that subsection.

862 Section 14. Present subsection (5) of section 627.7011,
 863 Florida Statutes is redesignated as subsection (6), a new
 864 subsection (5) is added to that subsection, and paragraph (a) of
 865 subsection (3) of that section is amended, to read:

866 627.7011 Homeowners' policies; offer of replacement cost
 867 coverage and law and ordinance coverage.—

868 (3) In the event of a loss for which a dwelling or personal
 869 property is insured on the basis of replacement costs:

870 (a) For a dwelling, the insurer must initially pay at least

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871 the actual cash value of the insured loss, less any applicable
 872 deductible. The insurer shall pay any remaining amounts
 873 necessary to perform such repairs as work is performed and
 874 expenses are incurred. However, if a roof deductible under s.
 875 627.701(10) is applied to the insured loss, the insurer may
 876 limit the claim payment as to the roof to the actual cash value
 877 of the loss to the roof until the insurer receives reasonable
 878 proof of payment by the policyholder of the roof deductible.
 879 Reasonable proof of payment includes a canceled check, money
 880 order receipt, credit card statement, or copy of an executed
 881 installment plan contract or other financing arrangement that
 882 requires full payment of the deductible over time. If a total
 883 loss of a dwelling occurs, the insurer ~~must~~ shall pay the
 884 replacement cost coverage without reservation or holdback of any
 885 depreciation in value, pursuant to s. 627.702.

886 (5) (a) As used in this subsection, the term "authorized
 887 inspector" means an inspector who is approved by the insurer and
 888 who is:

- 889 1. A home inspector licensed under s. 468.8314;
- 890 2. A building code inspector certified under s. 468.607;
- 891 3. A general, building, or residential contractor licensed
 892 under s. 489.111;
- 893 4. A professional engineer licensed under s. 471.015;
- 894 5. A professional architect licensed under s. 481.213; or
- 895 6. Any other individual or entity recognized by the insurer
 896 as possessing the necessary qualifications to properly complete
 897 a general inspection of a residential structure insured with a
 898 homeowner's insurance policy.

899 (b) An insurer may not refuse to issue or refuse to renew a

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900 homeowner's policy insuring a residential structure with a roof
 901 that is less than 15 years old solely because of the age of the
 902 roof.

903 (c) For a roof that is at least 15 years old, an insurer
 904 must allow a homeowner to have a roof inspection performed by an
 905 authorized inspector at the homeowner's expense before requiring
 906 the replacement of the roof of a residential structure as a
 907 condition of issuing or renewing a homeowner's insurance policy.
 908 The insurer may not refuse to issue or refuse to renew a
 909 homeowner's insurance policy solely because of roof age if an
 910 inspection of the roof of the residential structure performed by
 911 an authorized inspector indicates that the roof has 5 years or
 912 more of useful life remaining.

913 (d) This subsection applies to homeowners' insurance
 914 policies issued or renewed on or after July 1, 2022.

915 Section 15. Effective January 1, 2023, subsection (3) and
 916 paragraph (a) of subsection (7) of section 627.70131, Florida
 917 Statutes, are amended to read:

918 627.70131 Insurer's duty to acknowledge communications
 919 regarding claims; investigation.—

920 (3) (a) Unless otherwise provided by the policy of insurance
 921 or by law, within 14 days after an insurer receives proof of
 922 loss statements, the insurer shall begin such investigation as
 923 is reasonably necessary unless the failure to begin such
 924 investigation is caused by factors beyond the control of the
 925 insurer which reasonably prevent the commencement of such
 926 investigation.

927 (b) If such investigation involves a physical inspection of
 928 the property, the licensed adjuster assigned by the insurer must

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929 provide the policyholder with a printed or electronic document
 930 containing his or her name and state adjuster license number.
 931 For claims other than those subject to a hurricane deductible,
 932 an insurer must conduct any such physical inspection within 45
 933 days after its receipt of the proof of loss statements.

934 (c) Any subsequent communication with the policyholder
 935 regarding the claim must also include the name and license
 936 number of the adjuster communicating about the claim.
 937 Communication of the adjuster's name and license number may be
 938 included with other information provided to the policyholder.

939 (d) Within 7 days after the insurer's assignment of an
 940 adjuster to the claim, the insurer must notify the policyholder
 941 that he or she may request a copy of any detailed estimate of
 942 the amount of the loss generated by an insurer's adjuster. After
 943 receiving such a request from the policyholder, the insurer must
 944 send any such detailed estimate to the policyholder within the
 945 later of 7 days after the insurer received the request or 7 days
 946 after the detailed estimate of the amount of the loss is
 947 completed. This paragraph does not require that an insurer
 948 create a detailed estimate of the amount of the loss if such
 949 estimate is not reasonably necessary as part of the claim
 950 investigation.

951 (7) (a) Within 90 days after an insurer receives notice of
 952 an initial, reopened, or supplemental property insurance claim
 953 from a policyholder, the insurer shall pay or deny such claim or
 954 a portion of the claim unless the failure to pay is caused by
 955 factors beyond the control of the insurer which reasonably
 956 prevent such payment. The insurer shall provide a reasonable
 957 explanation in writing to the policyholder of the basis in the

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958 insurance policy, in relation to the facts or applicable law,
 959 for the payment, denial, or partial denial of a claim. If the
 960 insurer's claim payment is less than specified in any insurer's
 961 detailed estimate of the amount of the loss, the insurer must
 962 provide a reasonable explanation in writing of the difference to
 963 the policyholder. Any payment of an initial or supplemental
 964 claim or portion of such claim made 90 days after the insurer
 965 receives notice of the claim, or made more than 15 days after
 966 there are no longer factors beyond the control of the insurer
 967 which reasonably prevented such payment, whichever is later,
 968 bears interest at the rate set forth in s. 55.03. Interest
 969 begins to accrue from the date the insurer receives notice of
 970 the claim. The provisions of this subsection may not be waived,
 971 voided, or nullified by the terms of the insurance policy. If
 972 there is a right to prejudgment interest, the insured ~~must~~ shall
 973 select whether to receive prejudgment interest or interest under
 974 this subsection. Interest is payable when the claim or portion
 975 of the claim is paid. Failure to comply with this subsection
 976 constitutes a violation of this code. However, failure to comply
 977 with this subsection does not form the sole basis for a private
 978 cause of action.

979 Section 16. Paragraph (d) of subsection (2) and subsection
 980 (8) of section 627.70152, Florida Statutes, are amended to read:
 981 627.70152 Suits arising under a property insurance policy.-

982 (2) DEFINITIONS.—As used in this section, the term:

983 (d) "Presuit settlement demand" means the demand made by
 984 the claimant in the written notice of intent to initiate
 985 litigation as required by paragraph (3) (a) ~~(3) (c)~~. The demand
 986 must include the amount of reasonable and necessary attorney

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987 fees and costs incurred by the claimant, to be calculated by
 988 multiplying the number of hours actually worked on the claim by
 989 the claimant's attorney as of the date of the notice by a
 990 reasonable hourly rate.

991 (8) ATTORNEY FEES.—

992 (a) In a suit arising under a residential or commercial
 993 property insurance policy not brought by an assignee, the amount
 994 of reasonable attorney fees and costs under s. 626.9373(1) or s.
 995 627.428(1) shall be calculated and awarded as follows:

996 1. If the difference between the amount obtained by the
 997 claimant and the presuit settlement offer, excluding reasonable
 998 attorney fees and costs, is less than 20 percent of the disputed
 999 amount, each party pays its own attorney fees and costs and a
 1000 claimant may not be awarded attorney fees under s. 626.9373(1)
 1001 or s. 627.428(1).

1002 2. If the difference between the amount obtained by the
 1003 claimant and the presuit settlement offer, excluding reasonable
 1004 attorney fees and costs, is at least 20 percent but less than 50
 1005 percent of the disputed amount, the insurer pays the claimant's
 1006 attorney fees and costs under s. 626.9373(1) or s. 627.428(1)
 1007 equal to the percentage of the disputed amount obtained times
 1008 the total attorney fees and costs.

1009 3. If the difference between the amount obtained by the
 1010 claimant and the presuit settlement offer, excluding reasonable
 1011 attorney fees and costs, is at least 50 percent of the disputed
 1012 amount, the insurer pays the claimant's full attorney fees and
 1013 costs under s. 626.9373(1) or s. 627.428(1).

1014 (b) In a suit arising under a residential or commercial
 1015 property insurance policy not brought by an assignee, if a court

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1016 dismisses a claimant's suit pursuant to subsection (5), the
 1017 court may not award to the claimant any incurred attorney fees
 1018 for services rendered before the dismissal of the suit. When a
 1019 claimant's suit is dismissed pursuant to subsection (5), the
 1020 court may award to the insurer reasonable attorney fees and
 1021 costs associated with securing the dismissal.

1022 (c) In awarding attorney fees under this subsection, a
 1023 strong presumption is created that a lodestar fee is sufficient
 1024 and reasonable. Such presumption may be rebutted only in a rare
 1025 and exceptional circumstance with evidence that competent
 1026 counsel could not be retained in a reasonable manner.

1027 Section 17. Section 627.7142, Florida Statutes, is amended
 1028 to read:

1029 627.7142 Homeowner Claims Bill of Rights.—An insurer
 1030 issuing a personal lines residential property insurance policy
 1031 in this state must provide a Homeowner Claims Bill of Rights to
 1032 a policyholder within 14 days after receiving an initial
 1033 communication with respect to a claim. The purpose of the bill
 1034 of rights is to summarize, in simple, nontechnical terms,
 1035 existing Florida law regarding the rights of a personal lines
 1036 residential property insurance policyholder who files a claim of
 1037 loss. The Homeowner Claims Bill of Rights is specific to the
 1038 claims process and does not represent all of a policyholder's
 1039 rights under Florida law regarding the insurance policy. The
 1040 Homeowner Claims Bill of Rights does not create a civil cause of
 1041 action by any individual policyholder or class of policyholders
 1042 against an insurer or insurers. The failure of an insurer to
 1043 properly deliver the Homeowner Claims Bill of Rights is subject
 1044 to administrative enforcement by the office but is not

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 1045 admissible as evidence in a civil action against an insurer. The
 1046 Homeowner Claims Bill of Rights does not enlarge, modify, or
 1047 contravene statutory requirements, including, but not limited
 1048 to, ss. 626.854, 626.9541, 627.70131, 627.7015, and 627.7074,
 1049 and does not prohibit an insurer from exercising its right to
 1050 repair damaged property in compliance with the terms of an
 1051 applicable policy or ss. 627.7011(6)(e) ~~627.7011(5)(e)~~ and
 1052 627.702(7). The Homeowner Claims Bill of Rights must state:

1053
 1054 HOMEOWNER CLAIMS

1055 BILL OF RIGHTS

1056 This Bill of Rights is specific to the claims process
 1057 and does not represent all of your rights under
 1058 Florida law regarding your policy. There are also
 1059 exceptions to the stated timelines when conditions are
 1060 beyond your insurance company's control. This document
 1061 does not create a civil cause of action by an
 1062 individual policyholder, or a class of policyholders,
 1063 against an insurer or insurers and does not prohibit
 1064 an insurer from exercising its right to repair damaged
 1065 property in compliance with the terms of an applicable
 1066 policy.

1067 YOU HAVE THE RIGHT TO:

- 1068
 1069 1. Receive from your insurance company an
 1070 acknowledgment of your reported claim within 14 days
 1071 after the time you communicated the claim.
 1072 2. Upon written request, receive from your
 1073 insurance company within 30 days after you have

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 1074 submitted a complete proof-of-loss statement to your
 1075 insurance company, confirmation that your claim is
 1076 covered in full, partially covered, or denied, or
 1077 receive a written statement that your claim is being
 1078 investigated.
 1079 3. Within 90 days, subject to any dual interest
 1080 noted in the policy, receive full settlement payment
 1081 for your claim or payment of the undisputed portion of
 1082 your claim, or your insurance company's denial of your
 1083 claim.
 1084 4. Receive payment of interest, as provided in s.
 1085 627.70131, Florida Statutes, from your insurance
 1086 company, which begins accruing from the date your
 1087 claim is filed if your insurance company does not pay
 1088 full settlement of your initial, reopened, or
 1089 supplemental claim or the undisputed portion of your
 1090 claim or does not deny your claim within 90 days after
 1091 your claim is filed. The interest, if applicable, must
 1092 be paid when your claim or the undisputed portion of
 1093 your claim is paid.
 1094 5. Free mediation of your disputed claim by the
 1095 Florida Department of Financial Services, Division of
 1096 Consumer Services, under most circumstances and
 1097 subject to certain restrictions.
 1098 6. Neutral evaluation of your disputed claim, if
 1099 your claim is for damage caused by a sinkhole and is
 1100 covered by your policy.
 1101 7. Contact the Florida Department of Financial
 1102 Services, Division of Consumer Services' toll-free

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1103 helpline for assistance with any insurance claim or
 1104 questions pertaining to the handling of your claim.
 1105 You can reach the Helpline by phone at ... (toll-free
 1106 phone number)..., or you can seek assistance online at
 1107 the Florida Department of Financial Services, Division
 1108 of Consumer Services' website at ... (website
 1109 address)....

1110
 1111 YOU ARE ADVISED TO:

- 1112 1. File all claims directly with your insurance
 1113 company.
 1114 2. Contact your insurance company before entering
 1115 into any contract for repairs to confirm any managed
 1116 repair policy provisions or optional preferred
 1117 vendors.
 1118 3. Make and document emergency repairs that are
 1119 necessary to prevent further damage. Keep the damaged
 1120 property, if feasible, keep all receipts, and take
 1121 photographs or video of damage before and after any
 1122 repairs to provide to your insurer.
 1123 4. Carefully read any contract that requires you
 1124 to pay out-of-pocket expenses or a fee that is based
 1125 on a percentage of the insurance proceeds that you
 1126 will receive for repairing or replacing your property.
 1127 5. Confirm that the contractor you choose is
 1128 licensed to do business in Florida. You can verify a
 1129 contractor's license and check to see if there are any
 1130 complaints against him or her by calling the Florida
 1131 Department of Business and Professional Regulation.

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1132 You should also ask the contractor for references from
 1133 previous work.

1134 6. Require all contractors to provide proof of
 1135 insurance before beginning repairs.

1136 7. Take precautions if the damage requires you to
 1137 leave your home, including securing your property and
 1138 turning off your gas, water, and electricity, and
 1139 contacting your insurance company and provide a phone
 1140 number where you can be reached.

1141 Section 18. Subsection (1), paragraph (a) of subsection
 1142 (2), subsection (8), paragraph (a) of subsection (9), and
 1143 subsection (10) of section 627.7152, Florida Statutes, are
 1144 amended to read:

1145 627.7152 Assignment agreements.—

1146 (1) As used in this section, the term:

1147 (a) "Assignee" means a person who is assigned post-loss
 1148 benefits through an assignment agreement.

1149 (b) "Assignment agreement" means any instrument by which
 1150 post-loss benefits under a residential property insurance policy
 1151 or commercial property insurance policy, as that term is defined
 1152 in s. 627.0625(1), are assigned or transferred, or acquired in
 1153 any manner, in whole or in part, to or from a person providing
 1154 services, including, but not limited to, inspecting, protecting,
 1155 repairing, restoring, or replacing the ~~to protect, repair,~~
 1156 ~~restore, or replace~~ property or mitigating to mitigate against
 1157 further damage to the property. The term does not include fees
 1158 collected by a public adjuster as defined in s. 626.854(1).

1159 (c) "Assignor" means a person who assigns post-loss
 1160 benefits under a residential property insurance policy or

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1161 commercial property insurance policy to another person through
1162 an assignment agreement.

1163 (d) ~~"Disputed amount" means the difference between the~~
1164 ~~assignee's presuit settlement demand and the insurer's presuit~~
1165 ~~settlement offer.~~

1166 ~~(e) "Judgment obtained" means damages recovered, if any,~~
1167 ~~but does not include any amount awarded for attorney fees,~~
1168 ~~costs, or interest.~~

1169 ~~(f)~~ "Presuit settlement demand" means the demand made by
1170 the assignee in the written notice of intent to initiate
1171 litigation as required by paragraph (9) (a).

1172 ~~(e)~~ ~~(g)~~ "Presuit settlement offer" means the offer made by
1173 the insurer in its written response to the notice of intent to
1174 initiate litigation as required by paragraph (9) (b).

1175 (2) (a) An assignment agreement must:

1176 1. Be in writing and executed by and between the assignor
1177 and the assignee.

1178 2. Contain a provision that allows the assignor to rescind
1179 the assignment agreement without a penalty or fee by submitting
1180 a written notice of rescission signed by the assignor to the
1181 assignee within 14 days after the execution of the agreement, at
1182 least 30 days after the date work on the property is scheduled
1183 to commence if the assignee has not substantially performed, or
1184 at least 30 days after the execution of the agreement if the
1185 agreement does not contain a commencement date and the assignee
1186 has not begun substantial work on the property.

1187 3. Contain a provision requiring the assignee to provide a
1188 copy of the executed assignment agreement to the insurer within
1189 3 business days after the date on which the assignment agreement

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1190 is executed or the date on which work begins, whichever is
1191 earlier. Delivery of the copy of the assignment agreement to the
1192 insurer may be made:

1193 a. By personal service, overnight delivery, or electronic
1194 transmission, with evidence of delivery in the form of a receipt
1195 or other paper or electronic acknowledgment by the insurer; or
1196 b. To the location designated for receipt of such
1197 agreements as specified in the policy.

1198 4. Contain a written, itemized, per-unit cost estimate of
1199 the services to be performed by the assignee.

1200 5. Relate only to work to be performed by the assignee for
1201 services to protect, repair, restore, or replace a dwelling or
1202 structure or to mitigate against further damage to such
1203 property.

1204 6. Contain the following notice in 18-point uppercase and
1205 boldfaced type:

1206

1207 YOU ARE AGREEING TO GIVE UP CERTAIN RIGHTS YOU HAVE
1208 UNDER YOUR INSURANCE POLICY TO A THIRD PARTY, WHICH
1209 MAY RESULT IN LITIGATION AGAINST YOUR INSURER. PLEASE
1210 READ AND UNDERSTAND THIS DOCUMENT BEFORE SIGNING IT.
1211 YOU HAVE THE RIGHT TO CANCEL THIS AGREEMENT WITHOUT
1212 PENALTY WITHIN 14 DAYS AFTER THE DATE THIS AGREEMENT
1213 IS EXECUTED, AT LEAST 30 DAYS AFTER THE DATE WORK ON
1214 THE PROPERTY IS SCHEDULED TO COMMENCE IF THE ASSIGNEE
1215 HAS NOT SUBSTANTIALLY PERFORMED, OR AT LEAST 30 DAYS
1216 AFTER THE EXECUTION OF THE AGREEMENT IF THE AGREEMENT
1217 DOES NOT CONTAIN A COMMENCEMENT DATE AND THE ASSIGNEE
1218 HAS NOT BEGUN SUBSTANTIAL WORK ON THE PROPERTY.

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1219 HOWEVER, YOU ARE OBLIGATED FOR PAYMENT OF ANY
 1220 CONTRACTED WORK PERFORMED BEFORE THE AGREEMENT IS
 1221 RESCINDED. THIS AGREEMENT DOES NOT CHANGE YOUR
 1222 OBLIGATION TO PERFORM THE DUTIES REQUIRED UNDER YOUR
 1223 PROPERTY INSURANCE POLICY.

1224
 1225 7. Contain a provision requiring the assignee to indemnify
 1226 and hold harmless the assignor from all liabilities, damages,
 1227 losses, and costs, including, but not limited to, attorney fees,
 1228 ~~should the policy subject to the assignment agreement prohibit,~~
 1229 ~~in whole or in part, the assignment of benefits.~~

1230 (8) The assignee shall indemnify and hold harmless the
 1231 assignor from all liabilities, damages, losses, and costs,
 1232 including, but not limited to, attorney fees, ~~should the policy~~
 1233 ~~subject to the assignment agreement prohibit, in whole or in~~
 1234 ~~part, the assignment of benefits.~~

1235 (9) (a) An assignee must provide the named insured, insurer,
 1236 and the assignor, if not the named insured, with a written
 1237 notice of intent to initiate litigation before filing suit under
 1238 the policy. Such notice must be served at least 10 business days
 1239 before filing suit, but not before the insurer has made a
 1240 determination of coverage under s. 627.70131. The notice must be
 1241 served by certified mail, return receipt requested, to the name
 1242 and mailing address designated by the insurer in the policy
 1243 forms or by electronic delivery to the e-mail address designated
 1244 by the insurer in the policy forms at least 10 business days
 1245 ~~before filing suit, but may not be served before the insurer has~~
 1246 ~~made a determination of coverage under s. 627.70131. The notice~~
 1247 must specify the damages in dispute, the amount claimed, and a

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1248 presuit settlement demand. Concurrent with the notice, and as a
 1249 precondition to filing suit, the assignee must provide the named
 1250 insured, insurer, and the assignor, if not the named insured, a
 1251 detailed written invoice or estimate of services, including
 1252 itemized information on equipment, materials, and supplies; the
 1253 number of labor hours; and, in the case of work performed, proof
 1254 that the work has been performed in accordance with accepted
 1255 industry standards.

1256 (10) Notwithstanding any other provision of law, in a suit
 1257 related to an assignment agreement for post-loss claims arising
 1258 under a residential or commercial property insurance policy,
 1259 attorney fees and costs may be recovered by an assignee only
 1260 under s. 57.105 ~~and this subsection.~~

1261 ~~(a) If the difference between the judgment obtained by the~~
 1262 ~~assignee and the presuit settlement offer is:~~

1263 ~~1. Less than 25 percent of the disputed amount, the insurer~~
 1264 ~~is entitled to an award of reasonable attorney fees.~~

1265 ~~2. At least 25 percent but less than 50 percent of the~~
 1266 ~~disputed amount, no party is entitled to an award of attorney~~
 1267 ~~fees.~~

1268 ~~3. At least 50 percent of the disputed amount, the assignee~~
 1269 ~~is entitled to an award of reasonable attorney fees.~~

1270 ~~(b) If the insurer fails to inspect the property or provide~~
 1271 ~~written or oral authorization for repairs within 7 calendar days~~
 1272 ~~after the first notice of loss, the insurer waives its right to~~
 1273 ~~an award of attorney fees under this subsection. If the failure~~
 1274 ~~to inspect the property or provide written or oral authorization~~
 1275 ~~for repairs is the result of an event for which the Governor had~~
 1276 ~~declared a state of emergency under s. 252.36, factors beyond~~

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1277 ~~the control of the insurer which reasonably prevented an~~
 1278 ~~inspection or written or oral authorization for repairs, or the~~
 1279 ~~named insured's failure or inability to allow an inspection of~~
 1280 ~~the property after a request by the insurer, the insurer does~~
 1281 ~~not waive its right to an award of attorney fees under this~~
 1282 ~~subsection.~~

1283 ~~(e)~~ If an assignee commences an action in any court of this
 1284 state based upon or including the same claim against the same
 1285 adverse party that such assignee has previously voluntarily
 1286 dismissed in a court of this state, the court may order the
 1287 assignee to pay the attorney fees and costs of the adverse party
 1288 resulting from the action previously voluntarily dismissed. The
 1289 court shall stay the proceedings in the subsequent action until
 1290 the assignee has complied with the order.

1291 Section 19. Section 627.7154, Florida Statutes, is created
 1292 to read:

1293 627.7154 Property Insurance Stability Unit; duties and
 1294 required reports.—

1295 (1) An insurer stability unit is created within the office
 1296 to aid in the detection and prevention of insurer insolvencies
 1297 in the homeowners' and condominium unit owners' insurance
 1298 market.

1299 (2) The insurer stability unit shall provide enhanced
 1300 monitoring whenever the office identifies significant concerns
 1301 about an insurer's solvency, rates, proposed contracts,
 1302 underwriting rules, market practices, claims handling, consumer
 1303 complaints, litigation practices and outcomes, and any other
 1304 issue related to compliance with the insurance code.

1305 (3) The insurer stability unit shall, at a minimum:

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1306 (a) Conduct a target market exam when there is reason to
 1307 believe that an insurer's claims practices, rate requirements,
 1308 investment activities, or financial statements suggest that the
 1309 insurer may be in an unsound financial condition.

1310 (b) Closely monitor all risk-based capital reports, own-
 1311 risk solvency assessments, reinsurance agreements, and financial
 1312 statements filed by insurers selling homeowners' and condominium
 1313 unit owners' insurance policies in this state.

1314 (c) Have primary responsibility to conduct annual
 1315 catastrophe stress tests of all domestic insurers and insurers
 1316 that are commercially domiciled in this state.

1317 1. The insurer stability unit shall cooperate with the
 1318 Florida Commission on Hurricane Loss Projection Methodology to
 1319 select the hurricane scenarios that are used in the annual
 1320 catastrophe stress test.

1321 2. Catastrophe stress testing must determine:

1322 a. Whether an individual insurer can survive a one in 130-
 1323 year probable maximum loss (PML), and a second event 50-year
 1324 return PML following a first event that exceeds a 100-year
 1325 return PML; and

1326 b. The impact of the selected hurricane scenarios on the
 1327 Citizens Property Insurance Corporation, the Florida Hurricane
 1328 Catastrophe Fund, the Florida Insurance Guaranty Association,
 1329 and taxpayers.

1330 (d) Update wind mitigation credits required by s. 627.711
 1331 and associated rules.

1332 (e) Review the causes of insolvency and business practices
 1333 of insurers that have been referred to the department's Division
 1334 of Rehabilitation and Liquidation and make recommendations to

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1335 prevent similar failures in the future.
 1336 (f) On January 1 and July 1 of each year, provide a report
 1337 on the status of the homeowners' and condominium unit owners'
 1338 insurance market to the Governor, the President of the Senate,
 1339 the Speaker of the House of Representatives, the Minority Leader
 1340 of the Senate, the Minority Leader of the House of
 1341 Representatives, and the chairs of the legislative committees
 1342 with jurisdiction over matters of insurance showing:
 1343 1. Litigation practices and outcomes of insurance
 1344 companies.
 1345 2. Percentage of homeowners and condominium unit owners who
 1346 obtain insurance in the voluntary market.
 1347 3. Percentage of homeowners and condominium unit owners who
 1348 obtain insurance from the Citizens Property Insurance
 1349 Corporation.
 1350 4. Profitability of the homeowners' and condominium unit
 1351 owners' lines of insurance in this state, including a comparison
 1352 with similar lines of insurance in other hurricane-prone states
 1353 and with the national average.
 1354 5. Average premiums charged for homeowners' and condominium
 1355 unit owners' insurance in each of the 67 counties in this state.
 1356 6. Results of the latest annual catastrophe stress tests of
 1357 all domestic insurers and insurers that are commercially
 1358 domiciled in this state.
 1359 7. The availability of reinsurance in the personal lines
 1360 insurance market.
 1361 8. The number of property and casualty insurance carriers
 1362 referred to the insurer stability unit for enhanced monitoring,
 1363 including the reason for the referral.

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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20222D__

1364 9. The number of referrals to the insurer stability unit
 1365 which were deemed appropriate for enhanced monitoring, including
 1366 the reason for the monitoring.
 1367 10. The name of any insurer against which delinquency
 1368 proceedings were instituted, including the grounds for
 1369 rehabilitation pursuant to s. 631.051 and the date that each
 1370 insurer was deemed impaired of capital or surplus, as the terms
 1371 impairment of capital and impairment of surplus are defined in
 1372 s. 631.011, or insolvent, as the term insolvency is defined in
 1373 s. 631.011; a concise statement of the circumstances that led to
 1374 the insurer's delinquency; and a summary of the actions taken by
 1375 the insurer and the office to avoid delinquency.
 1376 11. Recommendations for improvements to the regulation of
 1377 homeowners' and condominium unit owners' insurance market and an
 1378 indication of whether such improvements require any change to
 1379 existing laws or rules.
 1380 12. Identification of any trends that may warrant attention
 1381 in the future.
 1382 (4) Any of the following events must trigger a referral to
 1383 the insurer stability unit:
 1384 (a) Consumer complaints related to homeowners' insurance or
 1385 condominium unit owners' insurance under s. 624.307(10), if the
 1386 complaints, in the aggregate, suggest a trend within the
 1387 marketplace and are not an isolated incident.
 1388 (b) There is reason to believe that an insurer who is
 1389 authorized to sell homeowners' or condominium unit owners'
 1390 insurance in this state has engaged in an unfair trade practice
 1391 under part IX of chapter 626.
 1392 (c) A market conduct examination determines that an insurer

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1393 has exhibited a pattern or practice of willful violations of an
 1394 unfair insurance trade practice related to claims-handling which
 1395 caused harm to policyholders, as prohibited by s.

1396 626.9541(1)(i).

1397 (d) An insurer authorized to sell homeowners' or
 1398 condominium unit owners' insurance in this state requests a rate
 1399 increase that exceeds 15 percent, in accordance with s.

1400 627.0629(6).

1401 (e) An insurer authorized to sell homeowners' or
 1402 condominium unit owners' insurance in this state violates the
 1403 ratio of actual or projected annual written premiums required by
 1404 s. 624.4095(4)(a).

1405 (f) An insurer authorized to sell homeowners' or
 1406 condominium unit owners' insurance in this state files a notice
 1407 pursuant to s. 624.4305 advising the office that it intends to
 1408 nonrenew more than 10,000 residential property insurance
 1409 policies in this state within a 12-month period.

1410 (g) A quarterly or annual financial statement required by
 1411 ss. 624.424 and 627.915 demonstrates that an insurer authorized
 1412 to sell homeowners' or condominium unit owners' insurance in
 1413 this state is in an unsound condition, as defined in s.
 1414 624.80(2); has exceeded its powers in a manner as described in
 1415 s. 624.80(3); is impaired, as defined in s. 631.011(12) or (13);
 1416 or is insolvent, as defined in s. 631.011.

1417 (h) An insurer authorized to sell homeowners' or
 1418 condominium unit owners' insurance in this state files a
 1419 quarterly or annual financial statement required by ss. 624.424
 1420 and 627.915 which is misleading or contains material errors.

1421 (i) An insurer authorized to sell homeowners' or

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20222D__

1422 condominium unit owners' insurance in this state fails to timely
 1423 file a quarterly or annual financial statement required by ss.
 1424 624.424 and 627.915.

1425 (j) An insurer authorized to sell homeowners' or
 1426 condominium unit owners' insurance in this state files a risk-
 1427 based capital report that triggers a company action level event,
 1428 regulatory action level event, authorized control level event,
 1429 or mandatory control level event, as those terms are defined in
 1430 s. 624.4085.

1431 (k) An insurer selling homeowners' or condominium unit
 1432 owners' insurance in this state that is subject to the own-risk
 1433 solvency assessment requirement of s. 628.8015, and fails to
 1434 timely file the own-risk solvency assessment.

1435 (l) A reinsurance agreement creates a substantial risk of
 1436 insolvency for an insurer authorized to sell homeowners' or
 1437 condominium unit owners' insurance in this state, pursuant to s.
 1438 624.610(13).

1439 (m) An insurer authorized to sell homeowners' or
 1440 condominium unit owners' insurance in this state is party to a
 1441 reinsurance agreement that does not create a meaningful transfer
 1442 of risk of loss to the reinsurer, pursuant to s. 624.610(14).

1443 (n) Citizens Property Insurance Corporation is required to
 1444 absorb policies from an insurer that participated in the
 1445 corporation's depopulation program authorized by s. 627.3511
 1446 within 3 years after the insurer takes policies out of the
 1447 corporation.

1448 The insurer stability unit's supervisors shall review all
 1449 referrals triggered by the statutory provisions to determine
 1450

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21-00011-22D

20222D__

1451 whether enhanced scrutiny of the insurer is appropriate.
 1452 (5) Expenses of the insurer stability unit shall be paid
 1453 from moneys allocated to the Insurance Regulatory Trust Fund.
 1454 However, if the unit recommends that a market conduct exam or
 1455 targeted market exam be conducted, the reasonable cost of the
 1456 examination shall be paid by the person examined, in accordance
 1457 with s. 624.3161.

1458 Section 20. Subsection (1) of section 631.031, Florida
 1459 Statutes, is amended to read:

1460 631.031 Initiation and commencement of delinquency
 1461 proceeding.-

1462 (1) Upon a determination by the office that one or more
 1463 grounds for the initiation of delinquency proceedings exist
 1464 pursuant to this chapter and that delinquency proceedings must
 1465 be initiated, the Director of the Office of Insurance Regulation
 1466 shall notify the department of such determination and shall
 1467 provide the department with all necessary documentation and
 1468 evidence. Notification by the office must include an affidavit
 1469 that identifies the grounds for rehabilitation pursuant to s.
 1470 631.051; the date that each insurer was deemed impaired of
 1471 capital or surplus, as the terms impairment of capital and
 1472 impairment of surplus are defined in s. 631.011, or insolvent,
 1473 as the term insolvency is defined in s. 631.011; a concise
 1474 statement of the circumstances that led to the insurer's
 1475 delinquency; and a summary of the actions taken by the insurer
 1476 and the office to avoid delinquency. The department shall then
 1477 initiate such delinquency proceedings.

1478 Section 21. Subsection (3) of section 631.398, Florida
 1479 Statutes, is amended to read:

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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1480 631.398 Prevention of insolvencies.-To aid in the detection
 1481 and prevention of insurer insolvencies or impairments:
 1482 (3) (a) The department shall, no later than the conclusion
 1483 of any domestic insurer insolvency proceeding, prepare a summary
 1484 report containing such information as is in its possession
 1485 relating to the history and causes of such insolvency, including
 1486 a statement of the business practices of such insurer which led
 1487 to such insolvency.

1488 (b) For an insolvency involving a domestic property
 1489 insurer, the department shall:

1490 1. Begin an analysis of the history and causes of the
 1491 insolvency no later than the initiation of delinquency
 1492 proceedings pursuant to s. 631.031.

1493 2. Submit an initial report analyzing the history and
 1494 causes of the insolvency to the Governor, the President of the
 1495 Senate, the Speaker of the House of Representatives, and the
 1496 office. The initial report must be submitted no later than 2
 1497 months after the initiation of the delinquency proceeding. The
 1498 initial report shall be updated at least annually until the
 1499 submission of the final report.

1500 3. Provide a special report to the Governor, the President
 1501 of the Senate, the Speaker of the House of Representatives, and
 1502 the office, within 10 days upon identifying any condition or
 1503 practice that may lead to insolvency in the property insurance
 1504 marketplace.

1505 4. Submit a final report analyzing the history and causes
 1506 of the insolvency and the review of the Office of Insurance
 1507 Regulation's regulatory oversight of the insurer to the
 1508 Governor, the President of the Senate, the Speaker of the House

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21-00011-22D

20222D__

1509 of Representatives, and the office within 30 days of the
1510 conclusion of the insolvency proceeding.

1511 5. Review the Office of Insurance Regulation's regulatory
1512 oversight of the insurer.

1513 Section 22. If any law amended by this act was also amended
1514 by a law enacted during the 2022 Regular Session of the
1515 Legislature, such laws shall be construed as if enacted during
1516 the same session of the Legislature, and full effect shall be
1517 given to each if possible.

1518 Section 23. Except as otherwise expressly provided in this
1519 act, this act shall take effect upon becoming a law.

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

5/22/22

Meeting Date

SB 21

Bill Number (if applicable)

237284

Amendment Barcode (if applicable)

Powell

Topic ROOF DEDUCTIBLE

Name Tyler Chasez

Job Title ATTORNEY

Address 113 LAMPLIGHTER RD

Street

Phone 321 277 5331

ARMAWITE SPRINGS FL 32714

City

State

Zip

Email Tyler@hhjlegal.com

Speaking: For Against Information

Waive Speaking: In Support Against

(The Chair will read this information into the record.)

Representing SELF

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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5/23

Meeting Date

The Florida Senate APPEARANCE RECORD

2-D

Bill Number or Topic

Appropriations

Committee

Deliver both copies of this form to
Senate professional staff conducting the meeting

142174

Amendment Barcode (if applicable)

Name

Tyler Chasez

Phone

321 2775333 (Sen. Brandes)

Address

113 CAMPUS GREEN RD

Email

Tyler@hijlyal.com

Street

Altamonte Springs FL 32714

City

State

Zip

Speaking:

For

Against

Information

OR

Waive Speaking:

In Support

Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without
compensation or sponsorship.

I am a registered lobbyist,
representing:

I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/23/2022

Meeting Date

SB 2-D

Bill Number (if applicable)

920248

Amendment Barcode (if applicable)

(Sen. Rowson)

Topic Attorney Fee Multiplier

Name Don Haynes

Job Title _____

Address 117 S. Willow Ave

Street

Phone (813) 223-2929

Tampa

City

FL

State

33606

Zip

Email rhaynes@ligorilaw.com

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Fla Justice Assoc.

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/14/14)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

5/23/2022
Meeting Date

SA
030500 ← SB 2-D
Bill Number (if applicable)
651870

Amendment Barcode (if applicable)
(Sen. Gibson)

Topic Non-renewals

Name Ron Haynes

Job Title

Address 117 S. Willow Ave
Street

Phone (813) 223-2929

Tampa FL 33606
City State Zip

Email rhaynes@ligori.com

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Florida Justice Association

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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The Florida Senate
APPEARANCE RECORD

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5/23/2022

Meeting Date

SB 2-D

Bill Number or Topic

6051870

Amendment Barcode (if applicable)

SA 630500 ←

Committee

Name

Hillary Cassel - Florida

Phone

561-202-5713

Address

4000 Hollywood Blvd.

Email

hcassel@casel.law

Street

Hollywood FL 33021

City

State

Zip

Speaking:

For

Against

Information

OR

Waive Speaking:

In Support

Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to Senate professional staff conducting the meeting

SB-210

Bill Number or Topic

965780

(Book)

Amendment Barcode (if applicable)

5/23/2022

Meeting Date

Committee

Name

Hillary Cassel Florida Policyholders Cooperative

Phone

561-202-5713

Address

4000 Hollywood Blvd

Email

hcassel@cassel.law

Street

Hollywood FL

33221

City

State

Zip

Speaking:

For

Against

Information

OR

Waive Speaking:

In Support

Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. 2020-2022 Joint Rules.pdf (flsenate.gov)

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S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to Senate professional staff conducting the meeting

5/23/2022

Meeting Date

Approps

Committee

2

Bill Number or Topic

406018 (Pizzo)

Amendment Barcode (if applicable)

Name Travis Moore

Phone 727.421.6902

Address P.O. Box 2020

Email travis@moore-relations.com

Street

St. Petersburg FL

33731

City

State

Zip

Speaking: [X] For [] Against [] Information OR Waive Speaking: [] In Support [] Against

PLEASE CHECK ONE OF THE FOLLOWING:

[] I am appearing without compensation or sponsorship.

[X] I am a registered lobbyist, representing:

Community Associations Institute

[] I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. 2020-2022 Joint Rules.pdf (flsenate.gov)

This form is part of the public record for this meeting.

S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

SB 2

05/23/2022

Meeting Date

SB002 - Property Insurance

Bill Number or Topic

Deliver both copies of this form to Senate professional staff conducting the meeting

Appropriations

Committee

Amendment Barcode (if applicable)

Name

Trey Goldman TREY Goldman

Phone

(850) 224-1400

Address

200 S. Monroe St.

Email

TreyG@Floridarealtors.org

Street

Tallahassee

Florida

32301

City

State

Zip

Speaking:

For

Against

Information

OR

Waive Speaking:

In Support

Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

Florida Realtors

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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S-001 (08/10/2021)

The Florida Senate
APPEARANCE RECORD

5/23

Meeting Date

2-D

Bill Number or Topic

Appropriations

Committee

Deliver both copies of this form to
Senate professional staff conducting the meeting

Amendment Barcode (if applicable)

Name Adam Basford

Phone 224 7173

Address 516 N Adams

Email abasford@aif.com

Street

allahassae FL 32301

City

State

Zip

Speaking: For Against Information **OR** Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

Associated Industries of FL

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to Senate professional staff conducting the meeting

5/23

Meeting Date

SB 2-1

Bill Number or Topic

Senate Appropriations

Committee

Amendment Barcode (if applicable)

Name Eric De Campos

Phone 847-989-7104

Address 1111 E. Touhy Ave

Street

Email edcampos@Q11CB.ORG

Des Plaines

City

IL

State

60018

Zip

Speaking: [] For [] Against [] Information OR Waive Speaking: [X] In Support [] Against

PLEASE CHECK ONE OF THE FOLLOWING:

[] I am appearing without compensation or sponsorship.

[X] I am a registered lobbyist, representing:

[] I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

National Insurance Crime Bureau

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. 2020-2022 Joint Rules.pdf (flsenate.gov)

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The Florida Senate

APPEARANCE RECORD

2D

5/23/22

Meeting Date

Bill Number or Topic

Appropriations

Deliver both copies of this form to
Senate professional staff conducting the meeting

Committee

Amendment Barcode (if applicable)

Name **BG Murphy**

Phone **850-893-4155**

Address **P.O. Box 12129**

Email **bmurphy@faia.com**

Street

Tallahassee

FL

32317

City

State

Zip

Speaking: For Against Information **OR** Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

FL Association of Insurance Agents

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to Senate professional staff conducting the meeting

5/23/22

Meeting Date

2-D

Bill Number or Topic

Appropriations

Committee

Amendment Barcode (if applicable)

Name

Austin Stowers

Phone

850 413 5939

Address

PL 11 The Capitol

Street

Email

austin.stowers@myfloridachief.com

Tallahassee

City

FL

State

32399

Zip

Speaking: For Against Information OR Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing: CFO Jimmy Patronis

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. 2020-2022 Joint Rules.pdf (flsenate.gov)

This form is part of the public record for this meeting.

S-001 (08/10/2021)

5/23

Meeting Date

Appropriations

Committee

The Florida Senate APPEARANCE RECORD

Deliver both copies of this form to
Senate professional staff conducting the meeting

2D

Bill Number or Topic

Amendment Barcode (if applicable)

Name Chris Dawson

Phone 407-843-8880

Address 301 E. Pine Street, Suite 1400
Street

Email Chris.dawson@gray-robinson.com

Orlando
City

FL
State

32801
Zip

Speaking: For Against Information

OR

Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without
compensation or sponsorship.

I am a registered lobbyist,
representing:

FL Roofing and Sheet Metal
Contractors Association

I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to Senate professional staff conducting the meeting

5/23/22

Meeting Date

2D

Bill Number or Topic

Appropriations

Committee

Amendment Barcode (if applicable)

Name Caitlin Murray

Phone (850) 491-8424

Address 850 S. Gadsden St. Unit #904

Email cmurray@namic.org

Tallahassee FL 32301

City

State

Zip

Speaking: [] For [] Against [] Information OR Waive Speaking: [X] In Support [] Against

PLEASE CHECK ONE OF THE FOLLOWING:

[] I am appearing without compensation or sponsorship.

[X] I am a registered lobbyist, representing:

NAMIC

[] I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. 2020-2022 Joint Rules.pdf (flsenate.gov)

This form is part of the public record for this meeting.

S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to Senate professional staff conducting the meeting

5-23-22

Meeting Date

0002D

Bill Number or Topic

~~Approps~~ Approps

Committee

Amendment Barcode (if applicable)

Name Christine Ashburn

Phone 850-513-3144

Address 2101 Maryland Circ.

Street

Email christine.ashburn@citizensta.com

Tallahassee FL 32312

City

State

Zip

Speaking: For Against Information OR Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

Citizens

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. 511.045 and Joint Rule 1. 2020-2022 Joint Rules.pdf (flsenate.gov)

This form is part of the public record for this meeting.

S-001 (08/10/2021)

134 pm

May 23, 2022

Meeting Date

The Florida Senate
APPEARANCE RECORD

SB 2D

Bill Number or Topic

Deliver both copies of this form to
Senate professional staff conducting the meeting

Approps

Committee

Amendment Barcode (if applicable)

Name Michael Carlson

Phone 850-544-9576

Address 215 S. Monroe St. Ste. 835

Email Michael.Carlson@piff.net

Street

Tallahassee

FL

32301

City

State

Zip

Speaking: For Against Information **OR** Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

Personal Insurance Federation of Florida, Inc.

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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S-001 (08/10/2021)

05.23.22

Meeting Date

Appropriations

Committee

The Florida Senate APPEARANCE RECORD

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20136

Bill Number or Topic

Amendment Barcode (if applicable)

Name Ryan Jones

Phone (727) 898-8100

Address First Central Tower 360 Central Avenue 10th Floor

Email rjones@tlsslaw.com

Street

St. Petersburg

FL

33701

City

State

Zip

Speaking: For Against Information **OR** Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(tisenote.gov\)](#)

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S-001 (08/10/2021)

May 23, 2022

The Florida Senate
APPEARANCE RECORD

SB 2D

139

Meeting Date
Appropriations

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Bill Number or Topic

Committee
Richie Kidwell

Amendment Barcode (if applicable)
(321) 219-9060

Name

Phone

Address
941 W Morse Blvd, Suite 100

Email
info@raflorida.org

Street

Winter Park

FL

32789

City

State

Zip

Speaking: For Against Information **OR** Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without
compensation or sponsorship.

I am a registered lobbyist,
representing:

I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

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S-001 (08/10/2021)

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

5/23/22
Meeting Date

149
SB 21
Bill Number (if applicable)

Topic Consumer REGENTS

Amendment Barcode (if applicable)

Name Tyler Chasez She-zay

Job Title ATTORNEY

Address 113 CAMPBELL AVE RD

Phone 312775331

Street

Atlanta Springs FL 32714

City

State

Zip

Email Tyler@HHS.com

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing SELF

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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5/23/22

Meeting Date

Appropriations

The Florida Senate APPEARANCE RECORD

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2D

Bill Number or Topic

Committee

Amendment Barcode (if applicable)

Name

Tim Nungesser

Phone

850-445-5367

Address

110 East Jefferson Street

Email

Tim.nungesser@nfib.org

Street

Tallahassee

FL

32301

City

State

Zip

Reset Form

Speaking: For Against Information **OR** Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

National Federation of Independent Business

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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S-001 (08/10/2021)

THE FLORIDA SENATE
APPEARANCE RECORD

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5/23/2022

Meeting Date

SB 2-D

Bill Number (if applicable)

Topic Prepanty Bill

Amendment Barcode (if applicable)

Name Bob Haynes

Job Title _____

Address 117 S. Willow Ave.

Phone (813) 223-2929

Street

Tampa

City

FL

State

33606

Zip

Email rhaynes@ligonilaw.com

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Florida Justice Association

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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5/23/2022

Meeting Date

The Florida Senate APPEARANCE RECORD

SB 20

Bill Number or Topic

Deliver both copies of this form to
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Committee

Amendment Barcode (if applicable)

Name

Hillary Cassel Florida Policyholders Cooperative

Phone

561-202-5713

Address

4000 Hollywood Blvd

Email

hcassel@casel.law

Street

Hollywood FL 33021

City

State

Zip

Speaking:

For

Against

Information

OR

Waive Speaking:

In Support

Against

PLEASE CHECK ONE OF THE FOLLOWING:



I am appearing without compensation or sponsorship.



I am a registered lobbyist, representing:



I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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S-001 (08/10/2021)

5/23/2022

Meeting Date

The Florida Senate APPEARANCE RECORD

2-0

Bill Number or Topic

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Amendment Barcode (if applicable)

Appropriations
Committee

Name

Reggie Garcia

Phone

933-7150

Address

PO Box 11069

Email

reggi@garcialaw@icloud.com

Street

Tallahassee, Fla. 32302

City

State

Zip

Speaking:

For

Against

Information

OR

Waive Speaking:

In Support

Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

Florida Justice Association

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](https://www.flsenate.gov/2020-2022-Joint-Rules.pdf)

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S-001 (08/10/2021)

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

7/23/22
Meeting Date

2-D
Bill Number (if applicable)

Topic Consumer Rights

Amendment Barcode (if applicable)

Name Hadi Boulos

Job Title Property owner

Address 118 S. North Monroe St.

Phone (850) 566-3611

Tallahassee FL 32301
City State Zip

Email hadi.boulos@boulos

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing SELF

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/14/14)

4/23/22

Meeting Date

The Florida Senate APPEARANCE RECORD

SB 2-D

Bill Number or Topic

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Appro.

Committee

Amendment Barcode (if applicable)

Name

Greg

Phone

Address

9166 Sunrise Dr.

Email

Street

Largo

FL.

33178

City

State

Zip

Speaking: For Against Information **OR** Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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S-001 (08/10/2021)

May 23, 2022

Meeting Date

The Florida Senate APPEARANCE RECORD

2 D

Bill Number or Topic

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Appropriations

Committee

Amendment Barcode (if applicable)

Name Jerry Theodorou

Phone 860 899 5330

Address 65 North Main St, West Hartford, CT 06107

Email jtheodorou@rstreet.org

Street

West Hartford CT 06107

City

State

Zip

Speaking: For Against Information **OR** Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

The R Street Institute

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

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5/23/22

Meeting Date

SB 21

Bill Number or Topic

Approps

Committee

Amendment Barcode (if applicable)

Name Carolyn Johnson

Phone 850-521-1200

Address 136 S Bronough St

Street

Email cjohnson@flchamber.com

Tallahassee FL 32301

City

State

Zip

Speaking: For Against Information OR Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

FL Chamber of Commerce

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. 2020-2022 Joint Rules.pdf (flsenate.gov)

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S-001 (08/10/2021)

05.23.22

Meeting Date

The Florida Senate
APPEARANCE RECORD

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20 152

Bill Number or Topic

Appropriations

Committee

Amendment Barcode (if applicable)

Name Aram Megerian

Phone 8132899300

Address 4301 W Boy Scout Blvd

Email aram.megerian@csklegal.com

Street

Tampa

FL

33607

City

State

Zip

Speaking: For Against Information **OR** Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

Florida Justice Reform Institute

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

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5/23

Meeting Date

20

Bill Number or Topic

Appropriations

Committee

Amendment Barcode (if applicable)

Name David Altmaier

Phone _____

Address _____

Email david.altmaier@flor.com

Street

City

State

Zip

Speaking: For Against Information **OR** Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

Office of Ins Reg

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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S-001 (08/10/2021)

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: SB 4-D

INTRODUCER: Senator Boyd

SUBJECT: Roof Repair, Replacement, and Recovering Requirements

DATE: May 21, 2022

REVISED: _____

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Johnson/Knudson	Shettle	AP	Favorable

I. Summary:

SB 4-D requires the Florida Building Code to provide that when 25 percent or more of a roofing system or roof section is being repaired, replaced, or recovered, only the portion of the roofing system or roof section undergoing such work must be constructed in accordance with the current Florida Building Code in effect at that time. Currently, the Florida Building Code requires that not more than 25 percent of the total roof area or roof section of any existing building or structure shall be repaired, replaced or recovered in any 12-month period unless the entire existing roofing system or roof section is replaced to conform to requirements of the code. The bill creates an exception to this provision. The exception applies to roof systems and roof sections built, repaired, or replaced in accordance with the requirements of the 2007 Florida Building Code or subsequent editions.

II. Present Situation:

The Florida Building Code

The intent of the Florida Building Code is to establish unified and consistent minimum standards in the design, construction and compliance processes, and regulations for the safety, health, and general welfare of building occupants. The Florida Building Code also protects property investments and saves governmental entities the mitigation costs linked to natural disasters, including hurricanes.

Background

In 1974, Florida adopted a state minimum building code law requiring all local governments to adopt and enforce a building code.¹ The system provided four separate model codes that local governments could consider and adopt to establish minimum standards of health and life safety for the public. In that system, the state's role was limited to adopting all or relevant parts of new

¹ The Florida Building Code Act of 1974 (ch. 74-167, L.O.F.).

editions of the four model codes. The law authorized local governments to amend and enforce their local codes.²

In 1992, Hurricane Andrew demonstrated that this system of local codes did not provide the level of public protection that was necessary. The South Florida Building Code, which was the local code universally acknowledged as the strongest standard for hurricane protection, essentially failed. The resulting problems had impacts well beyond southern Miami-Dade County. The state filled the property insurer void left by failed and fleeing private insurance companies, and the federal government provided billions of dollars of aid into the disaster area.³ It became apparent the state had a significant interest in the effectiveness of building codes. After Hurricane Andrew, Miami-Dade County conducted a review of its building code and made significant changes to both the code and support systems for code enforcement. In other areas of the state the Florida Board of Building Codes and Standards (the predecessor to the Florida Building Commission) adopted significant upgrades to the wind resistance standards of the model state minimum code that was used by the majority of other local governments. The state also began licensing local governments' code enforcement personnel.⁴ These steps proved critical in leading to the building codes that produced improved building performance in the 2004 hurricane season.

In 1996, a study commission was appointed to review the system of local codes created by the 1974 law and to make recommendations for modernizing the entire system.⁵ The 1998 Legislature adopted the study commission's recommendations for a single state building code and an enhanced oversight role for the state in local code enforcement. The same legislation created the Florida Building Commission (commission) to develop and maintain the Florida Building Code and related programs and processes.⁶ The 2000 Legislature authorized implementation of the Florida Building Code, and the first edition replaced all local codes on March 1, 2002.⁷ There have been seven editions to date, and the commission is in the process of developing the 8th Edition (2023) of the Florida Building Code.⁸

Florida Building Code Standards Relating to Roof Replacement

In regards to roof replacement, the Florida Building Code provides:

Not more than 25 percent of the total roof area or roof section of any existing building or structure shall be repaired, replaced or recovered in

² See The Florida Building Commission, *Annual Report FY 2019-2020*, available at [FBC FY 2019-2020 Annual Report \(floridabuilding.org\)](https://www.floridabuilding.org) (last visited May 11, 2022).

³ Final Report and Recommendations of the Governor's Property and Casualty Insurance Reform Committee (Nov. 2006) (on file with Senate Banking and Insurance Committee).

⁴ *Id.*

⁵ *Id.*

⁶ *Supra* at 2.

⁷ *Id.*

⁸ Florida Building Commission, Florida Building Codes and Effective Dates, [Microsoft PowerPoint - currentdates05-2-18 \(floridabuilding.org\)](https://www.floridabuilding.org) (last visited May 14, 2022).

any 12-month period unless the entire existing roofing system or roof section is replaced to conform to requirements of this code.⁹

The Florida Building Code defines the term, “roof section,” as a separation or division of a roof area by existing joints, parapet walls, flashing (excluding valleys), difference of elevation (excluding hips and ridges), roof type or legal description; not including the roof area required for a proper tie-off with an existing system.¹⁰

Local Government Amendments to the Florida Building Code

The Florida Building Code authorizes local governments to adopt additional administrative requirements that are more stringent. Local technical amendments are subject to criteria established by s. 553.73(4), F.S. All local building codes that contain more stringent requirements in effect when the state minimum codes were adopted are expressly preserved by the 1974 Act.¹¹

In October 1957, the Board of County Commissioners of Dade County adopted the South Florida Building Code, and it was made effective December 31, 1957, as the building code for both the incorporated and unincorporated areas of Dade County, Florida.¹² The Board of County Commissioners of Broward County adopted the South Florida Building Code.¹³ While Miami-Dade County was the first to adopt the South Florida Building Code on December 31, 1957, Broward County was close behind, adopting a slightly modified version of the South Florida Building Code, Dade County Edition, applicable to the unincorporated portions of the county in 1961.¹⁴ It was not until 1976, however, that the South Florida Building Code was adopted as a mandatory standard for all municipalities in Broward County.¹⁵ The South Florida Building Code, originally adopted by Miami-Dade County and later by Broward County, contains the

⁹ 2020 Florida Building Code, 7th Edition, s. 1511.1.1, CHAPTER 15 ROOF ASSEMBLIES AND ROOFTOP STRUCTURES, [CHAPTER 15 ROOF ASSEMBLIES AND ROOFTOP STRUCTURES, 2020 Florida Building Code, Building, 7th Edition | ICC Digital Codes \(iccsafe.org\)](#) (last visited May 15, 2022).

¹⁰ Section 1502 of the Florida Building Code.

¹¹ See AGO 75-232 (Aug. 27, 1975), State Building Codes—Relation to South Florida Building Code, <http://myfloridalegal.com/ago.nsf/Opinions/58ED017B3E7A20F0852566B800520953> and AGO-96-37 (May 23, 1996) (last visited May 14, 2022) Counties--Charter Counties--Building Codes, The language of section 553.73, F.S., clearly recognizes the authority of local governments to regulate in this area, thus, legislation relating to building codes is not preempted to the State....Dade County and other charter counties have the authority to adopt more stringent regulations than those set forth in the State Minimum Building Codes as authorized by section 553.73, F.S. Regulations adopted by a charter county that are not more stringent than those set forth in the codes would be invalid.

<http://www.myfloridalegal.com/ago.nsf/Opinions/1FB613D88A7125138525633400614B36> (last visited May 14, 2022).

¹² See *THE SOUTH FLORIDA BUILDING CODE as adopted for BROWARD COUNTY, FLORIDA* <https://www.broward.org/CodeAppeals/Documents/Library/1957-SFBC.pdf> (last visited May 14, 2022).

¹³ *Id.* Due to certain statutory limitations, the Board of County Commissioners of Broward County was precluded from adopting some administrative, organizational, and enforcement sections contained in the South Florida Building Code.

¹⁴ Florida Public Hurricane Loss Model, The issue of code enforcement has also evolved https://fphlm.cs.fiu.edu/files/wind_certification/v6.3Submission/Docs/pages_revised_in_reponse_to_deficiencies/FPHLM_2_017_RevJanuary2019_Submission_Document_page-58.pdf (last visited May 15, 2022).

¹⁵ Broward County Code Appeals, History of South Florida Building Code, <https://www.broward.org/CodeAppeals/Pages/HistorySouthFloridaBuildingCode.aspx#:~:text=March%209%2C%201996%2C%20marked%20the,%2C%20a%20county%2Dwide%20standard> (last visited May 15, 2022). Chapter 71-575, L.O.F. This special act was incorporated in the Broward County Charter by public referendum (March 9, 1976).

following roof replacement standard that was later substantially adopted in the Florida Building Code:

ROOFING: Not more than 25 percent of the roof covering of any building or structure shall be replaced in any 12 month period unless the entire roof covering is made to conform to the requirements of this Code.¹⁶

The Florida Building Commission

The commission, which is housed within the Florida Department of Business and Professional Regulation, is a 19-member technical body responsible for the development, maintenance, and interpretation of the Florida Building Code. The commission also approves products for statewide acceptance. Members are appointed by the Governor and confirmed by the Senate and include design professionals, contractors, and government experts in the various disciplines covered by the Florida Building Code.¹⁷ The commission must update the Florida Building Code every three years.¹⁸

III. Effect of Proposed Changes:

Section 1. Amends s. 553.844, F.S. to require the Florida Building Code to provide that when 25 percent or more of a roofing system or roof section is being repaired, replaced, or recovered, only the portion of the roofing system or roof section undergoing such work must be constructed in accordance with the current Florida Building Code in effect at that time.

Currently, the Florida Building Code provides that not more than 25 percent of the total roof area or roof section of any existing building or structure shall be repaired, replaced or recovered in any 12-month period unless the entire existing roofing system or roof section is replaced to conform to requirements of this code. The bill creates an exception to this provision. The exception applies to roof systems and roof sections built, repaired, or replaced in accordance with the requirements of the 2007 Florida Building Code or subsequent editions.

The bill also prohibits a local government from adopting by ordinance an administrative or technical amendment to the exception created by the bill.

Section 2. This act takes effect upon becoming a law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

¹⁶ *Supra* at 12.

¹⁷ Section 553.74, F.S.

¹⁸ Section 553.73(7)(a), F.S.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The implementation of the change in the Florida Building Code may result in a reduction in the number of roofs being replaced rather than repaired by insurers in Florida, thereby reducing the total claims attributable to roof replacements.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 553.844 of the Florida Statutes.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.



155692

LEGISLATIVE ACTION

Senate	.	House
Comm: OO	.	
05/23/2022	.	
	.	
	.	
	.	

The Committee on Appropriations (Pizzo) recommended the following:

Senate Amendment (with title amendment)

Between lines 33 and 34

insert:

Section 2. Subsection (1) of section 468.4334, Florida Statutes, is amended to read:

468.4334 Professional practice standards; liability.-

(1) (a) A community association manager or a community association management firm is deemed to act as agent on behalf of a community association as principal within the scope of



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11 authority authorized by a written contract or under this
12 chapter. A community association manager and a community
13 association management firm shall discharge duties performed on
14 behalf of the association as authorized by this chapter loyally,
15 skillfully, and diligently; dealing honestly and fairly; in good
16 faith; with care and full disclosure to the community
17 association; accounting for all funds; and not charging
18 unreasonable or excessive fees.

19 (b) If a community association manager or a community
20 association management firm has a contract with a community
21 association that has a building on the association's property
22 that is subject to s. 553.899, the community association manager
23 or the community association management firm must comply with
24 that section as directed by the board.

25 Section 3. Section 553.899, Florida Statutes, is created to
26 read:

27 553.899 Mandatory structural inspections for condominium
28 and cooperative buildings.-

29 (1) The Legislature finds that maintaining the structural
30 integrity of a building throughout its service life is of
31 paramount importance in order to ensure that buildings are
32 structurally sound so as to not pose a threat to the public
33 health, safety, or welfare. As such, the Legislature finds that
34 the imposition of a statewide structural inspection program for
35 aging condominium and cooperative buildings in this state is
36 necessary to ensure that such buildings are safe for continued
37 use.

38 (2) As used in this section, the terms:

39 (a) "Milestone inspection" means a structural inspection of



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40 a building, including an inspection of load-bearing walls and
41 the primary structural members and primary structural systems as
42 those terms are defined in s. 627.706, by a licensed architect
43 or engineer authorized to practice in this state for the
44 purposes of attesting to the life safety and adequacy of the
45 structural components of the building and, to the extent
46 reasonably possible, determining the general structural
47 condition of the building as it affects the safety of such
48 building, including a determination of any necessary
49 maintenance, repair, or replacement of any structural component
50 of the building. The purpose of such inspection is not to
51 determine if the condition of an existing building is in
52 compliance with the Florida Building Code or the firesafety
53 code.

54 (b) "Substantial structural deterioration" means
55 substantial structural distress that negatively affects a
56 building's general structural condition and integrity. The term
57 does not include surface imperfections such as cracks,
58 distortion, sagging, deflections, misalignment, signs of
59 leakage, or peeling of finishes unless the licensed engineer or
60 architect performing the phase one or phase two inspection
61 determines that such surface imperfections are a sign of
62 substantial structural deterioration.

63 (3) A condominium association under chapter 718 and a
64 cooperative association under chapter 719 must have a milestone
65 inspection performed for each building that is three stories or
66 more in height by December 31 of the year in which the building
67 reaches 30 years of age, based on the date the certificate of
68 occupancy for the building was issued, and every 10 years



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69 thereafter. If the building is located within 3 miles of a
70 coastline as defined in s. 376.031, the condominium association
71 or cooperative association must have a milestone inspection
72 performed by December 31 of the year in which the building
73 reaches 25 years of age, based on the date the certificate of
74 occupancy for the building was issued, and every 10 years
75 thereafter. The condominium association or cooperative
76 association must arrange for the milestone inspection to be
77 performed and is responsible for ensuring compliance with the
78 requirements of this section. The condominium association or
79 cooperative association is responsible for all costs associated
80 with the inspection. This subsection does not apply to a two-
81 family or three-family dwelling with three or fewer habitable
82 stories above ground.

83 (4) If a milestone inspection is required under this
84 section and the building's certificate of occupancy was issued
85 on or before July 1, 1992, the building's initial milestone
86 inspection must be performed before December 31, 2024. If the
87 date of issuance for the certificate of occupancy is not
88 available, the date of issuance of the building's certificate of
89 occupancy shall be the date of occupancy evidenced in any record
90 of the local building official.

91 (5) Upon determining that a building must have a milestone
92 inspection, the local enforcement agency must provide written
93 notice of such required inspection to the condominium
94 association or cooperative association by certified mail, return
95 receipt requested.

96 (6) Within 180 days after receiving the written notice
97 under subsection (5), the condominium association or cooperative



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98 association must complete phase one of the milestone inspection.

99 For purposes of this section, completion of phase one of the

100 milestone inspection means the licensed engineer or architect

101 who performed the phase one inspection submitted the inspection

102 report by e-mail, United States Postal Service, or commercial

103 delivery service to the local enforcement agency.

104 (7) A milestone inspection consists of two phases:

105 (a) For phase one of the milestone inspection, a licensed

106 architect or engineer authorized to practice in this state shall

107 perform a visual examination of habitable and nonhabitable areas

108 of a building, including the major structural components of a

109 building, and provide a qualitative assessment of the structural

110 conditions of the building. If the architect or engineer finds

111 no signs of substantial structural deterioration to any building

112 components under visual examination, phase two of the

113 inspection, as provided in paragraph (b), is not required. An

114 architect or engineer who completes a phase one milestone

115 inspection shall prepare and submit an inspection report

116 pursuant to subsection (8).

117 (b) A phase two of the milestone inspection must be

118 performed if any substantial structural deterioration is

119 identified during phase one. A phase two inspection may involve

120 destructive or nondestructive testing at the inspector's

121 direction. The inspection may be as extensive or as limited as

122 necessary to fully assess areas of structural distress in order

123 to confirm that the building is structurally sound and safe for

124 its intended use and to recommend a program for fully assessing

125 and repairing distressed and damaged portions of the building.

126 When determining testing locations, the inspector must give



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127 preference to locations that are the least disruptive and most
128 easily repairable while still being representative of the
129 structure. An inspector who completes a phase two milestone
130 inspection shall prepare and submit an inspection report
131 pursuant to subsection (8).

132 (8) Upon completion of a phase one or phase two milestone
133 inspection, the architect or engineer who performed the
134 inspection must submit a sealed copy of the inspection report
135 with a separate summary of, at minimum, the material findings
136 and recommendations in the inspection report to the condominium
137 association or cooperative association, and to the building
138 official of the local government which has jurisdiction. The
139 inspection report must, at a minimum, meet all of the following
140 criteria:

141 (a) Bear the seal and signature, or the electronic
142 signature, of the licensed engineer or architect who performed
143 the inspection.

144 (b) Indicate the manner and type of inspection forming the
145 basis for the inspection report.

146 (c) Identify any substantial structural deterioration,
147 within a reasonable professional probability based on the scope
148 of the inspection, describe the extent of such deterioration,
149 and identify any recommended repairs for such deterioration.

150 (d) State whether unsafe or dangerous conditions, as those
151 terms are defined in the Florida Building Code, were observed.

152 (e) Recommend any remedial or preventive repair for any
153 items that are damaged but are not substantial structural
154 deterioration.

155 (f) Identify and describe any items requiring further



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156 inspection.

157 (9) The association must distribute a copy of the
158 inspector-prepared summary of the inspection report to each
159 condominium unit owner or cooperative unit owner, regardless of
160 the findings or recommendations in the report, by United States
161 mail or personal delivery and by electronic transmission to unit
162 owners who previously consented to received notice by electronic
163 transmission; must post a copy of the inspector-prepared summary
164 in a conspicuous place on the condominium or cooperative
165 property; and must publish the full report and inspector-
166 prepared summary on the association's website, if the
167 association is required to have a website.

168 (10) A local enforcement agency may prescribe timelines and
169 penalties with respect to compliance with this section.

170 (11) A board of county commissioners may adopt an ordinance
171 requiring that a condominium or cooperative association schedule
172 or commence repairs for substantial structural deterioration
173 within a specified timeframe after the local enforcement agency
174 receives a phase two inspection report; however, such repairs
175 must be commenced within 365 days after receiving such report.
176 If an association fails to submit proof to the local enforcement
177 agency that repairs have been scheduled or have commenced for
178 substantial structural deterioration identified in a phase two
179 inspection report within the required timeframe, the local
180 enforcement agency must review and determine if the building is
181 unsafe for human occupancy.

182 (12) The Florida Building Commission shall review the
183 milestone inspection requirements under this section and make
184 recommendations, if any, to the Legislature to ensure



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185 inspections are sufficient to determine the structural integrity
186 of a building. The commission must provide a written report of
187 any recommendations to the Governor, the President of the
188 Senate, and the Speaker of the House of Representatives by
189 December 31, 2022.

190 (13) The Florida Building Commission shall consult with the
191 State Fire Marshal to provide recommendations to the Legislature
192 for the adoption of comprehensive structural and life safety
193 standards for maintaining and inspecting all types of buildings
194 and structures in this state that are three stories or more in
195 height. The commission shall provide a written report of its
196 recommendations to the Governor, the President of the Senate,
197 and the Speaker of the House of Representatives by December 31,
198 2023.

199 Section 4. Paragraphs (a), (c), and (g) of subsection (12)
200 of section 718.111, Florida Statutes, are amended to read:

201 718.111 The association.—

202 (12) OFFICIAL RECORDS.—

203 (a) From the inception of the association, the association
204 shall maintain each of the following items, if applicable, which
205 constitutes the official records of the association:

206 1. A copy of the plans, permits, warranties, and other
207 items provided by the developer under s. 718.301(4).

208 2. A photocopy of the recorded declaration of condominium
209 of each condominium operated by the association and each
210 amendment to each declaration.

211 3. A photocopy of the recorded bylaws of the association
212 and each amendment to the bylaws.

213 4. A certified copy of the articles of incorporation of the



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214 association, or other documents creating the association, and
215 each amendment thereto.

216 5. A copy of the current rules of the association.

217 6. A book or books that contain the minutes of all meetings
218 of the association, the board of administration, and the unit
219 owners.

220 7. A current roster of all unit owners and their mailing
221 addresses, unit identifications, voting certifications, and, if
222 known, telephone numbers. The association shall also maintain
223 the e-mail addresses and facsimile numbers of unit owners
224 consenting to receive notice by electronic transmission. The e-
225 mail addresses and facsimile numbers are not accessible to unit
226 owners if consent to receive notice by electronic transmission
227 is not provided in accordance with sub-subparagraph (c)3.e.
228 However, the association is not liable for an inadvertent
229 disclosure of the e-mail address or facsimile number for
230 receiving electronic transmission of notices.

231 8. All current insurance policies of the association and
232 condominiums operated by the association.

233 9. A current copy of any management agreement, lease, or
234 other contract to which the association is a party or under
235 which the association or the unit owners have an obligation or
236 responsibility.

237 10. Bills of sale or transfer for all property owned by the
238 association.

239 11. Accounting records for the association and separate
240 accounting records for each condominium that the association
241 operates. Any person who knowingly or intentionally defaces or
242 destroys such records, or who knowingly or intentionally fails



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243 to create or maintain such records, with the intent of causing
244 harm to the association or one or more of its members, is
245 personally subject to a civil penalty pursuant to s.
246 718.501(1)(d). The accounting records must include, but are not
247 limited to:

248 a. Accurate, itemized, and detailed records of all receipts
249 and expenditures.

250 b. A current account and a monthly, bimonthly, or quarterly
251 statement of the account for each unit designating the name of
252 the unit owner, the due date and amount of each assessment, the
253 amount paid on the account, and the balance due.

254 c. All audits, reviews, accounting statements, and
255 financial reports of the association or condominium.

256 d. All contracts for work to be performed. Bids for work to
257 be performed are also considered official records and must be
258 maintained by the association for at least 1 year after receipt
259 of the bid.

260 12. Ballots, sign-in sheets, voting proxies, and all other
261 papers and electronic records relating to voting by unit owners,
262 which must be maintained for 1 year from the date of the
263 election, vote, or meeting to which the document relates,
264 notwithstanding paragraph (b).

265 13. All rental records if the association is acting as
266 agent for the rental of condominium units.

267 14. A copy of the current question and answer sheet as
268 described in s. 718.504.

269 15. A copy of the inspection reports ~~report~~ as described in
270 ss. 553.899 and 718.301(4)(p) and any other inspection report
271 relating to a structural or life safety inspection of



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272 condominium property. Such record must be maintained by the
273 association for 15 years after receipt of the report s-
274 718.301(4) (p).

275 16. Bids for materials, equipment, or services.

276 17. All affirmative acknowledgments made pursuant to s.
277 718.121(4) (c).

278 18. All other written records of the association not
279 specifically included in the foregoing which are related to the
280 operation of the association.

281 (c)1. The official records of the association are open to
282 inspection by any association member or the authorized
283 representative of such member at all reasonable times. The right
284 to inspect the records includes the right to make or obtain
285 copies, at the reasonable expense, if any, of the member or
286 authorized representative of such member. A renter of a unit has
287 a right to inspect and copy only the declaration of condominium,
288 ~~and~~ the association's bylaws and rules, and the inspection
289 reports described in ss. 553.899 and 718.301(4) (p). The
290 association may adopt reasonable rules regarding the frequency,
291 time, location, notice, and manner of record inspections and
292 copying but may not require a member to demonstrate any purpose
293 or state any reason for the inspection. The failure of an
294 association to provide the records within 10 working days after
295 receipt of a written request creates a rebuttable presumption
296 that the association willfully failed to comply with this
297 paragraph. A unit owner who is denied access to official records
298 is entitled to the actual damages or minimum damages for the
299 association's willful failure to comply. Minimum damages are \$50
300 per calendar day for up to 10 days, beginning on the 11th



301 working day after receipt of the written request. The failure to
302 permit inspection entitles any person prevailing in an
303 enforcement action to recover reasonable attorney fees from the
304 person in control of the records who, directly or indirectly,
305 knowingly denied access to the records.

306 2. Any person who knowingly or intentionally defaces or
307 destroys accounting records that are required by this chapter to
308 be maintained during the period for which such records are
309 required to be maintained, or who knowingly or intentionally
310 fails to create or maintain accounting records that are required
311 to be created or maintained, with the intent of causing harm to
312 the association or one or more of its members, is personally
313 subject to a civil penalty pursuant to s. 718.501(1)(d).

314 3. The association shall maintain an adequate number of
315 copies of the declaration, articles of incorporation, bylaws,
316 and rules, and all amendments to each of the foregoing, as well
317 as the question and answer sheet as described in s. 718.504 and
318 year-end financial information required under this section, on
319 the condominium property to ensure their availability to unit
320 owners and prospective purchasers, and may charge its actual
321 costs for preparing and furnishing these documents to those
322 requesting the documents. An association shall allow a member or
323 his or her authorized representative to use a portable device,
324 including a smartphone, tablet, portable scanner, or any other
325 technology capable of scanning or taking photographs, to make an
326 electronic copy of the official records in lieu of the
327 association's providing the member or his or her authorized
328 representative with a copy of such records. The association may
329 not charge a member or his or her authorized representative for



330 the use of a portable device. Notwithstanding this paragraph,
331 the following records are not accessible to unit owners:

332 a. Any record protected by the lawyer-client privilege as
333 described in s. 90.502 and any record protected by the work-
334 product privilege, including a record prepared by an association
335 attorney or prepared at the attorney's express direction, which
336 reflects a mental impression, conclusion, litigation strategy,
337 or legal theory of the attorney or the association, and which
338 was prepared exclusively for civil or criminal litigation or for
339 adversarial administrative proceedings, or which was prepared in
340 anticipation of such litigation or proceedings until the
341 conclusion of the litigation or proceedings.

342 b. Information obtained by an association in connection
343 with the approval of the lease, sale, or other transfer of a
344 unit.

345 c. Personnel records of association or management company
346 employees, including, but not limited to, disciplinary, payroll,
347 health, and insurance records. For purposes of this sub-
348 subparagraph, the term "personnel records" does not include
349 written employment agreements with an association employee or
350 management company, or budgetary or financial records that
351 indicate the compensation paid to an association employee.

352 d. Medical records of unit owners.

353 e. Social security numbers, driver license numbers, credit
354 card numbers, e-mail addresses, telephone numbers, facsimile
355 numbers, emergency contact information, addresses of a unit
356 owner other than as provided to fulfill the association's notice
357 requirements, and other personal identifying information of any
358 person, excluding the person's name, unit designation, mailing



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359 address, property address, and any address, e-mail address, or
360 facsimile number provided to the association to fulfill the
361 association's notice requirements. Notwithstanding the
362 restrictions in this sub-subparagraph, an association may print
363 and distribute to unit owners a directory containing the name,
364 unit address, and all telephone numbers of each unit owner.
365 However, an owner may exclude his or her telephone numbers from
366 the directory by so requesting in writing to the association. An
367 owner may consent in writing to the disclosure of other contact
368 information described in this sub-subparagraph. The association
369 is not liable for the inadvertent disclosure of information that
370 is protected under this sub-subparagraph if the information is
371 included in an official record of the association and is
372 voluntarily provided by an owner and not requested by the
373 association.

374 f. Electronic security measures that are used by the
375 association to safeguard data, including passwords.

376 g. The software and operating system used by the
377 association which allow the manipulation of data, even if the
378 owner owns a copy of the same software used by the association.
379 The data is part of the official records of the association.

380 h. All affirmative acknowledgments made pursuant to s.
381 718.121(4)(c).

382 (g)1. By January 1, 2019, an association managing a
383 condominium with 150 or more units which does not contain
384 timeshare units shall post digital copies of the documents
385 specified in subparagraph 2. on its website or make such
386 documents available through an application that can be
387 downloaded on a mobile device.



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388 a. The association's website or application must be:
389 (I) An independent website, application, or web portal
390 wholly owned and operated by the association; or
391 (II) A website, application, or web portal operated by a
392 third-party provider with whom the association owns, leases,
393 rents, or otherwise obtains the right to operate a web page,
394 subpage, web portal, collection of subpages or web portals, or
395 an application which is dedicated to the association's
396 activities and on which required notices, records, and documents
397 may be posted or made available by the association.
398 b. The association's website or application must be
399 accessible through the Internet and must contain a subpage, web
400 portal, or other protected electronic location that is
401 inaccessible to the general public and accessible only to unit
402 owners and employees of the association.
403 c. Upon a unit owner's written request, the association
404 must provide the unit owner with a username and password and
405 access to the protected sections of the association's website or
406 application which contain any notices, records, or documents
407 that must be electronically provided.
408 2. A current copy of the following documents must be posted
409 in digital format on the association's website or application:
410 a. The recorded declaration of condominium of each
411 condominium operated by the association and each amendment to
412 each declaration.
413 b. The recorded bylaws of the association and each
414 amendment to the bylaws.
415 c. The articles of incorporation of the association, or
416 other documents creating the association, and each amendment to



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417 the articles of incorporation or other documents. The copy
418 posted pursuant to this sub-subparagraph must be a copy of the
419 articles of incorporation filed with the Department of State.

420 d. The rules of the association.

421 e. A list of all executory contracts or documents to which
422 the association is a party or under which the association or the
423 unit owners have an obligation or responsibility and, after
424 bidding for the related materials, equipment, or services has
425 closed, a list of bids received by the association within the
426 past year. Summaries of bids for materials, equipment, or
427 services which exceed \$500 must be maintained on the website or
428 application for 1 year. In lieu of summaries, complete copies of
429 the bids may be posted.

430 f. The annual budget required by s. 718.112(2)(f) and any
431 proposed budget to be considered at the annual meeting.

432 g. The financial report required by subsection (13) and any
433 monthly income or expense statement to be considered at a
434 meeting.

435 h. The certification of each director required by s.
436 718.112(2)(d)4.b.

437 i. All contracts or transactions between the association
438 and any director, officer, corporation, firm, or association
439 that is not an affiliated condominium association or any other
440 entity in which an association director is also a director or
441 officer and financially interested.

442 j. Any contract or document regarding a conflict of
443 interest or possible conflict of interest as provided in ss.
444 468.436(2)(b)6. and 718.3027(3).

445 k. The notice of any unit owner meeting and the agenda for



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446 the meeting, as required by s. 718.112(2)(d)3., no later than 14
447 days before the meeting. The notice must be posted in plain view
448 on the front page of the website or application, or on a
449 separate subpage of the website or application labeled "Notices"
450 which is conspicuously visible and linked from the front page.
451 The association must also post on its website or application any
452 document to be considered and voted on by the owners during the
453 meeting or any document listed on the agenda at least 7 days
454 before the meeting at which the document or the information
455 within the document will be considered.

456 1. Notice of any board meeting, the agenda, and any other
457 document required for the meeting as required by s.
458 718.112(2)(c), which must be posted no later than the date
459 required for notice under s. 718.112(2)(c).

460 m. The inspection reports described in ss. 553.899 and
461 718.301(4)(p) and any other inspection report relating to a
462 structural or life safety inspection of condominium property.

463 3. The association shall ensure that the information and
464 records described in paragraph (c), which are not allowed to be
465 accessible to unit owners, are not posted on the association's
466 website or application. If protected information or information
467 restricted from being accessible to unit owners is included in
468 documents that are required to be posted on the association's
469 website or application, the association shall ensure the
470 information is redacted before posting the documents.

471 Notwithstanding the foregoing, the association or its agent is
472 not liable for disclosing information that is protected or
473 restricted under this paragraph unless such disclosure was made
474 with a knowing or intentional disregard of the protected or



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475 restricted nature of such information.

476 4. The failure of the association to post information
477 required under subparagraph 2. is not in and of itself
478 sufficient to invalidate any action or decision of the
479 association's board or its committees.

480 Section 5. Paragraph (p) is added to subsection (2) of
481 section 718.112, Florida Statutes, to read:

482 718.112 Bylaws.—

483 (2) REQUIRED PROVISIONS.—The bylaws shall provide for the
484 following and, if they do not do so, shall be deemed to include
485 the following:

486 (p) Mandatory milestone inspections.—If an association is
487 required to have a milestone inspection performed pursuant to s.
488 553.899, the association must arrange for the milestone
489 inspection to be performed and is responsible for ensuring
490 compliance with the requirements of s. 553.899. The association
491 is responsible for all costs associated with the inspection. If
492 the officers or directors of an association willfully and
493 knowingly fail to have a milestone inspection performed pursuant
494 to s. 553.899, such failure is a breach of the officers' and
495 directors' fiduciary relationship to the unit owners under s.
496 718.111(1) (a). Upon completion of a phase one or phase two
497 milestone inspection and receipt of the inspector-prepared
498 summary of the inspection report from the architect or engineer
499 who performed the inspection, the association must distribute a
500 copy of the inspector-prepared summary of the inspection report
501 to each unit owner, regardless of the findings or
502 recommendations in the report, by United States mail or personal
503 delivery and by electronic transmission to unit owners who



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504 previously consented to receive notice by electronic
505 transmission; must post a copy of the inspector-prepared summary
506 in a conspicuous place on the condominium property; and must
507 publish the full report and inspector-prepared summary on the
508 association's website, if the association is required to have a
509 website.

510 Section 6. Paragraph (p) of subsection (4) of section
511 718.301, Florida Statutes, is amended to read:

512 718.301 Transfer of association control; claims of defect
513 by association.—

514 (4) At the time that unit owners other than the developer
515 elect a majority of the members of the board of administration
516 of an association, the developer shall relinquish control of the
517 association, and the unit owners shall accept control.

518 Simultaneously, or for the purposes of paragraph (c) not more
519 than 90 days thereafter, the developer shall deliver to the
520 association, at the developer's expense, all property of the
521 unit owners and of the association which is held or controlled
522 by the developer, including, but not limited to, the following
523 items, if applicable, as to each condominium operated by the
524 association:

525 (p) Notwithstanding when the certificate of occupancy was
526 issued or the height of the building, a milestone inspection
527 report in compliance with s. 553.899 included in the official
528 records, under seal of an architect or engineer authorized to
529 practice in this state, and attesting to required maintenance,
530 condition, useful life, and replacement costs of the following
531 applicable condominium property ~~common elements~~ comprising a
532 turnover inspection report:



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- 533 1. Roof.
- 534 2. Structure, including load-bearing walls and primary
- 535 structural members and primary structural systems as those terms
- 536 are defined in s. 627.706.
- 537 3. Fireproofing and fire protection systems.
- 538 4. Elevators.
- 539 5. Heating and cooling systems.
- 540 6. Plumbing.
- 541 7. Electrical systems.
- 542 8. Swimming pool or spa and equipment.
- 543 9. Seawalls.
- 544 10. Pavement and parking areas.
- 545 11. Drainage systems.
- 546 12. Painting.
- 547 13. Irrigation systems.
- 548 14. Waterproofing.
- 549 Section 7. Subsection (1) of section 718.501, Florida
- 550 Statutes, is amended, and subsection (3) is added to that
- 551 section, to read:
- 552 718.501 Authority, responsibility, and duties of Division
- 553 of Florida Condominiums, Timeshares, and Mobile Homes.—
- 554 (1) The division may enforce and ensure compliance with
- 555 this chapter and rules relating to the development,
- 556 construction, sale, lease, ownership, operation, and management
- 557 of residential condominium units and complaints related to the
- 558 procedural completion of milestone inspections under s. 553.899.
- 559 In performing its duties, the division has complete jurisdiction
- 560 to investigate complaints and enforce compliance with respect to
- 561 associations that are still under developer control or the



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562 control of a bulk assignee or bulk buyer pursuant to part VII of
563 this chapter and complaints against developers, bulk assignees,
564 or bulk buyers involving improper turnover or failure to
565 turnover, pursuant to s. 718.301. However, after turnover has
566 occurred, the division has jurisdiction to investigate
567 complaints related only to financial issues, elections, and the
568 maintenance of and unit owner access to association records
569 under s. 718.111(12).

570 (a)1. The division may make necessary public or private
571 investigations within or outside this state to determine whether
572 any person has violated this chapter or any rule or order
573 hereunder, to aid in the enforcement of this chapter, or to aid
574 in the adoption of rules or forms.

575 2. The division may submit any official written report,
576 worksheet, or other related paper, or a duly certified copy
577 thereof, compiled, prepared, drafted, or otherwise made by and
578 duly authenticated by a financial examiner or analyst to be
579 admitted as competent evidence in any hearing in which the
580 financial examiner or analyst is available for cross-examination
581 and attests under oath that such documents were prepared as a
582 result of an examination or inspection conducted pursuant to
583 this chapter.

584 (b) The division may require or permit any person to file a
585 statement in writing, under oath or otherwise, as the division
586 determines, as to the facts and circumstances concerning a
587 matter to be investigated.

588 (c) For the purpose of any investigation under this
589 chapter, the division director or any officer or employee
590 designated by the division director may administer oaths or



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591 affirmations, subpoena witnesses and compel their attendance,
592 take evidence, and require the production of any matter which is
593 relevant to the investigation, including the existence,
594 description, nature, custody, condition, and location of any
595 books, documents, or other tangible things and the identity and
596 location of persons having knowledge of relevant facts or any
597 other matter reasonably calculated to lead to the discovery of
598 material evidence. Upon the failure by a person to obey a
599 subpoena or to answer questions propounded by the investigating
600 officer and upon reasonable notice to all affected persons, the
601 division may apply to the circuit court for an order compelling
602 compliance.

603 (d) Notwithstanding any remedies available to unit owners
604 and associations, if the division has reasonable cause to
605 believe that a violation of any provision of this chapter or
606 related rule has occurred, the division may institute
607 enforcement proceedings in its own name against any developer,
608 bulk assignee, bulk buyer, association, officer, or member of
609 the board of administration, or its assignees or agents, as
610 follows:

611 1. The division may permit a person whose conduct or
612 actions may be under investigation to waive formal proceedings
613 and enter into a consent proceeding whereby orders, rules, or
614 letters of censure or warning, whether formal or informal, may
615 be entered against the person.

616 2. The division may issue an order requiring the developer,
617 bulk assignee, bulk buyer, association, developer-designated
618 officer, or developer-designated member of the board of
619 administration, developer-designated assignees or agents, bulk



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620 assignee-designated assignees or agents, bulk buyer-designated
621 assignees or agents, community association manager, or community
622 association management firm to cease and desist from the
623 unlawful practice and take such affirmative action as in the
624 judgment of the division carry out the purposes of this chapter.
625 If the division finds that a developer, bulk assignee, bulk
626 buyer, association, officer, or member of the board of
627 administration, or its assignees or agents, is violating or is
628 about to violate any provision of this chapter, any rule adopted
629 or order issued by the division, or any written agreement
630 entered into with the division, and presents an immediate danger
631 to the public requiring an immediate final order, it may issue
632 an emergency cease and desist order reciting with particularity
633 the facts underlying such findings. The emergency cease and
634 desist order is effective for 90 days. If the division begins
635 nonemergency cease and desist proceedings, the emergency cease
636 and desist order remains effective until the conclusion of the
637 proceedings under ss. 120.569 and 120.57.

638 3. If a developer, bulk assignee, or bulk buyer fails to
639 pay any restitution determined by the division to be owed, plus
640 any accrued interest at the highest rate permitted by law,
641 within 30 days after expiration of any appellate time period of
642 a final order requiring payment of restitution or the conclusion
643 of any appeal thereof, whichever is later, the division must
644 bring an action in circuit or county court on behalf of any
645 association, class of unit owners, lessees, or purchasers for
646 restitution, declaratory relief, injunctive relief, or any other
647 available remedy. The division may also temporarily revoke its
648 acceptance of the filing for the developer to which the



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649 restitution relates until payment of restitution is made.

650 4. The division may petition the court for appointment of a
651 receiver or conservator. If appointed, the receiver or
652 conservator may take action to implement the court order to
653 ensure the performance of the order and to remedy any breach
654 thereof. In addition to all other means provided by law for the
655 enforcement of an injunction or temporary restraining order, the
656 circuit court may impound or sequester the property of a party
657 defendant, including books, papers, documents, and related
658 records, and allow the examination and use of the property by
659 the division and a court-appointed receiver or conservator.

660 5. The division may apply to the circuit court for an order
661 of restitution whereby the defendant in an action brought under
662 subparagraph 4. is ordered to make restitution of those sums
663 shown by the division to have been obtained by the defendant in
664 violation of this chapter. At the option of the court, such
665 restitution is payable to the conservator or receiver appointed
666 under subparagraph 4. or directly to the persons whose funds or
667 assets were obtained in violation of this chapter.

668 6. The division may impose a civil penalty against a
669 developer, bulk assignee, or bulk buyer, or association, or its
670 assignee or agent, for any violation of this chapter or related
671 rule. The division may impose a civil penalty individually
672 against an officer or board member who willfully and knowingly
673 violates this chapter, an adopted rule, or a final order of the
674 division; may order the removal of such individual as an officer
675 or from the board of administration or as an officer of the
676 association; and may prohibit such individual from serving as an
677 officer or on the board of a community association for a period



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678 of time. The term "willfully and knowingly" means that the
679 division informed the officer or board member that his or her
680 action or intended action violates this chapter, a rule adopted
681 under this chapter, or a final order of the division and that
682 the officer or board member refused to comply with the
683 requirements of this chapter, a rule adopted under this chapter,
684 or a final order of the division. The division, before
685 initiating formal agency action under chapter 120, must afford
686 the officer or board member an opportunity to voluntarily
687 comply, and an officer or board member who complies within 10
688 days is not subject to a civil penalty. A penalty may be imposed
689 on the basis of each day of continuing violation, but the
690 penalty for any offense may not exceed \$5,000. The division
691 shall adopt, by rule, penalty guidelines applicable to possible
692 violations or to categories of violations of this chapter or
693 rules adopted by the division. The guidelines must specify a
694 meaningful range of civil penalties for each such violation of
695 the statute and rules and must be based upon the harm caused by
696 the violation, the repetition of the violation, and upon such
697 other factors deemed relevant by the division. For example, the
698 division may consider whether the violations were committed by a
699 developer, bulk assignee, or bulk buyer, or owner-controlled
700 association, the size of the association, and other factors. The
701 guidelines must designate the possible mitigating or aggravating
702 circumstances that justify a departure from the range of
703 penalties provided by the rules. It is the legislative intent
704 that minor violations be distinguished from those which endanger
705 the health, safety, or welfare of the condominium residents or
706 other persons and that such guidelines provide reasonable and



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707 meaningful notice to the public of likely penalties that may be
708 imposed for proscribed conduct. This subsection does not limit
709 the ability of the division to informally dispose of
710 administrative actions or complaints by stipulation, agreed
711 settlement, or consent order. All amounts collected shall be
712 deposited with the Chief Financial Officer to the credit of the
713 Division of Florida Condominiums, Timeshares, and Mobile Homes
714 Trust Fund. If a developer, bulk assignee, or bulk buyer fails
715 to pay the civil penalty and the amount deemed to be owed to the
716 association, the division shall issue an order directing that
717 such developer, bulk assignee, or bulk buyer cease and desist
718 from further operation until such time as the civil penalty is
719 paid or may pursue enforcement of the penalty in a court of
720 competent jurisdiction. If an association fails to pay the civil
721 penalty, the division shall pursue enforcement in a court of
722 competent jurisdiction, and the order imposing the civil penalty
723 or the cease and desist order is not effective until 20 days
724 after the date of such order. Any action commenced by the
725 division shall be brought in the county in which the division
726 has its executive offices or in the county where the violation
727 occurred.

728 7. If a unit owner presents the division with proof that
729 the unit owner has requested access to official records in
730 writing by certified mail, and that after 10 days the unit owner
731 again made the same request for access to official records in
732 writing by certified mail, and that more than 10 days has
733 elapsed since the second request and the association has still
734 failed or refused to provide access to official records as
735 required by this chapter, the division shall issue a subpoena



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736 requiring production of the requested records where the records
737 are kept pursuant to s. 718.112.

738 8. In addition to subparagraph 6., the division may seek
739 the imposition of a civil penalty through the circuit court for
740 any violation for which the division may issue a notice to show
741 cause under paragraph (r). The civil penalty shall be at least
742 \$500 but no more than \$5,000 for each violation. The court may
743 also award to the prevailing party court costs and reasonable
744 attorney fees and, if the division prevails, may also award
745 reasonable costs of investigation.

746 (e) The division may prepare and disseminate a prospectus
747 and other information to assist prospective owners, purchasers,
748 lessees, and developers of residential condominiums in assessing
749 the rights, privileges, and duties pertaining thereto.

750 (f) The division may adopt rules to administer and enforce
751 this chapter.

752 (g) The division shall establish procedures for providing
753 notice to an association and the developer, bulk assignee, or
754 bulk buyer during the period in which the developer, bulk
755 assignee, or bulk buyer controls the association if the division
756 is considering the issuance of a declaratory statement with
757 respect to the declaration of condominium or any related
758 document governing such condominium community.

759 (h) The division shall furnish each association that pays
760 the fees required by paragraph (2)(a) a copy of this chapter, as
761 amended, and the rules adopted thereto on an annual basis.

762 (i) The division shall annually provide each association
763 with a summary of declaratory statements and formal legal
764 opinions relating to the operations of condominiums which were



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765 rendered by the division during the previous year.

766 (j) The division shall provide training and educational
767 programs for condominium association board members and unit
768 owners. The training may, in the division's discretion, include
769 web-based electronic media, and live training and seminars in
770 various locations throughout the state. The division may review
771 and approve education and training programs for board members
772 and unit owners offered by providers and shall maintain a
773 current list of approved programs and providers and make such
774 list available to board members and unit owners in a reasonable
775 and cost-effective manner.

776 (k) The division shall maintain a toll-free telephone
777 number accessible to condominium unit owners.

778 (l) The division shall develop a program to certify both
779 volunteer and paid mediators to provide mediation of condominium
780 disputes. The division shall provide, upon request, a list of
781 such mediators to any association, unit owner, or other
782 participant in alternative dispute resolution proceedings under
783 s. 718.1255 requesting a copy of the list. The division shall
784 include on the list of volunteer mediators only the names of
785 persons who have received at least 20 hours of training in
786 mediation techniques or who have mediated at least 20 disputes.
787 In order to become initially certified by the division, paid
788 mediators must be certified by the Supreme Court to mediate
789 court cases in county or circuit courts. However, the division
790 may adopt, by rule, additional factors for the certification of
791 paid mediators, which must be related to experience, education,
792 or background. Any person initially certified as a paid mediator
793 by the division must, in order to continue to be certified,



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794 comply with the factors or requirements adopted by rule.
795 (m) If a complaint is made, the division must conduct its
796 inquiry with due regard for the interests of the affected
797 parties. Within 30 days after receipt of a complaint, the
798 division shall acknowledge the complaint in writing and notify
799 the complainant whether the complaint is within the jurisdiction
800 of the division and whether additional information is needed by
801 the division from the complainant. The division shall conduct
802 its investigation and, within 90 days after receipt of the
803 original complaint or of timely requested additional
804 information, take action upon the complaint. However, the
805 failure to complete the investigation within 90 days does not
806 prevent the division from continuing the investigation,
807 accepting or considering evidence obtained or received after 90
808 days, or taking administrative action if reasonable cause exists
809 to believe that a violation of this chapter or a rule has
810 occurred. If an investigation is not completed within the time
811 limits established in this paragraph, the division shall, on a
812 monthly basis, notify the complainant in writing of the status
813 of the investigation. When reporting its action to the
814 complainant, the division shall inform the complainant of any
815 right to a hearing under ss. 120.569 and 120.57. The division
816 may adopt rules regarding the submission of a complaint against
817 an association.
818 (n) Condominium association directors, officers, and
819 employees; condominium developers; bulk assignees, bulk buyers,
820 and community association managers; and community association
821 management firms have an ongoing duty to reasonably cooperate
822 with the division in any investigation under this section. The



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823 division shall refer to local law enforcement authorities any
824 person whom the division believes has altered, destroyed,
825 concealed, or removed any record, document, or thing required to
826 be kept or maintained by this chapter with the purpose to impair
827 its verity or availability in the department's investigation.

828 (o) The division may:

829 1. Contract with agencies in this state or other
830 jurisdictions to perform investigative functions; or

831 2. Accept grants-in-aid from any source.

832 (p) The division shall cooperate with similar agencies in
833 other jurisdictions to establish uniform filing procedures and
834 forms, public offering statements, advertising standards, and
835 rules and common administrative practices.

836 (q) The division shall consider notice to a developer, bulk
837 assignee, or bulk buyer to be complete when it is delivered to
838 the address of the developer, bulk assignee, or bulk buyer
839 currently on file with the division.

840 (r) In addition to its enforcement authority, the division
841 may issue a notice to show cause, which must provide for a
842 hearing, upon written request, in accordance with chapter 120.

843 (s) The division shall submit to the Governor, the
844 President of the Senate, the Speaker of the House of
845 Representatives, and the chairs of the legislative
846 appropriations committees an annual report that includes, but
847 need not be limited to, the number of training programs provided
848 for condominium association board members and unit owners, the
849 number of complaints received by type, the number and percent of
850 complaints acknowledged in writing within 30 days and the number
851 and percent of investigations acted upon within 90 days in



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852 accordance with paragraph (m), and the number of investigations
853 exceeding the 90-day requirement. The annual report must also
854 include an evaluation of the division's core business processes
855 and make recommendations for improvements, including statutory
856 changes. The report shall be submitted by September 30 following
857 the end of the fiscal year.

858 (3) (a) On or before January 1, 2023, condominium
859 associations existing on or before July 1, 2022, must provide
860 the following information to the division in writing, by e-mail,
861 United States Postal Service, commercial delivery service, or
862 hand delivery, at a physical address or e-mail address provided
863 by the division and on a form posted on the division's website:

864 1. The number of buildings on the condominium property that
865 are three stories or higher in height.

866 2. The total number of units in all such buildings.

867 3. The addresses of all such buildings.

868 4. The counties in which all such buildings are located.

869 (b) The division must compile a list of the number of
870 buildings on condominium property that are three stories or
871 higher in height, which is searchable by county, and must post
872 the list on the division's website. This list must include all
873 of the following information:

874 1. The name of each association with buildings on the
875 condominium property that are three stories or higher in height.

876 2. The number of such buildings on each association's
877 property.

878 3. The addresses of all such buildings.

879 4. The counties in which all such buildings are located.

880 (c) An association must provide an update in writing to the



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881 division if there are any changes to the information in the list
882 under paragraph (b) within 6 months after the change.

883 Section 8. Present paragraphs (b) and (c) of subsection (2)
884 of section 718.503, Florida Statutes, are redesignated as
885 paragraphs (c) and (d), respectively, a new paragraph (b) is
886 added to that subsection, and paragraph (b) of subsection (1)
887 and paragraph (a) of subsection (2) of that section are amended,
888 to read:

889 718.503 Developer disclosure prior to sale; nondeveloper
890 unit owner disclosure prior to sale; voidability.—

891 (1) DEVELOPER DISCLOSURE.—

892 (b) *Copies of documents to be furnished to prospective*
893 *buyer or lessee.*—Until such time as the developer has furnished
894 the documents listed below to a person who has entered into a
895 contract to purchase a residential unit or lease it for more
896 than 5 years, the contract may be voided by that person,
897 entitling the person to a refund of any deposit together with
898 interest thereon as provided in s. 718.202. The contract may be
899 terminated by written notice from the proposed buyer or lessee
900 delivered to the developer within 15 days after the buyer or
901 lessee receives all of the documents required by this section.
902 The developer may not close for 15 days after ~~following~~ the
903 execution of the agreement and delivery of the documents to the
904 buyer as evidenced by a signed receipt for documents unless the
905 buyer is informed in the 15-day voidability period and agrees to
906 close before ~~prior to~~ the expiration of the 15 days. The
907 developer shall retain in his or her records a separate
908 agreement signed by the buyer as proof of the buyer's agreement
909 to close before ~~prior to~~ the expiration of the ~~said~~ voidability



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910 period. The developer must retain such ~~Said~~ proof ~~shall be~~
911 ~~retained~~ for a period of 5 years after the date of the closing
912 of the transaction. The documents to be delivered to the
913 prospective buyer are the prospectus or disclosure statement
914 with all exhibits, if the development is subject to ~~the~~
915 ~~provisions of~~ s. 718.504, or, if not, then copies of the
916 following which are applicable:

917 1. The question and answer sheet described in s. 718.504,
918 and declaration of condominium, or the proposed declaration if
919 the declaration has not been recorded, which shall include the
920 certificate of a surveyor approximately representing the
921 locations required by s. 718.104.

922 2. The documents creating the association.

923 3. The bylaws.

924 4. The ground lease or other underlying lease of the
925 condominium.

926 5. The management contract, maintenance contract, and other
927 contracts for management of the association and operation of the
928 condominium and facilities used by the unit owners having a
929 service term in excess of 1 year, and any management contracts
930 that are renewable.

931 6. The estimated operating budget for the condominium and a
932 schedule of expenses for each type of unit, including fees
933 assessed pursuant to s. 718.113(1) for the maintenance of
934 limited common elements where such costs are shared only by
935 those entitled to use the limited common elements.

936 7. The lease of recreational and other facilities that will
937 be used only by unit owners of the subject condominium.

938 8. The lease of recreational and other common facilities



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939 that will be used by unit owners in common with unit owners of
940 other condominiums.

941 9. The form of unit lease if the offer is of a leasehold.

942 10. Any declaration of servitude of properties serving the
943 condominium but not owned by unit owners or leased to them or
944 the association.

945 11. If the development is to be built in phases or if the
946 association is to manage more than one condominium, a
947 description of the plan of phase development or the arrangements
948 for the association to manage two or more condominiums.

949 12. If the condominium is a conversion of existing
950 improvements, the statements and disclosure required by s.
951 718.616.

952 13. The form of agreement for sale or lease of units.

953 14. A copy of the floor plan of the unit and the plot plan
954 showing the location of the residential buildings and the
955 recreation and other common areas.

956 15. A copy of all covenants and restrictions that ~~which~~
957 will affect the use of the property and ~~which~~ are not contained
958 in the foregoing.

959 16. If the developer is required by state or local
960 authorities to obtain acceptance or approval of any dock or
961 marina facilities intended to serve the condominium, a copy of
962 any such acceptance or approval acquired by the time of filing
963 with the division under s. 718.502(1), or a statement that such
964 acceptance or approval has not been acquired or received.

965 17. Evidence demonstrating that the developer has an
966 ownership, leasehold, or contractual interest in the land upon
967 which the condominium is to be developed.



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968 18. A copy of the inspector-prepared summary of the
969 milestone inspection report as described in ss. 553.899 and
970 718.301(4)(p).

971 (2) NONDEVELOPER DISCLOSURE.—

972 (a) Each unit owner who is not a developer as defined by
973 this chapter must ~~shall~~ comply with ~~the provisions of~~ this
974 subsection before ~~prior to~~ the sale of his or her unit. Each
975 prospective purchaser who has entered into a contract for the
976 purchase of a condominium unit is entitled, at the seller's
977 expense, to a current copy of all of the following:

978 1. The declaration of condominium.┐

979 2. Articles of incorporation of the association.┐

980 3. Bylaws and rules of the association.┐

981 4. Financial information required by s. 718.111.┐

982 5. A copy of the inspector-prepared summary of the
983 milestone inspection report as described in ss. 553.899 and
984 718.301(4)(p), if applicable.

985 7. and The document entitled "Frequently Asked Questions
986 and Answers" required by s. 718.504.

987 (b) On and after January 1, 2009, The prospective purchaser
988 is ~~shall~~ also ~~be~~ entitled to receive from the seller a copy of a
989 governance form. Such form shall be provided by the division
990 summarizing governance of condominium associations. In addition
991 to such other information as the division considers helpful to a
992 prospective purchaser in understanding association governance,
993 the governance form shall address the following subjects:

994 1. The role of the board in conducting the day-to-day
995 affairs of the association on behalf of, and in the best
996 interests of, the owners.



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997 2. The board's responsibility to provide advance notice of
998 board and membership meetings.

999 3. The rights of owners to attend and speak at board and
1000 membership meetings.

1001 4. The responsibility of the board and of owners with
1002 respect to maintenance of the condominium property.

1003 5. The responsibility of the board and owners to abide by
1004 the condominium documents, this chapter, rules adopted by the
1005 division, and reasonable rules adopted by the board.

1006 6. Owners' rights to inspect and copy association records
1007 and the limitations on such rights.

1008 7. Remedies available to owners with respect to actions by
1009 the board which may be abusive or beyond the board's power and
1010 authority.

1011 8. The right of the board to hire a property management
1012 firm, subject to its own primary responsibility for such
1013 management.

1014 9. The responsibility of owners with regard to payment of
1015 regular or special assessments necessary for the operation of
1016 the property and the potential consequences of failure to pay
1017 such assessments.

1018 10. The voting rights of owners.

1019 11. Rights and obligations of the board in enforcement of
1020 rules in the condominium documents and rules adopted by the
1021 board.

1022

1023 The governance form shall also include the following statement
1024 in conspicuous type: "This publication is intended as an
1025 informal educational overview of condominium governance. In the



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1026 event of a conflict, the provisions of chapter 718, Florida
1027 Statutes, rules adopted by the Division of Florida Condominiums,
1028 Timeshares, and Mobile Homes of the Department of Business and
1029 Professional Regulation, the provisions of the condominium
1030 documents, and reasonable rules adopted by the condominium
1031 association's board of administration prevail over the contents
1032 of this publication."

1033 Section 9. Paragraph (q) is added to subsection (24) of
1034 section 718.504, Florida Statutes, to read:

1035 718.504 Prospectus or offering circular.—Every developer of
1036 a residential condominium which contains more than 20
1037 residential units, or which is part of a group of residential
1038 condominiums which will be served by property to be used in
1039 common by unit owners of more than 20 residential units, shall
1040 prepare a prospectus or offering circular and file it with the
1041 Division of Florida Condominiums, Timeshares, and Mobile Homes
1042 prior to entering into an enforceable contract of purchase and
1043 sale of any unit or lease of a unit for more than 5 years and
1044 shall furnish a copy of the prospectus or offering circular to
1045 each buyer. In addition to the prospectus or offering circular,
1046 each buyer shall be furnished a separate page entitled
1047 "Frequently Asked Questions and Answers," which shall be in
1048 accordance with a format approved by the division and a copy of
1049 the financial information required by s. 718.111. This page
1050 shall, in readable language, inform prospective purchasers
1051 regarding their voting rights and unit use restrictions,
1052 including restrictions on the leasing of a unit; shall indicate
1053 whether and in what amount the unit owners or the association is
1054 obligated to pay rent or land use fees for recreational or other



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1055 commonly used facilities; shall contain a statement identifying
1056 that amount of assessment which, pursuant to the budget, would
1057 be levied upon each unit type, exclusive of any special
1058 assessments, and which shall further identify the basis upon
1059 which assessments are levied, whether monthly, quarterly, or
1060 otherwise; shall state and identify any court cases in which the
1061 association is currently a party of record in which the
1062 association may face liability in excess of \$100,000; and which
1063 shall further state whether membership in a recreational
1064 facilities association is mandatory, and if so, shall identify
1065 the fees currently charged per unit type. The division shall by
1066 rule require such other disclosure as in its judgment will
1067 assist prospective purchasers. The prospectus or offering
1068 circular may include more than one condominium, although not all
1069 such units are being offered for sale as of the date of the
1070 prospectus or offering circular. The prospectus or offering
1071 circular must contain the following information:

1072 (24) Copies of the following, to the extent they are
1073 applicable, shall be included as exhibits:

1074 (q) A copy of the inspector-prepared summary of the
1075 milestone inspection report as described in ss. 553.899 and
1076 718.301(4)(p), as applicable.

1077 Section 10. Paragraphs (a) and (c) of subsection (2) of
1078 section 719.104, Florida Statutes, are amended to read:

1079 719.104 Cooperatives; access to units; records; financial
1080 reports; assessments; purchase of leases.—

1081 (2) OFFICIAL RECORDS.—

1082 (a) From the inception of the association, the association
1083 shall maintain a copy of each of the following, where



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1084 applicable, which shall constitute the official records of the
1085 association:

1086 1. The plans, permits, warranties, and other items provided
1087 by the developer pursuant to s. 719.301(4).

1088 2. A photocopy of the cooperative documents.

1089 3. A copy of the current rules of the association.

1090 4. A book or books containing the minutes of all meetings
1091 of the association, of the board of directors, and of the unit
1092 owners.

1093 5. A current roster of all unit owners and their mailing
1094 addresses, unit identifications, voting certifications, and, if
1095 known, telephone numbers. The association shall also maintain
1096 the e-mail addresses and the numbers designated by unit owners
1097 for receiving notice sent by electronic transmission of those
1098 unit owners consenting to receive notice by electronic
1099 transmission. The e-mail addresses and numbers provided by unit
1100 owners to receive notice by electronic transmission shall be
1101 removed from association records when consent to receive notice
1102 by electronic transmission is revoked. However, the association
1103 is not liable for an erroneous disclosure of the e-mail address
1104 or the number for receiving electronic transmission of notices.

1105 6. All current insurance policies of the association.

1106 7. A current copy of any management agreement, lease, or
1107 other contract to which the association is a party or under
1108 which the association or the unit owners have an obligation or
1109 responsibility.

1110 8. Bills of sale or transfer for all property owned by the
1111 association.

1112 9. Accounting records for the association and separate



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1113 accounting records for each unit it operates, according to good
1114 accounting practices. The accounting records shall include, but
1115 not be limited to:

1116 a. Accurate, itemized, and detailed records of all receipts
1117 and expenditures.

1118 b. A current account and a monthly, bimonthly, or quarterly
1119 statement of the account for each unit designating the name of
1120 the unit owner, the due date and amount of each assessment, the
1121 amount paid upon the account, and the balance due.

1122 c. All audits, reviews, accounting statements, and
1123 financial reports of the association.

1124 d. All contracts for work to be performed. Bids for work to
1125 be performed shall also be considered official records and shall
1126 be maintained for a period of 1 year.

1127 10. Ballots, sign-in sheets, voting proxies, and all other
1128 papers and electronic records relating to voting by unit owners,
1129 which shall be maintained for a period of 1 year after the date
1130 of the election, vote, or meeting to which the document relates.

1131 11. All rental records where the association is acting as
1132 agent for the rental of units.

1133 12. A copy of the current question and answer sheet as
1134 described in s. 719.504.

1135 13. All affirmative acknowledgments made pursuant to s.
1136 719.108(3)(b)3.

1137 14. A copy of the inspection reports described in s.
1138 553.899 and 719.301(4)(p) and any other inspection report
1139 relating to a structural or life safety inspection of the
1140 cooperative property. Such record must be maintained by the
1141 association for 15 years after receipt of the report.



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1142 15. All other written records of the association not
1143 specifically included in the foregoing which are related to the
1144 operation of the association.

1145 (c) The official records of the association are open to
1146 inspection by any association member or the authorized
1147 representative of such member at all reasonable times. The right
1148 to inspect the records includes the right to make or obtain
1149 copies, at the reasonable expense, if any, of the association
1150 member. A renter of a unit has a right to inspect and copy only
1151 the association's bylaws and rules and the inspection reports
1152 described in ss. 553.899 and 719.301(4)(p). The association may
1153 adopt reasonable rules regarding the frequency, time, location,
1154 notice, and manner of record inspections and copying, but may
1155 not require a member to demonstrate any purpose or state any
1156 reason for the inspection. The failure of an association to
1157 provide the records within 10 working days after receipt of a
1158 written request creates a rebuttable presumption that the
1159 association willfully failed to comply with this paragraph. A
1160 member who is denied access to official records is entitled to
1161 the actual damages or minimum damages for the association's
1162 willful failure to comply. The minimum damages are \$50 per
1163 calendar day for up to 10 days, beginning on the 11th working
1164 day after receipt of the written request. The failure to permit
1165 inspection entitles any person prevailing in an enforcement
1166 action to recover reasonable attorney fees from the person in
1167 control of the records who, directly or indirectly, knowingly
1168 denied access to the records. Any person who knowingly or
1169 intentionally defaces or destroys accounting records that are
1170 required by this chapter to be maintained during the period for



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1171 which such records are required to be maintained, or who
1172 knowingly or intentionally fails to create or maintain
1173 accounting records that are required to be created or
1174 maintained, with the intent of causing harm to the association
1175 or one or more of its members, is personally subject to a civil
1176 penalty under s. 719.501(1)(d). The association shall maintain
1177 an adequate number of copies of the declaration, articles of
1178 incorporation, bylaws, and rules, and all amendments to each of
1179 the foregoing, as well as the question and answer sheet as
1180 described in s. 719.504 and year-end financial information
1181 required by the department, on the cooperative property to
1182 ensure their availability to members and prospective purchasers,
1183 and may charge its actual costs for preparing and furnishing
1184 these documents to those requesting the same. An association
1185 shall allow a member or his or her authorized representative to
1186 use a portable device, including a smartphone, tablet, portable
1187 scanner, or any other technology capable of scanning or taking
1188 photographs, to make an electronic copy of the official records
1189 in lieu of the association providing the member or his or her
1190 authorized representative with a copy of such records. The
1191 association may not charge a member or his or her authorized
1192 representative for the use of a portable device. Notwithstanding
1193 this paragraph, the following records shall not be accessible to
1194 members:

1195 1. Any record protected by the lawyer-client privilege as
1196 described in s. 90.502 and any record protected by the work-
1197 product privilege, including any record prepared by an
1198 association attorney or prepared at the attorney's express
1199 direction which reflects a mental impression, conclusion,



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1200 litigation strategy, or legal theory of the attorney or the
1201 association, and which was prepared exclusively for civil or
1202 criminal litigation or for adversarial administrative
1203 proceedings, or which was prepared in anticipation of such
1204 litigation or proceedings until the conclusion of the litigation
1205 or proceedings.

1206 2. Information obtained by an association in connection
1207 with the approval of the lease, sale, or other transfer of a
1208 unit.

1209 3. Personnel records of association or management company
1210 employees, including, but not limited to, disciplinary, payroll,
1211 health, and insurance records. For purposes of this
1212 subparagraph, the term "personnel records" does not include
1213 written employment agreements with an association employee or
1214 management company, or budgetary or financial records that
1215 indicate the compensation paid to an association employee.

1216 4. Medical records of unit owners.

1217 5. Social security numbers, driver license numbers, credit
1218 card numbers, e-mail addresses, telephone numbers, facsimile
1219 numbers, emergency contact information, addresses of a unit
1220 owner other than as provided to fulfill the association's notice
1221 requirements, and other personal identifying information of any
1222 person, excluding the person's name, unit designation, mailing
1223 address, property address, and any address, e-mail address, or
1224 facsimile number provided to the association to fulfill the
1225 association's notice requirements. Notwithstanding the
1226 restrictions in this subparagraph, an association may print and
1227 distribute to unit owners a directory containing the name, unit
1228 address, and all telephone numbers of each unit owner. However,



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1229 an owner may exclude his or her telephone numbers from the
1230 directory by so requesting in writing to the association. An
1231 owner may consent in writing to the disclosure of other contact
1232 information described in this subparagraph. The association is
1233 not liable for the inadvertent disclosure of information that is
1234 protected under this subparagraph if the information is included
1235 in an official record of the association and is voluntarily
1236 provided by an owner and not requested by the association.

1237 6. Electronic security measures that are used by the
1238 association to safeguard data, including passwords.

1239 7. The software and operating system used by the
1240 association which allow the manipulation of data, even if the
1241 owner owns a copy of the same software used by the association.
1242 The data is part of the official records of the association.

1243 8. All affirmative acknowledgments made pursuant to s.
1244 719.108(3)(b)3.

1245 Section 11. Paragraph (n) is added to subsection (1) of
1246 section 719.106, Florida Statutes, to read:

1247 719.106 Bylaws; cooperative ownership.—

1248 (1) MANDATORY PROVISIONS.—The bylaws or other cooperative
1249 documents shall provide for the following, and if they do not,
1250 they shall be deemed to include the following:

1251 (n) Mandatory milestone inspections.—If an association is
1252 required to have a milestone inspection performed pursuant to s.
1253 553.899, the association must arrange for the milestone
1254 inspection to be performed and is responsible for ensuring
1255 compliance with the requirements of s. 553.899. The association
1256 is responsible for all costs associated with the inspection. If
1257 the officers or directors of an association willfully and



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1258 knowingly fail to have a milestone inspection performed pursuant
1259 to s. 553.899, such failure is a breach of the officers' and
1260 directors' fiduciary relationship to the unit owners under s.
1261 719.104(8)(a). Upon completion of a phase one or phase two
1262 milestone inspection and receipt of the inspector-prepared
1263 summary of the inspection report from the architect or engineer
1264 who performed the inspection, the association must distribute a
1265 copy of the inspector-prepared summary of the inspection report
1266 to each unit owner, regardless of the findings or
1267 recommendations in the report, by United States mail or personal
1268 delivery and by electronic transmission to unit owners who
1269 previously consented to receive notice by electronic
1270 transmission; must post a copy of the inspector-prepared summary
1271 in a conspicuous place on the cooperative property; and must
1272 publish the full report and inspector-prepared summary on the
1273 association's website, if the association is required to have a
1274 website.

1275 Section 12. Paragraph (p) is added to subsection (4) of
1276 section 719.301, Florida Statutes, to read:

1277 719.301 Transfer of association control.—

1278 (4) When unit owners other than the developer elect a
1279 majority of the members of the board of administration of an
1280 association, the developer shall relinquish control of the
1281 association, and the unit owners shall accept control.
1282 Simultaneously, or for the purpose of paragraph (c) not more
1283 than 90 days thereafter, the developer shall deliver to the
1284 association, at the developer's expense, all property of the
1285 unit owners and of the association held or controlled by the
1286 developer, including, but not limited to, the following items,



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1287 if applicable, as to each cooperative operated by the
1288 association:

1289 (p) Notwithstanding when the certificate of occupancy was
1290 issued or the height of the building, a milestone inspection
1291 report in compliance with s. 553.899 included in the official
1292 records, under seal of an architect or engineer authorized to
1293 practice in this state, attesting to required maintenance,
1294 condition, useful life, and replacement costs of the following
1295 applicable cooperative property comprising a turnover inspection
1296 report:

1297 1. Roof.

1298 2. Structure, including load-bearing walls and primary
1299 structural members and primary structural systems as those terms
1300 are defined in s. 627.706.

1301 3. Fireproofing and fire protection systems.

1302 4. Elevators.

1303 5. Heating and cooling systems.

1304 6. Plumbing.

1305 7. Electrical systems.

1306 8. Swimming pool or spa and equipment.

1307 9. Seawalls.

1308 10. Pavement and parking areas.

1309 11. Drainage systems.

1310 12. Painting.

1311 13. Irrigation systems.

1312 14. Waterproofing.

1313 Section 13. Subsection (1) of section 719.501, Florida
1314 Statutes, is amended, and subsection (3) is added to that
1315 section, to read:



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1316 719.501 Powers and duties of Division of Florida
1317 Condominiums, Timeshares, and Mobile Homes.—

1318 (1) The Division of Florida Condominiums, Timeshares, and
1319 Mobile Homes of the Department of Business and Professional
1320 Regulation, referred to as the "division" in this part, in
1321 addition to other powers and duties prescribed by chapter 718,
1322 has the power to enforce and ensure compliance with this chapter
1323 and adopted rules relating to the development, construction,
1324 sale, lease, ownership, operation, and management of residential
1325 cooperative units and complaints related to the procedural
1326 completion of milestone inspections under s. 553.899. In
1327 performing its duties, the division shall have the following
1328 powers and duties:

1329 (a) The division may make necessary public or private
1330 investigations within or outside this state to determine whether
1331 any person has violated this chapter or any rule or order
1332 hereunder, to aid in the enforcement of this chapter, or to aid
1333 in the adoption of rules or forms hereunder.

1334 (b) The division may require or permit any person to file a
1335 statement in writing, under oath or otherwise, as the division
1336 determines, as to the facts and circumstances concerning a
1337 matter to be investigated.

1338 (c) For the purpose of any investigation under this
1339 chapter, the division director or any officer or employee
1340 designated by the division director may administer oaths or
1341 affirmations, subpoena witnesses and compel their attendance,
1342 take evidence, and require the production of any matter which is
1343 relevant to the investigation, including the existence,
1344 description, nature, custody, condition, and location of any



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1345 books, documents, or other tangible things and the identity and
1346 location of persons having knowledge of relevant facts or any
1347 other matter reasonably calculated to lead to the discovery of
1348 material evidence. Upon failure by a person to obey a subpoena
1349 or to answer questions propounded by the investigating officer
1350 and upon reasonable notice to all persons affected thereby, the
1351 division may apply to the circuit court for an order compelling
1352 compliance.

1353 (d) Notwithstanding any remedies available to unit owners
1354 and associations, if the division has reasonable cause to
1355 believe that a violation of any provision of this chapter or
1356 related rule has occurred, the division may institute
1357 enforcement proceedings in its own name against a developer,
1358 association, officer, or member of the board, or its assignees
1359 or agents, as follows:

1360 1. The division may permit a person whose conduct or
1361 actions may be under investigation to waive formal proceedings
1362 and enter into a consent proceeding whereby orders, rules, or
1363 letters of censure or warning, whether formal or informal, may
1364 be entered against the person.

1365 2. The division may issue an order requiring the developer,
1366 association, officer, or member of the board, or its assignees
1367 or agents, to cease and desist from the unlawful practice and
1368 take such affirmative action as in the judgment of the division
1369 will carry out the purposes of this chapter. Such affirmative
1370 action may include, but is not limited to, an order requiring a
1371 developer to pay moneys determined to be owed to a condominium
1372 association.

1373 3. The division may bring an action in circuit court on



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1374 behalf of a class of unit owners, lessees, or purchasers for
1375 declaratory relief, injunctive relief, or restitution.

1376 4. The division may impose a civil penalty against a
1377 developer or association, or its assignees or agents, for any
1378 violation of this chapter or related rule. The division may
1379 impose a civil penalty individually against any officer or board
1380 member who willfully and knowingly violates a provision of this
1381 chapter, a rule adopted pursuant to this chapter, or a final
1382 order of the division. The term "willfully and knowingly" means
1383 that the division informed the officer or board member that his
1384 or her action or intended action violates this chapter, a rule
1385 adopted under this chapter, or a final order of the division,
1386 and that the officer or board member refused to comply with the
1387 requirements of this chapter, a rule adopted under this chapter,
1388 or a final order of the division. The division, prior to
1389 initiating formal agency action under chapter 120, shall afford
1390 the officer or board member an opportunity to voluntarily comply
1391 with this chapter, a rule adopted under this chapter, or a final
1392 order of the division. An officer or board member who complies
1393 within 10 days is not subject to a civil penalty. A penalty may
1394 be imposed on the basis of each day of continuing violation, but
1395 in no event shall the penalty for any offense exceed \$5,000. By
1396 January 1, 1998, the division shall adopt, by rule, penalty
1397 guidelines applicable to possible violations or to categories of
1398 violations of this chapter or rules adopted by the division. The
1399 guidelines must specify a meaningful range of civil penalties
1400 for each such violation of the statute and rules and must be
1401 based upon the harm caused by the violation, the repetition of
1402 the violation, and upon such other factors deemed relevant by



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1403 the division. For example, the division may consider whether the
1404 violations were committed by a developer or owner-controlled
1405 association, the size of the association, and other factors. The
1406 guidelines must designate the possible mitigating or aggravating
1407 circumstances that justify a departure from the range of
1408 penalties provided by the rules. It is the legislative intent
1409 that minor violations be distinguished from those which endanger
1410 the health, safety, or welfare of the cooperative residents or
1411 other persons and that such guidelines provide reasonable and
1412 meaningful notice to the public of likely penalties that may be
1413 imposed for proscribed conduct. This subsection does not limit
1414 the ability of the division to informally dispose of
1415 administrative actions or complaints by stipulation, agreed
1416 settlement, or consent order. All amounts collected shall be
1417 deposited with the Chief Financial Officer to the credit of the
1418 Division of Florida Condominiums, Timeshares, and Mobile Homes
1419 Trust Fund. If a developer fails to pay the civil penalty, the
1420 division shall thereupon issue an order directing that such
1421 developer cease and desist from further operation until such
1422 time as the civil penalty is paid or may pursue enforcement of
1423 the penalty in a court of competent jurisdiction. If an
1424 association fails to pay the civil penalty, the division shall
1425 thereupon pursue enforcement in a court of competent
1426 jurisdiction, and the order imposing the civil penalty or the
1427 cease and desist order shall not become effective until 20 days
1428 after the date of such order. Any action commenced by the
1429 division shall be brought in the county in which the division
1430 has its executive offices or in the county where the violation
1431 occurred.



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1432 (e) The division may prepare and disseminate a prospectus
1433 and other information to assist prospective owners, purchasers,
1434 lessees, and developers of residential cooperatives in assessing
1435 the rights, privileges, and duties pertaining thereto.

1436 (f) The division has authority to adopt rules pursuant to
1437 ss. 120.536(1) and 120.54 to implement and enforce the
1438 provisions of this chapter.

1439 (g) The division shall establish procedures for providing
1440 notice to an association when the division is considering the
1441 issuance of a declaratory statement with respect to the
1442 cooperative documents governing such cooperative community.

1443 (h) The division shall furnish each association which pays
1444 the fees required by paragraph (2)(a) a copy of this act,
1445 subsequent changes to this act on an annual basis, an amended
1446 version of this act as it becomes available from the Secretary
1447 of State's office on a biennial basis, and the rules adopted
1448 thereto on an annual basis.

1449 (i) The division shall annually provide each association
1450 with a summary of declaratory statements and formal legal
1451 opinions relating to the operations of cooperatives which were
1452 rendered by the division during the previous year.

1453 (j) The division shall adopt uniform accounting principles,
1454 policies, and standards to be used by all associations in the
1455 preparation and presentation of all financial statements
1456 required by this chapter. The principles, policies, and
1457 standards shall take into consideration the size of the
1458 association and the total revenue collected by the association.

1459 (k) The division shall provide training and educational
1460 programs for cooperative association board members and unit



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1461 owners. The training may, in the division's discretion, include
1462 web-based electronic media, and live training and seminars in
1463 various locations throughout the state. The division may review
1464 and approve education and training programs for board members
1465 and unit owners offered by providers and shall maintain a
1466 current list of approved programs and providers and make such
1467 list available to board members and unit owners in a reasonable
1468 and cost-effective manner.

1469 (l) The division shall maintain a toll-free telephone
1470 number accessible to cooperative unit owners.

1471 (m) When a complaint is made to the division, the division
1472 shall conduct its inquiry with reasonable dispatch and with due
1473 regard to the interests of the affected parties. Within 30 days
1474 after receipt of a complaint, the division shall acknowledge the
1475 complaint in writing and notify the complainant whether the
1476 complaint is within the jurisdiction of the division and whether
1477 additional information is needed by the division from the
1478 complainant. The division shall conduct its investigation and
1479 shall, within 90 days after receipt of the original complaint or
1480 timely requested additional information, take action upon the
1481 complaint. However, the failure to complete the investigation
1482 within 90 days does not prevent the division from continuing the
1483 investigation, accepting or considering evidence obtained or
1484 received after 90 days, or taking administrative action if
1485 reasonable cause exists to believe that a violation of this
1486 chapter or a rule of the division has occurred. If an
1487 investigation is not completed within the time limits
1488 established in this paragraph, the division shall, on a monthly
1489 basis, notify the complainant in writing of the status of the



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1490 investigation. When reporting its action to the complainant, the
1491 division shall inform the complainant of any right to a hearing
1492 pursuant to ss. 120.569 and 120.57.

1493 (n) The division shall develop a program to certify both
1494 volunteer and paid mediators to provide mediation of cooperative
1495 disputes. The division shall provide, upon request, a list of
1496 such mediators to any association, unit owner, or other
1497 participant in arbitration proceedings under s. 718.1255
1498 requesting a copy of the list. The division shall include on the
1499 list of voluntary mediators only persons who have received at
1500 least 20 hours of training in mediation techniques or have
1501 mediated at least 20 disputes. In order to become initially
1502 certified by the division, paid mediators must be certified by
1503 the Supreme Court to mediate court cases in county or circuit
1504 courts. However, the division may adopt, by rule, additional
1505 factors for the certification of paid mediators, which factors
1506 must be related to experience, education, or background. Any
1507 person initially certified as a paid mediator by the division
1508 must, in order to continue to be certified, comply with the
1509 factors or requirements imposed by rules adopted by the
1510 division.

1511 (3) (a) On or before January 1, 2023, cooperative
1512 associations existing on or before July 1, 2022, must provide
1513 the following information to the division in writing, by e-mail,
1514 United States Postal Service, commercial delivery service, or
1515 hand delivery, at a physical address or e-mail address provided
1516 by the division and on a form posted on the division's website:

1517 1. The number of buildings on the cooperative property that
1518 are three stories or higher in height.



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1519 2. The total number of units in all such buildings.
1520 3. The addresses of all such buildings.
1521 4. The counties in which all such buildings are located.
1522 (b) The division must compile a list of the number of
1523 buildings on cooperative property that are three stories or
1524 higher in height, which is searchable by county, and must post
1525 the list on the division's website. This list must include all
1526 of the following information:
1527 1. The name of each association with buildings on the
1528 cooperative property that are three stories or higher in height.
1529 2. The number of such buildings on each association's
1530 property.
1531 3. The addresses of all such buildings.
1532 4. The counties in which all such buildings are located.
1533 (c) An association must provide an update in writing to the
1534 division if there are any changes to the information in the list
1535 under paragraph (b) within 6 months after the change.
1536 Section 14. Paragraph (b) of subsection (1) and paragraph
1537 (a) of subsection (2) of section 719.503, Florida Statutes, are
1538 amended to read:
1539 719.503 Disclosure prior to sale.—
1540 (1) DEVELOPER DISCLOSURE.—
1541 (b) *Copies of documents to be furnished to prospective*
1542 *buyer or lessee.*—Until such time as the developer has furnished
1543 the documents listed below to a person who has entered into a
1544 contract to purchase a unit or lease it for more than 5 years,
1545 the contract may be voided by that person, entitling the person
1546 to a refund of any deposit together with interest thereon as
1547 provided in s. 719.202. The contract may be terminated by



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1548 written notice from the proposed buyer or lessee delivered to
1549 the developer within 15 days after the buyer or lessee receives
1550 all of the documents required by this section. The developer may
1551 ~~shall~~ not close for 15 days after ~~following~~ the execution of the
1552 agreement and delivery of the documents to the buyer as
1553 evidenced by a receipt for documents signed by the buyer unless
1554 the buyer is informed in the 15-day voidability period and
1555 agrees to close before ~~prior to~~ the expiration of the 15 days.
1556 The developer shall retain in his or her records a separate
1557 signed agreement as proof of the buyer's agreement to close
1558 before ~~prior to~~ the expiration of the ~~said~~ voidability period.
1559 The developer must retain such ~~Said~~ proof ~~shall be retained~~ for
1560 a period of 5 years after the date of the closing transaction.
1561 The documents to be delivered to the prospective buyer are the
1562 prospectus or disclosure statement with all exhibits, if the
1563 development is subject to ~~the provisions of~~ s. 719.504, or, if
1564 not, then copies of the following which are applicable:
1565 1. The question and answer sheet described in s. 719.504,
1566 and cooperative documents, or the proposed cooperative documents
1567 if the documents have not been recorded, which shall include the
1568 certificate of a surveyor approximately representing the
1569 locations required by s. 719.104.
1570 2. The documents creating the association.
1571 3. The bylaws.
1572 4. The ground lease or other underlying lease of the
1573 cooperative.
1574 5. The management contract, maintenance contract, and other
1575 contracts for management of the association and operation of the
1576 cooperative and facilities used by the unit owners having a



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1577 service term in excess of 1 year, and any management contracts
1578 that are renewable.

1579 6. The estimated operating budget for the cooperative and a
1580 schedule of expenses for each type of unit, including fees
1581 assessed to a shareholder who has exclusive use of limited
1582 common areas, where such costs are shared only by those entitled
1583 to use such limited common areas.

1584 7. The lease of recreational and other facilities that will
1585 be used only by unit owners of the subject cooperative.

1586 8. The lease of recreational and other common areas that
1587 will be used by unit owners in common with unit owners of other
1588 cooperatives.

1589 9. The form of unit lease if the offer is of a leasehold.

1590 10. Any declaration of servitude of properties serving the
1591 cooperative but not owned by unit owners or leased to them or
1592 the association.

1593 11. If the development is to be built in phases or if the
1594 association is to manage more than one cooperative, a
1595 description of the plan of phase development or the arrangements
1596 for the association to manage two or more cooperatives.

1597 12. If the cooperative is a conversion of existing
1598 improvements, the statements and disclosure required by s.
1599 719.616.

1600 13. The form of agreement for sale or lease of units.

1601 14. A copy of the floor plan of the unit and the plot plan
1602 showing the location of the residential buildings and the
1603 recreation and other common areas.

1604 15. A copy of all covenants and restrictions that ~~which~~
1605 will affect the use of the property and ~~which~~ are not contained



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1606 in the foregoing.

1607 16. If the developer is required by state or local
1608 authorities to obtain acceptance or approval of any dock or
1609 marina facilities intended to serve the cooperative, a copy of
1610 any such acceptance or approval acquired by the time of filing
1611 with the division pursuant to s. 719.502(1) or a statement that
1612 such acceptance or approval has not been acquired or received.

1613 17. Evidence demonstrating that the developer has an
1614 ownership, leasehold, or contractual interest in the land upon
1615 which the cooperative is to be developed.

1616 18. A copy of the inspector-prepared summary of the
1617 milestone inspection report as described in ss. 553.899 and
1618 719.301(4)(p), if applicable.

1619 (2) NONDEVELOPER DISCLOSURE.—

1620 (a) Each unit owner who is not a developer as defined by
1621 this chapter must comply with ~~the provisions of~~ this subsection
1622 before ~~prior to~~ the sale of his or her interest in the
1623 association. Each prospective purchaser who has entered into a
1624 contract for the purchase of an interest in a cooperative is
1625 entitled, at the seller's expense, to a current copy of all of
1626 the following:

1627 1. The articles of incorporation of the association.~~7~~

1628 2. The bylaws~~7~~ and rules of the association.

1629 3. ~~as well as~~ A copy of the question and answer sheet as
1630 provided in s. 719.504.

1631 4. A copy of the inspector-prepared summary of the
1632 milestone inspection report as described in ss. 553.899 and
1633 719.301(4)(p), if applicable.

1634 Section 15. Paragraph (q) is added to subsection (23) of



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1635 section 719.504, Florida Statutes, to read:

1636 719.504 Prospectus or offering circular.—Every developer of
1637 a residential cooperative which contains more than 20
1638 residential units, or which is part of a group of residential
1639 cooperatives which will be served by property to be used in
1640 common by unit owners of more than 20 residential units, shall
1641 prepare a prospectus or offering circular and file it with the
1642 Division of Florida Condominiums, Timeshares, and Mobile Homes
1643 prior to entering into an enforceable contract of purchase and
1644 sale of any unit or lease of a unit for more than 5 years and
1645 shall furnish a copy of the prospectus or offering circular to
1646 each buyer. In addition to the prospectus or offering circular,
1647 each buyer shall be furnished a separate page entitled
1648 “Frequently Asked Questions and Answers,” which must be in
1649 accordance with a format approved by the division. This page
1650 must, in readable language: inform prospective purchasers
1651 regarding their voting rights and unit use restrictions,
1652 including restrictions on the leasing of a unit; indicate
1653 whether and in what amount the unit owners or the association is
1654 obligated to pay rent or land use fees for recreational or other
1655 commonly used facilities; contain a statement identifying that
1656 amount of assessment which, pursuant to the budget, would be
1657 levied upon each unit type, exclusive of any special
1658 assessments, and which identifies the basis upon which
1659 assessments are levied, whether monthly, quarterly, or
1660 otherwise; state and identify any court cases in which the
1661 association is currently a party of record in which the
1662 association may face liability in excess of \$100,000; and state
1663 whether membership in a recreational facilities association is



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1664 mandatory and, if so, identify the fees currently charged per
1665 unit type. The division shall by rule require such other
1666 disclosure as in its judgment will assist prospective
1667 purchasers. The prospectus or offering circular may include more
1668 than one cooperative, although not all such units are being
1669 offered for sale as of the date of the prospectus or offering
1670 circular. The prospectus or offering circular must contain the
1671 following information:

1672 (23) Copies of the following, to the extent they are
1673 applicable, shall be included as exhibits:

1674 (q) A copy of the inspector-prepared summary of the
1675 milestone inspection report as described in ss. 553.899 and
1676 719.301(4)(p), if applicable.

1677
1678 ===== T I T L E A M E N D M E N T =====

1679 And the title is amended as follows:

1680 Delete lines 2 - 12

1681 and insert:

1682 An act relating to buildings and community
1683 associations; amending s. 553.844, F.S.; providing
1684 that the entire roofing system or roof section of
1685 certain existing buildings or structures does not have
1686 to be repaired, replaced, or recovered in accordance
1687 with the Florida Building Code under certain
1688 circumstances; requiring the Florida Building
1689 Commission to adopt rules and incorporate the rules
1690 into the building code; prohibiting local governments
1691 from adopting certain administrative or technical
1692 amendments to the building code; amending s. 468.4334,



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1693 F.S.; requiring community association managers and
1694 community association management firms to comply with
1695 a specified provision under certain circumstances;
1696 creating s. 553.899, F.S.; providing legislative
1697 findings; defining the terms "milestone inspection"
1698 and "substantial structural deterioration"; specifying
1699 that the purpose of a milestone inspection is not to
1700 determine compliance with the Florida Building Code or
1701 the firesafety code; requiring condominium
1702 associations and cooperative associations to have
1703 milestone inspections performed on certain buildings
1704 at specified times; specifying that such associations
1705 are responsible for costs relating to milestone
1706 inspections; providing applicability; requiring that
1707 initial milestone inspections for certain buildings be
1708 performed before a specified date; requiring local
1709 enforcement agencies to provide certain written notice
1710 to condominium associations and cooperative
1711 associations; requiring condominium associations and
1712 cooperative associations to complete phase one of a
1713 milestone inspection within a specified timeframe;
1714 specifying that milestone inspections consist of two
1715 phases; providing requirements for each phase of a
1716 milestone inspection; requiring architects and
1717 engineers performing a milestone inspection to submit
1718 a sealed copy of the inspection report and a summary
1719 that includes specified findings and recommendations
1720 to certain entities; providing requirements for such
1721 inspection reports; requiring condominium associations



1722 and cooperative associations to distribute and post a
1723 copy of each inspection report and summary in a
1724 specified manner; authorizing local enforcement
1725 agencies to prescribe timelines and penalties relating
1726 to milestone inspections; authorizing boards of county
1727 commissioners to adopt certain ordinances relating to
1728 repairs for substantial structural deterioration;
1729 requiring local enforcement agencies to review and
1730 determine if a building is unsafe for human occupancy
1731 under certain circumstances; requiring the Florida
1732 Building Commission to review milestone inspection
1733 requirements and make any recommendations to the
1734 Governor and the Legislature by a specified date;
1735 requiring the commission to consult with the State
1736 Fire Marshal to provide certain recommendations to the
1737 Governor and the Legislature by a specified date;
1738 amending s. 718.111, F.S.; revising the types of
1739 records that constitute the official records of a
1740 condominium association; requiring associations to
1741 maintain specified records for a certain timeframe;
1742 specifying that renters of a unit have the right to
1743 inspect and copy certain reports; requiring
1744 associations to post a copy of certain reports and
1745 reserve studies on the association's website; amending
1746 s. 718.112, F.S.; restating requirements for
1747 associations relating to milestone inspections;
1748 specifying that if the officers or directors of a
1749 condominium association fail to have a milestone
1750 inspection performed, such failure is a breach of



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1751 their fiduciary relationship to the unit owners;
1752 amending s. 718.301, F.S.; revising reporting
1753 requirements relating to the transfer of association
1754 control; amending s. 718.501, F.S.; revising the
1755 Division of Florida Condominiums, Timeshares, and
1756 Mobile Homes' authority relating to enforcement and
1757 compliance; requiring certain associations to provide
1758 certain information and updates to the division by a
1759 specified date and within a specified timeframe;
1760 requiring the division to compile a list with certain
1761 information and post such list on its website;
1762 amending s. 718.503, F.S.; revising the documents that
1763 must be delivered to a prospective buyer or lessee of
1764 a residential unit; revising requirements for
1765 nondeveloper disclosures; amending s. 718.504, F.S.;
1766 revising requirements for prospectuses and offering
1767 circulars; amending s. 719.104, F.S.; revising the
1768 types of records that constitute the official records
1769 of a cooperative association; requiring associations
1770 to maintain specified records for a certain timeframe;
1771 specifying that renters of a unit have the right to
1772 inspect and copy certain reports; amending s. 719.106,
1773 F.S.; restating requirements for associations relating
1774 to milestone inspections; specifying that if the
1775 officers or directors of a cooperative association
1776 fail to have a milestone inspection performed, such
1777 failure is a breach of their fiduciary relationship to
1778 the unit owners; amending s. 719.301, F.S.; requiring
1779 developers to deliver a turnover inspection report



155692

1780 relating to cooperative property under certain
1781 circumstances; amending s. 719.501, F.S.; revising the
1782 division's authority relating to enforcement and
1783 compliance; requiring certain associations to provide
1784 certain information and updates to the division by a
1785 specified date and within a specified time; requiring
1786 the division to compile a list with certain
1787 information and post such list on its website;
1788 amending s. 719.503, F.S.; revising the documents that
1789 must be delivered to a prospective buyer or lessee of
1790 a residential unit; revising nondeveloper disclosure
1791 requirements; amending s. 719.504, F.S.; revising
1792 requirements for prospectuses and offering circulars;
1793 providing an

By Senator Boyd

21-00004-22D

20224D__

1 A bill to be entitled
 2 An act relating to roof repair, replacement, and
 3 recovering requirements; amending s. 553.844, F.S.;
 4 providing that the entire roofing system or roof
 5 section of certain existing buildings or structures
 6 does not have to be repaired, replaced, or recovered
 7 in accordance with the Florida Building Code under
 8 certain circumstances; requiring the Florida Building
 9 Commission to adopt rules and incorporate the rules
 10 into the building code; prohibiting local governments
 11 from adopting certain administrative or technical
 12 amendments to the building code; providing an
 13 effective date.

14
 15 Be It Enacted by the Legislature of the State of Florida:

16
 17 Section 1. Subsection (5) is added to section 553.844,
 18 Florida Statutes, to read:

19 553.844 Windstorm loss mitigation; requirements for roofs
 20 and opening protection.—

21 (5) Notwithstanding any provision in the Florida Building
 22 Code to the contrary, if an existing roofing system or roof
 23 section was built, repaired, or replaced in compliance with the
 24 requirements of the 2007 Florida Building Code, or any
 25 subsequent editions of the Florida Building Code, and 25 percent
 26 or more of such roofing system or roof section is being
 27 repaired, replaced, or recovered, only the repaired, replaced,
 28 or recovered portion is required to be constructed in accordance
 29 with the Florida Building Code in effect, as applicable. The

Page 1 of 2

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

21-00004-22D

20224D__

30 Florida Building Commission shall adopt this exception by rule
 31 and incorporate it in the Florida Building Code. Notwithstanding
 32 s. 553.73(4), a local government may not adopt by ordinance an
 33 administrative or technical amendment to this exception.

34 Section 2. This act shall take effect upon becoming a law.

Page 2 of 2

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

May 23, 2022

The Florida Senate
APPEARANCE RECORD

SB 4D

Meeting Date

Appropriations

Deliver both copies of this form to
Senate professional staff conducting the meeting

Bill Number or Topic

Committee

Richie Kidwell

Amendment Barcode (if applicable)

(321) 219-9060

Name

Phone

Address

941 W Morse Blvd, Suite 100

Email

info@raflorida.org

Street

Winter Park

FL

32789

City

State

Zip

Speaking: For Against Information **OR** Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022JointRules.pdf \(flsenate.gov\)](#)

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S-001 (08/10/2021)

5/23/2022

Meeting Date

The Florida Senate APPEARANCE RECORD

SB 4-D

Bill Number or Topic

Deliver both copies of this form to
Senate professional staff conducting the meeting

Committee

Amendment Barcode (if applicable)

Name

Hillary Cassel - Florida

Phone

561 202-5713

Address

4000 Hollywood Blvd. Policyholders Cooperative

Email

hcassel@cassel.law

Street

Hollywood

City

FL

State

33021

Zip

Speaking: For Against Information **OR** Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. 511.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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5/23/22
Meeting Date

The Florida Senate APPEARANCE RECORD

Deliver both copies of this form to
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4-D
ROOFING / INSURANCE
Bill Number or Topic

Committee

Amendment Barcode (if applicable)

Name

DANIEL ARGUELLES

Phone

305-710-6659

Address

13201 SW 98th St.

Email

ARGUELLES67@aol.com

Street

City

MIAMI

State

FLA.

Zip

33106

Speaking:

For

Against

Information

OR

Waive Speaking:

In Support

Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

05/23/2022

Meeting Date

SB 0040 - Roofing

Bill Number or Topic

Appropriations

Committee

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Amendment Barcode (if applicable)

Name

~~Troy Goldman~~ TREY Goldman

Phone

(850) 224-1400

Address

200 S Monroe St

Email

TreyG@floridarealtors.org

Street

Tallahassee

City

FL

State

32301

Zip

Speaking:

For

Against

Information

OR

Waive Speaking:

In Support

Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

Florida Realtors

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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S-001 (08/10/2021)

5/23/22

Meeting Date

The Florida Senate APPEARANCE RECORD

4D

Bill Number or Topic

Appropriations

Deliver both copies of this form to
Senate professional staff conducting the meeting

Committee

Amendment Barcode (if applicable)

Name BG Murphy

Phone 850-893-4155

Address P.O. Box 12129

Email bmurphy@faia.com

Street

Tallahassee

FL

32317

City

State

Zip

Speaking: For Against Information **OR** Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

FL Association of Insurance Agents

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules: staff@leg.state.fl.us](#)

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S-001 (08/10/2021)

5/23/22

Meeting Date

The Florida Senate APPEARANCE RECORD

410

Bill Number or Topic

Deliver both copies of this form to
Senate professional staff conducting the meeting

Appropriations

Committee

Amendment Barcode (if applicable)

Name

Scott Matiyow

Phone

850-597-7425

Address

215 S. Monroe St ^{Suit} 835

Email

Scott.Matiyow@PIFF *not*

Street

Tallahassee

State

FL

32301

City

Zip

Speaking:

For

Against

Information

OR

Waive Speaking:

In Support

Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

Personal Insurance Federation of Florida

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flisenate.gov\)](https://www.flisenate.gov/2020-2022JointRules.pdf)

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S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to Senate professional staff conducting the meeting

5/23/22 Meeting Date

4-D Bill Number or Topic

Appropriations Committee

Amendment Barcode (if applicable)

Name Caitlin Murray

Phone (850) 491-8424

Address 850 S. Gadsden St. Unit #904 Street

Email cmurray@gmail.com

Tallahassee FL 32301 City State Zip

Speaking: [] For [] Against [] Information OR Waive Speaking: [X] In Support [] Against

PLEASE CHECK ONE OF THE FOLLOWING:

[] I am appearing without compensation or sponsorship.

[X] I am a registered lobbyist, representing:

NAMIC

[] I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. 511.045 and Joint Rule 1. 2020-2022 Joint Rules.pdf (flsenate.gov)

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The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to Senate professional staff conducting the meeting

5/23/2022

Meeting Date

Senate Approps

Committee

4D

Bill Number or Topic

155692

Amendment Barcode (if applicable)

Name

TRAVIS MOORE

Phone

727.421.6902

Address

P.O. Box 2020

Street

Email

travis@moore-relations.com

St. Petersburg FL

City

State

33731

Zip

Speaking:

For

Against

Information

OR

Waive Speaking:

In Support

Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

Community Associations Institute

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flisenate.gov\)](#)

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CourtSmart Tag Report

Room: KB 412
Caption: Senate Appropriations Committee

Case No.: -

Type:
Judge:

Started: 5/23/2022 10:32:59 AM

Ends: 5/23/2022 3:34:19 PM

Length: 05:01:21

10:33:01 AM Sen. Stargel (Chair)
10:34:36 AM S 2-D
10:34:38 AM Sen. Boyd
10:46:39 AM Sen. Rouson
10:47:13 AM Sen. Boyd
10:47:23 AM Sen. Rouson
10:47:43 AM Sen. Boyd
10:48:01 AM Sen. Rouson
10:48:18 AM Sen. Boyd
10:49:21 AM Sen. Rouson
10:49:41 AM Sen. Boyd
10:50:31 AM Sen. Rouson
10:50:41 AM Sen. Boyd
10:51:29 AM Sen. Rouson
10:51:58 AM Sen. Boyd
10:52:29 AM Sen. Rouson
10:52:41 AM Sen. Boyd
10:53:21 AM Sen. Rouson
10:53:59 AM Sen. Boyd
10:54:45 AM Sen. Bean (Chair)
10:54:52 AM Sen. Powell
10:55:13 AM Sen. Boyd
10:55:34 AM Sen. Powell
10:55:42 AM Sen. Boyd
10:56:09 AM Sen. Powell
10:56:40 AM Sen. Boyd
10:58:21 AM Sen. Powell
10:58:41 AM Sen. Boyd
11:00:11 AM Sen. Powell
11:00:11 AM Sen. Stargel (Chair)
11:01:12 AM Sen. Boyd
11:02:11 AM Sen. Powell
11:03:44 AM Sen. Boyd
11:05:39 AM Sen. Powell
11:06:08 AM Sen. Boyd
11:07:26 AM Sen. Powell
11:07:50 AM Sen. Stargel
11:08:41 AM Sen. Osgood
11:09:35 AM Sen. Stargel
11:09:54 AM Sen. Boyd
11:11:31 AM Sen. Gibson
11:12:05 AM Sen. Boyd
11:12:54 AM Sen. Stargel
11:13:24 AM Sen. Gibson
11:14:05 AM Sen. Boyd
11:15:25 AM Sen. Gibson
11:15:49 AM Sen. Boyd
11:16:20 AM Sen. Gibson
11:16:28 AM Sen. Boyd
11:17:33 AM Sen. Gibson
11:17:47 AM Sen. Boyd
11:18:34 AM Sen. Gibson

11:19:00 AM	Sen. Boyd
11:19:56 AM	Sen. Gibson
11:20:23 AM	Sen. Boyd
11:20:59 AM	Sen. Gibson
11:21:38 AM	Sen. Boyd
11:22:21 AM	Sen. Gibson
11:23:13 AM	Sen. Boyd
11:24:30 AM	Sen. Gibson
11:25:08 AM	Sen. Boyd
11:25:52 AM	Sen. Gibson
11:26:11 AM	Sen. Boyd
11:27:04 AM	Sen. Gibson
11:27:48 AM	Sen. Boyd
11:28:57 AM	Sen. Gibson
11:29:16 AM	Sen. Boyd
11:29:35 AM	Sen. Gibson
11:30:03 AM	Sen. Boyd
11:30:26 AM	Sen. Gibson
11:30:44 AM	Sen. Boyd
11:31:12 AM	Sen. Book
11:31:55 AM	Sen. Boyd
11:33:59 AM	Sen. Book
11:34:22 AM	Sen. Boyd
11:34:51 AM	Sen. Book
11:35:15 AM	Sen. Boyd
11:36:11 AM	Sen. Book
11:36:52 AM	Sen. Boyd
11:37:34 AM	Sen. Book
11:38:01 AM	Sen. Boyd
11:38:30 AM	Sen. Stewart
11:39:46 AM	Sen. Boyd
11:40:09 AM	Sen. Bracy
11:41:07 AM	Sen. Boyd
11:42:35 AM	Sen. Bracy
11:43:07 AM	Sen. Boyd
11:44:05 AM	Sen. Bracy
11:44:38 AM	Sen. Boyd
11:46:25 AM	Sen. Broxson
11:47:17 AM	Sen. Boyd
11:48:53 AM	Sen. Brandes
11:48:58 AM	Sen. Boyd
11:49:06 AM	Sen. Brandes
11:49:12 AM	Sen. Boyd
11:49:30 AM	Sen. Brandes
11:49:33 AM	Sen. Boyd
11:49:40 AM	Sen. Brandes
11:49:50 AM	Sen. Boyd
11:50:38 AM	Sen. Brandes
11:50:55 AM	Sen. Boyd
11:51:51 AM	Sen. Brandes
11:53:52 AM	Sen. Boyd
11:54:02 AM	Sen. Brandes
11:54:17 AM	Sen. Boyd
11:55:16 AM	Sen. Brandes
11:55:59 AM	Sen. Boyd
11:57:14 AM	Sen. Brandes
11:57:16 AM	Sen. Boyd
11:57:23 AM	Sen. Brandes
11:59:04 AM	Sen. Boyd
11:59:42 AM	Sen. Brandes
12:00:13 PM	Sen. Boyd
12:00:41 PM	Sen. Brandes

12:01:09 PM	Sen. Boyd
12:01:25 PM	Sen. Brandes
12:01:48 PM	Sen. Boyd
12:01:57 PM	Sen. Brandes
12:02:21 PM	Sen. Boyd
12:02:34 PM	Sen. Stargel
12:03:10 PM	Sen. Boyd
12:03:30 PM	Sen. Rouson
12:04:37 PM	Sen. Boyd
12:05:54 PM	Sen. Rouson
12:06:06 PM	Sen. Boyd
12:06:59 PM	Sen. Gibson
12:07:27 PM	Sen. Boyd
12:08:17 PM	Sen. Gibson
12:08:41 PM	Sen. Boyd
12:09:54 PM	Sen. Gibson
12:10:23 PM	Sen. Boyd
12:10:49 PM	Sen. Gibson
12:11:11 PM	Sen. Boyd
12:11:18 PM	Sen. Gibson
12:11:59 PM	Sen. Boyd
12:12:44 PM	Sen. Gibson
12:14:06 PM	Sen. Boyd
12:14:33 PM	Sen. Pizzo
12:15:09 PM	Sen. Boyd
12:15:35 PM	Sen. Pizzo
12:16:02 PM	Sen. Boyd
12:16:32 PM	Sen. Pizzo
12:16:53 PM	Sen. Boyd
12:17:30 PM	Sen. Pizzo
12:17:49 PM	Sen. Boyd
12:18:40 PM	Sen. Pizzo
12:19:22 PM	Sen. Boyd
12:19:27 PM	Sen. Pizzo
12:19:42 PM	Sen. Boyd
12:19:58 PM	Sen. Pizzo
12:20:22 PM	Sen. Boyd
12:21:30 PM	Sen. Pizzo
12:21:38 PM	Sen. Boyd
12:21:47 PM	Sen. Pizzo
12:22:16 PM	Sen. Boyd
12:22:19 PM	Sen. Pizzo
12:23:31 PM	Sen. Boyd
12:24:31 PM	Sen. Pizzo
12:28:43 PM	Sen. Boyd
12:30:02 PM	Sen. Pizzo
12:30:31 PM	Sen. Boyd
12:31:01 PM	Sen. Pizzo
12:31:12 PM	Sen. Boyd
12:31:20 PM	Sen. Pizzo
12:32:03 PM	Sen. Boyd
12:32:42 PM	Sen. Pizzo
12:33:39 PM	Sen. Boyd
12:34:37 PM	Sen. Gainer
12:36:29 PM	Sen. Boyd
12:38:10 PM	Sen. Gainer
12:38:24 PM	Sen. Boyd
12:38:51 PM	Am. 892970
12:39:04 PM	Sen. Boyd
12:39:36 PM	Sen. Brandes
12:39:47 PM	Sen. Boyd
12:39:50 PM	Sen. Brandes

12:40:06 PM Sen. Boyd
12:40:20 PM Am. 624398
12:40:28 PM Sen. Boyd
12:40:47 PM Am. 233284
12:40:53 PM Sen. Powell
12:41:43 PM Tyler Chasez, Attorney
12:44:31 PM Sen. Boyd
12:45:09 PM Sen. Powell
12:46:40 PM Am. 142174
12:46:48 PM Sen. Brandes
12:48:58 PM Tyler Chasez, Attorney
12:50:26 PM Sen. Brandes
12:50:45 PM T. Chasez
12:51:08 PM Sen. Boyd
12:51:37 PM Sen. Brandes
12:53:02 PM Am. 920248
12:53:05 PM Sen. Rouson
12:53:41 PM Ron Haynes, Florida Justice Assn.
12:54:46 PM Sen. Pizzo
12:55:01 PM R. Haynes
12:55:54 PM Sen. Pizzo
12:56:15 PM R. Haynes
12:56:36 PM Sen. Boyd
12:56:54 PM Sen. Rouson
12:57:52 PM Am. 698794
12:57:55 PM Sen. Boyd
12:58:51 PM Am. 630500
12:58:55 PM Am. 651870
12:59:05 PM Sen. Gibson
1:00:32 PM Ron Haynes, FL Justice Assn.
1:01:27 PM Sen. Stargel
1:01:58 PM Hillary Cassel, Florida Policyholders Cooperative
1:03:38 PM Sen. Pizzo
1:04:36 PM Sen. Boyd
1:05:05 PM Sen. Gibson
1:06:15 PM Am. 651870 (cont.)
1:06:18 PM Sen. Gibson
1:06:31 PM Am. 965780
1:06:32 PM Sen. Book
1:08:18 PM Sen. Pizzo
1:09:17 PM Sen. Brandes
1:10:11 PM Sen. Boyd
1:11:10 PM Sen. Book
1:12:07 PM Am. 406018
1:12:16 PM Sen. Passidomo
1:13:01 PM Sen. Pizzo
1:13:12 PM S 2-D (cont.)
1:13:30 PM Sen. Pizzo
1:14:28 PM Sen. Boyd
1:14:51 PM David Altmaier, Commissioner, Office of Insurance Regulation
1:15:15 PM Sen. Pizzo
1:16:03 PM D. Altmaier
1:16:52 PM Sen. Pizzo
1:17:15 PM D. Altmaier
1:18:02 PM Sen. Pizzo
1:19:12 PM D. Altmaier
1:19:18 PM Sen. Pizzo
1:19:35 PM D. Altmaier
1:19:42 PM Sen. Pizzo
1:20:02 PM D. Altmaier
1:21:13 PM Sen. Pizzo
1:21:19 PM D. Altmaier

1:21:44 PM Sen. Pizzo
1:22:38 PM D. Altmaier
1:23:21 PM Sen. Pizzo
1:23:36 PM D. Altmaier
1:23:48 PM Sen. Pizzo
1:23:52 PM D. Altmaier
1:24:33 PM Sen. Pizzo
1:25:09 PM D. Altmaier
1:25:15 PM Sen. Stargel
1:25:41 PM D. Altmaier
1:26:05 PM Sen. Stargel
1:26:10 PM D. Altmaier
1:26:52 PM Sen. Stargel
1:27:05 PM D. Altmaier
1:27:23 PM Sen. Stargel
1:28:01 PM D. Altmaier
1:28:08 PM Sen. Brandes
1:28:27 PM D. Altmaier
1:28:39 PM Sen. Brandes
1:28:45 PM D. Altmaier
1:29:09 PM Sen. Brandes
1:29:36 PM D. Altmaier
1:29:46 PM Sen. Brandes
1:30:03 PM D. Altmaier
1:30:25 PM Sen. Brandes
1:30:32 PM D. Altmaier
1:30:44 PM Sen. Brandes
1:30:49 PM D. Altmaier
1:31:01 PM Sen. Brandes
1:31:13 PM D. Altmaier
1:31:22 PM Sen. Brandes
1:31:30 PM D. Altmaier
1:31:38 PM Sen. Brandes
1:31:44 PM D. Altmaier
1:32:15 PM Sen. Brandes
1:32:19 PM D. Altmaier
1:32:34 PM Sen. Brandes
1:32:50 PM D. Altmaier
1:32:59 PM Trey Goldman, Florida Realtors (waives in support)
1:33:05 PM Adam Basford, Associated Industries of FL (waives in support)
1:33:09 PM Eric De Campos, National Insurance Crime Bureau (waives in support)
1:33:12 PM BG Murphy, FL Assn. of Insurance Agents (waives in support)
1:33:18 PM Austin Stowers, Office of CFO Jimmy Patronis
1:33:22 PM Chris Dawson, FL Roofing and Sheet Metal Contractors Assn.
1:33:27 PM Caitlin Murray, National Assn. of Mutual Insurance Companies
1:33:48 PM Sen. Bean (Chair)
1:34:13 PM Michael Carlson, CEO, Personal Insurance Federation of Florida, Inc.
1:35:52 PM Ryan Jones
1:39:08 PM Richie Kidwell
1:43:17 PM Sen. Brandes
1:43:29 PM R. Kidwell
1:43:37 PM Sen. Brandes
1:44:00 PM R. Kidwell
1:44:44 PM Sen. Brandes
1:44:59 PM R. Kidwell
1:45:09 PM Sen. Brandes
1:45:46 PM R. Kidwell
1:46:07 PM Sen. Brandes
1:46:44 PM R. Kidwell
1:47:22 PM Sen. Pizzo
1:48:19 PM R. Kidwell
1:48:56 PM Sen. Pizzo

1:49:04 PM Tyler Chasez, Attorney
1:52:15 PM Aram Megerian, Florida Justice Reform Institute
1:54:41 PM Sen. Pizzo
1:55:04 PM A. Megerian
1:56:39 PM Sen. Pizzo
1:58:14 PM A. Megerian
1:59:48 PM Sen. Stargel (Chair)
1:59:49 PM Sen. Pizzo
2:00:07 PM A. Megerian
2:02:42 PM Sen. Pizzo
2:03:52 PM A. Megerian
2:05:31 PM Sen. Pizzo
2:06:09 PM A. Megerian
2:07:11 PM Sen. Rouson
2:07:36 PM A. Megerian
2:08:32 PM Sen. Rouson
2:08:40 PM A. Megerian
2:09:22 PM Carolyn Johnson, Florida Chamber of Commerce
2:09:40 PM Jerry Theodoro, Director, R Street Institute
2:13:47 PM Hadi Boulos (waives in opposition)
2:14:15 PM Greg (no last name provided)
2:16:04 PM Reggie Garcia, Florida Justice Assn.
2:23:22 PM Sen. Brandes
2:23:34 PM R. Garcia
2:23:38 PM Sen. Brandes
2:23:41 PM R. Garcia
2:23:57 PM Sen. Brandes
2:24:20 PM R. Garcia
2:25:34 PM Sen. Brandes
2:26:05 PM R. Garcia
2:26:36 PM Sen. Brandes
2:26:44 PM R. Garcia
2:27:19 PM Sen. Brandes
2:27:31 PM R. Garcia
2:28:31 PM Sen. Stargel
2:28:47 PM Sen. Pizzo
2:29:14 PM R. Garcia
2:31:14 PM Hillary Cassel, Florida Policyholders Cooperative
2:33:16 PM Ron Haynes, Florida Justice Assn.
2:36:02 PM Sen. Brandes
2:36:33 PM Sen. Pizzo
2:41:02 PM Sen. Bean (Chair)
2:41:05 PM Sen. Gibson
2:46:28 PM Sen. Stewart
2:48:58 PM Sen. Powell
2:51:48 PM Sen. Bracy
2:53:25 PM Sen. Brandes
2:58:21 PM Sen. Book
3:01:21 PM Sen. Broxson
3:02:28 PM Sen. Stargel
3:03:29 PM Sen. Boyd
3:12:40 PM S 4-D
3:13:14 PM Sen. Boyd
3:14:22 PM Sen. Gibson
3:14:39 PM Sen. Boyd
3:14:59 PM Sen. Gibson
3:15:21 PM Sen. Boyd
3:15:53 PM Sen. Gibson
3:16:31 PM Sen. Boyd
3:16:50 PM Sen. Gibson
3:17:02 PM Sen. Boyd
3:17:32 PM Sen. Brandes

3:18:22 PM Sen. Boyd
3:18:31 PM Sen. Brandes
3:18:40 PM Sen. Boyd
3:18:48 PM Sen. Brandes
3:19:05 PM Sen. Stargel
3:19:22 PM Am. 155692
3:19:41 PM Sen. Passidomo
3:20:26 PM Sen. Stargel
3:20:58 PM Sen. Pizzo
3:23:19 PM Sen. Stargel
3:23:34 PM S 4-D (cont.)
3:23:50 PM Richie Kidwell
3:26:59 PM Hillary Cassel, Florida Policyholders Cooperative
3:29:30 PM Daniel Arguelles
3:31:56 PM Trey Goldman, Florida Realtors
3:32:02 PM BG Murphy, FL Assn. of Insurance Agents
3:32:07 PM Scott Matiyow, Personal Insurance Federation of FL
3:32:13 PM Caitlin Murray, National Assn. of Mutual Insurance Companies
3:32:24 PM Sen. Boyd