

Tab 1	SB 298 by Boyd ; (Identical to H 00267) Telehealth Practice Standards						
Tab 2	SB 516 by DiCeglie ; (Identical to H 00057) Motor Vehicle Liability Policies						
Tab 3	SB 532 by Burton ; (Identical to H 00607) Money Services Businesses						
336708	A	S	RCS	BI, Burton	Delete L.13 - 57:	03/17 10:09 AM	
Tab 4	SB 564 by Hutson ; (Similar to CS/H 00677) Interchange Fees on Taxes						
135986	D	S	RCS	BI, Hutson	Delete everything after	03/17 10:09 AM	
Tab 5	SB 594 by Martin ; (Compare to CS/H 00799) Residential Property Insurance Rates						
Tab 6	SB 624 by Grall (CO-INTRODUCERS) Perry ; (Similar to CS/CS/H 00331) Liens and Bonds						
Tab 7	SB 748 by Boyd ; (Similar to CS/H 00881) My Safe Florida Home Program						
402088	A	S	RCS	BI, Boyd	Delete L.72 - 248:	03/17 10:09 AM	
Tab 8	SB 1002 by Stewart (CO-INTRODUCERS) Hooper ; (Similar to CS/H 00541) Motor Vehicle Glass						

The Florida Senate
COMMITTEE MEETING EXPANDED AGENDA

BANKING AND INSURANCE
Senator Boyd, Chair
Senator DiCeglie, Vice Chair

MEETING DATE: Wednesday, March 15, 2023

TIME: 1:00—3:00 p.m.

PLACE: Pat Thomas Committee Room, 412 Knott Building

MEMBERS: Senator Boyd, Chair; Senator DiCeglie, Vice Chair; Senators Broxson, Burgess, Burton, Hutson, Ingoglia, Mayfield, Powell, Thompson, Torres, and Trumbull

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
1	SB 298 Boyd (Similar H 79, Identical H 267)	Telehealth Practice Standards; Revising the definition of the term “telehealth”, etc. HP 02/20/2023 Favorable BI 03/15/2023 Favorable RC	Favorable Yeas 12 Nays 0
2	SB 516 DiCeglie (Identical H 57)	Motor Vehicle Liability Policies; Revising the definition of the term “motor vehicle liability policy” to include certain policies issued by risk retention groups; defining the term “risk retention group”, etc. BI 03/15/2023 Temporarily Postponed JU RC	Temporarily Postponed
3	SB 532 Burton (Identical H 607)	Money Services Businesses; Revising the definition of the term “control person” for purposes of ch. 560, F.S.; defining the term “governing documents”, etc. BI 03/15/2023 Fav/CS CM RC	Fav/CS Yeas 12 Nays 0
4	SB 564 Hutson (Similar CS/H 677)	Interchange Fees on Taxes; Requiring that certain taxes listed on evidences of sales must be excluded from the amount on which an interchange fee is charged for that electronic payment transaction; specifying requirements for payment card networks in deducting taxes or rebating amounts; specifying requirements for payment card networks if a merchant or seller is unable to capture and transmit tax amounts relevant to the sale at the time of sale; providing a penalty, etc. BI 03/15/2023 Fav/CS CM RC	Fav/CS Yeas 9 Nays 2

COMMITTEE MEETING EXPANDED AGENDA

Banking and Insurance

Wednesday, March 15, 2023, 1:00—3:00 p.m.

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
5	SB 594 Martin (Compare CS/H 799)	Residential Property Insurance Rates; Adding wind uplift prevention to a list of fixtures or construction techniques for which a residential property insurance rate filing must include actuarially reasonable rate differentials or appropriate deductible reductions, etc. BI 03/15/2023 Favorable CA FP	Favorable Yeas 12 Nays 0
6	SB 624 Grall (Similar CS/CS/H 331)	Liens and Bonds; Revising when a notice of contest of claim against a payment bond must be served; requiring service of documents to be made in a specified manner; providing for the computation of time when certain time periods fall on specified days or during an emergency; revising requirements for a notice of termination; revising when an owner may record a notice of termination; requiring service of documents relating to construction bonds to be made in a specified manner; requiring that a copy of a notice of nonpayment be served on the surety; revising the amount required in addition to the deposit or bond that applies toward attorney fees and court costs, etc. BI 03/15/2023 Favorable JU RC	Favorable Yeas 12 Nays 0
7	SB 748 Boyd (Similar CS/H 881)	My Safe Florida Home Program; Providing that licensed, rather than certified, inspectors are to provide hurricane mitigation inspections on site-built, single-family, residential properties that have been granted a homestead exemption; revising the hurricane mitigation inspectors that may be selected by the Department of Financial Services to provide hurricane mitigation inspections; revising the criteria for mitigation grant eligibility for homeowners; revising the improvements for which mitigation grants may be used; deleting a provision authorizing low-income homeowners to use grant funds for specified purposes, etc. BI 03/15/2023 Fav/CS AEG FP	Fav/CS Yeas 12 Nays 0

COMMITTEE MEETING EXPANDED AGENDA

Banking and Insurance

Wednesday, March 15, 2023, 1:00—3:00 p.m.

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
8	SB 1002 Stewart (Similar CS/H 541)	Motor Vehicle Glass; Prohibiting motor vehicle repair shops or their employees from offering anything of value to a customer in exchange for making an insurance claim for motor vehicle glass replacement or repair, including offers made through certain persons; prohibiting persons from entering into assignment agreements of post-loss benefits for motor vehicle glass replacement or repair after a specified date; defining the term "assignment agreement", etc. BI 03/15/2023 Favorable CM RC	Favorable Yeas 11 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 Health Policy

BILL: SB 298

INTRODUCER: Senator Boyd

SUBJECT: Telehealth Practice Standards

DATE: March 14, 2023

REVISED: 3/17/2023

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Rossitto-Van Winkle	Brown	HP	Favorable
2.	Moody	Knudson	BI	Favorable
3.			RC	

I. Summary:

SB 298 amends s. 456.47(1)(a), F.S., to revise the definition of “telehealth.” Under the bill, the use of audio-only telephone calls is no longer excluded from the definition.

The bill has no fiscal impact on state or local governments.

The bill provides an effective date of July 1, 2023.

II. Present Situation:

Telehealth

Section 456.47, F.S., defines the term “telehealth” as the use of synchronous or asynchronous telecommunications technology by a telehealth provider to provide health care services, including, but not limited to, assessment, diagnosis, consultation, treatment, and monitoring of a patient; transfer of medical data; patient and professional health-related education; public health services; and health administration. The term does not include audio-only telephone calls, e-mail messages, or facsimile transmissions.

In a general sense, “synchronous” telehealth happens in live, real-time settings where the patient interacts with a provider, usually via phone or video. Providers and patients communicate directly, often resulting in a diagnosis, treatment plan, or prescription. Synchronous telehealth can include additional at-home devices such as a blood pressure or heart rate monitors,

thermometers, oximeters, cameras, or scales to help the provider more accurately assess the patient's health status.¹

"Asynchronous" telehealth, also known as "store-and-forward," is often used for patient intake or follow-up care. For example, a patient sends a photo of a skin condition that is later reviewed by a dermatologist who recommends treatment.²

Section 456.47, F.S., authorizes Florida-licensed health care providers³ to use telehealth to deliver health care services within their respective scopes of practice. The statute also authorizes out-of-state health care providers to use telehealth to deliver health care services to Florida patients if they register with the applicable regulatory board or the Department of Health (DOH) if there is no applicable board,⁴ and meet certain eligibility requirements.⁵ A registered out-of-state telehealth provider may use telehealth, within the relevant scope of practice established by Florida law and rule, to provide health care services to Florida patients but is prohibited from opening an office in Florida and from providing in-person health care services to patients located in Florida without first becoming licensed by the state of Florida.

A telehealth provider is defined under s. 456.47, F.S., as an individual who provides health care and related services to patients located in Florida and must be one of the licensed health care practitioners listed below. He or she may be either Florida licensed, licensed under a multi-state health care licensure compact of which Florida is a member state, or registered as an out-of-state telehealth provider:

- Acupuncturist;⁶
- Allopathic physicians or physician assistants;⁷
- Osteopathic physicians or physician assistants;⁸
- Chiropractic physicians, or chiropractic physician assistant;⁹
- Podiatric physicians;¹⁰
- Optometrists;¹¹
- Autonomous advance practice registered nurses, advanced practice registered nurses, registered nurses, licensed practical nurses and certified nursing assistant;¹²

¹ TELEHEALTH.HHS.GOV, "Synchronous direct-to-consumer telehealth," available at <https://telehealth.hhs.gov/providers/direct-to-consumer/synchronous-direct-to-consumer-telehealth/> (last visited Mar. 3, 2023).

² TELEHEALTH.HHS.GOV, "Asynchronous direct-to-consumer telehealth," available at <https://telehealth.hhs.gov/providers/direct-to-consumer/asynchronous-direct-to-consumer-telehealth/> (last visited Mar. 3, 2023).

³ Section 456.47(1)(b), F.S.

⁴ Under s. 456.001(1), F.S., the term "board" is defined as any board, commission, or other statutorily created entity, to the extent such entity is authorized to exercise regulatory or rulemaking functions within DOH or, in some cases, within DOH's Division of Medical Quality Assurance (MQA).

⁵ Section 456.47(4), F.S.

⁶ Chapter 457, F.S.

⁷ Chapter 458, F.S.

⁸ Chapter 459, F.S.

⁹ Chapter 460, F.S.

¹⁰ Chapter 461, F.S.

¹¹ Chapter 463, F.S.

¹² Chapter 464, F.S.

- Pharmacists;¹³
- Dentists, dental hygienist and dental laboratories;¹⁴
- Midwives;¹⁵
- Speech and language pathologists;¹⁶
- Audiologists;¹⁷
- Occupational therapists;¹⁸
- Radiological Personnel;¹⁹
- Respiratory therapists;²⁰
- Dieticians and nutritionists;²¹
- Athletic trainers;²²
- Orthotists, prosthetists, and pedorthists;²³
- Electrologists;²⁴
- Massage therapists;²⁵
- Clinical laboratory personnel;²⁶
- Medical physicists;²⁷
- Opticians;²⁸
- Hearing aid specialists;²⁹
- Physical therapists;³⁰
- Psychologists and school psychologists;³¹ and
- Clinical social workers, mental health counselors and marriage and family therapists.³²

A telehealth provider has the duty to practice in a manner consistent with his or her scope of practice and the prevailing professional standard of practice for a health care professional who provides in-person health care services to patients in Florida. A telehealth provider may use telehealth to perform a patient evaluation. If a telehealth provider conducts a patient evaluation sufficient to diagnose and treat the patient, the telehealth provider is not required to research a

¹³ Chapter 465, F.S.

¹⁴ Chapter 466, F.S.

¹⁵ Chapter 467, F.S.

¹⁶ Part I, ch. 468, F.S.

¹⁷ *Id.*

¹⁸ Part III, ch. 468, F.S.

¹⁹ Part IV, ch. 468, F.S.

²⁰ Part V, ch. 468, F.S.

²¹ Part X, ch. 468, F.S.

²² Part XIII, ch. 468, F.S.

²³ Part XIV, ch. 468, F.S.

²⁴ Chapter 478, F.S.

²⁵ Chapter 480, F.S.

²⁶ Part I, ch. 483, F.S.

²⁷ Part II, ch. 483, F.S.

²⁸ Part I, ch. 484, F.S.

²⁹ Part II, ch. 484, F.S.

³⁰ Chapter 486, F.S.

³¹ Chapter 490, F.S.

³² Chapter 491, F.S.

patient's medical history or conduct a physical examination of the patient before using telehealth to provide health care services to the patient.³³

A telehealth provider may not use telehealth to prescribe a controlled substance listed in Schedule II³⁴ or s. 893.03, F.S., unless the controlled substance is prescribed for the following:

- The treatment of a psychiatric disorder;
- Inpatient treatment at a hospital licensed under ch. 395, F.S.
- The treatment of a patient receiving hospice services as defined in s. 400.601, F.S.; or
- The treatment of a resident of a nursing home facility as defined in s. 400.021, F.S.³⁵

A telehealth provider must document in the patient's medical record the health care services rendered using telehealth according to the same standard as used for in-person services. Medical records, including video, audio, electronic, or other records generated as a result of providing such services, are confidential pursuant to ss. 395.3025(4) and 456.057, F.S.³⁶

The board, or the DOH if there is no board, must register a health care professional not licensed in this state as a telehealth provider if the health care professional:

- Completes a DOH application form;
- Has an active, unencumbered license that is issued by another state, the District of Columbia, or a U.S. possession or territory that is substantially similar to a license issued to a similar Florida-licensed provider;
- Has not been the subject of disciplinary action relating to his or her license during the five-year period immediately prior to the application submission;
- Designates a duly appointed registered agent for service of process in this state on a DOH prescribed form; and
- Demonstrates to the board, or the DOH if there is no board, that he or she maintains professional liability insurance coverage or financial responsibility, that includes coverage or financial responsibility for telehealth services provided to patients not located in the provider's home state, in an amount equal to, or greater than, the requirements for a licensed practitioner under ss. 456.048, 458.320, or 459.0085, F.S., as applicable.³⁷

The website of an out-of-state telehealth provider registered under s. 456.47, F.S., must prominently display a hyperlink to the DOH website, and the DOH website must publish a list of all out-of-state registrants and include the following information for each:

- Name;
- Health care occupation;
- Health care training and education, including completion dates and any certificates or degrees obtained;

³³ Section 456.47(2)(a) and (b), F.S.

³⁴ Schedule II drugs are combination products with less than 15 milligrams of hydrocodone per dosage unit (Vicodin), cocaine, methamphetamine, methadone, hydromorphone (Dilaudid), meperidine (Demerol), oxycodone (OxyContin), fentanyl, Dexedrine, Adderall, and Ritalin. See: United States Drug Enforcement Administration, *Drug Scheduling, Schedule II*, available at: <https://www.dea.gov/drug-information/drug-scheduling> (last visited Mar. 3, 2023).

³⁵ Section 456.47(2)(c), F.S.

³⁶ Section 456.47(3), F.S.

³⁷ Section 456.47(4)(b) and (e), F.S.

- Out-of-state health care licenses, including license numbers;
- Florida telehealth provider registration number;
- Specialty, if any;
- Board certification, if any;
- Five-years of disciplinary history, including sanctions imposed and board actions;
- Medical malpractice insurance provider and policy limits, including whether the policy covers claims that arise in Florida; and
- The name and address of the registered agent designated for service of process in this state.³⁸

A health care professional may not register under s. 456.47, F.S., if his or her license to provide health care services is subject to a pending disciplinary investigation or action, or has been revoked in any state or jurisdiction. A health care professional registered as a telehealth provider must notify the appropriate board, or the DOH if there is no board, of any restrictions placed on his or her license to practice, or any disciplinary action taken or pending against him or her, in any state or jurisdiction. The notification must be provided within five business days after the restriction is placed or disciplinary action is initiated or taken.³⁹

A health care professional registered as an out-of-state telehealth provider may not open an office in this state and may not provide in-person health care services to patients located in this state.⁴⁰

A pharmacist registered as an out-of-state telehealth provider may only dispense medicinal drugs to patients located in this state using the following pharmacies:

- A pharmacy permitted under ch. 465, F.S.;
- A nonresident pharmacy registered under s. 465.0156, F.S.; or
- A nonresident pharmacy or outsourcing facility holding an active permit pursuant to s. 465.0158, F.S.⁴¹

The board, or the DOH if there is no board, may take disciplinary action against an out-of-state telehealth provider registered under s. 456.47(4), F.S., if the registrant:

- Fails to notify the applicable board, or the DOH if there is no board, of any adverse actions taken against his or her license;
- Has restrictions placed on or disciplinary action taken against his or her license in any state or jurisdiction;
- Violates any of the requirements of s. 456.47, F.S.; or
- Commits any act that constitutes grounds for disciplinary action under s. 456.072(1), F.S, or the Florida practice act that is applicable to the telehealth provider similar to Florida licensees.⁴²

Venue for a civil or administrative action initiated by the DOH, the appropriate board, or a patient who receives telehealth services from an out-of-state telehealth provider may be located

³⁸ Section 456.47(4)(h), F.S.

³⁹ Section 456.47 (4)(d), F.S.

⁴⁰ Section 456.47(4)(f), F.S.

⁴¹ Section 456.47(4)(g), F.S.

⁴² Section 456.47(4)(i), F.S.

in the patient's county of residence or in Leon County.⁴³ A health care professional who is not licensed to provide health care services in Florida but who holds an active license to provide health care services in another state or jurisdiction, and who provides such services using telehealth to a patient located in this state, is not subject to the registration requirement under s. 456.47, F.S., if the services are provided:

- In response to an emergency medical condition;⁴⁴ or
- In consultation with a health care professional licensed in this state who has ultimate authority over the diagnosis and care of the patient.⁴⁵

Audio-only Telephone Calls During the State of Emergency

On March 9, 2020, Governor Ron DeSantis issued Executive Order Number 20-52⁴⁶ declaring a state of emergency related to the 2019 novel coronavirus (COVID-19). During the state of emergency, numerous statutes were set aside in order to better enable the state to respond to the emergency.

On April 3, 2020, the Agency for Health Care Administration (AHCA) issued a Statewide Medicaid Managed Care Policy Transmittal⁴⁷ that addressed Medicaid coverage of telephonic (audio-only) communications as a form of telehealth. Under the transmittal, Medicaid managed care plans were required to expand coverage of telehealth services to include telephone-only communications, only when rendered by licensed physicians (including physician extenders such as advanced practice registered nurses and physician assistants) and licensed behavioral health practitioners.

The state of emergency was extended several times before expiring on June 26, 2021.

III. Effect of Proposed Changes:

SB 298 amends s. 456.47(1)(a), F.S., to revise the definition of “telehealth.” Under the bill, the use of audio-only telephone calls is no longer excluded from the definition.

The bill provides an effective date of July 1, 2023.

⁴³ Section 456.47(5), F.S.

⁴⁴ Section 395.002(8), F.S., defines “emergency medical condition” as (a) a medical condition manifesting itself by acute symptoms of sufficient severity, which may include severe pain, such that the absence of immediate medical attention could reasonably be expected to result in any of the following: 1. Serious jeopardy to patient health, including a pregnant woman or fetus. 2. Serious impairment to bodily functions. 3. Serious dysfunction of any bodily organ or part. (b) With respect to a pregnant woman: 1. That there is inadequate time to effect safe transfer to another hospital prior to delivery; 2. That a transfer may pose a threat to the health and safety of the patient or fetus; or 3. That there is evidence of the onset and persistence of uterine contractions or rupture of the membranes.

⁴⁵ Section 456.47(6), F.S.

⁴⁶ Office of the Governor, *Executive Order Number 20-52*, March 9, 2020, available at: https://www.flgov.com/wp-content/uploads/orders/2020/EO_20-52.pdf (last visited Mar. 3, 2023).

⁴⁷ Agency for Health Care Administration, *Statewide Medicaid Managed Care (SMMC) Policy Transmittal: 2020-20*, April 3, 2020, available at: https://ahca.myflorida.com/Medicaid/statewide_mc/pdf/2018-23_plan_comm/PT_2020-20_COVID-19_State-of-Emergency_Telemedicine_Services.pdf (last visited Mar. 3, 2023).

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. Tax/Fee Issues:**

None.

B. Private Sector Impact:

The bill may allow patients without access to video-calling capabilities to have greater access to health care services via telehealth and may reduce out-of-pocket costs by not requiring them to travel to receive care.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 456.47 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.

By Senator Boyd

20-00469A-23

2023298__

A bill to be entitled

An act relating to telehealth practice standards;
amending s. 456.47, F.S.; revising the definition of
the term "telehealth"; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Paragraph (a) of subsection (1) of section
456.47, Florida Statutes, is amended to read:

456.47 Use of telehealth to provide services.—

(1) DEFINITIONS.—As used in this section, the term:

(a) "Telehealth" means the use of synchronous or
asynchronous telecommunications technology by a telehealth
provider to provide health care services, including, but not
limited to, assessment, diagnosis, consultation, treatment, and
monitoring of a patient; transfer of medical data; patient and
professional health-related education; public health services;
and health administration. The term does not include ~~audio-only~~
~~telephone calls~~, e-mail messages, or facsimile transmissions.

Section 2. This act shall take effect July 1, 2023.

3-15-23

The Florida Senate
APPEARANCE RECORD

298

Meeting Date

Banking and Insurance
Committee

Deliver both copies of this form to
Senate professional staff conducting the meeting

Bill Number or Topic

Amendment Barcode (if applicable)

Name

Jarrod Fowler

Phone

850-229-6496

Address

1430 Piedmont Dr. E

Email

jfowler@fmedical.org

Street

Tallahassee FL 32308

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 Medical 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 \(flsenate.gov\)](#)

This form is part of the public record for this meeting.

S-001 (08/10/2021)

3/15/2023

Meeting Date

The Florida Senate
APPEARANCE RECORD

SB 298

Bill Number or Topic

BANKING & INSURANCE

Committee

Deliver both copies of this form to
Senate professional staff conducting the meeting

Amendment Barcode (if applicable)

Name

CHRISTIAN CAMARDA

Phone

305 608 4300

Address

PO Box 122

Email

Street

TALLAHASSEE FL 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:

INSTITUTE FOR JUSTICE

☐

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

3/15/23

Meeting Date

Barclay & Brumance

Committee

298

Bill Number or Topic

Amendment Barcode (if applicable)

Name

Chris Nuland

Phone

904-233-3051

Address

4427 Herschel St

Email

nulandlaw@aol.com

Street

Jacksonville, FL 32210

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:

Florida Chapter, American College of Physicians

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

March 15, 23

Meeting Date

Banking & Ins

Committee

298

Bill Number or Topic

Amendment Barcode (if applicable)

Name

Toni Large

Phone

(850) 556-1461

Address

1100 Brookwood DR

Email

toni@largestrategies.com

Street

FL

32308

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 Society of Rheumatology

☐

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)

3/15/23

Meeting Date

The Florida Senate
APPEARANCE RECORD

298

Bill Number or Topic

Banking & Insurance
Committee

Deliver both copies of this form to
Senate professional staff conducting the meeting

Amendment Barcode (if applicable)

Name Natalie Kelly

Phone 850-895-1313

Address 122 S. Calhoun St.
Street

Email natalie@fmanagingentities.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:

Florida Association of managing
Entities

☐ 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

3/15/23

Meeting Date

B + I

Committee

298

Bill Number or Topic

Amendment Barcode (if applicable)

Name **Sal Nuzzo**

Phone **8503229941**

Address **100 N Duval Street**
Street

Email **snuzzo@jamesmadison.org**

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:



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)

03/ 15 /2023

APPEARANCE RECORD

298

Meeting Date

Bank & InsuranceDeliver both copies of this form to
Senate professional staff conducting the meeting

Bill Number or Topic

Committee

Amendment Barcode (if applicable)

Name **AARP - Ivonne Fernandez**Phone **954-850- 7262**Address **3750 NW 87th Avenue**
*Street*Email **ifernandez@aarp.org****Doral** **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:**AARP**☐ 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

March 15, 2023

Meeting Date

Banking + Insurance

Committee

Deliver both copies of this form to
Senate professional staff conducting the meeting

SB 298

Bill Number or Topic

N/A

Amendment Barcode (if applicable)

Name Tasha Carter, Insurance Consumer Advocate Phone 850.413.5923

Address 200 E. Gaines Street

Street

Email tasha.carter@myfloridacfo.com

Tallahassee FL

City

32399

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:

Dept. of Financial
Services

☐ 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

3/15/23

Meeting Date

SB 298

Bill Number or Topic

BH

Committee

Amendment Barcode (if applicable)

Name

Amanda Fraser

Phone

Address

Street

Email

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:

American Diabetes
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 \(flsenate.gov\)](#)

This form is part of the public record for this meeting.

after

S-001 (08/10/2021)

APPEARANCE RECORD

15 March 2023

298

Meeting Date

Bill Number or Topic

Banking + Insurance

Deliver both copies of this form to
Senate professional staff conducting the meeting

Committee

Amendment Barcode (if applicable)

Name

Chris Stranburg

Phone

813 767 9667

Address

107 E College Ave

Email

cstranburg@afph.org

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:Americans for
Prosperity☐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

3/15/2023

Meeting Date

Banking + Insurance

Committee

298

Bill Number or Topic

Amendment Barcode (if applicable)

Name Chris Lyon

Phone 850 222 5702

Address

Street

Tallahassee

City

State

Zip

Email

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 Osteopathic
Medical Assn.



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.

after

S-001 (08/10/2021)

COMMITTEE: Banking and Insurance
ITEM: SB 298
FINAL ACTION: Favorable
MEETING DATE: Wednesday, March 15, 2023
TIME: 1:00—3:00 p.m.
PLACE: 412 Knott Building

[illegible]

CODES: FAV=Favorable
UNF=Unfavorable
-R=Reconsidered

RCS=Replaced by Committee Substitute
RE=Replaced by Engrossed Amendment
RS=Replaced by Substitute Amendment

TP=Temporarily Postponed
VA=Vote After Roll Call
VC=Vote Change After Roll Call

WD=Withdrawn
OO=Out of Order
AV=Abstain from Voting

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 Banking and Insurance

BILL: SB 516

INTRODUCER: Senator DiCeglie

SUBJECT: Motor Vehicle Liability Policies

DATE: March 14, 2023

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Thomas	Knudson	BI	Pre-meeting
2.			JU	
3.			RC	

I. Summary:

SB 516 amends Florida's Financial Responsibility Law regarding the operation of a motor vehicle to permit risk retention groups, which are authorized by federal law, to provide required motor vehicle coverage to the group's members. Risk retention groups sell insurance to eligible members, do not submit rate and form filings to state regulators, and are not members of state guaranty associations that manage claims if an insurer becomes insolvent.

The bill authorizes a risk retention group that has strong ratings from A.M. Best Company (an "A" or higher rating for financial strength and "VIII" or higher for financial size) to provide commercial auto insurance coverage to their members and shareholders.

The bill has an unknown but likely insignificant negative fiscal impact to the Department of Highway Safety and Motor Vehicles and no impact on local governments.

The bill has an effective date of July 1, 2023.

II. Present Situation:

Florida's Motor Vehicle Financial Responsibility Law

Chapter 324, F.S., sets forth the financial responsibility laws for owners or operators of motor vehicles in Florida, whether they be used for personal or commercial purposes. Generally, a motor vehicle owner or operator is required to insure against losses from liability for bodily injury, death, and property damage by 1) purchasing auto insurance from an insurance carrier authorized by the Office of Insurance Regulation (OIR) to do business in Florida;¹ or 2) obtaining a certificate of self-insurance from the Department of Highway Safety and Motor

¹ Section 324.021(8), F.S.

Vehicles (DHSMV) after demonstrating the ability to cover potential losses arising out of the ownership, maintenance, or use of a motor vehicle.²

The OIR licenses insurance carriers and reviews policy contracts and premium rates of its licensees.³ An insurance carrier may not issue an auto insurance policy in Florida unless the policy includes coverages for both personal injury and property damage.⁴

The DHSMV administers the Financial Responsibility Law by requiring all licensed insurance companies to provide electronic notification of all policies that are issued or cancelled.⁵ Vehicle owners must show proof of personal injury protection and property damage liability coverage to register a vehicle,⁶ and must provide proof of bodily injury liability coverage if they are involved in an accident and charged with a moving violation.⁷ A vehicle owner who fails to maintain continuous coverage may have his or her driver's license and registration suspended.⁸ Required coverages vary based on the use of a motor vehicle.

For individual motorists, the law requires \$10,000 in personal injury protection and \$10,000 for property damage.⁹ If a driver has been convicted of driving under the influence of alcohol, the motorist must maintain liability coverage of \$100,000 for bodily injury to, or death of, one person in any one crash and in the amount of \$300,000 due to bodily injury to, or death of, two or more persons in any one crash and in the amount of \$50,000 because of property damage in any one crash per accident, for three years after the license is reinstated.¹⁰

For leased motor vehicles, the lessor is not liable for the actions of a lessee so long as the lease requires \$100,000/\$300,000 bodily injury liability and \$50,000 property damage liability or not less than \$500,000 combined property damage and bodily injury liability.¹¹ For-hire passenger vehicles like taxicabs and limousines must have bodily injury liability coverage of \$125,000 per person and \$250,000 per occurrence, and \$50,000 property damage coverage.¹²

Commercial motor vehicles operating on Florida's highways are subject to state and federal regulations related to size and weight limits, safety standards, and registration requirements. Commercial vehicles that weigh 10,001 pounds or more, and engage in interstate commerce or haul hazardous materials, are subject to federal law, where required coverages range from \$750,000 to \$5 million.¹³ Commercial vehicles that weigh 26,001 pounds or more, operate only

² Sections 324.161 and 324.171, F.S. Also see Florida Department of Highway Safety and Motor Vehicles, Self-Insurance, <https://www.flhsmv.gov/insurance/self-insurance/firm/> (last accessed March 8, 2023).

³ Sections 624.404, 627.062, 627.410, and 627.4102, F.S.

⁴ Section 627.7275, F.S.

⁵ Sections 324.0221, 324.252, F.S., and Rules 15A-3.007, and 15A-3.012, F.A.C.

⁶ Sections 324.022, 324.023, F.S., and Rule 15A-3.006, F.A.C.

⁷ Section 324.021, F.S. Also see, Florida Highway Safety and Motor Vehicles, *Florida Insurance Requirements*, <https://www.flhsmv.gov/insurance/> (last accessed March 8, 2023).

⁸ Section 324.0221, F.S.

⁹ Sections 324.021(7), 324.022, and 627.736, F.S.

¹⁰ Section 324.023, F.S.

¹¹ Section 324.021(9), F.S.

¹² Sections 324.032, F.S.

¹³ 49 CFR § 387.9.

within Florida, and do not transport hazardous materials are subject to Florida law, where required coverages range from \$50,000 to \$300,000.¹⁴

When the owner or operator of a motor vehicle purchases liability insurance to satisfy the financial responsibility law, the policy must be issued by an insurance company authorized to do business in Florida.¹⁵ When an owner or operator self-insures a vehicle or fleet of vehicles, the owner or operator must obtain a certificate of self-insurance from the DHSMV.¹⁶

Risk Retention Groups

Federal law treats risk retention groups – which may sell insurance only to eligible members – differently than traditional insurance companies. Members of a risk retention group must be engaged in similar businesses or activities that have similar exposures due to the type of business, trade, product, service, premises, or operations.¹⁷

Authorized insurers must be licensed in every state in which they operate and the domicile state serves as the primary regulator. Risk retention groups need to be licensed as a liability insurer in only one state; further, those that were chartered prior to 1985 may operate under the laws of Bermuda or the Cayman Islands.¹⁸ State regulators may require risk retention groups to comply with state laws relating to claim settlement and false or fraudulent acts, pay premium taxes, register with the designated state agent for service of process, and submit to financial exams if such exam has not been completed by the state in which the risk retention group is chartered.¹⁹

States may not require a risk retention group to participate in any insolvency guaranty association.²⁰ However, states may require notice that insurance provided by a risk retention group is not protected by an insolvency guaranty association.²¹ Unlike authorized insurers, risk retention groups do not submit rate and form filings with a state regulator. Instead, risk retention groups apportion risk among their members; thus, rates are based on an actuarial analysis of the membership and policies can be tailored to suit the needs of the membership.²²

Risk retention groups may only provide liability insurance; the law defines liability insurance as coverage for liability for damages to persons or property arising out of any business, trade, product, professional service, premise, operation, or activity of a state or local government.²³ Liability insurance does not include an employer's liability to its employees; thus, risk retention groups may not issue workers' compensation insurance policies to their members.²⁴

¹⁴ Sections 207.002(1), 320.01(25), and 627.7415, F.S.

¹⁵ Section 324.021(8), F.S.

¹⁶ Section 324.171, F.S.

¹⁷ 15 U.S.C. §3901(a)(4)(F) and s. 627.942(9), F.S.

¹⁸ 15 U.S.C. § 3901(a)(4) and s. 627.942(9), F.S.

¹⁹ 15 U.S.C. § 3902(a)(1).

²⁰ 15 U.S.C. § 3902(a)(2).

²¹ 15 U.S.C. § 3902(a)(1).

²² National Association of Insurance Commissioners, *Risk Retention Groups*, [Risk Retention Groups \(naic.org\)](https://www.naic.org/risk-retention-groups) (last accessed March 8, 2023).

²³ 15 U.S.C. 3901(a)(2)(A) and s. 627.942(9)(g), F.S.

²⁴ 15 U.S.C. 3901(a)(2)(B) and s. 627.942(4), F.S.

Risk retention groups may operate in Florida if they obtain a certificate of authority as a liability insurer, or are licensed in another state and provide a copy of their business plan and annual financial statement to the OIR and designate the Chief Financial Officer as agent for service of process.²⁵ According to the OIR, 140 risk retention groups are licensed in a state other than Florida and registered to do business in Florida.²⁶

Risk retention groups licensed in Florida pay the same premium taxes as Florida-licensed insurers.²⁷ Risk retention groups registered to operate in Florida but licensed in another state pay the same premium taxes as surplus lines insurers that are allowed to sell lines of insurance that consumers cannot obtain from Florida-licensed insurers.²⁸ All risk retention groups operating in Florida must use agents who are licensed and appointed in Florida.²⁹

The International Risk Management Institute describes “fronting” as the use of a licensed, admitted insurer to issue an insurance policy on behalf of a self-insured organization or captive insurer without transferring any risk.³⁰ The risk of loss under the policy remains with the self-insured entity or captive insurer, but the authorized insurer (and, in the event of insolvency, the guaranty association the insurer belongs to) assumes a credit risk because it would be required to honor the policy if the insured fails to honor the policy. This provides proof of coverage that is needed to satisfy financial responsibility laws.

Under the Florida Insurance Code, a “fronting company” is defined as “an authorized insurer which by reinsurance or otherwise generally transfers more than 50 percent to one unauthorized insurer which does not meet the requirements” to be an accredited or trusteed reinsurer in Florida.³¹ Section 624.404(4)(a), F.S., provides that “[n]o authorized insurer shall act as a fronting company for any unauthorized insurer which is not an approved reinsurer.”

Florida law explicitly prohibits:

- An authorized insurer or licensed motor vehicle service agreement company from acting as a fronting company for any unauthorized insurer or unlicensed motor vehicle service agreement company.³²
- An authorized insurer or licensed home warranty association from acting as a fronting company for any unauthorized insurer or unlicensed home warranty association.³³

²⁵ Sections 627.943 and 627.944, F.S.

²⁶ Florida Office of Insurance Regulation, *Active Company Search*, <https://companysearch.myfloridacfo.gov/> (last accessed March 8, 2023).

²⁷ Section 627.943(4), F.S. Pursuant to s. 624.509, F.S., premium taxes (typically 1.75 percent of the premium) are collected by the licensed insurer and paid to the Department of Revenue on or before March 1 of each year.

²⁸ Section 627.944 (3), F.S. Pursuant to s. 626.932, F.S., premium taxes (4.94 percent of the premium) are collected by the licensed insurance agent and paid to the Department of Financial Services on a quarterly basis; premiums are also reported to the Florida Surplus Lines Service Office (FSLSO) which oversees the reporting requirements of eligible surplus lines insurers. The FSLSO website is <https://www.fslso.com/>.

²⁹ Sections 627.943(5) and 627.944(12), F.S.

³⁰ International Risk Management Institute, *Glossary*, <https://www.irmi.com/term/insurance-definitions/fronting> (last accessed March 8, 2023).

³¹ Section 624.404(4)(b), F.S.

³² Section 634.241, F.S.

³³ Section 634.326, F.S.

- An authorized insurer or licensed service warranty association from acting as a fronting company for any unauthorized insurer or unlicensed service warranty association.³⁴

A.M. Best Credit Rating Agency

A.M. Best, founded in 1899, is a credit rating agency and is the largest credit rating agency in the world specializing in the insurance industry. Headquartered in the United States, A.M. Best assesses the creditworthiness of and/or reports on over 16,000 insurance companies worldwide. The company³⁵ reports that its ratings are independent and summarize the insurance company's ability to pay claims, debts and other financial obligations in a timely manner.³⁶

A Best's Credit Rating (BCR) is given by A.M. Best and is based on its opinion regarding an insurer's relative creditworthiness. According to A.M. Best:

The opinion represents a comprehensive analysis consisting of a quantitative and qualitative evaluation of balance sheet strength, operating performance, and business profile or, where appropriate, the specific nature and details of a security... A BCR is developed considering relevant aspects of Best's Rating Methodologies (BRMs).³⁷

A.M. Best assigns each rated insurance company a Financial Strength Rating (FSR). The FSR is an opinion of an insurer's financial strength and ability to meet its on-going insurance policy and contract obligations.³⁸ The lowest FSR ranking is "D" (Poor) – the highest ranking is "A+" (Superior).³⁹ A ranking of "A" (Excellent) is the second highest ranking.

A.M. Best assigns each rated insurance company a Financial Size Category (FSC). The FSC is based on adjusted policyholders' surplus in U.S. dollars and is designed to provide an indicator of the size of a company in terms of its statutory surplus and related accounts.⁴⁰ The FSC rankings start at "I" for a company with a surplus of less than \$1 million to a ranking of "XV" for a company with a surplus of greater than \$2 billion.⁴¹ A ranking of "VIII" is for a company with a surplus of \$100,000 up to \$250 million.

III. Effect of Proposed Changes:

The bill permits the owner or operator of a motor vehicle to provide proof of financial responsibility by obtaining an insurance policy from a risk retention group that: 1) has an "A" or

³⁴ Section 634.429, F.S.

³⁵ A.M. Best is registered as a Nationally Recognized Statistical Rating Organization (NRSRO) by the Securities & Exchange Commission and as a Credit Rating Provider by the National Association of Insurance Commissioners in the US. *A.M. Best – About Us*, <https://web.ambest.com/about/> (last accessed March 8, 2023).

³⁶ *Id.*

³⁷ *A.M. Best – Guide to Best's Credit Ratings - Summary*, <https://web.ambest.com/ratings-services/guide-to-best-s-credit-ratings> (last accessed March 8, 2023).

³⁸ *A.M. Best – Guide to Best's Credit Ratings*, p. 20, <file:///C:/Users/thomas.tom/OneDrive%20-%20Florida%20Senate/Documents/SB%20516/AM%20Best%20Ratings.pdf> (last accessed March 8, 2023).

³⁹ *Id.*

⁴⁰ *A.M. Best – Financial Size Category*, [https://web.ambest.com/ratings-services/financial-size-category-\(fsc\)](https://web.ambest.com/ratings-services/financial-size-category-(fsc)) (last accessed March 8, 2023).

⁴¹ *Id.*

higher rating for financial strength and “VIII” or higher for financial size by the A.M. Best Company, and 2) only provides commercial coverage to its members and shareholders.

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. Tax/Fee Issues:

None.

B. Private Sector Impact:

The bill may benefit members of risk retention groups who are able to buy their motor vehicle policies through the group at a lower rate.

C. Government Sector Impact:

The HSMV will have to engage in structural testing to confirm successful file transfers with any risk retention group that directly insures its members in Florida. This is needed to ensure that HSMV receives timely insurance information about policies that are issued or cancelled. This administrative cost would be absorbed within existing resources.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following section of the Florida Statutes: 324.021.

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.

By Senator DiCeglie

18-00581-23

2023516__

A bill to be entitled

An act relating to motor vehicle liability policies; amending s. 324.021, F.S.; revising the definition of the term "motor vehicle liability policy" to include certain policies issued by risk retention groups; defining the term "risk retention group"; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Subsection (8) of section 324.021, Florida Statutes, is amended, and subsection (12) is added to that section, to read:

324.021 Definitions; minimum insurance required.—The following words and phrases when used in this chapter shall, for the purpose of this chapter, have the meanings respectively ascribed to them in this section, except in those instances where the context clearly indicates a different meaning:

(8) MOTOR VEHICLE LIABILITY POLICY.—Any owner's or operator's policy of liability insurance furnished as proof of financial responsibility pursuant to s. 324.031, insuring such owner or operator against loss from liability for bodily injury, death, and property damage arising out of the ownership, maintenance, or use of a motor vehicle in not less than the limits described in subsection (7) and conforming to the requirements of s. 324.151, issued by any insurance company authorized to do business in this state or by a risk retention group described in subsection (12). The owner, registrant, or operator of a motor vehicle is exempt from providing such proof

Page 1 of 2

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

18-00581-23

2023516__

of financial responsibility if he or she is a member of the United States Armed Forces and is called to or on active duty outside this state or the United States, or if the owner of the vehicle is the dependent spouse of such active duty member and is also residing with the active duty member at the place of posting of such member, and the vehicle is primarily maintained at such place of posting. The exemption provided by this subsection applies only as long as the member of the armed forces is on such active duty outside this state or the United States and the owner complies with the security requirements of the state of posting or any possession or territory of the United States.

(12) RISK RETENTION GROUP.—A risk retention group operating in accordance with s. 627.943 or s. 627.944 which is rated "A" or higher for financial strength and "VIII" or higher for financial size category by A.M. Best Company and which only provides commercial coverage for its members and shareholders.

Section 2. This act shall take effect July 1, 2023.

Page 2 of 2

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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 Banking and Insurance

BILL: SB 532

INTRODUCER: Senate Committee on Banking and Insurance and Senator Burton

SUBJECT: Money Services Businesses

DATE: March 17, 2023

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Moody	Knudson	BI	Fav/CS
2.			CM	
3.			RC	

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

SB 532 revises the definition of a “control person” and defines several terms used in such revised definition in ch. 560, F.S., the money services business (MSB) chapter. The purpose of the amendments are to clarify terms within the definition of “control person” to ensure compliance with federal law.

This bill has no fiscal impact on the state, local governments, or the private sector.

The effective date of the bill is July 1, 2023.

II. Present Situation:

Licensing of Money Services Businesses

The Office of Financial Regulation (OFR) is responsible for the regulatory oversight of Florida’s financial services industry. As part the OFR’s responsibilities, the OFR oversees MSBs, which are regulated under two license categories created pursuant to ch. 560, F.S. The first category, money transmitters and persons selling or issuing payment instruments, is regulated under part II of ch. 560, F.S. The second category, check cashers and foreign currency exchangers, is regulated under part III of ch. 560, F.S.

To be licensed under ch. 560, F.S., an MSB applicant must:

- Demonstrate to the OFR the character and general fitness necessary to command the confidence of the public and warrant the belief that the MSB or deferred presentment provider shall be operated lawfully and fairly;
- Be legally authorized to do business in Florida;
- Be registered as a MSB with the Financial Crimes Enforcement Network as required by 31 C.F.R. s. 1022.380, if applicable;
- Have an anti-money laundering program in place which meets the requirements of 31 C.F.R. s. 1022.210; and
- Provide the OFR with all the information required under ch. 560, F.S., and related rules.¹

To apply as a money services business a person must submit:

- An application to the OFR for an MSB license that must include, on a form prescribed by rule, all of the following:
 - The legal name and address of the applicant, including any fictitious or trade names used by the applicant in the conduct of its business;
 - The date of the applicant's formation and the state where the applicant was formed, if applicable;
 - The name, social security number, alien identification or taxpayer identification number, business and residence addresses, and employment history for the past 5 years for each control person;
 - A description of the organizational structure of the applicant, including the identity of any parent or subsidiary of the applicant, and the disclosure of whether any parent or subsidiary is publicly traded;
 - The applicant's history of operations in other states, if applicable, and a description of the money services business or deferred presentment provider activities the applicant proposes to conduct in Florida;
 - If the applicant or its parent is a publicly traded company, for the preceding year, copies of all filings made by the applicant with the United States Securities and Exchange Commission (SEC); or, if publicly traded in a country other than the United States, such filings with that country's regulator similar to the SEC;
 - The location at which the applicant proposes to establish its principal place of business and any other location, including branch offices and authorized vendors operating within Florida. For each branch office and each location of an authorized vendor, the applicant must include the nonrefundable fee required by s. 560.143, F.S.;
 - The name and address of the clearing financial institution or financial institutions through which the applicant's payment instruments are drawn or through which the payment instruments are payable;
 - The history of the applicant's material litigation, criminal convictions, pleas of nolo contendere, and cases of adjudication withheld;
 - The history of material litigation, arrests, criminal convictions, pleas of nolo contendere, and cases of adjudication withheld for each control person;
 - The name of the registered agent in this state for service of process unless the applicant is a sole proprietor; and
 - Any other information specified in ch. 560, F.S. or by rule.²

¹ Section 560.1401, F.S.

² Section 560.141(1)(a), F.S.

- A nonrefundable application fee, as specified in s. 560.143, F.S.³
- Fingerprints, for live-scan processing in accordance with rules adopted by the Financial Services Commission (Commission), for each control person. Regarding such fingerprints:
 - They may be submitted through a third-party vendor authorized by the Florida Department of Law Enforcement (FDLE) to provide live-scan fingerprinting. The FDLE must also conduct the state criminal history background check, and a federal criminal history background check must be conducted through the FBI. The OFR must review the results of this background check.
 - The cost of processing and retaining the fingerprints are borne by the person subject to the background checks to determine license eligibility.
 - Fingerprints are not required from publicly traded corporations.⁴
- A copy of the applicant's written anti-money laundering program required under 31 C.F.R. s. 1022.210.⁵
- Within the time allotted by rule, any information needed to resolve any deficiencies found in the application.⁶

Licenses issued to MSBs cannot be for more than 2 years,⁷ after which, the MSB must reapply for licensure pursuant to s. 560.142, F.S.

Once licensed, an MSB is required to report any change in control persons.⁸ If any person, directly or indirectly or acting by or through one or more persons, proposes to purchase or acquire a controlling interest in an MSB, such person or group must submit a new application for licensure at least 30 days before such purchase or acquisition.⁹ Such a change of control application is not required where the person or group of persons has previously complied with applicable licensing provisions, provided that they are currently affiliated with the MSB, or where the person or group of persons is currently licensed with the OFR as an MSB.¹⁰ A change of control application must be accompanied by the payment of an initial licensing fee¹¹ and a fee per branch or authorized vendor¹², up to a maximum of \$20,000.¹³

Federal Bureau of Investigation Determination Regarding Access to Criminal History Record Information

As stated above, MSB applicant fingerprints must be submitted to FDLE for a state and federal criminal history background check. The federal check is conducted through the FBI, which manages a criminal history record information (CHRI) system, through which this information

³ Section 560.141(1)(b), F.S.

⁴ Section 560.141(1)(c), F.S.

⁵ Section 560.141(1)(d), F.S.

⁶ Section 560.141(1)(e), F.S.

⁷ Section 560.141(2), F.S.

⁸ Section 560.126(3), F.S.

⁹ Section 560.126(3)(a), F.S.; r. 69v-560.201(4), F.A.C.

¹⁰ Section 560.126(3)(c), F.S.; r. 69v-560.201(6), F.A.C.

¹¹ Fees are determined by whether the MSB is licensed under Part II or Part III of Chapter 560. Initial licensing fees under Part II licenses require a \$375 license application fee per s. 560.143(1)(a), F.S. Part III licenses require a \$188 license application fee per s. 560.143(b), F.S.

¹² Section 560.143(1)(c) and (d), F.S., provides that both the per branch fee and the authorized vendor fee are \$38.

¹³ Section 560.143(1)(g), F.S.

can be obtained. The purpose of the CHRI system is to assure that criminal history record information wherever it appears is collected, stored, and disseminated in a manner to ensure the accuracy, completeness, currency, integrity, and security of such information and to protect individual privacy.¹⁴ Federal Public Law 92-544 authorizes the exchange of CHRI with officials of state and local governmental agencies for licensing and employment purposes. However, this access can only be authorized by a state statute which has been subsequently approved by the Attorney General of the United States. One of the primary purposes for enacting Pub. L. 92-544 was to establish a national policy with adequate sanctions and administrative safeguards regarding the dissemination of the FBI's CHRI data to state and local governments for non-criminal justice licensing and employment purposes.¹⁵ The FBI, with the assistance of the United States Department of Justice, has determined the parameters of Pub. L. 92-544.¹⁶ The criteria for granting access to the FBI's CHRI data are as follows:

- The state's statute requiring fingerprinting must exist as a result of a legislative enactment;
- It must require the fingerprinting of applicants who are to be subjected to a national criminal history background check;
- It must, expressly ("submit to the FBI") or by implication ("submit for a national check"), authorize the use of FBI records for the screening of applicants;
- It must identify the specific category(ies) of licensees/employees falling within its purview, thereby avoiding over breadth;
- It must not be against public policy; and
- It may not authorize receipt of the CHRI data by a private entity.

Section 560.141, F.S. (the statute authorizing background checks for MSB applicants), had been previously approved for access to CHRI; however, the situation has recently changed.

In an effort to obtain CHRI for applicants to a recently created (in 2020) Financial Technology Sandbox under s. 559.952, F.S., the FDLE sent correspondence to the FBI's Criminal Justice Information Law Unit (CJILU) to obtain an Originating Agency Identifier (ORI). The ORI validates legal authorization to access criminal justice information and identifies the specific agency requesting the information. CJILU reviewed s. 559.952, F.S., which derives its fingerprinting authority from s. 560.141, F.S. On March 22, 2021, CJILU responded to this request stating that s. 560.141, F.S. did not qualify for CHRI because certain terms were overly broad and, thus, did not sufficiently define the categories of people subject to the background check.¹⁷ The CJILU did express that since it had previously approved s. 560.141, F.S., it would continue to honor fingerprints submitted under ch. 560, F.S., during a grace period in order to allow Florida to amend 560.103, F.S.¹⁸ CJILU will not allow fingerprinting of additional

¹⁴ 28 C.F.R. s. 20.1.

¹⁵ Federal Bureau of Investigation, *Testimony of Dennis Lormel Before the House Financial Services Committee* (Mar. 06, 2001), <https://archives.fbi.gov/archives/news/testimony/fbis-perspective-on-criminal-history-record-information-checks-on-individuals-conducting-insurance-business> (last visited Feb. 27, 2023).

¹⁶ Email from Heather R. Postlethwait, FBI Office of the General Counsel, to Nathan Pate, Florida Department of Law Enforcement, RE: ORI Request - Florida Office of Financial Regulation (Mar. 22, 2021) (on file with the Senate Committee on Banking and Insurance).

¹⁷ Office of Financial Regulation, Senate Bill 1536 Analysis (January 12, 2022) (on file with the Senate Committee on Banking and Insurance), and Letter from Heather R. Postlethwait, Paralegal Specialist for the FBI CJILU, to Nathan Pate, Florida Dept. of Law Enforcement, (Mar. 22, 2022) (on file with the Senate Committee on Banking and Insurance).

¹⁸ *Id.*

categories of applicants (i.e., those applying under the Financial Technology Sandbox) during this grace period.¹⁹

These concerns raised by the FBI resulted in the adoption of a new definition of the term “control person” that was codified in 2022 which described all persons subject to fingerprinting under ch. 560, F.S.,²⁰ to mean any of the following:

- A person who holds the title of president, chief executive officer, chief financial officer, chief operations officer, chief legal officer, or compliance officer for a money services business.
- A person who holds any of the officer positions named in the money services business’s governing documents.
- A person who holds any position named by the money services business’s liability insurance coverage for directors and officers, if the business has such coverage.
- A director of the money services business’s board of directors.
- A person who directs the affairs of a money services business or who participates in, or has authority to participate in, the major policymaking functions of a money services business, regardless of whether the person has an official title or receives a salary or other compensation.
- For a money services business that is a corporation, all shareholders that, directly or indirectly, own 25 percent or more or that have the power to vote 25 percent or more of a class of voting securities.
- For a money services business that is a partnership, all general partners, and those limited or special partners that have contributed 25 percent or more or that have the right to receive upon dissolution 25 percent or more of the limited liability company’s capital.
- For a money services business that is a limited liability company, all managers, and those members that have contributed 25 percent or more or that have the right to receive upon dissolution 25 percent or more of the limited liability company’s capital.²¹

The FBI determined that this definition of “control person” does not meet the requirements of Public Law 92-544 because it does not “identify the specific category(ies) of licensees/employees falling within its purview, thereby avoiding over breadth,”²² and has continued the grace period while revisions are made to meet the requirements of federal law.

III. Effect of Proposed Changes:

On February 17, 2023, the FBI asked questions and provided comments on SB 532. The FBI noted “the inclusion of terms that are overly broad and undefined do not meet the requirements of Public Law 92-544.” The FBI also noted that they would need to review the entire statute to

¹⁹ *Id.*

²⁰ Chapter 2022-135, L.O.F.

²¹ Section 560.103(10), F.S.

²² Email from Amanda Brooke Taylor, FDLE Operations & Management Consultant Manager, to Russell Weigel, Commissioner of Office of Financial Regulation, RE: OFR Request – FBI approval of HB 389 language (August 9, 2022) (on file with the Senate Committee on Banking and Insurance).

make a final determination on whether the proposed bill language would be approved.²³ The revisions to the bill in CS/SB 532 are intended to address the concerns communicated by the FBI regarding the bill as filed.

Section 1 amends the definition of a “control person,” with respect to MSB, to include:

- A person who holds the title of treasurer.
- A person who holds general manager, manager or managing member positions named in the MSB governing documents. “Governing documents” is defined, as used in s. 560.103(10)(b), F.S., to mean bylaws, articles of incorporation or organization, partnership agreements, shareholder agreements, and management or operating agreements.
- A shareholder whose name shares are registered in records of a corporation²⁴ for profit, whether incorporated under the laws of this state or organized under the laws of any other jurisdiction and existing in that legal form, who owns 25 percent or more of a class of the company’s equity securities. The bill clarifies paragraph (d) of the definition in that it: (a) specifies that a shareholder is the title of the interest holder of a corporation, (b) incorporates the definition of foreign corporation within the definition of “control person” with referencing the term or cross-referencing the definition of “foreign corporation”, and (c) clarifies that equity securities are the type of interest held in a corporation.
- A general partner,²⁵ limited partner,²⁶ or special partner who has a 25 percent or greater transferable interest²⁷ of a limited partnership,²⁸ limited liability limited partnership,²⁹ foreign

²³ Email from CJILU to Charles Murphy, Deputy Director, Florida Department of Law Enforcement Criminal Justice Information Services, (Feb. 17, 2023) (on file with the Senate Committee on Banking and Insurance).

²⁴ Section 607.01401(13), F.S., defines “corporation” as a corporation for profit, which is not a foreign corporation, incorporated under this chapter.

²⁵ Section 620.1102(9), F.S., defines “general partner” as (a) with respect to a limited partnership, a person that: 1. Becomes a general partner under s. 620.1401, F.S.; or 2. Was a general partner in a limited partnership when the limited partnership became subject to this act under s. 620.2204(1) or (2), F.S., (b) with respect to a foreign limited partnership, a person that has rights, powers, and obligations similar to those of a general partner in a limited partnership. Section 620.1401, F.S., provides that a person becomes a general partner: (1) as provided in the partnership agreement; (2) under s. 620.1801(1)(c), F.S., following the dissolution of a limited partnership’s last general partner; (3) as a result of a conversion or merger involving the limited partnership under the Florida Revised Uniform Limited Partnership Act of 2005 (FRULPA) as provided for in the plan of conversion or merger; or (4) with the consent of all partners.

²⁶ Section 620.1102(11), F.S., defines “limited partner” to mean (a) with respect to a limited partnership, a person that: 1. Becomes a limited partner under s. 620.1301, F.S.; or 2. was a limited partner in a limited partner in a limited partnership when the limited partnership became subject to this act under s. 620.2204(1) or (2), F.S. (b) with respect to a foreign limited partnership, a person that has rights, powers, and obligations similar to those of a limited partner in a limited partnership. Section 620.1301, F.S., provides that a person becomes a limited partner: (1) as provided in the partnership agreement; (2) as a result of a conversion or merger involving the limited partnership under FRULPA as provided in the plan of conversion or merger; or (3) with the consent of all the partners.

²⁷ Section 620.1102(25), F.S., defines “transferable interest” as a partner’s right to receive distributions.

²⁸ Section 620.1102(12), F.S., defines “limited partnership,” except in the phrase “foreign limited partnership” and “foreign limited liability limited partnership,” means an entity, having one or more general partners and one or more limited partners, which is formed under this act by two or more persons or becomes subject to this act as the result of a conversion or merger under this act, or which was a limited partnership governed by the laws of this state when this act became a law and became subject to this act under s. 620.2204(1) and (2). The term includes a limited liability limited partnership.

²⁹ Section 620.1102(10), F.S., defines “limited liability limited partnership,” except in the phrase “foreign limited liability limited partnership,” means a limited partnership whose certificate of limited partnership states that the limited partnership is a limited liability limited partnership, or which was a limited liability limited partnership when the limited partnership became subject to this act under s. 620.2204(1) or (2).

limited partnership,³⁰ or foreign limited liability limited partnership.³¹, which is substantially the same as current law except that the bill: (a) describes the types of partnerships that fall within the definition of “control person,” (b) defines the types of partners, including general partner, limited partner, or special partners, and (c) provides for a partner who has a 25 percent or greater transferable interest, which is defined in the bill, rather than a right to receive upon dissolution 25 percent or more of the partnership’s capital. The bill defines “special partner,” for purposes of s. 560.103(10)(e), F.S., has the same meaning as a person that has rights, powers, and obligations similar to those of a limited partner in a limited partnership.

- A member³² who holds a 25 percent or more membership interest in a limited liability company³³ or a foreign limited liability company,³⁴ as that term is defined in s. 605.0102, F.S.. The bill defines “membership interest,” as used in s. 560.103(10)(f), F.S., to mean a member’s right to receive distributions or other rights, such as voting rights or management rights, under the articles of organization. The bill differs from current law in that the bill: (a) includes members of a foreign limited liability company, (b) defines member, membership interest, limited liability company, and foreign limited liability company, and (c) provides for a member who holds a 25 percent or more membership interest rather than a right to receive 25 percent or greater of the limited liability company’s capital upon dissolution.
- A beneficial owner of any legal entity of the corporations, partnerships, and limited liability companies noted above. Defines “beneficial owner” as each individual, if any, who, directly or indirectly, through any contract, arrangement, understanding, or relationship other than a revocable proxy, owns 25 percent or more of the shares or stock interest, transferable interest, or membership interest of a legal entity.

The bill removes the following persons from within the definition of “control person”:

- A person who holds any position named in the MSB’s liability insurance coverage for directors and officers, if the business has such coverage; and
- A person who directs the affairs of a MSB or who participates in, or has authority to participate in, the major policymaking functions of a money service business, regardless of whether the person has an official title or receives a salary or other compensation.

³⁰ Section 620.1102(8), F.S., defines “foreign limited partnership” as a partnership formed under the laws of a jurisdiction other than this state and required by those laws to have one or more general partners and one or more limited partners. The term includes a foreign limited liability limited partnership.

³¹ Section 620.1102(7), F.S., defines “foreign limited liability limited partnership” as a foreign limited partnership whose general partners have limited liability for the obligations of the foreign limited partnership under a provision similar to s. 620.1404(3).

³² Section 605.0102,(40), F.S., defines “member” as a person who (a) is a member of a limited liability company under s. 605.0401 or was a member in a company when the company became a subject to this chapter; and (b) has not dissociated from the company under s. 605.0602, F.S. Section 605.0401(3), F.S., provides that, after formation of a limited liability company, a person becomes a member: (a) as provided in the operating agreement; (b) as the result of a merger, interest exchange, conversion, or domestication under ss. 605.1001-605.1072, F.S., as applicable; (c) with the consent of all members; or (d) as provided in s. 605.0701(3), F.S.

³³ Section 605.0102(36), F.S., defines “limited liability company” as an entity formed or existing under ch. 605, F.S., or an entity that becomes subject to ch. 605, F.S., pursuant to ss. 605.1001-605.1072, F.S.

³⁴ Section 605.0102(26), F.S., defines “foreign limited liability company” as an unincorporated entity that was formed in a jurisdiction other than this state and is denominated by that law as a limited liability company.

Section 2 provides an effective date of July 1, 2023.

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. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 560.103 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.)

CS by Banking and Insurance Committee on March 15, 2023:

The committee substitute makes the following changes to the definition of “control person” under s. 560.103(10), F.S.:

- Adds a person who holds the title of treasurer;
- Adds a person who holds general manager, manager or managing member positions named in the MSB governing documents;
- With respect to MSB’s that are corporations:
 - Specifies that a shareholder is the title of the interest holder of a corporation;
 - Incorporates the definition of foreign corporation within the definition of “control person” with referencing the term or cross-referencing the definition of “foreign corporation;” and
 - Clarifies that equity securities are the type of interest held in a corporation.
- With respect to partnerships:
 - Describes the types of partnerships that fall within the definition of “control person;” and
 - Provides for a partner who has a 25 percent or greater transferable interest rather than a right to receive upon dissolution 25 percent or more of the partnership’s capital;
- With respect to limited liability companies:
 - Includes members of a foreign limited liability company; and
 - Provides for a member who holds a 25 percent or more membership interest rather than a right to receive 25 percent or greater of the limited liability company’s capital upon dissolution;
- Provides that a “control person” includes a beneficial owner of corporations, partnerships, and limited liability companies covered under the definition of “control person;”
- Defines the terms “governing documents,” “special partner,” and “membership interest,” and “beneficial owner” within the definition of “control person;” and
- Defines “general partner,” “limited partner,” “transferable interest,” “limited partnership,” “limited liability partnership,” “foreign limited partnership,” “foreign limited liability partnership,” “member,” “limited liability company,” and “foreign limited liability company” by cross-referencing the definitions of these terms in Title XXXVI Business Organizations of the Florida Statutes.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.



336708

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/17/2023	.	
	.	
	.	
	.	

The Committee on Banking and Insurance (Burton) recommended the following:

Senate Amendment (with title amendment)

Delete lines 13 - 57
and insert:

(10) "Control person" means, with respect to a money services business, any of the following:

(a) A person who holds the title of president, treasurer, chief executive officer, chief financial officer, chief



336708

operations officer, chief legal officer, or compliance officer for a money services business.

(b) A person who holds any of the officer, general partner, manager, or managing member positions named in the money services business's governing documents. As used in this paragraph, the term "governing documents" includes bylaws, articles of incorporation or organization, partnership agreements, shareholder agreements, and management or operating agreements.

~~(c) A person who holds any position named by the money services business's liability insurance coverage for directors and officers, if the business has such coverage.~~

~~(d)~~ A director of the money services business's board of directors.

~~(e) A person who directs the affairs of a money services business or who participates in, or has authority to participate in, the major policymaking functions of a money services business, regardless of whether the person has an official title or receives a salary or other compensation.~~

(d)(f) A shareholder whose name shares are registered in the records of a corporation for profit, whether incorporated under the laws of this state or organized under the laws of any other jurisdiction and existing in that legal form, who owns 25 percent or more of a class of the company's equity securities
~~For a money services business that is a corporation, all shareholders that, directly or indirectly, own 25 percent or more or that have the power to vote 25 percent or more of a class of voting securities.~~

(e)(g) A general partner or a limited partner, as those



336708

terms are defined in s. 620.1102, or a special partner who has a 25 percent or greater transferable interest, as defined in s. 620.1102, of a limited partnership, limited liability limited partnership, foreign limited partnership, or foreign limited liability limited partnership, as those terms are defined in s. 620.1102. For purposes of this paragraph, a special partner has the same meaning as a person that has rights, powers, and obligations similar to those of a limited partner, as defined in s. 620.1102, in a limited partnership ~~For a money services business that is a all general partners, and those limited or special partners that have contributed 25 percent or more or that have the right to receive upon dissolution 25 percent or more of the partnership's capital.~~

(f)~~(h)~~ A member, as defined in s. 605.0102, who holds a 25 percent or greater membership interest in a limited liability company or a foreign limited liability company, as those terms are defined in s. 605.0102. As used in this subsection, the term "membership interest" means a member's right to receive distributions or other rights, such as voting rights or management rights, under the articles of organization ~~For a money services business that is a limited liability company, all managers, and those members that have contributed 25 percent or more or that have the right to receive upon dissolution 25 percent or more of the limited liability company's capital.~~

(g) A beneficial owner of any legal entity referred to in paragraphs (d)-(f). As used in this paragraph, the term "beneficial owner" means each individual, if any, who, directly or indirectly, through any contract, arrangement, understanding, or relationship other than a revocable proxy, owns 25 percent or



336708

68 more of the shares or stock interest, transferable interest as
69 defined in s. 620.1102, or membership interest of a legal
70 entity.

71
72 ===== T I T L E A M E N D M E N T =====

73 And the title is amended as follows:

74 Delete line 5

75 and insert:

76 defining terms; providing an

By Senator Burton

12-00963-23

2023532__

A bill to be entitled

An act relating to money services businesses; amending s. 560.103, F.S.; revising the definition of the term "control person" for purposes of ch. 560, F.S.; defining the term "governing documents"; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Subsection (10) of section 560.103, Florida Statutes, is amended to read:

560.103 Definitions.—As used in this chapter, the term:

(10) "Control person" means any of the following:

(a) A person who holds the title of president, chief executive officer, chief financial officer, chief operations officer, chief legal officer, or compliance officer for a money services business.

(b) A person who holds any of the officer, manager, or managing member positions named in the money services business's governing documents. As used in this paragraph, the term "governing documents" includes bylaws, articles of incorporation or organization, partnership agreements, shareholder agreements, and management or operating agreements.

~~(c) A person who holds any position named by the money services business's liability insurance coverage for directors and officers, if the business has such coverage.~~

~~(d) A director of the money services business's board of directors.~~

~~(e) A person who directs the affairs of a money services~~

Page 1 of 2

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

12-00963-23

2023532__

~~business or who participates in, or has authority to participate in, the major policymaking functions of a money services business, regardless of whether the person has an official title or receives a salary or other compensation.~~

(d)(f) For a money services business that is a corporation or a foreign corporation, as those terms are defined in s. 607.01401, each person who is a 25 percent or greater interest holder as that term is defined in s. 607.01401(44)(a), all shareholders that, directly or indirectly, own 25 percent or more or that have the power to vote 25 percent or more of a class of voting securities.

(e)(g) For a money services business that is a limited partnership, limited liability limited partnership, foreign limited partnership, or foreign limited liability limited partnership as those terms are defined in s. 620.1102, each person who has a 25 percent or greater transferable interest as that term is defined in s. 620.1102 all general partners, and those limited or special partners that have contributed 25 percent or more or that have the right to receive upon dissolution 25 percent or more of the partnership's capital.

(f)(h) For a money services business that is a limited liability company or a foreign limited liability company, as those terms are defined in s. 605.0102, each person who is a 25 percent or greater interest holder as that term is defined in s. 605.0102(31)(f), all managers, and those members that have contributed 25 percent or more or that have the right to receive upon dissolution 25 percent or more of the limited liability company's capital.

Section 2. This act shall take effect July 1, 2023.

Page 2 of 2

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

3-15-2023

The Florida Senate
APPEARANCE RECORD

532

Meeting Date

Banking & Insurance

Committee

Deliver both copies of this form to
Senate professional staff conducting the meeting

Bill Number or Topic

Amendment Barcode (if applicable)

Name

Ash Mason

Phone

Address

Street

Email

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
Financial Regulation

☐

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)

From: Postlethwait, Heather R. (OGC) (FBI) <hrpostlethwait@fbi.gov>

Sent: Monday, March 22, 2021 9:45 AM

To: Pate, Nathan <NathanPate@fdle.state.fl.us>

Cc: Bokey, Lori L. (OGC) (FBI) <lbokey@fbi.gov>; Schaeffer, Charles <CharlesSchaeffer@fdle.state.fl.us>; Sheets, Krista G. (RPO) (CON) <kgsheets@fbi.gov>; Taylor, Betsy C. (OGC) (FBI) <bctaylor@fbi.gov>

Subject: Fw: ORI Request - Florida Office of Financial Regulation

Mr. Pate,

This is in reference to an email, dated January 5, 2021, requesting the assignment of an Originating Agency Identifier (ORI) for the Florida Office of Financial Regulation pursuant to Public Law (Pub. L.) 92-544. Reference is also made to an email, dated January 15, 2021, wherein the definitions of “responsible person” and “control of a money services business” were provided.

The Criminal Justice Information Law Unit (CJILU) legal staff has reviewed Florida Statutes Annotated (FIS) Section 559.952, which derives its screening authority from FIS § 560.141, and authorizes the Florida Office of Financial Regulation to conduct a national fingerprint-based criminal background check of each officer, director, responsible person, the compliance officer, each controlling shareholder, and any other person who has a controlling interest in the money services business, and has determined that FIS § 560.141 would not qualify for access to FBI criminal history record information (CHRI) pursuant to Pub. L. 92-544 because responsible person and control of a money services business are overly broad. FIS § 560.103 defines responsible person as an “individual who is employed or ‘affiliated’ with a money services business and who has ‘principal active management authority’ over the business decisions, actions, and activities of the money services business in this state.” Affiliated party is defined in FIS § 560.103 as “director, officer, responsible person, employee, or foreign affiliate of a money services business or a person that has a controlling interest in a money services business. However, the definitions of affiliated party and responsible person refer back to each other and principal active management authority is not defined. Similarly, FIS § 560.127 defines control of a money services business as a person who “(1) Possesses the power, directly or indirectly, to direct management or policies of the money services business, whether through ownership, by contract, or otherwise;” however, this definition does not narrowly define which categories of people would be subject to a national fingerprint-based criminal background check.

As a matter of information, the FBI, with the assistance of the United States Department of Justice, has determined the parameters of Pub. L. 92-544. The criteria are as follows:

- a. The statute must exist as a result of a legislative enactment;
- b. It must require the fingerprinting of applicants who are to be subjected to a national criminal history background check;
- c. It must, expressly (“submit to the FBI”) or by implication (“submit for a national check”), authorize the use of FBI records for the screening of applicants;
- d. It must identify the specific category(ies) of licensees/employees falling within its purview, thereby avoiding over breadth;
- e. It must not be against public policy; and

f. It may not authorize receipt of the CHRI by a private entity.

Additionally, FBI policy requires that fingerprints be initially submitted to the state identification bureau (for a check of state records) and thereafter forwarded to the FBI for a “national” criminal history check.

As FIS § 560.141 was previously approved by the CJILU, the FBI will continue to honor fingerprints submitted pursuant to this authority of money service business licenses and can assign an ORI to the Florida Office of Financial Regulation for this previously approved category. However, the CJILU cannot add additional categories and will need to place FIS § 560.141 on a grace period to allow the State of Florida time to amend FIS § 560.141 to specifically identify the category(ies) of licensees/employees falling within its purview.

Should you have questions or need any further assistance, please contact Krista Sheets at kgsheets@fbi.gov.

Thank you,
Heather

Heather R. Postlethwait

Paralegal Specialist

Criminal Justice Information Law Unit

FBI Office of the General Counsel

304-625-5983

hrpostlethwait@fbi.gov

Confidentiality Statement: This message is transmitted to you by the Office of the General Counsel of the Federal Bureau of Investigation. The message, along with any attachments, may be confidential and legally privileged. If you are not the intended recipient of this message, please destroy it promptly without further retention or dissemination (unless otherwise required by law). Please notify the sender of the error by a separate e-mail or by calling (304) 625-5983.

From: [Oaks, Greg C](#)
To: [Moody, Jacqueline](#)
Cc: [Mason, Ash](#)
Subject: FW: OFR request - FBI approval of HB 389 language
Date: Wednesday, March 8, 2023 9:16:17 PM
Attachments: [image001.png](#)
[image003.png](#)
[image005.png](#)
[image002.png](#)

Jackie,

It looks like this is all I have which came from FDLE.

I hope it helps.

Greg

Gregory C. Oaks

Director

Division of Consumer Finance

Office of Financial Regulation

200 East Gaines Street

Tallahassee, FL 32399-0376

Office: (850) 487-9687

Direct: (850) 410-9829



Promoting a safe marketplace for financial success

From: Taylor, Amanda <AmandaTaylor@fdle.state.fl.us>

Sent: Tuesday, August 9, 2022 12:23 PM

To: Weigel, Russell <Russell.Weigel@flofr.gov>

Cc: Oaks, Greg C <Greg.Oaks@flofr.gov>; Black, Ashley <AshleyBlack@fdle.state.fl.us>; Cammarata, Anthony <Anthony.Cammarata@flofr.gov>; Del Castillo, Peter <Peter.DelCastillo@flofr.gov>; Norris, Katie <Katie.Norris@flofr.gov>

Subject: RE: OFR request - FBI approval of HB 389 language

Good Afternoon,

The FDLE has received a determination from the FBI's Criminal Justice Information Law Unit in regards to a review of House Bill 389, which amended Chapter 560. After reviewing Florida Statute 560.141, they determined that the amendments do not meet the requirements of Public Law 92-544; therefore the request to remove s. 560.141 from the grace period was denied. More specifically, the FBI's CJILU indicated that the amendments do not meet the criteria of PL 92-544 because it fails to "identify the specific category(ies) of

licensees/employees falling within its purview, thereby avoiding over breadth.”

FDLE’s Compact Officer, Charles Murphy, is in touch with the FBI’s CJILU and will be requesting a meeting to further discuss the denial, as well as, asking for an extension of the current grace period to include an additional legislative cycle.

We apologize for any inconvenience this may cause and will advise once we have further direction from the FBI’s CJILU.

Thank you,

Amanda Brooke Taylor

Operations & Management Consultant Manager
Florida Department of Law Enforcement
CJIS i Criminal History Services
Office: (850) 410-8120
Email: AmandaTaylor@fdle.state.fl.us

From: Weigel, Russell <Russell.Weigel@flofr.gov>
Sent: Thursday, August 4, 2022 3:12 PM
To: Taylor, Amanda <AmandaTaylor@fdle.state.fl.us>
Cc: Oaks, Greg C <Greg.Oaks@flofr.gov>; Black, Ashley <AshleyBlack@fdle.state.fl.us>; Cammarata, Anthony <Anthony.Cammarata@flofr.gov>; Del Castillo, Peter <Peter.DelCastillo@flofr.gov>; Norris, Katie <Katie.Norris@flofr.gov>
Subject: RE: OFR request - FBI approval of HB 389 language

CAUTION: This email originated outside of FDLE. Please use caution when opening attachments, clicking links, or responding to this email.

Good afternoon, Ms. Taylor. Please be advised that Alex Anderson no longer is employed at the OFR. Because of the imminent Cabinet meeting this month, I wish to inquire whether the FBI has responded, and if not, can they be contacted again for an answer?

Thank you for your assistance on this matter.

Sincerely,

Russell C. Weigel, III
Commissioner
Office of Financial Regulation
200 E. Gaines Street
Tallahassee, FL 32399-0376
Office: (850) 410-9601



Promoting a safe marketplace for financial success

From: Taylor, Amanda <AmandaTaylor@fdle.state.fl.us>
Sent: Thursday, June 16, 2022 2:26 PM
To: Anderson, Alex <Alex.Anderson@flofr.gov>
Cc: Weigel, Russell <Russell.Weigel@flofr.gov>; Oaks, Greg C <Greg.Oaks@flofr.gov>; Black, Ashley <AshleyBlack@fdle.state.fl.us>
Subject: RE: OFR request - FBI approval of HB 389 language

Good Afternoon Mr. Anderson,

At this time, I have not received an update from the FBI's Criminal Justice Information Law Unit in regards to HB 389's language and the OFR being removed from the grace period they were placed under. I will send an email this afternoon asking for an update.

Please let me know if there's anything additional you or your team needs.

Thank you!

Amanda Brooke Taylor

Operations & Management Consultant Manager
Florida Department of Law Enforcement
CJIS i Criminal History Services
Office: (850) 410-8120
Email: AmandaTaylor@fdle.state.fl.us

From: Anderson, Alex <Alex.Anderson@flofr.gov>
Sent: Thursday, June 16, 2022 2:03 PM
To: Taylor, Amanda <AmandaTaylor@fdle.state.fl.us>
Cc: Weigel, Russell <Russell.Weigel@flofr.gov>; Oaks, Greg C <Greg.Oaks@flofr.gov>; Black, Ashley <AshleyBlack@fdle.state.fl.us>
Subject: RE: OFR request - FBI approval of HB 389 language

CAUTION: This email originated outside of FDLE. Please use caution when opening attachments, clicking links, or responding to this email.

OFR has drafted rules to implement the law the Governor has signed. We would appreciate any sort of feedback from the FBI on this as soon as possible. It would be helpful to have their input before the rules go before the Cabinet.

Thank you,

Alexander J. Anderson

Director of Governmental Relations
Florida Office of Financial Regulation

From: Taylor, Amanda <AmandaTaylor@fdle.state.fl.us>

Sent: Friday, April 29, 2022 8:46 AM

To: Anderson, Alex <Alex.Anderson@flofr.gov>

Cc: Weigel, Russell <Russell.Weigel@flofr.gov>; Oaks, Greg C <Greg.Oaks@flofr.gov>; Black, Ashley <AshleyBlack@fdle.state.fl.us>

Subject: FW: OFR request - FBI approval of HB 389 language

Good Morning Mr. Anderson,

I'm reaching out to provide an update on HB 389. Although the Governor has not signed the bill into law, the FDLE has pre-emptively sent up a request to the FBI to remove the grace period set forth on the ORI for the Office of Financial Regulation.

Due to this being a pre-existing topic of discussion at the FBI, the FDLE hopes this will be resolved soon. At this time, the FBI has not provided an estimated time of response.

Please let me know if you have additional questions/concerns.

Thank you,

Amanda Brooke Taylor

Operations & Management Consultant Manager
Florida Department of Law Enforcement
CJIS i Criminal History Services
Office: (850) 410-8120
Email: AmandaTaylor@fdle.state.fl.us

From: Anderson, Alex <Alex.Anderson@flofr.gov>

Sent: Thursday, April 14, 2022 1:38 PM

To: Draa, Ronald <RonaldDraa@fdle.state.fl.us>

Cc: Smith, Bobbie <BobbieSmith@fdle.state.fl.us>; Sparkman, Robin <RobinSparkman@fdle.state.fl.us>; Weigel, Russell <Russell.Weigel@flofr.gov>; Oaks, Greg C <Greg.Oaks@flofr.gov>

Subject: Re: OFR request - FBI approval of HB 389 language

CAUTION: This email originated outside of FDLE. Please use caution when opening

attachments, clicking links, or responding to this email.

OFR is currently drafting the rules to implement the FBI fingerprint fix legislation and we would appreciate any help in getting a response from the FBI on this topic.

If we are able to at least get a timeline for a response that would be helpful information.

Thank you,

Alexander J. Anderson

Director of Governmental Relations
Florida Office of Financial Regulation

From: Draa, Ronald <RonaldDraa@fdle.state.fl.us>
Sent: Wednesday, March 16, 2022 12:43 PM
To: Anderson, Alex <Alex.Anderson@flofr.gov>
Cc: Smith, Bobbie <BobbieSmith@fdle.state.fl.us>; Sparkman, Robin <RobinSparkman@fdle.state.fl.us>
Subject: RE: OFR request - FBI approval of HB 389 language

Hi Alex,

We are in receipt of your request. I have forwarded to our new CJIS Director Robin Sparkman and copied her on this response to you have her email. Charlie has retired from the agency.

Regards,
Ron

Ronald E. Draa, Jr. | Chief of Staff
Florida Department of Law Enforcement
850.410.7020 (Office)
850.528.2755 (Cell)

From: Anderson, Alex <Alex.Anderson@flofr.gov>
Sent: Wednesday, March 16, 2022 12:16 PM
To: Draa, Ronald <RonaldDraa@fdle.state.fl.us>; CharlesSchaeffer@fdle.state.fl.us; Pyle, Michelle <MichellePyle@fdle.state.fl.us>; Pate, Nathan <NathanPate@fdle.state.fl.us>
Cc: Oaks, Greg C <Greg.Oaks@flofr.gov>; Weigel, Russell <Russell.Weigel@flofr.gov>
Subject: OFR request - FBI approval of HB 389 language

CAUTION: This email originated outside of FDLE. Please use caution when opening attachments, clicking links, or responding to this email.

Good afternoon,

Based on the FBI's denial of an ORI for OFR Sandbox licensees (context below) our office had a bill filed to amend chapter 560 to meet the new requirements of the FBI. We are now requesting FDLE's assistance in securing the FBI's review of this recently passed bill (attached).

The FBI's review of this this bill language is needed to ensure it meets the requirements of their new interpretation of Public Law 92-544. OFR's goal is to have s. 560.141, F.S. removed from the 'grace period' it was placed under by the March 22, 2021 email from Paralegal Heather Postlethwait.

If there is any further information I can provide you to ensure a timely transmittal, please let me know.

Thank you,

Alexander J. Anderson

Director of Governmental Relations
Florida Office of Financial Regulation
Office: (850) 410-9601
Direct: (850) 410-9789
Alex.Anderson@flofr.gov

OFR-logo-2020



Promoting a safe marketplace for financial success

From: Pate, Nathan <NathanPate@fdle.state.fl.us>

Sent: Thursday, July 1, 2021 1:53 PM

To: Oaks, Greg C <Greg.Oaks@flofr.gov>

Cc: Townsend, Tracy <TracyTownsend@fdle.state.fl.us>

Subject: RE: 559.952 - ORI Request Inquiry

Good Afternoon Director Oaks,

The FBI's Criminal Justice Information Law Unit (CJILU) has provided a formal decision on the Office of Financial Regulation's (OFR) Financial Sandbox Technology ORI request.

The CJILU has determined that fingerprint submissions for applicants of financial technology sandbox licensure can be submitted pursuant to FIS § 560.141; however, the CJILU will also be placing FIS § 560.141 on a grace period. The CJILU is allowing the State of Florida to pick the grace period's end date. This grace period is intended to provide the OFR time to amend FIS § 560.141 to identify the category(ies) of licensees/employees that fall within the purview of OFR. The CJILU is available to review

draft legislation.

Upon the OFR supplying the FDLE with an estimated grace period end date, the FDLE will relay this date to the CJILU. Once the CJILU is in possession of their requested grace period end date, the OFR will be free to begin submitting financial technology sandbox licensees.

Lastly, the CJILU has provided the following detailed analysis for the OFR's consideration.

The screening authority is found in FIS § 560.141, which authorizes national fingerprint-based criminal background checks of each officer, director, responsible person, the compliance officer, each controlling shareholder, and any other person who has a controlling interest in the money services business. The following documents were submitted to clarify who would be subject to fingerprinting under Chapter 560: Florida Administrative Code (FAC) Rule 69V-560.1012, FAC Rule 69V-560.102, FAC Rule 69V-560.1021, and Form OFR-560-01. FAC Rule 69V-560.1012 adopts OFR-560-01 as the official application form. FAC Rule 69V-560.102 outlines the application procedure and requires fingerprinting of each person listed in question 5G of the Application for Licensure as a Money Services Business, OFR-560-01. FAC Rule 69V-560.1021 defines "relevant person" as meaning each officer, director, responsible person, compliance officer, or controlling shareholder of the money services business applicant, and any other person who has a controlling interest in the money services business applicant as provided in [FIS] § 560.127. Further, a "relevant person" is defined as a natural person. OFR-560-01 Application for Licensure as a Money Services Business - Question 5G dictates which persons shall be fingerprinted as part of the application process. Question 5G defines "responsible person" using the definition found in FIS § 560.103 and defines "control of a money services business" using the definition found in FIS § 560.127. Reference is made to an email, dated January 15, 2021, wherein FIS § 560.103 and FIS § 560.127 were provided by FDLE as definitions of "responsible person" and "control of a money service business," respectively. The CJILU notes that only regulations voted on by the full body of a state legislature meet the requirements of Public Law (Pub. L.) 92-544.

As previously discussed, FIS § 560.103 defines responsible person as an "individual who is employed or 'affiliated' with a money services business and who has 'principal active management authority' over the business decisions, actions, and activities of the money services business in this state." Affiliated party is defined in FIS § 560.103 as "director, officer, responsible person, employee, or foreign affiliate of a money services business or a person that has a controlling interest in a money services business." However, the definitions of affiliated party and responsible person refer back to each other and 'principal active management authority' is not defined. Similarly, FIS § 560.127 defines control of a money services business as a person who "(1) Possesses the power, directly or indirectly, to direct management or policies of the money services business, whether through ownership, by contract, or otherwise." It is unclear how power could be possessed indirectly or outside of ownership or contractually.

As FIS § 560.141 was previously approved by the CJILU, the FBI will continue to honor fingerprints submitted pursuant to this authority. The Florida OFR can submit

fingerprints for applicants for financial technology sandbox licenses pursuant to FIS § 560.141 as FIS § 559.952 derives its screening authority from FIS § 560.141, but no additional categories will be added to the approved Pub. L. 92-544 Florida statute list. The CJILU will be placing FIS § 560.141 on a grace period to allow the State of Florida time to amend FIS § 560.141 to specifically identify in statute the category(ies) of licensees/employees falling within its purview. The CJILU is requesting a date that will allow sufficient time for the Florida legislature to bring FIS § 560.141 into compliance with Pub. L. 92-544. The CJILU is also available to review draft legislation.

Please let us know if there are any questions or concerns.

Sincerely,



Nathan “Nate” Pate
Criminal Justice Information Consultant II
Criminal History Services
(850) 410-8220
www.fdle.state.fl.us

From: Pate, Nathan
Sent: Friday, January 15, 2021 4:30 PM
To: 'Oaks, Greg C' <Greg.Oaks@flofr.com>
Cc: Townsend, Tracy <TracyTownsend@fdle.state.fl.us>
Subject: RE: 559.952 - ORI Request Inquiry

Mr. Oaks,

Thank you for your swift response. We'll get this to the FBI by COB today.

Sincerely,



Nathan “Nate” Pate
Criminal Justice Information Consultant II
Criminal History Services
(850) 410-8220
www.fdle.state.fl.us

From: Oaks, Greg C <Greg.Oaks@flofr.com>
Sent: Friday, January 15, 2021 4:09 PM
To: Pate, Nathan <NathanPate@fdle.state.fl.us>
Cc: Townsend, Tracy <TracyTownsend@fdle.state.fl.us>

Subject: FW: 559.952 - ORI Request Inquiry

Hi Nate,

Thank you for your email.

Below are the statutory citations for the definition of “responsible person” and “controlling interest”.

560.103 Definitions.—As used in this chapter, the term:

(33) “Responsible person” means an individual who is employed by or affiliated with a money services business and who has principal active management authority over the business decisions, actions, and activities of the money services business in this state.

560.127 Control of a money services business.—A person has a controlling interest in a money services business if the person:

(1) Possesses the power, directly or indirectly, to direct the management or policies of the money services business, whether through ownership, by contract, or otherwise;

(2) Directly or indirectly may vote 25 percent or more of a class of a voting security or sell or direct the sale of 25 percent or more of a class of voting securities; or

(3) In the case of a partnership, may receive upon dissolution or has contributed 25 percent or more of the capital.

History.—s. 1, ch. 94-238; s. 1, ch. 94-354; s. 707, ch. 2003-261; s. 57, ch. 2006-213; s. 22, ch. 2008-177.

I hope this answers their questions. Please let me know if I can be of further assistance.

Best Regards,

Gregory C. Oaks

Director

Division of Consumer Finance

Office of Financial Regulation

200 East Gaines Street

Tallahassee, FL 32399-0376

Office: (850) 487-9687

Direct: (850) 410-9829



Promoting a safe marketplace for financial success

From: Pate, Nathan <NathanPate@fdle.state.fl.us>
Sent: Friday, January 15, 2021 3:44 PM
To: Oaks, Greg C <Greg.Oaks@flofr.com>
Cc: Townsend, Tracy <TracyTownsend@fdle.state.fl.us>
Subject: 559.952 - ORI Request Inquiry

Mr. Oaks,

While the Federal Bureau of Investigation (FBI) continues its review of s. 559.952, their legal team has posed the below inquiry. Is your office be able to supply a response?

The FBI understands that s. 559.952 derives its screening authority from s. 560.141. Specifically, s. 560.141 identifies persons that are subject to submit fingerprints for state and national criminal history record checks. These populations include every "officer, director, responsible person, the compliance officer, each controlling shareholder, and any other person who has a controlling interest."

Is "responsible person" and "any other person who has a controlling interest" defined by statute? As they stand, these terms may need to be defined in order to meet the requirements of Public Law 92-544.

Please let us know if we can be of further assistance with this inquiry.



Nathan "Nate" Pate
Criminal Justice Information Consultant II
Criminal History Services
Work: (850) 410-8220
Cell: (850) 631-0361
www.fdle.state.fl.us



2022 AGENCY LEGISLATIVE BILL ANALYSIS

Florida Office of Financial Regulation

BILL INFORMATION

BILL NUMBER:	SB 1536
BILL TITLE:	An Act Relating to Money Services Businesses
BILL SPONSOR:	Senator Jim Boyd
EFFECTIVE DATE:	October 1, 2022

COMMITTEES OF REFERENCE

1) Banking and Insurance
2) Commerce and Tourism
3) Rules
4)
5)

CURRENT COMMITTEE

--

SIMILAR BILLS

BILL NUMBER:	HB 389
SPONSOR:	Representative Ardian Zika

PREVIOUS LEGISLATION

BILL NUMBER:	
SPONSOR:	
YEAR:	
LAST ACTION:	

IDENTICAL BILLS

BILL NUMBER:	
SPONSOR:	

Is this bill part of an agency package?

Yes

BILL ANALYSIS INFORMATION

DATE OF ANALYSIS:	January 12, 2022
LEAD AGENCY ANALYST:	Alexander J. Anderson, Director of Legislative Affairs (850) 410-9601
ADDITIONAL ANALYST(S):	Gregory C. Oaks, Director, Division of Consumer Finance (850) 410-9601
LEGAL ANALYST:	Tony Cammarata, General Counsel (850) 410-9601
FISCAL ANALYST:	Buckley Vernon, Financial Administrator (850) 410-9673

POLICY ANALYSIS

1. **EXECUTIVE SUMMARY**

The legislation would amend section 560.103, F.S., to revise the definition of “affiliated party,” and to provide a definition for the term “control person.” Additionally, the legislation would amend certain provisions in chapter 560, F.S., to conform to definitional changes.

The legislation would amend section 560.105, F.S., related to agency powers, to create rulemaking authority to establish disqualifying time periods during which money services business applicants are barred from licensure due to a control persons’ prior criminal history. In addition, the legislation would establish mitigating factors to reduce disqualifying time periods.

The legislation would revise section 560.114, F.S., allowing the Office to bar a person from holding a license or acting as a control person of a money services business when such person has been found to have violated chapter 560, F.S., any related rule or order adopted by the commission or office, or any written agreement entered into with the Office. In addition, the legislation would authorize the suspension of a money services business license in response to the arrest of a control person(s).

The legislation would repeal section 560.127, F.S., relating to control of a money services business.

The provisions of the bill would take effect October 1, 2022.

2. **SUBSTANTIVE BILL ANALYSIS**

I. **PRESENT SITUATION:**

The Florida Office of Financial Regulation (Office) is responsible for all activities of the Financial Services Commission relating to the regulation of banks, credit unions, other financial institutions, finance companies, and the securities industry.¹ The Office has three divisions: the Division of Consumer Finance, the Division of Financial Institutions, and the Division of Securities. The Office also has a Bureau of Financial Investigations, which functions as a criminal justice agency and has a separate budget.²

Regulation of Consumer Finance

The Office’s Division of Consumer Finance is responsible for the regulation of non-depository financial services industries, including money services businesses licensed under chapter 560, Florida Statutes. Pursuant to chapter 560, Florida Statutes, a person must be licensed, or exempt from licensure, in order to engage in the activities of a money services business. The term “money services business” means any person located in or doing business in this state, from this state, or into this state from locations outside this state or country who acts as a payment instrument seller³, foreign currency exchanger⁴, check casher⁵, or money transmitter⁶. State and federally chartered financial depository institutions (e.g. banks, credit unions, trust companies, etc.) are exempt from licensure under chapter 560, Florida Statutes. As of January 12, 2022, the Office’s records reflect 706 licensed money services businesses.

General license requirements:

To qualify for licensure, an applicant must, in part:

¹ Section 20.121(3)(a)2., Florida Statutes.

² *Id.*

³ “Payment instrument seller” means a corporation, limited liability company, limited liability partnership, or foreign entity qualified to do business in this state which sells a payment instrument. A “payment instrument” is a check, draft, warrant, money order, travelers check, electronic instrument, or other instrument, payment of money, or monetary value whether or not negotiable. The term does not include an instrument that is redeemable by the issuer in merchandise or service, a credit card voucher, or a letter of credit.

⁴ “Foreign currency exchanger” means a person who exchanges, for compensation, currency of the United States or a foreign government to currency of another government.

⁵ “Check casher” means a person who sells currency in exchange for payment instruments received, except travelers checks.

⁶ “Money transmitter” means a corporation, limited liability company, limited liability partnership, or foreign entity qualified to do business in this state which receives currency, monetary value, or payment instruments for the purpose of transmitting the same by any means, including transmission by wire, facsimile, electronic transfer, courier, the Internet, or through bill payment services or other businesses that facilitate such transfer within this country, or to or from this country.

- Submit an application to the Office and pay a nonrefundable application fee. If the application is approved, the license will be renewed biennially, subject to renewal fees and continued compliance with licensure standards set forth in chapter 560, F.S.
- Submit fingerprints for live-scan processing for persons who have control of a money services business applicant;
- Demonstrate to the Office the character and general fitness necessary to command the confidence of the public and warrant the belief that the money services business will be operated lawfully and fairly;
- Be legally authorized to do business in Florida;
- Be registered as a money services business with the Financial Crimes Enforcement Network as required by 31 C.F.R. s. 1022.380, if applicable;
- Have an anti-money laundering program (“AML”) which meets the requirements of 31 C.F.R. s. 1022.210. (The AML program is a licensee’s written program designed to deter money laundering and the financing of terrorist activities by requiring certain record-keeping, reporting, and compliance measures); and
- Provide the office with all the information required under chapter 560, F.S. and its related rules.

Florida Control of Money Laundering in Money Services Business Act:

The “Florida Control of Money Laundering in Money Services Business Act,” set forth in section 560.123, F.S., requires licensees to maintain certain records of transactions involving currency or payment instruments in order to deter the use of a money services business to conceal proceeds from criminal activity and to ensure the availability of such records for criminal, tax, or regulatory investigations or proceedings. The provision absolves from liability (for claims of loss or damage) a money services business, an officer, employee, or agent of a money services business that, in good faith, files a report, pursuant to section 560.123, F.S. Failure to file such reports may result in the Office taking disciplinary action against the licensee.

Relevant definitions:

The term “**affiliated party**” means a director, **officer, responsible person**, employee, or foreign affiliate of a money services business, or a **person who has a controlling interest in a money services business as provided in section 560.127, F.S.** Currently, chapter 560, F.S. does not define the term “control person.”

The term “**officer**” means an individual, other than a director, who participates in, or has authority to participate in, the major policymaking functions of a money services business, regardless of whether the individual has an official title or receives a salary or other compensation.

The term “**responsible person means**” an individual who is employed by or affiliated with a money services business and who has principal active management authority over the business decisions, actions, and activities of the money services business in this state.

Pursuant to section 560.127, F.S., a **person has a controlling interest in a money services business** if the person:

- Possesses the power, directly or indirectly, to direct the management or policies of the money services business, whether through ownership, by contract, or otherwise;
- Directly or indirectly may vote 25 percent or more of a class of a voting security, or sell or direct the sale of 25 percent or more of a class of voting securities; or
- In the case of a partnership, may receive upon dissolution, or has contributed 25 percent or more of the capital.

Disciplinary action:

A money services business, authorized vendor⁷, or affiliated party that violates chapter 560, Florida Statutes, or its related rules is subject to disciplinary action and penalties. In response to a violation, the Office may issue a cease and desist order, issue a removal order, deny a pending license application, suspend a license, revoke a license or take any other action within its authority.

A money services businesses’ license may be summarily suspended pursuant to the provisions of section 120.60(6), F.S., if the licensee poses an immediate, serious danger to the public health, safety, and welfare. It is an immediate and serious danger to the public health, safety, and welfare if a natural person required to be listed in

⁷ “Authorized vendor” means a person designated by a money services business licensed under part II of chapter 560, F.S., to act on behalf of the licensee at locations in this state pursuant to a written contract with the licensee.

the money services business license application is criminally charged with, or arrested for, a crime described in paragraph (1)(o)⁸, paragraph (1)(p)⁹, or paragraph(1)(q)¹⁰.

Filing of Reports:

Section 560.118, F.S., requires licensees to file quarterly reports. Quarterly reports capture a licensee's transactional data for each calendar quarter. The report requires a person authorized by the licensee, to swear/affirm that the report is true and correct to the best of her or his knowledge and belief. Failure to file such reports may result in the Office taking disciplinary action against the licensee.

Required Notice by Licensee:

Pursuant to section 560.126, F.S., a licensee must report changes to partners, officers, members, joint venturers, directors, controlling shareholders, and responsible persons and changes to its business organization as specified by rule. A licensee must report the addition of a partner, officer, member, joint venture, director, controlling shareholder, or responsible person who does not have a controlling interest (as defined in section 560.127, F.S.) and who has not complied with applicable provisions of sections 560.1401¹¹ and 560.141¹², F.S. Persons proposing to purchase or acquire a controlling interest (as defined in section 560.127, F.S.), in a licensee must file a new money services business application with the Office. In addition, section 560.126, F.S., provides rulemaking authority to waive the application requirement for persons proposing to purchase or acquire a controlling interest in a licensee if such persons have previously complied with sections 560.1401 and 560.141, F.S. Failure to report changes may result in the Office taking disciplinary action against the licensee.

Effect of Law Enforcement Records on Applications for Money Services Business Licensure:

Currently, Rule 69V-560.1021(5), F.A.C., prescribes the following disqualifying time periods for applicants whose relevant persons¹³ have pled guilty or nolo contendere to, or been convicted or found guilty of class "A," "B," or "C" crimes:

- For class "A" crimes (felony crimes involving fraud, dishonest dealing, moral turpitude, misappropriation, conversion, or unlawful withholding of moneys belonging to others), the applicant will not be granted a license until 15 years have passed since the trigger date¹⁴.
- For class "B" crimes (felony crimes that are not Class A crimes), the applicant will not be granted a license until 7 years have passed since the trigger date.
- For class "C" crimes (misdemeanor crimes that involve misappropriation, conversion, or unlawful withholding or moneys belonging to others), the applicant will not be granted licensure until 5 years have passed since the trigger date.

Applicants whose relevant persons have pled guilty or nolo contendere to, or been convicted or found guilty of, multiple class "A," "B," or "C" crimes, are subject to an additional 5-year disqualifying period for each additional crime.

A disqualifying period may be shortened by one year upon proof of the following mitigating factors:

- One year is deducted if the probation officer or prosecuting attorney in the most recent crime states in a signed writing that the probation officer or prosecuting attorney believes the applicant would pose no significant threat to public welfare;
- One year is deducted if restitution or settlement has been made for all crimes in which restitution or settlement was ordered by the court, and proof of such restitution or settlement is shown in official court documents or as verified in a signed writing by the prosecuting attorney or probation officer;

⁸ Any felony or crime punishable by imprisonment of 1 year or more under the law of any state or the United States which involves fraud, moral turpitude, or dishonest dealing, regardless of adjudication.

⁹ A crime under 18 U.S.C. section 1956 or 31 U.S.C. section 5324, regardless of adjudication.

¹⁰ Misappropriation, conversion, or unlawful withholding of moneys belonging to others, regardless of adjudication.

¹¹ Sets forth qualifications for licensure.

¹² Sets forth licensing application process.

¹³ "Relevant persons" means each officer, director, responsible person, compliance officer, or controlling shareholder of the money services business applicant, and any other person who has a controlling interest in the money services business applicant as provided in section 560.127, F.S. If the applicant is a natural person, he or she is the relevant person under this rule. See Rule 69V-560.1021(1)(a), F.A.C.

¹⁴ "Trigger date" means the date on which an applicant was found guilty, or pled guilty, or pled nolo contendere to a crime. See Rule 69V-560.1021(1)(b), F.A.C.

- One year will be deducted if the applicant was under age 21 when the crime was committed and there is only one crime¹⁵ in the applicant's law enforcement record;
- One year is deducted if the applicant furnishes proof that the applicant was, at the time of the crime, addicted to drugs or suffering active alcoholism; and
- Other Mitigating Factors. An applicant is permitted to submit any other evidence of facts that the applicant believes should decrease the disqualifying period before licensure is allowed, and one additional year shall be deducted if the Office agrees the facts have a mitigating effect on the licensure decision.

If mitigating factors are aggregated, the aggregate mitigation may not result in a disqualifying time period of less than seven (7) years for felonies, or subtract more than three (3) years from a disqualifying time period.

Federal law:

A money services business must register with the Financial Crimes Enforcement Network (FinCEN) as required by 31 C.F.R. s. 1022.380, if applicable. FinCEN is a bureau within the Treasury Department and serves as the Financial Intelligence Unit of the United States. FinCEN oversees and implements policies to prevent and detect money laundering. To this end, FinCEN is responsible for implementing, administering, and enforcing compliance with the "Bank Secrecy Act." The Bank Secrecy Act or (BSA) requires financial institutions to assist government agencies in the detection and prevention of money laundering. Specifically, the act requires financial institutions to maintain certain records, file reports of cash transactions exceeding \$10,000, and to report suspicious criminal activity.

Currently, chapter 560, F.S., requires licensees and authorized vendors to comply with all state and federal laws and rules relating to the detection and prevention of money laundering, including, as applicable, s. 560.123, and 31 C.F.R. ss. 1010.306, 1010.311, 1010.312, 1010.313, 1010.340, 1010.410, 1010.415, 1022.320, 1022.380, and 1022.410. In addition, a licensee must comply with the United States Treasury Interpretive Release 2004-1. If such persons fail to comply with the aforementioned provisions, the Office may take administrative action against such persons, including, but not limited to, the issuance of a cease and desist order; the issuance of a removal order; the denial, suspension, or revocation of a license, and/or imposition of a fine of at least \$1,000 but not more than \$10,000 for each violation.

II. EFFECT OF THE BILL:

Section 1 amends the current definition of "affiliated party" by deleting the terms "director, officer, and responsible person" and inserting the term "control person." Directors, officers, and responsible persons will remain "affiliated parties" as those persons will fall within the new definition of "control person." The new definition of "control person" establishes that persons who possess the power to direct the management or policies of the money services business are considered control persons of a money services business. In addition, the definition enumerates such persons.

The legislation makes technical amendments to section 560.103, F.S., to incorporate new subsections, delete obsolete subsections, and renumber existing subsections.

Once in effect, the legislation will require an amendment to the money services business application (Form OFR-560-01) to conform to the above-mentioned definition changes, an amendment to Rule 69V-560.1012 (adoption of forms) to re-adopt amended Form OFR-560-01, and may require an amendment to Rule 69V-560.102, Florida Administrative Code, to conform to the above-mentioned definition changes.

In addition, the amendment will delete a cross-reference to repealed section 560.127, F.S.

Section 2 amends section 560.105, which relates to agency powers. The amended provisions create specific rulemaking authority for the following:

- Establishing time periods during which money services businesses are precluded from holding a license;
- Providing for increased disqualifying time periods due to imprisonment, community supervision, the commitment of multiple crimes, or other reasonably related factors; and
- Establishing mitigating factors to reduce disqualifying periods.

Once in effect, the legislation would require an amendment to Rule 69V-560.1021, F.A.C. Specifically, the rule would be amended to conform to new language found in section 560.105, F.S. related to disqualifying periods and mitigating factors.

¹⁵ Class "A," "B," or "C" crime.

The legislation excludes the application of section 112.011, F.S. to license eligibility under section 560.105, F.S. Section 112.011, F.S., relates to the impact of a person's prior criminal conviction in obtaining a license, permit, or certificate from a public agency, the impact of a person's prior criminal conviction in obtaining public employment, and the effect of a person's lack of civil rights. The exclusion of section 112.011, F.S., means that section 560.103, F.S., is the guiding authority in determining whether a money services business is eligible for licensure.

Section 3 amends section 560.114, Florida Statutes, which relates to disciplinary actions and penalties. Specifically, the provisions would authorize the Office to bar, permanently or for a specific period, a person from holding a money services business license, or from acting as a control person of a money services business, if such person was found to have violated:

- Chapter 560, Florida Statutes;
- Chapter 69V-560, F.A.C.;
- An order entered by the Office; or
- Any written agreement entered into with the Office.

Pursuant to the bill, the Office may suspend the license of a money services business if a **control person** is arrested for conduct that would authorize the revocation of a license under section 560.114(1), F.S. The order of suspension:

- Takes effect after a hearing, unless the suspension is pursuant to section 120.60(6), F.S., or a hearing is not requested by the licensee;
- Must contain a finding that *prima facie* evidence supports the charge made in the criminal prosecution; and
- Must not operate for longer than 10 calendar days after notice of termination of the pending criminal prosecution is received by the Office. A criminal prosecution is considered pending upon the filing of criminal charges and is considered terminated upon conviction, acquittal, or dismissal.

Section 4 amends section 560.118(2), F.S., which relates to the filing of quarterly reports. The amended provisions would conform to the new definition of "control person." The amended provisions would require a "control person" to make a declaration in the quarterly report, that the quarterly report is true and correct to the best of her or his knowledge and belief.

Section 5 amends section 560.123, F.S., the "Florida Control of Money Laundering in Money Services Business Act," to conform to the new definition of "control person." The amended provisions will extend liability protections (related to claims of loss or damage) to control persons when filing a report in good faith, pursuant to section 560.123, F.S.

Section 6 amends section 560.126(3), F.S., to conform to the new definition of "control person." The legislation deletes provisions requiring persons proposing to purchase or acquire a controlling interest in a licensee to file a new application with the Office and deletes rulemaking provisions related to application waivers for persons proposing to purchase or acquire a controlling interest in a licensee who previously complied with sections 560.1401 and 560.141, F.S. The new provisions remove application waivers found in chapter 560, F.S. and related rules and require all control persons to comply with sections 560.1401¹⁶ and 560.141,¹⁷ F.S.

The proposed legislation would require the amendment of Rule 69V-560.201, F.A.C., to repeal provisions related to application waivers for persons proposing to purchase or acquire a controlling interest in a licensee.

Section 7 repeals section 560.127, F.S., relating to control of a money services business. With the adoption of the term "control person", this section becomes obsolete as the term "control person" will define who controls a money services business.

Section 8 amends section 560.141, F.S., which relates to the filing of a license application. The amended provisions would conform to the new definition of "control person" and would delete a cross-reference to section 560.127, F.S., which is being repealed by this legislation.

Section 9 amends section 560.143, which relates to license application fees, by deleting a cross-reference to section 560.127, F.S., which is being repealed by this legislation.

Section 10 reenacts section 559.952(4)(a), F.S., relating to the Financial Technology Sandbox, to incorporate the amendments made to sections 560.118 and 560.141, F.S. Financial technology sandbox licensees are licensed pursuant to part XII of chapter 559, F.S., and may conduct activities under chapter 560, Florida Statutes. When conducting activities under chapter 560, Florida Statutes, Financial technology sandbox licensees are required to

¹⁶ Sets forth qualifications for licensure.

¹⁷ Sets forth licensing application process.

act in accordance with certain provisions in chapter 560, F.S., including select provisions in sections 560.118 and 560.141, F.S.

Section 11 provides an effective date of October 1, 2022, meaning the Office would begin enforcing the provisions of sections 1 through 10, on or after October 1, 2022.

1. DOES THE LEGISLATION DIRECT OR ALLOW THE AGENCY/BOARD/COMMISSION/DEPARTMENT TO DEVELOP, ADOPT, OR ELIMINATE RULES, REGULATIONS, POLICIES, OR PROCEDURES? Y ☒ N ☐

If yes, explain:	Section 2 of the proposed legislation grants the Financial Services Commission the authority to prescribe, by rule, time periods during which money services businesses are precluded from holding a license. Section 6 of the proposed legislation deletes rulemaking provisions related to application waivers for persons proposing to purchase or acquire a controlling interest in a licensee.
Is the change consistent with the agency's core mission?	Y ☒ N ☐
Rule(s) impacted (provide references to F.A.C., etc.):	The proposed legislation would require the amendment of rules 69V-560.1012, 69V-560.1021, 69V-560.201, F.A.C., and may require an amendment to Rule 69V-560.102, F.A.C.

2. WHAT IS THE POSITION OF AFFECTED CITIZENS OR STAKEHOLDER GROUPS?

Proponents and summary of position:	Unknown
Opponents and summary of position:	Unknown

3. ARE THERE ANY REPORTS OR STUDIES REQUIRED BY THIS BILL?

Y ☐ N ☒

If yes, provide a description:	
Date Due:	
Bill Section Number(s):	

4. ARE THERE ANY NEW GUBERNATORIAL APPOINTMENTS OR CHANGES TO EXISTING BOARDS, TASK FORCES, COUNCILS, COMMISSIONS, ETC. REQUIRED BY THIS BILL?

Y ☐ N ☒

Board:	
Board Purpose:	
Who Appoints:	
Changes:	
Bill Section Number(s):	

FISCAL ANALYSIS

1. FISCAL IMPACT TO LOCAL GOVERNMENT

Y ☐ N ☒

Revenues:	
Expenditures:	
Does the legislation increase local taxes or fees? If yes, explain.	No
If yes, does the legislation provide for a local referendum or local governing body public vote prior to implementation of the tax or fee increase?	

2. FISCAL IMPACT TO STATE GOVERNMENT

Y ☒ N ☐

Revenues:	
Expenditures:	The state would incur insignificant costs associated with rulemaking which would be absorbed within the Office's existing expense budget.
Does the legislation contain a State Government appropriation?	No
If yes, was this appropriated last year?	

3. FISCAL IMPACT TO THE PRIVATE SECTOR

Y ☐ N ☒

Revenues:	Unknown
Expenditures:	Unknown
Other:	Unknown

4. DOES THE BILL INCREASE OR DECREASE TAXES, FEES, OR FINES?

Y ☐ N ☒

If yes, explain impact.	
Bill Section Number:	

TECHNOLOGY IMPACT

1. DOES THE BILL IMPACT THE AGENCY'S TECHNOLOGY SYSTEMS (I.E. IT SUPPORT, LICENSING SOFTWARE, DATA STORAGE, ETC.)?

Y ☐ N ☒

If yes, describe the anticipated impact to the agency including any fiscal impact.	
--	--

FEDERAL IMPACT

1. DOES THE BILL HAVE A FEDERAL IMPACT (I.E. FEDERAL COMPLIANCE, FEDERAL FUNDING, FEDERAL AGENCY INVOLVEMENT, ETC.)? Y ☒ N ☐

If yes, describe the anticipated impact including any fiscal impact.	Pursuant to section 560.141, F.S., the Office is responsible for reviewing the results of state and federal criminal history background checks and determining whether a money services business applicant meets required licensing standards. During the application process, a money services business applicant must submit fingerprints for live-scan processing (the process of capturing fingerprints electronically). The fingerprints are submitted to the Florida Department of Law Enforcement (FDLE) for the purpose of conducting a criminal history background check. Section 560.141, F.S., requires FDLE to conduct a state criminal history background check and a federal criminal history background check, which is conducted through the Federal Bureau of Investigation (FBI). The FBI manages the criminal history record information (CHRI) system at the federal level and is authorized to disseminate CHRI in certain circumstances. Pursuant to Title 28, C.F.R. section 20.1, CHRI must be disseminated in a manner to ensure the accuracy, completeness, currency, integrity, and security of the disseminated information and to protect individual privacy. As such, access to CHRI is limited to “criminal justice agencies” that perform the “administration of criminal justice” as those terms are defined in Title 28, C.F.R., section 20.3. However, in certain circumstances, non-criminal justice agencies (e.g. state agencies) may receive access to CHRI. Pursuant to Public Law 92-544, the Federal Bureau of Investigation (FBI) may provide CHRI to officials of State and local governments for employment and licensing purposes, if authorized by a State statute which has been approved by the Attorney General of the United States¹⁸. In an effort to obtain CHRI from the FBI pursuant to section 559.952, F.S., which authorizes the Office to screen financial technology sandbox applicants, the Office sent correspondence to the Florida Department of Law Enforcement (FDLE) formally requesting the assignment of a non-criminal justice Originating Agency Identifier (ORI). The ORI identifier validates legal authorization to access criminal justice information and identifies the specific agency requesting the information. Section 559.952, F.S., derives its criminal history background check authority from section 560.141, F.S., which authorizes the Office to request the fingerprints of each officer, director, responsible person, the compliance officer, each controlling shareholder, and any other person who has a controlling interest in a money services business as provided in s. 560.127, F.S., for the purpose of conducting a criminal history background check. In response, the Office received a letter from FDLE determining that section 560.141, F.S. did not qualify for access to FBI criminal history record information because the terms “responsible person” and “control of a money services business” as used in section 560.141, F.S., were overly broad and would not sufficiently define the categories of people subject to the national fingerprint-based criminal background check. Because the FBI had previously approved the Office’s ORI request pursuant to section 560.141, F.S., the FBI was willing to honor the screening of fingerprints submitted pursuant to this
---	---

¹⁸ Section 560.141, F.S., is included in the FBI’s Public Law 92-544 List of Approved Statutes.

	authority for money service business applicants. However, the FBI was not willing to extend this same privilege to section 559.952, F.S., for the screening of financial technology sandbox applicants. SB 1536 stems from the Office's effort to comply with federal provisions related to CHRI access for non-criminal justice agencies.
--	--

ADDITIONAL COMMENTS

LEGAL - GENERAL COUNSEL'S OFFICE REVIEW

Issues/concerns/comments:	OGC has reviewed the agency's bill analysis concerning SB 1536, and the analysis sufficiently details the effect of the bill and the areas of impact.
---------------------------	---



THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

COMMITTEES:

Health Policy, *Chair*
Judiciary, *Vice Chair*
Appropriations Committee on Education
Appropriations Committee on Health
and Human Services
Banking and Insurance
Fiscal Policy
Rules
Transportation

JOINT COMMITTEE:

Joint Administrative Procedures Committee

SENATOR COLLEEN BURTON

12th District

February 21, 2023

The Honorable Jim Boyd
Committee on Banking and Insurance
418 Senate Building
404 South Monroe Street
Tallahassee, FL 32399

Chair Boyd,

I respectfully request SB 532- Money Services Businesses be placed on the Committee on Insurance and Banking agenda at your earliest convenience.

Thank you for your consideration.

Regards,

A handwritten signature in blue ink that reads "Colleen Burton".

Colleen Burton
State Senator, District 12

CC: James Knudson, Staff Director
Amaura Canty, Administrative Assistant

REPLY TO:

- ☐ 100 South Kentucky Avenue, Suite 260, Lakeland, Florida 33801 (863) 413-1529
- ☐ 318 Senate Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5012

Senate's Website: www.flsenate.gov

KATHLEEN PASSIDOMO
President of the Senate

DENNIS BAXLEY
President Pro Tempore

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 Banking and Insurance

BILL: SB 564

INTRODUCER: Senate Committee on Banking and Insurance and Senator Hutson

SUBJECT: Interchange Fees on Taxes

DATE: March 17, 2023

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Moody	Knudson	BI	Fav/CS
2.			CM	
3.			RC	

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 564 creates s. 501.0119, F.S., which prohibits an issuer, a payment card network, an acquirer bank, or a processor from charging an interchange fee on any tax that is separately itemized on a sales invoice, sales slip, or other evidence of sale in any electronic payment transaction if the merchant informs a specified entity of such tax amount as part of the clearance process for such transaction. The merchant must transmit the tax amount data as part of the clearance process to avoid being charged interchange fees on the tax amount.

A merchant that does not transmit the tax amount data for eligible electronic payment transactions as part of the clearance process may submit tax documentation to the specified entity no later than 180 days after the date of the electronic payment transaction, and within 30 days, the issuer must credit to the merchant the amount of interchange fees charged on the tax amount of the electronic payment transaction.

An issuer, a payment card network, an acquirer bank, a processor, or other designated entity that has received the tax amount data and that violates these provisions is subject to a civil penalty of \$1,000 per electronic payment transaction, and the issuer must refund the interchange fees charged on any tax amount relative to the electronic payment transaction.

The bill defines several terms, including acquirer bank, clearance, credit card, debit card, electronic payment transaction, interchange fee, issuer, merchant, payment card network, processor, settlement, tax, and tax document.

See Section V. Fiscal Impact Statement.

The bill is effective October 1, 2023.

II. Present Situation:

Financial Institutions Code

The Florida Office of Financial Regulation (OFR) is responsible for all activities of the Financial Services Commission relating to the regulation of banks, credit unions, other financial institutions, finance companies, and the securities industry.¹

Florida law defines the term “financial institution” as a state or federal savings or thrift association, bank, savings bank, trust company, international bank agency, international banking corporation, international branch, international representative office, international administrative office, international trust entity, international trust company representative office, qualified limited service affiliate, credit union, or an agreement corporation operating pursuant to s. 25 of the Federal Reserve Act, 12 U.S.C. s. 601 et seq. or Edge Act corporation organized pursuant to s. 25(a) of the Federal Reserve Act, 12 U.S.C. ss. 611 et seq.²

Financial institutions may be either state or federally chartered. OFR’s Division of Financial Institutions provides general supervision over all state financial institutions, their subsidiaries, and service corporations,³ and is charged with the administration of the financial institutions codes, which apply to all state-authorized or state-chartered financial institutions and to the enforcement of all laws relating to state-authorized or state-chartered financial institutions. As of June 30, 2020, the Division of Financial Institutions regulates 197 financial institutions:⁴

- 69 banks
- 66 credit unions
- 21 international bank offices
- 15 trust companies
- 16 family trust companies
- 10 qualified limited service affiliates

Payment card networks or card associations, such as Visa and MasterCard, and processors do not meet the definition of financial institution and, therefore, are not currently regulated by the OFR.⁵

¹ Section 20.121(3)(a)2., F.S.

² Section 655.005(1)(i), F.S.

³ Section 655.012(1), F.S.

⁴ The OFR, *Fast Facts* (2021 ed.), available at: <https://flofr.gov/sitePages/documents/FastFacts.pdf> (last visited Mar. 14, 2023).

⁵ The OFR, *Agency Analysis for SB 564 (2023)*, p. 2, Mar. 14, 2023 (on file with the Senate Committee on Banking and Insurance).

Electronic Payment Transactions

In 1958, Bank of America launched the first credit card⁶ payment program with revolving credit known as BankAmericard in the U.S.⁷ In 1966, the Bank of Delaware launched the first debit card⁸ pilot program.⁹ Over time credit card and debit cards have become a common way to pay for goods and services. Several key players are involved in processing credit card and debit card transactions, including acquiring banks or contracted processors,¹⁰ payment card networks or bank card associations,¹¹ and issuers or issuing banks.¹² Processing credit card or debit card transactions requires several steps, including gathering sales information from the merchant, obtaining authorization for the transaction, collecting funds from the issuing bank, and making payment to the merchant.¹³

Network Infrastructure, Technology, and Security

In 2006, certain major payment card networks established the PCI Security Standards Council (PCI SSC) which created standards that set out technical requirements for their respective compliance programs for payments made worldwide.¹⁴ Participating organizations include merchants, processors, developers, and point of sale vendors.¹⁵ There are 12 requirements for securing cardholder data that is stored, processed or transmitted by participating members, such

⁶ 15 U.S.C. s. 1602(l) defines “credit card” as any card, plate, coupon book or other credit device existing for the purpose of obtaining money, property, labor, or services on credit.

⁷ Visa, Inc., *What We Do*, available at: [What we do | Unlocking opportunities for everyone | Visa](#) (last visited Mar. 12, 2023).

⁸ 15 U.S.C. s. 1693o-2.(c)(2) defines “debit card” as (A) any card, or other payment code or device, issued or approved for use through a payment card network to debit an asset account (regardless of the purpose for which the account is established), whether authorization is based on signature, PIN, or other means; (B) includes a general-use prepaid card, as that term is defined in s. 15 U.S.C. s. 1693l-1(a)(2)(A); and (C) does not include paper checks.

⁹ Hyashi, F., Sullivan, R., & Weiner, S., *A Guide to the ATM and Debit Card Industry*, Federal Reserve Bank of Kansas City, 2003, pg. 13, available at: [A Guide to the ATM and Debit Card Industry \(kansascityfed.org\)](#) (last visited Mar. 12, 2023).

¹⁰ An “acquiring bank,” also known as the merchant bank, is a member of a card association that contracts with merchants for the settlement of card transactions. An acquiring bank must sponsor a merchant that accepts as a form of payment card association brand payment cards, and may contract directly with merchants or indirectly through agent banks or other third-party organizations to process card transactions. Office of the Comptroller of the Currency, *Comptroller’s Handbook: Safety and Soundness: Merchant Processing*, Vol. 1, pg. 2, Aug. 2014, available at: [OCC Merchant Processing Handbook.pdf](#) (hereinafter cited as “OCC Merchant Processing Handbook”) (last visited Mar. 12, 2023).

¹¹ “Payment card network” or “bank card associations” are entities that directly, or through licensed members, processors, or agents, provides the proprietary services, infrastructure, and software that route information and data to conduct debit card or credit card transaction authorization, clearance, and settlement, and that a person uses in order to accept as a form of payment a brand of debit card, credit card or other device that may be used to carry out debit or credit transactions. 15 U.S.C. s. 1693o-2.(c)(11). Examples of the major payment card networks include Visa, Inc. (Visa), MasterCard, Inc. (MasterCard), Discover Global Network (Discover), and American Express (AmEx). See Visa, *What We Do*, available at: [What we do | Unlocking opportunities for everyone | Visa](#) (last visited Mar. 12, 2023); MasterCard, *Who We Are*, available at: [About Mastercard | Who We Are | Who We Serve](#) (last visited Mar. 12, 2012); Discover, *Our Network*, available at: [Our Unique Payments Network | Discover Global Network](#) (last visited Mar. 12, 2023); AmEx, *American Express Network: The Network That Backs You*, available at: [GNW-Home \(americanexpress.com\)](#) (last visited Mar. 12, 2023).

¹² “Issuer” or “issuing bank” is any person or entity who issues a debit card, or credit card, or the agent of such person with respect to such card. 15 U.S.C. s. 1693o-2.(c)(9).

¹³ OCC Merchant Processing Handbook at pg. 1.

¹⁴ PCI SSC, *About Us*, available at: [Official PCI Security Standards Council Site - Verify PCI Compliance, Download Data Security and Credit Card Security Standards](#) (hereinafter cited as “PCI SSC Governance Website”) (last visited Mar. 12, 2023).

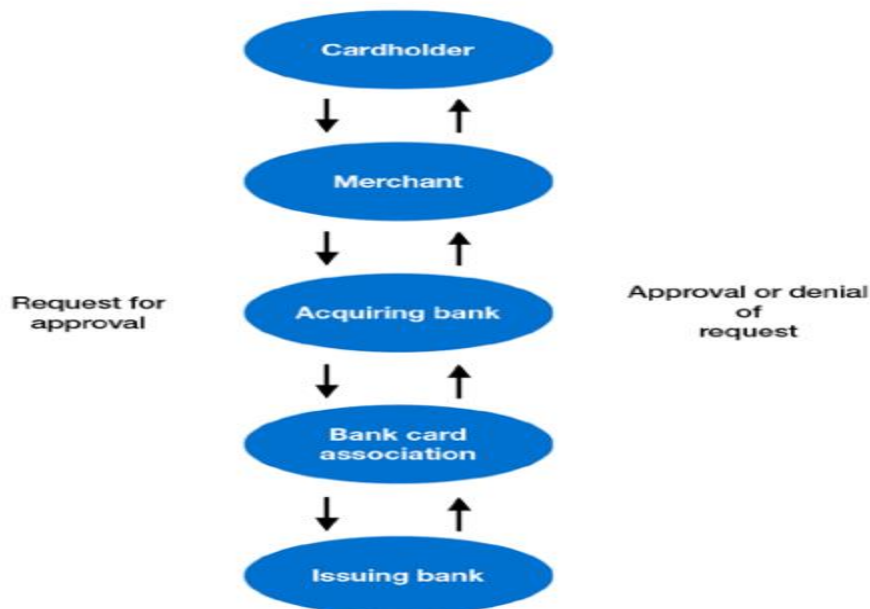
¹⁵ PCI SSC, *The Prioritized Approach to Pursue PCI DSS Compliance*, pg. 2, available at: [PCI DSS Prioritized Approach for PCI DSS 3.2 \(pcisecuritystandards.org\)](#) (last visited Mar. 12, 2023).

as encrypting transmission of cardholder data across open public networks, and developing and maintaining secure systems and applications.¹⁶ Payment card networks or processors are responsible for enforcement of such requirements.¹⁷

Authorization Process

These secured networks are used to process the authorization of credit card and debit card transactions. Authorization is the process of approving or declining a transaction prior to the transaction being finalized.¹⁸ A merchant may obtain an estimated/initial authorization to place a hold for a transaction amount for transactions in certain types of industries when the actual amount of a transaction is unknown.¹⁹ Typically, authorization for a transaction to be paid by credit card or debit card is requested electronically for the transaction amount from a merchant's point of sale system through the merchant's bank or processor (via the payment card network) to the issuer in a matter of seconds.²⁰ An illustration of the authorization process is shown below.²¹

Figure 1: Authorization Process



Source: OCC

Clearing and Settlement Process

Clearing is the process of transmitting final transaction data from merchants to issuers for posting to the cardholder's account, and the calculation of certain fees and charges that apply to the issuer and acquirer.²² The settlement process includes transmitting sales information to the

¹⁶ *Id.* at pgs. 1, 8-9.

¹⁷ PSI SSC Governance Website.

¹⁸ OCC Merchant Processing Handbook at pg. 7.

¹⁹ See, Visa, *Authorization and Reversal Processing Requirements for Merchants*, available at: [Authorization and Reversal Processing Requirements for Merchants \(visa.com\)](https://www.visa.com/merchants/authorization-and-reversal-processing-requirements) (last visited Mar. 12, 2023).

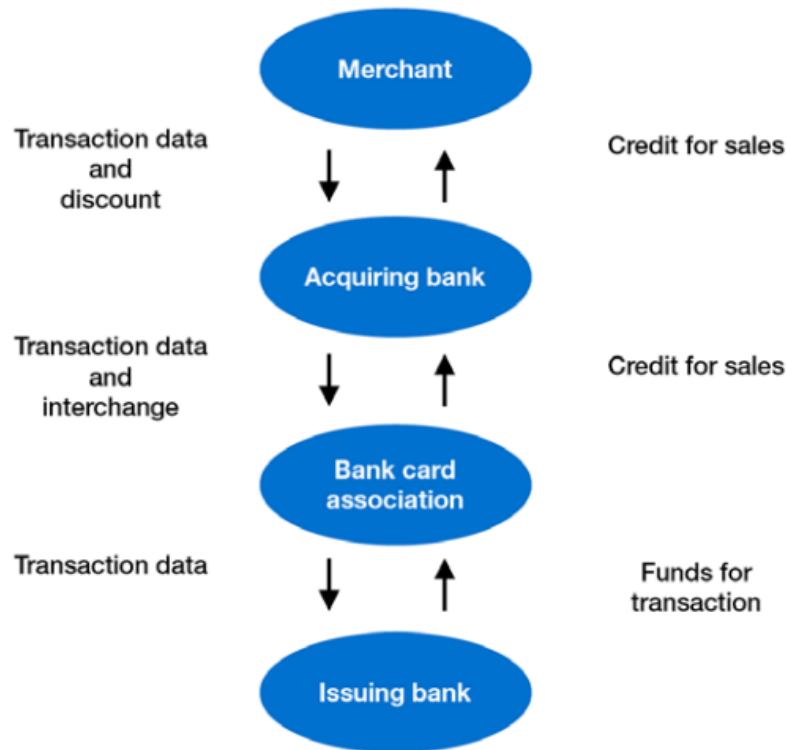
²⁰ OCC Merchant Processing Handbook at pg. 8.

²¹ *Id.*

²² OCC Merchant Processing Handbook at pg. 9.

issuing bank for collection and reimbursement of funds to the merchant, and the process of calculating and reporting the net financial position of issuers and acquirers for all transactions that are cleared.²³ An illustration of the clearing and settlement process is shown below.²⁴

Figure 2: Clearing and Settlement Process



Source: OCC

Transaction Fees

Merchants are charged network fees,²⁵ processor fees,²⁶ and interchange fees for using network infrastructure and technology, and accepting credit card and debit cards as a form of payment for transactions. An “interchange transaction fee” is any fee established, charged or received by a payment card network for the purpose of compensating an issuer for its involvement in an

²³ *Id.*

²⁴ *Id.*

²⁵ 15 U.S.C. s. 1693o-2.(c)(10) defines “network fee” as a fee charged and received by a payment card network with respect to an electronic debit transaction, other than an interchange transaction fee. These fees may also be referred to as “assessment fees.” See Leonard, K., & Bottorff, C., *Credit Card Processing Fees (2023 Guide)*, Forbes Advisor, Aug. 19, 2022, available at: [Credit Card Processing Fees \(2023 Guide\) – Forbes Advisor](#) (hereinafter cited as “Forbes Article”) (last visited Mar. 12, 2023). 15 U.S.C. s. 1693o-2.(c)(5) defines “electronic debit transaction” as a transaction in which a person uses a debit card.

²⁶ Forbes Article (noting that payment process fees may include monthly fees, per-transaction fees, equipment lease fees and statement fees).

electronic payment transaction.²⁷ Payment card networks base the fees on the type or tier of the merchant, and interchange fees includes a flat rate plus a percentage of the transaction value.²⁸

Credit Card Transactions

No federal or state regulations were identified that restrict the maximum amount of interchange fees that may be charged to a merchant for credit card transactions. The average interchange fees for credit card transactions with major payment card networks is as follows:

- Visa: 1.4% to 2.5%
- MasterCard: 1.5% to 2.6%
- Discover: 1.55% to 2.5%
- AmEx: 2.3% to 3.5%²⁹

Debit Card Transactions

The Electronic Fund Transfer Act (EFTA)³⁰ was established with a primary objective of individual consumer's rights regarding the electronic fund and remittance transfer systems.³¹ The EFTA provides that an amount of any interchange transaction fee that an issuer³² may receive or charge with respect to an electronic debit transaction must be "reasonable and proportional to the cost incurred by the issuer" with respect to the transaction.³³ The EFTA provides for certain exemptions from these provisions, such as exemptions for small issuers, including issuers³⁴ that have less than \$10 billion in assets,³⁵ and exemptions for government-administered payment programs and reloadable prepaid cards.³⁶

The Board of Governors of the Federal Reserve System (Board) may regulate any interchange transaction fee that an issuer may receive or charge with respect to an electronic debit transaction.³⁷ The Board must consider the following factors when issuing standards and prescribing regulations:

- The nature, type, and occurrence of fraud in electronic debit transactions;

²⁷ See 15 U.S.C. s. 1693o-2.(c)(8).

²⁸ See Visa, *The Visa System: Rates, Fees and Rules*, available at: [Visa USA Interchange Reimbursement Fees](#) (last visited Mar. 10, 2023); MasterCard, *MasterCard Interchange Rates and Fees*, available at: [U.S. Region Interchange, 22 April 2022 \(mastercard.us\)](#) (last visited Mar. 10, 2023); O'Keefe, C., *Discover Interchange Rates (2023)*, Merchant Cost Consulting, Jan. 8, 2023, available at: [Discover Interchange Rates \(2023\) | Merchant Cost Consulting](#) (last visited Mar. 10, 2023); Rej, M., *Amex Interchange Rates and Processing Fees*, Merchant Cost Consulting, Sept. 16, 2022, available at: [Amex Interchange Rates and Processing Fees \(2023\) | Merchant Cost Consulting](#) (last visited Mar. 10, 2023).

²⁹ Forbes Article.

³⁰ 15 U.S.C. s. 1693 et. seq.

³¹ 15 U.S.C. s. 1693(b); 12 C.F.R. s. 205.1(b).

³² 15 U.S.C. s. 1693o-2.(c)(9) defines "issuer" as any person who issues a debit card, or credit card, or the agent of such person with respect to such card.

³³ 15 U.S.C. s. 1693o-2.(a)(2); 12 C.F.R. s. 235.3(a).

³⁴ 15 U.S.C. s. 1693o-2.(a)(6)(B) limits the definition of "issuer," for purposes of this provision, to the person holding the asset account that is debited through an electronic debit transaction.

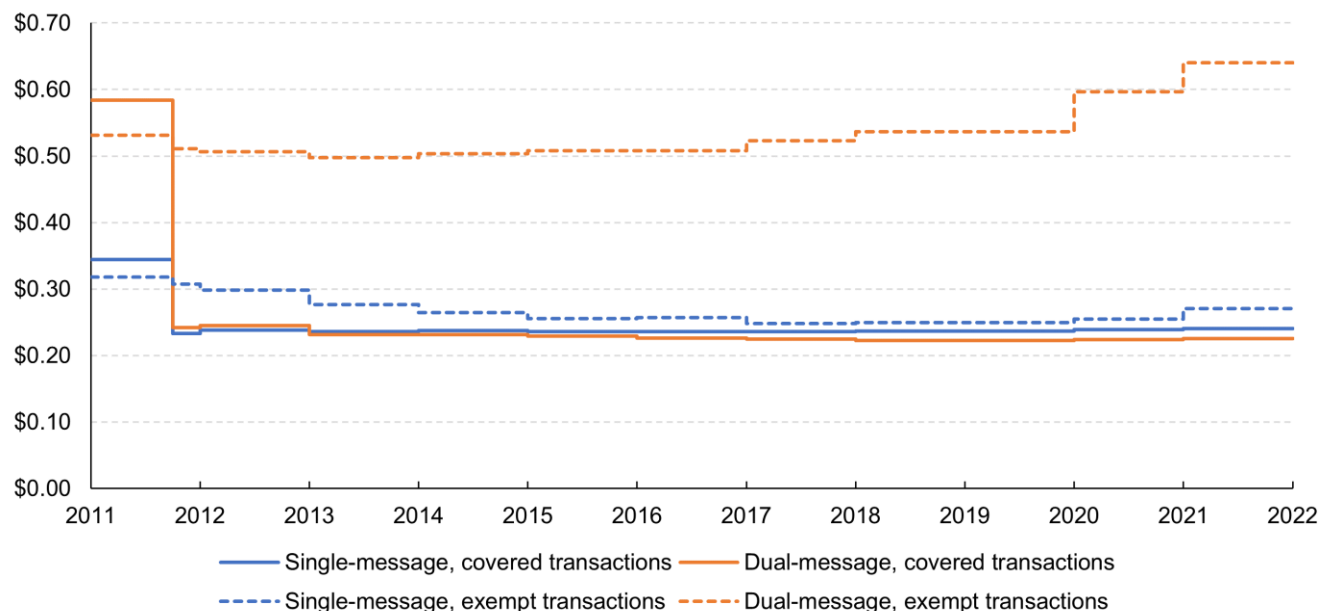
³⁵ 15 U.S.C. s. 1693o-2.(a)(6)(A).

³⁶ 12 C.F.R. s. 1693o-2.(a)(7) (providing that exemptions relating to certain transactions when debit and general-use prepaid card are used by a person pursuant to a Federal, State, or local government-administered payment program).

³⁷ 15 U.S.C. s. 1693o-2.(a)(1).

- The extent to which the occurrence of fraud depends on whether authorization in an electronic debit transaction is based on signature, PIN, or other means;
- The available and economical means by which fraud on electronic debit transactions may be reduced;
- The fraud prevention and data security costs expended by each party involved in electronic debit transactions (including consumers, persons who accept debit cards as a form of payment, financial institutions, retailers and payment card networks);
- The costs of fraudulent transactions absorbed by each party involved in such transactions (including consumers, persons who accept debit cards as a form of payment, financial institutions, retailers and payment card networks);
- The extent to which interchange transaction fees have in the past reduced or increased incentives for parties involved in electronic debit transactions to reduce fraud on such transactions; and
- Such other factors as the Board considers appropriate.³⁸

The Board issued regulations which limit the amount of interchange transaction fee that an issuer may receive or charge for any electronic debit transaction to no more than \$0.21 plus 0.05 percent multiplied by the value of the transaction,³⁹ plus a \$0.01 fraud prevention adjustment.⁴⁰ The Federal Reserve has published data on the average debit card interchange fee from 2011 to 2022, which is summarized in the table below.⁴¹



³⁸ 15 U.S.C. s. 1693o-2.(a)(5)(B)(ii).

³⁹ 12 C.F.R. s. 235.3(b).

⁴⁰ 12 C.F.R. s. 235.4(a).

⁴¹ The Board, *Regulation II (Debit Card Interchange Fees and Routing): Average Debit Card Interchange Fee by Payment Card Network*, available at: [Federal Reserve Board - Regulation II - Average Debit Card Interchange Fee by Payment Card Network](https://www.federalreserve.gov/paymentsystems/regulationii/average-debit-card-interchange-fee-by-payment-card-network) (last visited Mar. 10, 2023).

The Board reports that Visa, MasterCard, and Discover (exempt and covered transactions)⁴² have an average debit card interchange fee per transaction of \$0.36, \$0.46, and \$0.44, respectively, with an interchange fee as a percentage of the average debit card transaction value of 0.76%, 0.94%, and 1.35%, respectively.⁴³

The EFTA does not annul, alter, or affect the laws of any State⁴⁴ relating to, amongst other things, electronic funds transfers⁴⁵ except to the extent that the laws are inconsistent with the provisions under the EFTA, and then only to the extent of the inconsistency.⁴⁶ The Bureau of Consumer Financial Protection may exempt from the provisions of the EFTA any class of electronic fund transfers in State law if the Bureau determines that such law is “substantially similar” to the EFTA and that there is adequate provision of enforcement.⁴⁷ No state laws regulating the amount of interchange fees that may be charged to the merchant for electronic debit transactions have been identified.

⁴² *Id.* (noting that covered transaction are transactions processed by issuers that are subject to the interchange fee standard that do not qualify for an exemption).

⁴³ *Id.* (providing a table of detailed

⁴⁴ 15 U.S.C. s. 1693a.(11) defines “State” as any State, territory, or possession of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any political subdivision of any of the foregoing.

⁴⁵ 15 U.S.C. s. 1693a.(7) defines “electronic fund transfer” as any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, or computer or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, direct deposits or withdrawals of funds, and transfers initiated by telephone. Such term does not include (A) any check guarantee or authorization service which does not directly result in a debit or credit to a consumer’s account; (B) any transfer of funds, other than those processed by automated clearinghouse, made by a financial institution on behalf of a consumer by means of a service that transfers funds held at either Federal Reserve banks or other depository institutions and which is not designed primarily to transfer funds on behalf of a consumer; (C) any transaction the primary purpose of which is the purchase or sale of securities or commodities through a broker-dealer registered with or regulated by the Securities and Exchange Commission; (D) any automatic transfer from a savings account to a demand deposit account pursuant to an agreement between a consumer and a financial institution for the purpose of covering an overdraft or maintaining an agreed upon minimum balance in the consumer’s demand deposit account; or (E) any transfer of funds which is initiated by a telephone conversation between a consumer and an officer or employee of a financial institution which is not pursuant to a prearranged plan and under which periodic or recurring transfers are not contemplated; as determined under regulation of the Bureau. 15 U.S.C. s. 1693a.(9) defines “financial institution” as a State or National bank, a State or Federal savings and loan association, a mutual savings bank, a State or Federal credit union, or any other person who, directly or indirectly, holds an account belonging to a consumer.

⁴⁶ 15 U.S.C. s. 1693q; 12 C.F.R. s. 205.12(b)(1).

⁴⁷ 15 U.S.C. s. 1693r; 12 C.F.R. s. 205.12(c)(1).

Florida Taxes

Sales and Use Tax

Florida levies a 6 percent sales and use tax on the sale⁴⁸ or rental of most tangible personal property,⁴⁹ admissions,⁵⁰ transient rentals,⁵¹ and a limited number of services. Chapter 212, F.S., contains provisions authorizing the levy and collection of Florida's sales and use tax, as well as the exemptions and credits applicable to certain items or uses under specified circumstances. Sales tax is added to the price of the taxable good or service and collected from the purchaser

⁴⁸ Section 212.02(15), F.S., defines "sale" as (a) any transfer of title or possession, or both, exchange

⁴⁹ Section 212.05(1)(a)1.a., F.S. Section 212.02(19), F.S., defines "tangible personal property" as personal property which may be seen, weighed, measured, or touched or is in any manner perceptible to the senses, including electric power or energy, boats, motor vehicles and mobile homes as defined in s. 320.01(1) and (2), aircraft as defined in s. 330.27, and all other types of vehicles.

⁵⁰ Section 212.04(1)(b), F.S. Section 212.02(1), F.S., defines "admissions" as the net sum of money after deduction of any federal taxes for admitting a person or vehicle or persons to any place of amusement, sport, or recreation or for the privilege of entering or staying in any place of amusement, sport, or recreation, including, but not limited to, theaters, outdoor theaters, shows, exhibits, games, races, or any place where charge is made by way of sale or tickets, gate charges, seat charges, box charges, season pass charges, cover charges, greens fees, participation fees, entrance fees or other fees or receipts of anything of value measured on an admission or entrance or length of stay or seat box accommodations in any place where there is any exhibition, amusement, sport, or recreation, and all dues and fees paid to private clubs and membership clubs providing recreational or physical fitness facilities, including, but not limited to, golf, tennis, swimming, yachting, boating athletic, exercise, and fitness facilities, except physical fitness facilities owned or operated by any hospital licensed under ch. 395, F.S.

⁵¹ Section 212.03(1)(a), F.S.

and paid to the dealer⁵² at the time of sale.⁵³ The tax amount must be separately stated on any charge ticket, sales slip, invoice, or other tangible evidence of sale.⁵⁴

Counties are authorized to impose local discretionary sales surtaxes in addition to the state sales tax.⁵⁵ A surtax applies to “all transactions occurring in the county which transactions are subject to the state tax imposed on sales, use, services, rentals, admissions, and other transactions by [ch. 212, F.S.], and communications services as defined in ch. 202.”⁵⁶ The discretionary sales surtax is based on the tax rate imposed by the county where the taxable goods or services are sold or delivered. Discretionary sales surtax rates currently levied vary by county in a range of 0.5 to 1.5 percent.⁵⁷

Generally, tangible personal property that is sold in an isolated or occasional sale is exempt from the state sales tax.⁵⁸ A seller makes an isolated or occasional sale if the sale or series of sales

⁵² Section 212.06(2), F.S., defines “dealer” to mean (a) every person who manufactures or produces tangible personal property for sale at retail; for use, consumption, or distribution; or for storage to be used or consumed in the state, (b) every person who imports, or causes to be imported, tangible personal property from any state or foreign country for sale at retail; for use, consumption, or distribution; or for storage to be used or consumed in this state, (c) every person who sells at retail or who offers for sale at retail, or who has in his or her possession for sale at retail; or for use, consumption, or distribution; or for storage to be used or consumed in this state, tangible personal property defined herein, including a retailer who transacts a substantial number of remote sales or a marketplace provider that has a physical presence in this state or that makes or facilitates through its marketplace a substantial number of remote sales, (d) any person who has sold at retail; or used, or consumed, or distributed; or stored for use or consumption in this state, tangible personal property and who cannot prove that the tax levied by ch. 212, F.S., has been paid on the sale at retail, the use, the consumption, the distribution, or the storage of such tangible personal property, (e) any person who leases or rents tangible personal property for a consideration permitting the use or possession of such property without transferring title thereto, except as expressly provided for to the contrary, (f) any person who maintains or has within this state, directly or by a subsidiary, an office, distributing house, salesroom, or house, warehouse, or other place of business, (g) every person who solicits business either by direct representatives, indirect representatives, or manufacturer’s agents; by distribution of catalogs or other advertising matter; or by any other means whatsoever, and by reason thereof receives orders for tangible personal property from consumers for use, consumption, distribution, and storage for use or consumption in the state, (h) every person who, as a representative, agent, or solicitor of an out-of-state principal or principals, solicits, receives, and accepts orders from consumers in the state for future delivery and whose principal refuses to register as a dealer, (i) the state, county, municipality, and political subdivision, agency, bureau or department, or other state or local government instrumentality, (j) any person who leases, or grants a license to use, occupy, or enter upon, living quarters, sleeping or housekeeping accommodations in hotels, apartment houses, roominghouses, tourist or trailer camps, real property, space or spaces in parking lots or garages for motor vehicles, docking or storage space or spaces for boats in boat docks or marinas, or tie-down or storage space or spaces for aircraft at airports, (k) any person who sells, provides, or performs a service taxable under ch. 212, F.S., (l) any person who solicits, offers, provides, enters into, issues, or delivers any service warranty taxable under ch. 212, F.S., or who received, on behalf of such person, any consideration from a service warranty holder, and (m) a forwarding agent as defined in s. 212.(5)(b)1., F.S. who has applied for and received a Florida Certificate of Forwarding Agent Address. Section 212.02(19), F.S., defines “tangible personal property” as personal property which may be seen, weighed, measured, or touched or is in any manner perceptible to the senses, including electric power or energy, boats, motor vehicles and mobile homes as defined in s. 320.01(1) and (2), aircraft as defined in s. 330.27, F.S., and all other types of vehicles. Section 212.06(5)(b)1., F.S., defines “forwarding agent” as a person or business whose principal business activity is facilitating for compensation the export of property owned by other persons.

⁵³ Section 212.07(2) and (3), F.S.

⁵⁴ *Id.*

⁵⁵ Section 212.055, F.S.

⁵⁶ Section 212.054(2)(a), F.S.

⁵⁷ Office of Economic and Demographic Research, *Florida Tax Handbook*, 227-228 (2021), available at <http://edr.state.fl.us/Content/revenues/reports/tax-handbook/taxhandbook2021.pdf> (last visited Mar. 10, 2023).

⁵⁸ Fla. Admin. Code R. 12A01.037(1). See also, s. 212.02(2), defining “business” as activity engaged in by a person with the object of private or public gain, benefit, or advantage.

occurs no more than twice during any 12-month period.⁵⁹ A seller is required to register as a dealer if he or she completes more than three sales of the same type of item during a 12-month period. The sale of mobile homes, aircrafts, boats, and motor vehicles are expressly excluded from the isolated or occasional state sales and use tax exemption if certain circumstances are met.⁶⁰

According to estimates prepared by CMPSI, Revenue Estimating Conference reports suggest that Florida sales tax revenue for FY 2020-2021 and FY 2021-2022 were \$30.4 billion and \$38.6 billion, respectively.⁶¹ CMSPI estimated the interchange fees on these taxes during the same period to be \$208.5 million and \$288.2 million, respectively.⁶²

Tourist Development Tax⁶³

A tourist development tax is a county tax on consideration paid on residential rentals of six months or less.⁶⁴ The tax funds tourism-related uses specified in the authorizing statute. The Local Option Tourist Development Act⁶⁵ authorizes counties to levy five separate taxes on transient rental transactions. Depending on a county's eligibility to levy such taxes, the maximum tax rate varies from a minimum of 3 percent to a maximum of 6 percent:

- The original tourist development taxes may be levied at the rate of 1 or 2 percent.^{66,67}
- An additional 1 percent tax may be levied by counties that have previously levied a tourist development tax at the 1 or 2 percent rate for at least three years.⁶⁸
- A high tourism impact tax may be levied at an additional 1 percent.⁶⁹
- A professional sports franchise facility tax may be levied up to an additional 1 percent.⁷⁰
- An additional professional sports franchise facility tax no greater than 1 percent may be imposed by a county that has already levied the professional sports franchise facility tax.⁷¹

⁵⁹ Fla. Admin. Code R. 12A-1.037(3)(b).

⁶⁰ See, s. 212.05(1)(a)1.b., and Fla. Admin. Code R. 12A-1.037(2)(a)1.

⁶¹ Email from French Brown, Attorney at Dean Mead, to Jacqueline Moody, Florida Senate Committee on Banking and Insurance Senior Attorney, *HB 677/SB 564*, (Feb. 24, 2023) (on file with the Senate Committee on Banking and Insurance).

⁶² *Id.*

⁶³ Section 125.0104, F.S.

⁶⁴ Section 125.0104(3)(a)1., F.S.

⁶⁵ Section 125.0104, F.S.

⁶⁶ Section 125.0104(3)(c), F.S.

⁶⁷ During Fiscal Year 2021-22, the 62 counties currently levying this tax will realize an estimated \$445 million in revenue. Office of Economic & Demographic Research (EDR), 2021 Local Financial Information Handbook at 255, *available at* <http://edr.state.fl.us/Content/local-government/reports/lgfih21.pdf> (hereinafter cited as “2021 Local Financial Information Handbook”) (last visited Mar. 10, 2023).

⁶⁸ Section 125.0104(3)(d), F.S. Fifty-six of the eligible 59 counties levy this tax, with an estimated 2021-22 state fiscal year collection of \$185 million. 2021 Local Financial Information Handbook at 259.

⁶⁹ Section 125.0104(3)(m), F.S. Eight of the nine eligible counties levy this tax, with an estimated 2021-22 state fiscal year collection of \$102 million. 2021 Local Financial Information Handbook at 265.

⁷⁰ Section 125.0104(3)(l), F.S. Revenue can be used to pay debt service on bonds for the construction or renovation of professional sports franchise facilities, spring training facilities or professional sports franchises, and convention centers and to promote and advertise tourism. Forty-five of the 67 eligible counties levy this additional tax, with an estimated 2021-22 state fiscal year collection of \$205 million. 2021 Local Financial Information Handbook at 263.

⁷¹ Section 125.0104(3)(n) F.S. Thirty-one of the eligible 65 counties levy the additional professional sports franchise facility tax, with an estimated 2021-22 state fiscal year collection of \$150 million. 2021 Local Financial Information Handbook at 269.

Prior to the authorization of the original 1 or 2 percent tourist development tax, the levy must be approved by a countywide referendum,⁷² and additional tourist development tax levies must be authorized by a vote of the county's governing authority or by voter approval of a countywide referendum.⁷³ The original tax may be repealed by a referendum initiated by a petition signed by 15 percent of voters⁷⁴ subject to the interest of the holders of any revenue bonds repayment of which is secured by the tax. Once the tax is in place, additional taxes may be levied by a vote of the county commissioners.⁷⁵

III. Effect of Proposed Changes:

Section 1 of the bill creates s. 501.0119, F.S., which prohibits an issuer, a payment card network, an acquirer bank, or a processor from charging interchange fees on the tax amount of an electronic payment transaction if the merchant informs the acquirer bank, its designee, or any other entity as provided in the payment card network's terms and conditions of service, of such tax amount as part of the clearance process for the transaction. Section 501.0119, F.S., does not apply to an electronic payment transaction in which the tax amount is not separately stated on the consumer's payment invoice, sales slip, or other evidence of sale as required under s. 212.07(2).

A merchant must transmit the tax amount data as part of the clearance process to avoid being charged interchange fees on the tax amount of an electronic payment transaction. A merchant that does not transmit tax amount data on an eligible transaction as part of the clearance process may transmit tax documentation for the transactions no later than 180 days after the date of the electronic payment transaction, and within 30 days, the issuer must credit to the merchant the amount of interchange fees charged on the tax amount of the electronic payment transaction. This provision may be relied upon by smaller businesses that may not have the technology to transmit the tax amount data electronically at the time of the clearance process.

An issuer, a payment card network, an acquirer bank, a processor, or other designated entity that has received the tax amount data and violates s. 501.0119, F.S., is subject to a civil penalty of \$1,000 per electronic payment transaction and the issuer must refund to the merchant the amount of interchange fees charged on the tax of an electronic payment transaction.

The following terms are defined for purposes of the section created under the bill:

- "Acquirer bank" means a member of a payment card network which contracts with a merchant for the settlement of electronic payment transactions. An acquirer bank may contract directly with merchants or indirectly through a processor to process electronic payment transactions.
- "Clearance" means the process of transmitting final transaction data from a merchant to an issuer for posting to the cardholder's account and the calculation of fees and charges, including interchange fees, which apply to the issuer and merchant.
- "Credit card" means a card, plate, coupon book, or other credit device existing for the purpose of obtaining money, property, labor, or services on credit.
- "Debit card" means:

⁷² Section 125.0104(6), F.S.

⁷³ Section 125.0104(3)(d), F.S.

⁷⁴ Section 125.0104(6)(d), F.S.

⁷⁵ Section 125.0104(3)(l), (m), and (n), F.S.

- A card, or other payment code or device, issued or approved for use through a payment card network to debit an asset account, regardless of the purpose for which the account is established, whether authorization is based on signature, personal identification number, or other means;
- Includes a general-use prepaid card⁷⁶; and
- Excludes paper checks.
- “Electronic payment transaction” means a transaction in which a person uses a debit card, credit card, or other payment code or device, issued or approved through a payment card network, to debit a deposit account or use a line of credit, whether authorization is based on a signature, personal identification number, or other means.
- “Interchange fee” means a fee established, charged, or received by a payment card network for the purpose of compensating the issuer for its involvement in an electronic payment transaction.
- “Issuer” means a person, or the person’s agent, issuing a debit card or credit card.
- “Merchant” has the same meaning as the term “dealer” in s. 212.06(2).
- “Payment card network” means an entity that:
 - Directly or through licensed members, processors, or agents, provides the proprietary services, infrastructure, and software that routes information and data to conduct debit card or credit card transaction authorization, clearance, and settlement; and
 - A merchant or seller uses to accept as a form of payment a brand of debit card, credit card, or other device that may be used to carry out debit or credit transactions.
- “Processor” means an entity that facilitates, services, processes, or manages the debit or credit authorization, billing, transfer, payment procedures, or settlement with respect to any electronic payment transaction.
- “Settlement” means the process of transmitting sales information to the issuing bank for collection and reimbursement of funds to the merchant and calculating and reporting the net transaction amount to the issuer and merchant for an electronic payment transaction that is cleared.
- “Tax” means all taxes and fees levied under ch. 212, F.S., and s. 125.0104, F.S.
- “Tax documentation” means documentation sufficient for the payment card network to determine the total amount of the electronic payment transaction and the tax amount of such transaction. Tax documentation may be related to a single electronic payment transaction or multiple electronic payment transactions aggregated over a period of time. Examples of tax documentation include, but are not limited to, invoices, receipts, journals, ledgers, and tax returns filed with the Department of Revenue or local taxing authorities.

Section 2 of the bill provides for an effective date of October 1, 2023

⁷⁶ 15 U.S.C. s. 16931-1 defines “general-use prepaid card” to mean a card or other payment code or device issued by any person that is (i) redeemable at multiple, unaffiliated merchants or service providers, or automated teller machines; (ii) issued in a requested amount, whether or not that amount may, at the option of the issuer, be increased in value or reloaded if requested by the holder; (iii) purchased or loaded on a prepaid basis; and (iv) honored, upon presentation, by merchants for goods or services, or at automated teller machines.

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 identified.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

To the extent that the key players in processing credit card and debit card transactions may be required to upgrade technology and security measures to be able to transmit tax amount data, there is an indeterminate negative fiscal impact on them. To the extent that merchants submit tax amount data to payment card networks, there is an indeterminate positive fiscal impact on merchants and an indeterminate negative fiscal impact on issuing banks because of the reduced interchange fees on tax amounts for credit card and debit card transactions.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill creates section 655.969 of the Florida Statutes.

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 Banking and Insurance Committee on March 15, 2023:

The committee substitute makes the following changes:

- Moves the new section prohibiting the charge of interchange fees on taxes from s. 655.969, F.S., to s. 501.0119, F.S.;
- Provides that the section does not apply to electronic payment transactions in which the tax amount is not separately stated on the consumer's evidence of sale;
- Specifies that, in addition to a payment card network, an issuer, an acquirer bank, or a processor may not receive or charge the merchant any interchange fees on the tax amount of an electronic payment transaction if certain circumstances are met;
- Requires the merchant to transmit the tax amount data as part of the clearance process to avoid being charged interchange fees on the tax amount of an electronic payment transaction;
- Authorizes a merchant that does not, rather than cannot, transmit the tax amount data as part of the clearance process to submit tax documentation for the electronic payment transaction to the acquirer bank, its designee, or any other entity as provided in the payment card network's terms and conditions of service, no later than 180 days after the date of the electronic payment transaction;
- Requires the issuer, within 30 days, to credit to the merchant the amount of interchange fees charged on the tax amount of the electronic payment transaction if the merchant provides the tax documentation as provided under the bill;
- Specifies that, in addition to a payment card network, an issuer, an acquirer bank, a processor, or other designated entity that has received the tax amount data and violates the section is subject to a civil penalty of \$1,000 per electronic payment transaction;
- Specifies that when a violation occurs the issuer is the entity which must refund to the merchant the interchange fee calculated on the tax amount relative to the electronic payment transaction;
- Amends the definition of "settlement;"
- Defines the terms "acquirer bank," "clearance," "merchant," "processor," and "tax document;" and
- Amends the effective date from July 1, 2023 to October 1, 2023.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.



135986

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/17/2023	.	
	.	
	.	
	.	

The Committee on Banking and Insurance (Hutson) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Section 501.0119, Florida Statutes, is created
to read:

501.0119 Interchange fees on taxes prohibited.—

(1) As used in this section, the term:

(a) "Acquirer bank" means a member of a payment card



135986

10 network which contracts with a merchant for the settlement of
11 electronic payment transactions. An acquirer bank may contract
12 directly with merchants or indirectly through a processor to
13 process electronic payment transactions.

14 (b) "Clearance" means the process of transmitting final
15 transaction data from a merchant to an issuer for posting to the
16 cardholder's account and the calculation of fees and charges,
17 including interchange fees, which apply to the issuer and
18 merchant.

19 (c) "Credit card" means a card, plate, coupon book, or
20 other credit device existing for the purpose of obtaining money,
21 property, labor, or services on credit.

22 (d) "Debit card":

23 1. Means a card, or other payment code or device, issued or
24 approved for use through a payment card network to debit an
25 asset account, regardless of the purpose for which the account
26 is established, whether authorization is based on a signature, a
27 personal identification number, or other means;

28 2. Includes a general-use prepaid card, as defined in 15
29 U.S.C. s. 16931-1; and

30 3. Excludes paper checks.

31 (e) "Electronic payment transaction" means a transaction in
32 which a person uses a debit card, credit card, or other payment
33 code or device issued or approved through a payment card network
34 to debit a deposit account or use a line of credit, whether
35 authorization is based on a signature, a personal identification
36 number, or other means.

37 (f) "Interchange fee" means a fee established, charged, or
38 received by a payment card network for the purpose of



135986

39 compensating the issuer for its involvement in an electronic
40 payment transaction.

41 (g) "Issuer" means a person issuing a debit card or credit
42 card or the issuer's agent.

43 (h) "Merchant" has the same meaning as the term "dealer" in
44 s. 212.06(2).

45 (i) "Payment card network" means an entity:

46 1. That directly or through licensed members, processors,
47 or agents provides the proprietary services, infrastructure, and
48 software that routes information and data to conduct electronic
49 payment transaction authorization, clearance, and settlement;
50 and

51 2. That a merchant uses to accept as a form of payment a
52 brand of debit card, credit card, or other device that may be
53 used to carry out electronic payment transactions.

54 (j) "Processor" means an entity that facilitates, services,
55 processes, or manages the debit or credit authorization,
56 billing, transfer, payment procedures, or settlement with
57 respect to any electronic payment transaction.

58 (k) "Settlement" means the process of transmitting sales
59 information to the issuing bank for collection and reimbursement
60 of funds to the merchant and calculating and reporting the net
61 transaction amount to the issuer and merchant for an electronic
62 payment transaction that is cleared.

63 (l) "Tax" means all taxes and fees levied under chapter 212
64 and s. 125.0104.

65 (m) "Tax documentation" means documentation sufficient for
66 the payment card network to determine the total amount of the
67 electronic payment transaction and the tax amount of such



135986

68 transaction. Tax documentation may be related to a single
69 electronic payment transaction or multiple electronic payment
70 transactions aggregated over a period of time. Examples of tax
71 documentation include, but are not limited to, invoices,
72 receipts, journals, ledgers, and tax returns filed with the
73 Department of Revenue or local taxing authorities.

74 (2) This section does not apply to an electronic payment
75 transaction in which the tax amount is not separately stated on
76 the consumer's payment invoice, sales slip, or other evidence of
77 sale as required under s. 212.07(2).

78 (3) Except as provided in subsection (2), an issuer, a
79 payment card network, an acquirer bank, or a processor may not
80 receive or charge the merchant any interchange fees on the tax
81 amount of an electronic payment transaction if the merchant
82 informs the acquirer bank, its designee, or any other entity as
83 provided in the payment card network's terms and conditions of
84 service of such tax amount as part of the clearance process for
85 the electronic payment transaction. A merchant must transmit the
86 tax amount data as part of the clearance process to avoid being
87 charged interchange fees on the tax amount of an electronic
88 payment transaction.

89 (4) A merchant that does not transmit the tax amount data
90 in accordance with subsection (3) may submit tax documentation
91 for the electronic payment transaction to the acquirer bank, its
92 designee, or any other entity as provided in the payment card
93 network's terms and conditions of service no later than 180 days
94 after the date of the electronic payment transaction, and within
95 30 days, the issuer must credit to the merchant the amount of
96 interchange fees charged on the tax amount of the electronic



135986

payment transaction.

(5) An issuer, a payment card network, an acquirer bank, a processor, or other designated entity that has received the tax amount data and violates this section is subject to a civil penalty of \$1,000 per electronic payment transaction, and the issuer must refund the merchant the interchange fee calculated on the tax amount relative to the electronic payment transaction.

Section 2. This act shall take effect October 1, 2023.

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

And the title is amended as follows:

Delete everything before the enacting clause
and insert:

A bill to be entitled
An act relating to interchange fees on taxes; creating
s. 501.0119, F.S.; defining terms; providing
applicability; prohibiting issuers, payment card
networks, acquirer banks, and processors from
receiving or charging merchants interchange fees on
the tax amount of electronic payment transactions if
the merchant provides certain information in a
specified manner; requiring an issuer to credit a
merchant the amount of interchange fees on taxes
within a certain timeframe if the merchant meets
certain conditions; providing a civil penalty;
providing an effective date.

By Senator Hutson

7-01566-23

2023564__

1 A bill to be entitled
 2 An act relating to interchange fees on taxes; creating
 3 s. 655.969, F.S.; defining terms; requiring that
 4 certain taxes listed on evidences of sales must be
 5 excluded from the amount on which an interchange fee
 6 is charged for that electronic payment transaction;
 7 specifying requirements for payment card networks in
 8 deducting taxes or rebating amounts; specifying
 9 requirements for payment card networks if a merchant
 10 or seller is unable to capture and transmit tax
 11 amounts relevant to the sale at the time of sale;
 12 providing a penalty; providing an effective date.
 13
 14 Be It Enacted by the Legislature of the State of Florida:
 15
 16 Section 1. Section 655.969, Florida Statutes, is created to
 17 read:
 18 655.969 Interchange fees on taxes prohibited.—
 19 (1) As used in this section, the term:
 20 (a) "Credit card" means a card, plate, coupon book, or
 21 other credit device existing for the purpose of obtaining money,
 22 property, labor, or services on credit.
 23 (b) "Debit card":
 24 1. Means a card, or other payment code or device, issued or
 25 approved for use through a payment card network to debit an
 26 asset account, regardless of the purpose for which the account
 27 is established, whether authorization is based on signature,
 28 personal identification number, or other means;
 29 2. Includes a general-use prepaid card as defined in 15

Page 1 of 3

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

7-01566-23

2023564__

30 U.S.C. s. 16931-1; and
 31 3. Excludes paper checks.
 32 (c) "Electronic payment transaction" means a transaction in
 33 which a person uses a debit card, credit card, or other payment
 34 code or device, issued or approved through a payment card
 35 network, to debit a deposit account or use a line of credit,
 36 whether authorization is based on a signature, personal
 37 identification number, or other means.
 38 (d) "Interchange fee" means a fee established, charged, or
 39 received by a payment card network for the purpose of
 40 compensating the issuer for its involvement in an electronic
 41 payment transaction.
 42 (e) "Issuer" means a person, or the person's agent, issuing
 43 a debit card or credit card.
 44 (f) "Payment card network" means an entity that:
 45 1. Directly or through licensed members, processors, or
 46 agents, provides the proprietary services, infrastructure, and
 47 software that routes information and data to conduct debit card
 48 or credit card transaction authorization, clearance, and
 49 settlement; and
 50 2. A merchant or seller uses to accept as a form of payment
 51 a brand of debit card, credit card, or other device that may be
 52 used to carry out debit or credit transactions.
 53 (g) "Settlement" means the transfer of funds from a
 54 customer's account to a seller or merchant upon electronic
 55 submission of finalized sales transactions to the payment card
 56 network.
 57 (h) "Tax" means all taxes and fees levied under chapters
 58 125 and 212.

Page 2 of 3

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

7-01566-23

2023564

(2) The amount of tax listed separately on the payment invoice, sales slip, or other evidence of sale must be excluded from the amount on which an interchange fee is charged for that electronic payment transaction.

(3) A payment card network shall either:

(a) Deduct the amount of tax imposed from the calculation of interchange fees specific to each form or type of electronic payment transaction; or

(b) Rebate an amount of interchange fees proportionate to the amount attributable to the tax.

(4) The deduction or rebate must occur at the time of settlement when the merchant or seller is able to capture and transmit tax amounts relevant to the sale at the time of sale as part of the transaction finalization.

(5) If a merchant or seller is unable to capture and transmit tax amounts relevant to the sale at the time of sale, the payment card network must accept proof of tax amounts collected on sales subject to an interchange fee upon the submission of sales data by the merchant or seller, and promptly credit the merchant or seller's settlement account.

(6) A payment card network that violates this section is subject to a civil penalty of up to \$1,000 per violation and shall refund the surcharge to each merchant or seller.

Section 2. This act shall take effect July 1, 2023.

The Florida Senate

APPEARANCE RECORD

315-24

Meeting Date

Banking and Insurance

Committee

Deliver both copies of this form to
Senate professional staff conducting the meeting

SB 564

Bill Number or Topic

Amendment Barcode (if applicable)

Name John Rothell

Phone 850-322-1635

Address 3692 Coolidge Ct.

Street

Email john.rothell@lscu.coop

Tallahassee FL

City

State

32311

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:

FL Credit Union Association

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

3-15-23

Meeting Date

SB 564

Bill Number or Topic

Deliver both copies of this form to
Senate professional staff conducting the meeting

Committee

Amendment Barcode (if applicable)

Name

Jonathan Wright

Phone

904-343-9302

Address

3692 Coolidge Ct

Email

Jonathan.Wright@my leverage.com

Street

Jolly

City

FL

State

32311

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 \(flsenate.gov\)](#)

This form is part of the public record for this meeting.

S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

3/15/23

Meeting Date

Banking & Insurance

Committee

Deliver both copies of this form to
Senate professional staff conducting the meeting

SB 564

Bill Number or Topic

Amendment Barcode (if applicable)

Name

Anthony DiMarco

Phone

850-509-8021

Address

1001 Thomasville Rd Ste 201

Email

adimarco@floridabankers.com

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:

☐

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

3-15-2023

Meeting Date

564

Bill Number or Topic

Banking & Insurance
Committee

Deliver both copies of this form to
Senate professional staff conducting the meeting

Amendment Barcode (if applicable)

Name

GRACE Lovett

Phone

850.222.4082

Address

227 S. Adams St.

Email

grace@frf.org

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:

Fla. Retail Federation



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

3/15

Meeting Date

Banking & Insurance

Committee

564

Bill Number or Topic

Amendment Barcode (if applicable)

Name Ned Bowman

Phone 850-524-6609

Address PO Box 13543
Street

Email ned@fpma.org

Tallahassee
City

FL
State

32317
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 Petroleum Marketers and
Convenience Store Assoc.

☐ 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)

APPEARANCE RECORD

3/15/23

Meeting Date

SB 564

Bill Number or Topic

Deliver both copies of this form to
Senate professional staff conducting the meeting

Banking + Insurance

Committee

Amendment Barcode (if applicable)

Name

Lori Killinger

Phone

850-222-5702

Address

106 E. College Ave. Suite 1500

Street

Email

lkillinger@llw-law.com

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:☐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

3/15

Meeting Date

564

Bill Number or Topic

Banking and Insurance
Committee

Amendment Barcode (if applicable)

Name

Samantha Padgett

Phone

850-224-2250

Address

230 S. Adams St.

Email

spadgett@frla.org

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:

Florida Restaurant & Lodging Assoc.

☐

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)

APPEARANCE RECORD

3-15-23

Meeting Date

Banking & Insurance

Committee

Deliver both copies of this form to
Senate professional staff conducting the meeting

564

Bill Number or Topic

Amendment Barcode (if applicable)

Name

Hillary Thrower

Phone

(706) 618-2632

Address

2455 Paces Ferry Rd

Street

Atlanta

City

GA

State

30339

Zip

Email

Hillary-N-Thrower@
homedepot.com

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:

Employed by the Home Depot

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)

APPEARANCE RECORD

4 3-15-23

Meeting Date

564

Bill Number or Topic

Banking & Insurance

Committee

Deliver both copies of this form to
Senate professional staff conducting the meeting

Amendment Barcode (if applicable)

Name

Max Alvarez

Phone

305-477-5800

Address

8150 NW 17 St

Email

Street

Miami

City

FL

State

33173

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 \(flsenate.gov\)](https://www.flsenate.gov/2020-2022-JointRules.pdf)

This form is part of the public record for this meeting.

S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

3/15/23

Meeting Date

BANKING & INSURANCE

Committee

SB 564

Bill Number or Topic

Deliver both copies of this form to
Senate professional staff conducting the meeting

Amendment Barcode (if applicable)

Name

FRENCH BROWN

Phone

850-459-0992

Address

106 E. College Ave, Suite 1200

Email

fbrown@jeanmead.com

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:



I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

FLORIDA RETAIL FEDERATION

&

FLORIDA RESTAURANT AND LODGING

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 \(flsenate.gov\)](#)

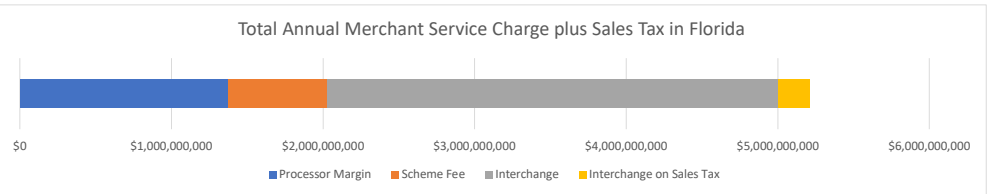
This form is part of the public record for this meeting.

S-001 (08/10/2021)

Applicable Date Range, Revenues: CY 2020 January 1, 2020 - December 31, 2020
Source: Florida Annual Comprehensive Financial Report (ACFR) for Fiscal Year ended June 30, 2021

Florida Sales Tax Rates:	Sources:
State	6.00% Florida Department of Revenue
Local	
(Weighted Average according to population distribution)	1.01% The Tax Foundation (national statistics on Sales Tax by state)
Overall FL Sales Tax Rate	7.01%

Industries	Total Revenue	Share of Card	Processor Margin	Scheme Fee	Interchange	MSC	Interchange on Sales Tax
Retail Trade	\$ 233,194,503,000	\$ 155,988,905,073	\$ 934,819,326	\$ 439,559,847	\$ 2,017,050,261	\$ 3,391,429,434	\$ 141,395,223
Services	\$ 88,780,639,000	\$ 59,387,311,841	\$ 355,899,715	\$ 167,347,015	\$ 767,921,236	\$ 1,291,167,967	\$ 53,831,279
Transportation	\$ 9,996,931,000	\$ 6,687,165,867	\$ 40,075,234	\$ 18,843,709	\$ 86,469,930	\$ 145,388,873	\$ 6,061,542
Communications	\$ 11,826,504,000	\$ 7,911,007,275	\$ 47,409,542	\$ 22,292,362	\$ 102,295,091	\$ 171,996,995	\$ 7,170,886
State Total	\$ 343,798,577,000	\$ 229,974,390,057	\$ 1,378,203,817	\$ 648,042,934	\$ 2,973,736,519	\$ 4,999,983,269	\$ 208,458,930



Revenues recorded in the Florida ACFR from FY2021:

2021 STATE OF FLORIDA ACFR					
SCHEDULE B-1					
Revenue Base/Rate Taxable Sales by Industry Last Ten Calendar Years (in thousands)	Calendar Year				
Industry	2011	2012	2013	2014	2015
Agriculture	\$ 596,792	\$ 593,296	\$ 502,451	\$ 683,513	\$ 341,849
Mining	298,240	331,665	316,989	424,416	465,381
Construction	2,842,128	3,126,150	2,649,600	3,777,419	3,955,275
Manufacturing	11,266,856	11,662,104	10,836,540	13,703,157	14,726,621
Transportation	8,856,974	8,634,841	7,396,529	9,357,588	9,780,692
Communications ⁽¹⁾	14,763,448	14,512,956	14,133,220	13,664,244	13,356,227
Wholesale	9,229,711	10,112,139	11,115,462	12,987,380	14,212,567
Retail trade	151,111,126	158,134,617	169,417,669	182,082,864	196,600,925
Finance and insurance	38,567,529	39,688,012	41,602,427	45,026,905	48,580,481
Services	73,627,822	77,920,525	80,461,679	89,269,937	96,681,482
Government	345,639	320,316	315,398	344,302	447,860
Other	782,907	3,032,508	1,525,473	3,276,640	1,124,777
Total	\$ 312,289,262	\$ 328,069,129	\$ 340,273,437	\$ 374,598,365	\$ 400,274,137
State direct sales tax rate ⁽²⁾	6.0%	6.0%	6.0%	6.0%	6.0%

Note: Taxable sales information is available for reporting on a calendar-year basis only.

⁽¹⁾ Taxable sales associated with communications services tax.

⁽²⁾ The sales tax rate on non-residential electricity was 7.0% for utility service provided prior to July 1, 2014. For utility service on or after July 1, 2014, the state sales tax rate is 4.35%. The sales tax rate on communication services (nonresidential phone and all cable) was 6.8% from October 1, 2001 until August 1, 2010 when it was reduced to 6.65%. It was further reduced to 4.92% effective July 1, 2015. The sales tax rate on amusement machines is 4.0%. Farm equipment is tax-exempt.

Source: Florida Department of Revenue

	FY 2019-20	FY 2020-21
GR	\$ 24,591,339,353	\$ 27,158,074,098
Local	\$ 2,908,267,985	\$ 3,178,626,201
State	\$ 21,683,071,368	\$ 23,979,447,897
Estimate	\$ 20,627,914,620	

Share of Card - cash and checks removed
MSC - merchant service charge (aggregate of processor margin, scher
Processor Margin - per transaction fee with direct partner (toast, squ
Scheme Fee / Network fees - set by Visa / MC / Discover
Interchange - set by Visa / MC / Discovery but goes to issuing banks (l

Processors can chage their fee and then bill passthroughs

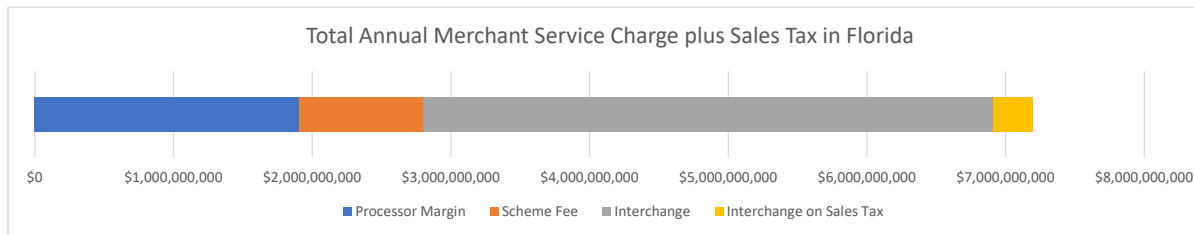
Reverse competition

Top banks 30-35% margin on interchange fees

Applicable Date Range, Revenues: FY22 July 1, 2021 - June 30, 2022
Source: Florida Office of Economic & Demographic Research, Taxable Sales by Month

Florida Sales Tax Rates:	Sources:
State	6.00% Florida Department of Revenue
Local	
(Weighted Average according to population distribution)	1.01% The Tax Foundation (national statistics on Sales Tax by state)
Overall FL Sales Tax Rate	7.01%

Industries	Total Revenue	Share of Card	Processor Margin	Scheme Fee	Interchange	MSC	Interchange on Sales Tax
Transportation (Automobile)	\$ 106,024,619,415	\$ 70,922,187,618	\$ 425,026,585	\$ 199,851,047	\$ 917,075,589	\$ 1,541,953,221	\$ 64,286,999
Durable Goods	\$ 35,834,758,819	\$ 23,970,654,196	\$ 143,652,722	\$ 67,546,708	\$ 309,958,034	\$ 521,157,464	\$ 21,728,058
Tourism	\$ 133,347,045,377	\$ 89,198,756,126	\$ 534,555,461	\$ 251,352,438	\$ 1,153,404,944	\$ 1,939,312,843	\$ 80,853,687
Nondurable Goods	\$ 200,048,318,930	\$ 133,816,697,350	\$ 801,944,438	\$ 377,080,966	\$ 1,730,347,451	\$ 2,909,372,856	\$ 121,297,356
State Total	\$ 475,254,742,541	\$ 317,908,295,290	\$ 1,905,179,206	\$ 895,831,159	\$ 4,110,786,019	\$ 6,911,796,384	\$ 288,166,100





2023 AGENCY LEGISLATIVE BILL ANALYSIS

Florida Office of Financial Regulation

BILL INFORMATION

BILL NUMBER:	SB 564
BILL TITLE:	An act related to interchange fees on taxes
BILL SPONSOR:	Senator Hutson
EFFECTIVE DATE:	July 1, 2023

COMMITTEES OF REFERENCE

1) Banking and Insurance
2) Commerce and Tourism
3) Rules
4)
5)

CURRENT COMMITTEE

Banking and Insurance

SIMILAR BILLS

BILL NUMBER:	HB 677
SPONSOR:	Representative Caruso

IDENTICAL BILLS

BILL NUMBER:	
SPONSOR:	

PREVIOUS LEGISLATION

BILL NUMBER:	
SPONSOR:	
YEAR:	
LAST ACTION:	

Is this bill part of an agency package?

No

BILL ANALYSIS INFORMATION

DATE OF ANALYSIS:	2/15/2023
LEAD AGENCY ANALYST:	Jeremy W. Smith, Director, Division of Financial Institutions
ADDITIONAL ANALYST(S):	Ann Michelle Palecki, Assistant General Counsel
LEGAL ANALYST:	Anthony Cammarata, General Counsel
FISCAL ANALYST:	

POLICY ANALYSIS

A. EXECUTIVE SUMMARY

SB 564 creates section 655.969, Florida Statutes, to prohibit payment card networks from charging interchange fees based upon the amount of tax charged in an electronic payment transaction. The bill requires that a payment card network must exclude the amount of tax from the amount on which the interchange fee is charged. Definitions are created for the following terms: “credit card”, “debit card”, “electronic payment transaction”, “interchange fee”, “issuer”, “payment card network”, “settlement”, and “tax.” The bill prescribes a civil penalty for violations of the section.

The bill provides an effective date of July 1, 2023.

B. SUBSTANTIVE BILL ANALYSIS

1. PRESENT SITUATION:

The Florida Office of Financial Regulation (OFR) is responsible for all activities of the Financial Services Commission relating to the regulation of banks, credit unions, other financial institutions, finance companies, and the securities industry.¹ The OFR has three divisions: the Division of Consumer Finance, the Division of Financial Institutions, and the Division of Securities. The OFR also has a Bureau of Financial Investigations, which functions as a criminal justice agency and has a separate budget.²

Florida law defines the term “financial institution” as “a state or federal savings or thrift association, bank, savings bank, trust company, international bank agency, international banking corporation, international branch, international representative office, international administrative office, international trust entity, international trust company representative office, qualified limited service affiliate, credit union, or an agreement corporation operating pursuant to s. 25 of the Federal Reserve Act, 12 U.S.C. s. 601 et seq. or Edge Act corporation organized pursuant to s. 25(a) of the Federal Reserve Act, 12 U.S.C. ss. 611 et seq.”³

Financial institutions may be either state or federally chartered. OFR’s Division of Financial Institutions provides general supervision over all state financial institutions, their subsidiaries, and service corporations,⁴ and is charged with the administration of the financial institutions codes, which apply to all state-authorized or state-chartered financial institutions and to the enforcement of all laws relating to state-authorized or state-chartered financial institutions.⁵ The financial institutions codes, which govern state-chartered financial institutions, include chapters 655, 657, 658, 660, 662, 663, 665, and 667, Florida Statutes.⁶

Chapter 655 governs financial institutions generally. Pursuant to section 655.001(1), Florida Statutes, one of the stated purposes of the financial institutions codes is to provide general regulatory powers to be exercised by the Financial Services Commission and the OFR in relation to the regulation of financial institutions. Other purposes include providing for and promoting the safe and sound conduct of the business of state financial institutions, the prudent conservation of their assets, the maintenance of public confidence therein, and the protection of the interests of their depositors and creditors.⁷

Payment Card Networks

Card associations, such as VISA, MasterCard, and Discover do not meet the definition of “financial institution” in section 655.005(1)(i), Fla. Stat, and are not currently regulated by the OFR as such.

¹ Section 20.121(3)(a)2., Florida Statutes.

² *Id.*

³ Section 655.005(1)(i), Fla. Stat.

⁴ Section 655.012(1), Fla. Stat.

⁵ Sections 655.001(1) and 655.012(1), Fla. Stat.

⁶ *See* Section 655.005(1)(k), Fla. Stat.

⁷ *See* Section 655.001(2)(a)-(e), Fla. Stat.

2. EFFECT OF THE BILL:

Section 1 creates section 655.969, Florida Statutes. Subsection (1) creates definitions for the purposes of the section. Paragraphs (1)(a)-(h) create definitions for the terms “credit card”, “debit card”, “electronic payment transaction”, “interchange fee”, “issuer”, “payment card network”, “settlement”, and “tax”, respectively.

Subsection (2) requires that the amount of tax listed separately on an invoice, sales slip, or other evidence of sale must be excluded from the amount on which an interchange fee is charged for the transaction.

Subsection (3) requires payment card networks to either deduct the amount of tax imposed from the calculation of the interchange fee or rebate the amount of interchange fees proportionate to the amount attributable to the tax.

Subsection (4) requires the reduction or rebate to happen at the time of settlement when the merchant or seller is able to capture and transmit tax amounts.

Subsection (5) provides that should a merchant or seller who is unable to capture and transmit tax amounts at the time of sale, the payment card network must accept proof of tax amounts collected and promptly credit the merchant or seller’s settlement account.

Subsection (6) provides that upon violation of the section, a payment card network is subject to a civil penalty of up to \$1,000 per violation and in addition must refund the surcharge to each merchant or seller.

Section 2 provides an effective date of July 1, 2023.

3. DOES THE LEGISLATION DIRECT OR ALLOW THE AGENCY/BOARD/COMMISSION/DEPARTMENT TO DEVELOP, ADOPT, OR ELIMINATE RULES, REGULATIONS, POLICIES, OR PROCEDURES? Y ☐ N ☒

If yes, explain:	
Is the change consistent with the agency’s core mission?	Y ☐ N ☐
Rule(s) impacted (provide references to F.A.C., etc.):	

4. WHAT IS THE POSITION OF AFFECTED CITIZENS OR STAKEHOLDER GROUPS?

Proponents and summary of position:	unknown
Opponents and summary of position:	unknown

5. ARE THERE ANY REPORTS OR STUDIES REQUIRED BY THIS BILL?Y ☐ N ☒

If yes, provide a description:	
Date Due:	
Bill Section Number(s):	

6. ARE THERE ANY NEW GUBERNATORIAL APPOINTMENTS OR CHANGES TO EXISTING BOARDS, TASK FORCES, COUNCILS, COMMISSIONS, ETC. REQUIRED BY THIS BILL?Y ☐ N ☒

Board:	
Board Purpose:	
Who Appoints:	

Changes:	
Bill Section Number(s):	

FISCAL ANALYSIS

1. FISCAL IMPACT TO LOCAL GOVERNMENT

Y ☐ N ☐

Revenues:	unknown
Expenditures:	unknown
Does the legislation increase local taxes or fees? If yes, explain.	unknown
If yes, does the legislation provide for a local referendum or local governing body public vote prior to implementation of the tax or fee increase?	

2. FISCAL IMPACT TO STATE GOVERNMENT

Y ☒ N ☐

Revenues:	unknown
Expenditures:	It is unclear how the OFR will enforce the section created by the bill, and if such enforcement will require additional staff.
Does the legislation contain a State Government appropriation?	no
If yes, was this appropriated last year?	no

3. FISCAL IMPACT TO THE PRIVATE SECTOR

Y ☒ N ☐

Revenues:	This bill may cause a decrease in revenue for payment card networks.
Expenditures:	unknown
Other:	unknown

4. DOES THE BILL INCREASE OR DECREASE TAXES, FEES, OR FINES?

Y ☒ N ☐

If yes, explain impact.	This bill appears to decrease interchange fees on electronic payment transactions.
Bill Section Number:	1, lines 59-62

TECHNOLOGY IMPACT

1. DOES THE BILL IMPACT THE AGENCY'S TECHNOLOGY SYSTEMS (I.E. IT SUPPORT, LICENSING SOFTWARE, DATA STORAGE, ETC.)? Y ☐ N ☒

If yes, describe the anticipated impact to the agency including any fiscal impact.	
--	--

FEDERAL IMPACT

1. DOES THE BILL HAVE A FEDERAL IMPACT (I.E. FEDERAL COMPLIANCE, FEDERAL FUNDING, FEDERAL AGENCY INVOLVEMENT, ETC.)? Y ☐ N ☒

If yes, describe the anticipated impact including any fiscal impact.	
--	--

ADDITIONAL COMMENTS

Insofar as SB 564 creates a section within chapter 655, which governs financial institutions generally and is enforced by the Office of Financial Regulation (OFR), the bill appears to expand the regulatory jurisdiction of the OFR to include regulation of certain activities of payment card networks, a term defined by the bill as “an entity that...directly or through licensed members, processors, or agents, provides proprietary services, infrastructure, and software that routes information and data to collect debit card or credit card transaction authorization, clearance, and settlement; and...a merchant or seller uses to accept as a form of payment a brand of debit card, credit card, or other device that may be used to carry out debit or credit transactions.” As the OFR does not currently exercise regulatory supervision over such an entity, it is unclear how the OFR will enforce section 655.969 as created within the bill. Furthermore, as the OFR supervises and examines state financial institutions, it is unclear how the OFR would be able to access the data necessary to enforce the section when a transaction occurs with a national or out-of-state financial institution.

LEGAL - GENERAL COUNSEL'S OFFICE REVIEW

Issues/concerns/comments:	OGC has reviewed the agency's bill analysis concerning SB 564, and the analysis sufficiently details the effect of the bill and the areas of impact. OGC has no additional issues, concerns or further comments regarding the bill.
---------------------------	---



The Florida Senate

Committee Agenda Request

To: Senator Jim Boyd, Chair
Committee on Banking and Insurance

Subject: Committee Agenda Request

Date: February 16, 2023

I respectfully request that **Senate Bill #564**, relating to Interchange Fees on Taxes, be placed on the:

- ☐ committee agenda at your earliest possible convenience.
- ☒ next committee agenda.

A handwritten signature in black ink, reading "Travis Hutson".

Senator Travis Hutson
Florida Senate, District 7

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 Banking and Insurance

BILL: SB 594

INTRODUCER: Senator Martin

SUBJECT: Residential Property Insurance Rates

DATE: March 14, 2023

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Thomas	Knudson	BI	Favorable
2.			CA	
3.			FP	

I. Summary:

SB 594 adds wind uplift prevention to the list of windstorm mitigation measures undertaken by policyholders to reduce hurricane losses that must be evaluated for purposes of mitigation discounts on residential property insurance rate filings. Wind uplift occurs if the air pressure below the roofing system is higher than the air pressure above the roofing system.

II. Present Situation:

Regulation of Property Insurance Rates

Part I of ch. 627, F.S., the Rating Law,¹ governs property, casualty, and surety insurance covering the subjects of insurance resident, located, or to be performed in this state.² The rating law provides that the rates for all classes of insurance it governs may not be excessive, inadequate, or unfairly discriminatory.³ Though the terms “rate” and “premium” are often used interchangeably, the rating law specifies that “rate” is the unit charge that is multiplied by the measure of exposure or amount of insurance specified in the policy to determine the premium, which is the consideration paid by the consumer.⁴

All insurers or rating organizations must file rates with the Office of Insurance Regulation (OIR) either 90 days before the proposed effective date of a new rate, which is considered a “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.⁵

¹ Section 627.011, F.S.

² Section 627.021(1), F.S.

³ Section 627.062(1), F.S.

⁴ Section 627.041, F.S.

⁵ Section 627.062, F.S.

Upon receiving a rate filing, the OIR reviews the filing to determine if the rate is excessive, inadequate, or unfairly discriminatory. The OIR makes that determination in accordance with generally acceptable actuarial techniques and considers the following:

- 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;
- The cost of medical services, if applicable;
- A reasonable margin for underwriting profit and contingencies; and
- Other relevant factors that affect the frequency or severity of claims or expenses.⁶

Florida Commission on Hurricane Loss Projection Methodology

Projected hurricane losses in a rate filing must be estimated using a model or method found to be acceptable or reliable by the Florida Commission on Hurricane Loss Projection Methodology (Commission).⁷ The Commission consists of 12 members with expertise in the elements used to develop computer models to estimate hurricane and flood loss. Members of the Commission include State University System faculty experts in insurance finance, statistics, computer system design, meteorology, and structural engineering; three actuaries; the insurance consumer advocate; the Director of the Florida Hurricane Catastrophe Fund; the Executive Director of Citizens Property Insurance Corporation; and the Director of the Division of Emergency Management.⁸

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.⁹ Specifically, the rate filings must include actuarially reasonable discounts, credits, or other rate differentials or appropriate reductions in deductibles to consumers who implement windstorm damage mitigation techniques to their properties.¹⁰ Upon their filing by an insurer or rating organization, the OIR determines the discounts, credits, other rate differentials and appropriate reductions in deductibles that reflect the full actuarial value of such revaluation,¹¹ which in turn may be used in rate filings under the rating law.

⁶ Section 627.062(2)(b), F.S.

⁷ Section 627.062(2)(b)11., F.S.

⁸ Section 627.0628(2)(b), F.S.

⁹ Section 627.062(2)(j), F.S.

¹⁰ Section 627.0629(1), F.S.

¹¹ *Id.*

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-to-foundation strength, opening protection, and window, door, and skylight strength.¹²

Wind Uplift

Wind load is an important consideration when designing a structure. Wind load is the load, in pounds per square foot, placed on the exterior of a structure by wind. This will depend on:

- The angle at which the wind strikes the structure; and
- The shape of the structure (height, width, etc.).¹³

Wind can exert three types of force on a structure—shear load, lateral load, and uplift load. Although all three forces can damage a structure, the uplift load has the greatest effect on the roofing system.¹⁴ Wind uplift occurs if the air pressure below the roofing system¹⁵ is higher than the air pressure above the roofing system. Whenever the wind blows over a roof's surface, the air pressure directly above the roof decreases, creating “negative” pressure. Wind infiltration below the roof materials through openings creates “positive” pressure. The combination results in a “push-pull” force that can lead to the separation of roofing materials from the roof deck.¹⁶

Wind uplift is affected by:

- Building height: Higher roofs experience stronger wind velocities.
- Geographical location: Wind maps for any region can identify the local basic wind speed gust exposures to determine typical wind conditions for your home.
- Surrounding terrain: Neighboring buildings and other obstructions can break wind flow and reduce the wind effect in suburban and urban locations. Stronger wind resistance is required for roofs near large bodies of water or open terrain.
- Building openings: Openings in the building design can create higher internal pressures in a wind event.¹⁷

During strong wind events such as hurricanes, roofs will be subject to high wind uplift forces, which often leads to severe roofing component damage. The loss of roofing components could lead to rainwater intrusion and further substantial damage to the interior. Reducing wind uplift during such strong wind events by implementing targeted mitigation techniques¹⁸ can

¹² *Id.*

¹³ *Wind Loads of Structures*, Extension Disaster Education Network, [Wind Loads of Structures](#) (last accessed on March 9, 2023). *Wind Loads*, Structural Engineering Design, Fall 2003, [Wind Loads](#) (last accessed on March 9, 2023).

¹⁴ *What Is Wind Uplift?*, [What Is Wind Uplift](#) (last accessed on March 9, 2023).

¹⁵ The term roof system refers to the air barrier or vapor retarder (if present), roof insulation (if present), and the roof membrane, flashing, and accessories. *Roofing Systems*, Tom Smith, May 10, 2016, [Roofing Systems](#) (last accessed on March 9, 2023).

¹⁶ *Id.*

¹⁷ Understanding Wind Uplift Ratings for Roofing, Mark Gallant, May, 31 2021, [Understanding Wind Uplift](#) (last accessed on March 9, 2023).

¹⁸ There are multiple products that are promoted as valuable in mitigating wind uplift, for example: Pavers [tiletechpavers](#), Adhesives [Certainteed](#), Fasteners [Nitterhouse](#), Clamps [S-5](#), Underlayments [Epilayroofing](#), and Spray Foam Insulation [huntsman building solutions](#) (all last accessed on March 9, 2023).

significantly reduce wind effects on buildings' roofs.¹⁹ Engineers and builders follow the applicable building code for each jurisdiction to attempt to prevent wind uplift.²⁰ The standards vary based on building location and likelihood of exposure to high winds.²¹

III. Effect of Proposed Changes:

The bill amends s. 627.0629, F.S., to add wind uplift prevention to list of windstorm mitigation measures undertaken by policyholders to reduce hurricane losses that must be evaluated for purposes of mitigation discounts on residential property insurance rate filings.

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. Tax/Fee Issues:

None.

¹⁹ *Aerodynamic Mitigation of Wind Uplift on Low-Rise Building Roof Using Large-Scale Testing*, Frontiers in Built Environments, January 15, 2020, [Frontiersin.org](https://frontiersin.org) (last accessed on March 9, 2023).

²⁰ *How Wind Uplift can Affect a Commercial Building's Roof*, Certified Commercial Property Inspectors Association, <https://ccpia.org/how-wind-uplift-can-affect-a-commercial-buildings-roof/> (last accessed on March 9, 2023).

²¹ *Id.* Changes to Florida's treatment of wind load were made in the 7th edition of the Florida Building Code in 2020. See Wind Loads- Impacts from ASCE 7-16 (June 2020), https://floridabuilding.org/fbc/thecode/2020_7edition/ASCE_7-16_Fact_Sheet_final_2_column_format052820final.pdf (last accessed on March 9, 2023).

B. Private Sector Impact:

The addition of wind uplift prevention measures to the list of windstorm mitigation measures undertaken by policyholders to reduce hurricane losses that must be evaluated for purposes of mitigation discounts on residential property insurance rate filings may lead to greater use of these measures by property owners. This could lead to less damage from windstorms and lower insurance premiums.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 627.0629.

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.

By Senator Martin

33-00961-23

2023594__

A bill to be entitled

An act relating to residential property insurance rates; amending s. 627.0629, F.S.; adding wind uplift prevention to a list of fixtures or construction techniques for which a residential property insurance rate filing must include actuarially reasonable rate differentials or appropriate deductible reductions; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Subsection (1) of section 627.0629, Florida Statutes, is amended to read:

627.0629 Residential property insurance; rate filings.—

(1) It is the intent of the Legislature that insurers provide savings to consumers who install or implement windstorm damage mitigation techniques, alterations, or solutions to their properties to prevent windstorm losses. A rate filing for residential property insurance must include actuarially reasonable discounts, credits, or other rate differentials, or appropriate reductions in deductibles, for properties on which fixtures or construction techniques demonstrated to reduce the amount of loss in a windstorm have been installed or implemented. The fixtures or construction techniques must include, but are not limited to, fixtures or construction techniques that enhance wind uplift prevention, roof strength, roof covering performance, roof-to-wall strength, wall-to-floor-to-foundation strength, opening protection, and window, door, and skylight strength. Credits, discounts, or other rate

Page 1 of 2

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

33-00961-23

2023594__

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. The office shall determine the discounts, credits, other rate differentials, and appropriate reductions in deductibles that reflect the full actuarial value of such revaluation, which may be used by insurers in rate filings.

Section 2. This act shall take effect July 1, 2023.

Page 2 of 2

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

03/15/2023

Meeting Date

The Florida Senate

APPEARANCE RECORD

594

Bill Number or Topic

Banking & Insurance

Deliver both copies of this form to
Senate professional staff conducting the meeting

Committee

Amendment Barcode (if applicable)

Name **AARP - Ivonne Fernandez**

Phone **954-850-7262**

Address **3710 NW 87th Ave - Suite 605**
Street

Email **ifernandez @aarp.org**

Doral

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:

AARP

☐

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)

3/15/23

Meeting Date

Banking + Insurance

Committee

The Florida Senate
APPEARANCE RECORD

Deliver both copies of this form to
Senate professional staff conducting the meeting

SB 594

Bill Number or Topic

Amendment Barcode (if applicable)

Name Douglas Bradley Phone 832 380 6888

Address 3315 E. Dingson St Email dbradley@huntsmanbuilds.com
Street

Arlington TX 76011
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 \(flsenate.gov\)](#)

This form is part of the public record for this meeting.

S-001 (08/10/2021)



THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

COMMITTEES:

Criminal Justice, *Chair*
Appropriations
Appropriations Committee on Criminal and Civil Justice
Appropriations Committee on Health and Human Services
Community Affairs
Environment and Natural Resources
Ethics and Elections

SELECT COMMITTEE:

Select Committee on Resiliency

SENATOR JONATHAN MARTIN

33rd District

March 6, 2023

The Honorable Jim Boyd
Senate Banking and Insurance Committee, Chair
320 Knott Building
404 South Monroe Street
Tallahassee, FL 32399

RE: SB 594- An act relating to residential property insurance rates

Dear Chair Boyd:

Please allow this letter to serve as my respectful request to place SB 594, relating to residential property insurance rates, on the next committee agenda.

Your kind consideration of this request is greatly appreciated. Please feel free to contact my office for any additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Jon Martin", with a stylized flourish at the end.

Jonathan Martin
Senate District 33

Cc: James Knudson, Staff Director
Amaura Canty, Administrative Assistant

REPLY TO:

- ☐ 2000 Main Street, Suite 401, Fort Myers, Florida 33901 (239) 338-2570
- ☐ 311 Senate Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5033

Senate's Website: www.flsenate.gov

KATHLEEN PASSIDOMO
President of the Senate

DENNIS BAXLEY
President Pro Tempore

The Florida Senate COMMITTEE VOTE RECORD

COMMITTEE: Banking and Insurance
ITEM: SB 594
FINAL ACTION: Favorable
MEETING DATE: Wednesday, March 15, 2023
TIME: 1:00—3:00 p.m.
PLACE: 412 Knott Building

FINAL VOTE			3/15/2023 Motion to vote "YEA" after Roll Call ¹					
Yea	Nay	SENATORS	Yea	Nay	Yea	Nay	Yea	Nay
X		Broxson						
VA		Burgess						
X		Burton						
X		Hutson						
X		Ingoglia						
X		Mayfield						
VA		Powell						
X		Thompson						
X		Torres						
X		Trumbull						
X		DiCeglie, VICE CHAIR						
X		Boyd, CHAIR						
12	0		FAV	-				
Yea	Nay	TOTALS	Yea	Nay	Yea	Nay	Yea	Nay

CODES: FAV=Favorable
UNF=Unfavorable
-R=Reconsidered

RCS=Replaced by Committee Substitute
RE=Replaced by Engrossed Amendment
RS=Replaced by Substitute Amendment

TP=Temporarily Postponed
VA=Vote After Roll Call
VC=Vote Change After Roll Call

WD=Withdrawn
OO=Out of Order
AV=Abstain from Voting

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 Banking and Insurance

BILL: SB 624

INTRODUCER: Senator Grall

SUBJECT: Liens and Bonds

DATE: March 14, 2023

REVISED: _____

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Thomas	Knudson	BI	Favorable
2. _____	_____	JU	_____
3. _____	_____	RC	_____

I. Summary:

SB 624 revises several provisions of the Construction Lien Law, which is codified in part I of chapter 713, F.S. The bill:

- Modifies the notice of commencement, notice of termination, and notice of nonpayment forms.
- Allows licensed general or building contractors providing construction or program management services to claim construction liens for such services.
- Changes when a notice of termination must be recorded and served, and when such notice is effective.
- Modifies service requirements for documents required by the construction lien law.
- Authorizes a person intending to make a claim against a payment bond to serve the surety with a copy of the notice of nonpayment, instead of an original document.
- Specifies that the methods for discharging a lien may also be used to release a lien, in whole or in part, and modifies the requirements for recording a satisfaction or release of lien with the clerk's office.
- Increases the bond amount necessary to deposit or file with the clerk's office to transfer a lien to a security and requirements related to the clerk's certificate of deposit or filing.
- Entitles the prevailing party in an action to enforce a lien transferred to a security to recover reasonable attorney fees.
- Specifies that after a clerk's office records a notice of contest of claim against a payment bond or a notice of contest of lien and a certificate of service for such notice, the clerk must serve a copy of the recorded notice on the lienor and on the owner or the owner's attorney.
- Authorizes a building permit applicant to provide the issuing authority with the clerk's office official records identifying information in lieu of a certified copy of the notice or a notarized statement of filing.
- Provides a method for computing time periods for recording a document or filing an action under the construction lien law.

- Repeals s. 713.25, F.S., an outdated provision relating to the applicability of ch. 65-456, L.O.F.
- Modifies the definitions of “clerk’s office” and defines “finance charge.”

The bill does not appear to have a fiscal impact on state government, but may increase expenditures for Clerks of the Circuit Court to the extent the Clerks cannot cover the costs associated with the bill’s new service requirements within existing resources.

The bill provides an effective date of October 1, 2023.

II. Present Situation:

Florida law seeks to ensure that people working on construction projects are paid for their work. Any person who provides services, labor, or materials for improving, repairing, or maintaining real property (except public property) may place a construction lien¹ on the property, provided the person complies with statutory procedures.² These procedures require the filing or serving of various documents, including a:

- Notice of Commencement;³
- Notice to Owner;⁴
- Claim of Lien;⁵
- Notice of Termination;⁶
- Waiver or Release of Lien;⁷
- Notice of Contest of Lien;⁸
- Contractor’s Final Payment Affidavit;⁹ and
- Demands of Written Statement of Account.¹⁰

To record a construction lien on real property, the lienor must record a claim of lien with the clerk’s office in the county where the property is located and serve the owner with the claim of lien within 15 days of recording the lien.¹¹ If a claim of lien is not recorded, the lien is voidable

¹ A lien is a claim against property that evidences a debt, obligation, or duty. Fla. Jur. 2d Liens s. 37:1.

² Chapter 713, F.S.

³ Section 713.13, F.S.

⁴ To secure construction lien rights, a person working on a construction project who is not in direct contract (“privity”) with the owner must serve a notice to the owner in the statutory form provided; laborers are exempt from this requirement. The notice informs the owner that someone with whom he or she is not in privity is providing services or materials on the property and that such person expects the owner to ensure he or she is paid. The notice must be served no later than 45 days after the person begins furnishing services or materials and before the date the owner disburses the final payment after the contractor has furnished his or her final payment affidavit. After receiving a notice to owner, the owner must obtain a waiver or release of lien from the notice’s sender before paying the contractor, unless a payment bond applies, or risk payments to the contractor constituting improper payments that leave the owner liable to the notice sender if the contractor does not pay such person. *Stocking Bldg. Supply of Florida, Inc. v. Soares Da Costa Construction Services, LLC*, 76 So.3d 313 (Fla 3d DCA 2011); Section 713.06, F.S.

⁵ Section 713.08, F.S.

⁶ Section 713.132, F.S.

⁷ Section 713.20, F.S.

⁸ Section 713.22(2), F.S.

⁹ Section 713.06(3), F.S.

¹⁰ Section 713.16, F.S.

¹¹ Section 713.08(4)(c), F.S.

to the extent that the failure to record the claim prejudices any person entitled to rely on service of the claim of lien.¹²

A person may file a claim of lien at any time during the progress of the work but may not file a claim of lien later than 90 days after the person's final furnishing of labor or materials.¹³ A person may record a single claim of lien for multiple services or materials provided to different properties so long as such services or materials were provided under the same contract, the person is in privity with the owner, and the properties have the same owner.¹⁴ However, a person may not record a single claim of lien for multiple services or materials if there is more than one contract, even if the contracts for services and materials are with the same owner.¹⁵

A construction lien extends to the right, title, and interest of the person who contracts for the improvement to the extent such right, title, and interest exists at the improvement's commencement or is acquired in the real property.¹⁶ However, when a lessee makes an improvement under an agreement between the lessee and his or her lessor, the lien also extends to the lessor's interest unless:¹⁷

- The lease is recorded in the official records of the county where the property is located before the recording of a notice of commencement for improvements to the property and the lease's terms expressly prohibit such liability;
- The lease's terms expressly prohibit such liability, and a notice advising that leases for the rental of premises on a property prohibit such liability has been recorded in the official records of the county in which the property is located before the recording of a notice of commencement for improvements to the premises and the notice includes specified information; or
- The lessee is a mobile home owner leasing a mobile home lot in a mobile home park.¹⁸

If a lease expressly provides that the lessor's interest will not be subject to the construction liens relating to improvements made by the lessee, the lessee must notify the contractor making any such improvements of the lease provision, and the knowing and willful failure of the lessee to provide such notice renders the contract voidable at the contractor's option.¹⁹

Notice of Commencement

Before construction begins, a private property owner or the owner's authorized agent must generally file a notice of commencement with the clerk's office²⁰ and post a copy of the notice

¹² *Id.*

¹³ Section 713.08(5), F.S.

¹⁴ Section 713.09, F.S.

¹⁵ *Id.*; see also *Lee v. All Florida Construction Co.*, 662 So.2d 365, 366-67 (Fla. 3d DCA 1995).

¹⁶ Section 713.10(1), F.S.

¹⁷ *Id.*

¹⁸ Section 713.10(2)(b), F.S.

¹⁹ Section 713.10(2)(a), F.S.

²⁰ "Clerk's office" means the office of the clerk of the circuit court of the county in which the real property is located. Section 713.01(4), F.S.

on the property to be improved.²¹ The notice of commencement determines the priority of construction liens, provides details needed to complete a notice to owner, establishes the date on which the statute of limitations begins to run, and protects owners from double payments.²²

A notice of commencement must be substantially similar to the statutorily-authorized form and contain:

- Descriptions of the real property to be improved and the improvements;
- The name and address of the:
 - Owner, fee simple title holder (if not the owner),²³ contractor, and any person lending money for the project, along with a description of the owner's interest in the property;²⁴
 - Surety²⁵ on a payment bond, if any, and the bond amount;
 - Persons, designated by the owner;
- The notice's expiration date; and
- A warning in uppercase type that the notice must be recorded, and that payments made after the notice expires could be improper and lead to the owner paying twice.²⁶

Further, a building permit applicant must generally file with the issuing authority, before the first inspection, either a certified copy of the recorded notice of commencement or a notarized statement that the notice was filed for recording, along with a copy of the notice.²⁷ If a certified copy of the notice of commencement is not filed with the issuing authority, the issuing authority may not perform or approve subsequent inspections until the applicant files the certified copy; however, the issuing authority is not liable in any civil action for failing to verify that the building permit applicant submitted a certified copy of the notice of commencement.²⁸

Payment Bonds and Related Notices

A payment bond is a type of surety bond that generally guarantees that all subcontractors, laborers, and material suppliers will be paid for their work on, or materials contributed to, a construction project.²⁹ The bond forms a three-part contract between the owner, the contractor, and the surety to ensure that liens are not filed on the property, serving as the security for payment in lieu of the typical right to claim a lien. The payment bond must be furnished in at

²¹ A notice of commencement is not required for direct contracts for \$2,500 or less or for air conditioning or heating system repair or replacement for less than \$15,000. A notice of commencement is also not required for public construction projects because public property is not lienable. Sections 713.01(26), 713.02(5), 713.13, and 713.135(1)(d), F.S.

²² *Stocking Bldg. Supply*, So.3d at 319; Fred Dudley, William A. Buzzett, & Deborah Kaveney Kearney, *Construction Lien Law Reform: The Equilibrium of Change*, 18 Fla. St. U. L. Rev., 278 (1991).

²³ Fee simple title is an interest in land that, being the broadest property interest allowed by law, endures until the current holder dies without heirs. Black's Law Dictionary (11th ed. 2019).

²⁴ A lessee may contract for improvements as an owner but must be listed as the owner in the notice of commencement. Section 713.13(1)(a)3., F.S.

²⁵ A surety guarantees the performance or obligations of a second party (the principal) to a third party (the obligee) under a three-party contract. National Association of Security Bond Providers, *What are Surety Bonds*, [https://www.nasbp.org/getabond/about-surety#:~:text=A%20surety%20bond%20is%20a,third%20party%20\(the%20obligee\)](https://www.nasbp.org/getabond/about-surety#:~:text=A%20surety%20bond%20is%20a,third%20party%20(the%20obligee)) (last accessed February 20, 2023).

²⁶ Section 713.13(1)(a)-(d), F.S.

²⁷ Section 713.135(1)(d), F.S.

²⁸ Section 713.135(1)(d) and (3), F.S.

²⁹ Section 713.23, F.S.

least the amount of the original contract price before beginning the construction project, and a copy of the bond must be attached to the recorded notice of commencement.³⁰

For a private project, contractors are not obligated to obtain a payment bond, but current law requires contractors to obtain a payment bond for public projects over \$100,000.³¹ However, in lieu of the payment bond, a contractor working on a public project may file with the state, county, city, or other political authority an alternative form of security in the form of cash, a money order, a certified check, a cashier's check, an irrevocable letter of credit, or a security of a type listed in part II of chapter 625, F.S., dealing with investments.³²

Before paying a subcontractor, laborer, or material supplier, a contractor may request that such person provide a waiver of right to claim against the payment bond. Such a waiver serves as a receipt acknowledging payment for services performed or materials provided and waives the ability to seek payment from the surety.³³ Current law provides a statutory form for a waiver of right to claim against a payment bond and prohibits a contractor from requiring anyone to sign a waiver that is substantially different from the form.³⁴

If the general contractor fails to pay a subcontractor, laborer, or material supplier, such person may seek payment directly from the surety. In order to receive protection under a payment bond, a subcontractor or material supplier³⁵ not in privity with the contractor must serve the contractor with a written notice of intent to seek protection under the bond.³⁶ Such notice must be served no later than 45 days after the first furnishing of services or materials for the project.³⁷

An action to enforce a claim against the payment bond must be instituted against the contractor or the surety within one year after the performance of the labor or completion of delivery of the materials or supplies.³⁸ If a claimant is no longer furnishing labor, services, or materials on a project, a contractor may elect to shorten the time within which such an action must be commenced by serving a notice of contest of claim against the payment bond on the claimant and recording the notice in the clerk's office along with a certificate of service.³⁹ The claim of any claimant who is served with such notice and who fails to file a lawsuit to enforce his or her claim against the payment bond within 60 days of service is automatically extinguished.⁴⁰

Transfer of Liens to Security

Any construction lien claimed may be transferred from the real property to a security by a person with an interest in the real property or the contract under which the lien is claimed by either

³⁰ Section 713.23(1)(a), F.S.

³¹ Section 255.05(1)(d), F.S.

³² Section 255.05(7), F.S.

³³ Sections 255.05(2), and 713.235, F.S.

³⁴ *Id.*

³⁵ Laborers are exempt from this requirement. Sections 255.05(2)(a)2., 337.18(1)(c), and 713.23(1)(c), F.S.

³⁶ *Id.*

³⁷ Sections 255.05(2)(a)2. and 713.23(1)(c), F.S.

³⁸ Sections 255.05(10) and 713.23(1)(e), F.S.

³⁹ Section 255.05(2)(a)1. and 713.23(1)(e), F.S.

⁴⁰ *Id.*

depositing money or filing a bond with the clerk's office.⁴¹ Cash deposited or a bond filed to transfer a lien must be in an amount equal to the amount demanded in the lien, plus interest thereon at the legal rate for three years, plus \$1,000 or 25 percent of the demanded amount, whichever is greater.⁴² Once such a deposit is made, the clerk must record a certificate showing the transfer of the lien from the real property to the security, and upon the recording of such certificate, the real property is released from the lien, which is transferred to the security.⁴³

However, any person having an interest in such security or the property from which the lien was transferred may file a complaint in the circuit court of the county where such security is deposited, or file a motion in a pending action to enforce a lien, for an order to require additional security, the reduction of security, a change or substitution of securities, the payment of discharge thereof, or any other matter affecting the security.⁴⁴

Licensed General and Building Contractors

Licensed construction contractors are either certified by or registered with the Construction Industry Licensing Board ("CILB") within the Department of Business and Professional Regulation ("DBPR"). "Certified contractors" are persons who pass the state competency examination and obtain a certificate of competency issued by DBPR.⁴⁵ A certified contractor may perform contracting in any jurisdiction in the state without fulfilling the local jurisdiction's competency requirements.⁴⁶ "Registered contractors" are persons who have taken and passed a competency examination administered by a local government and who have then registered with DBPR.⁴⁷ A registered contractor may perform contracting only in the local jurisdiction where his or her license is issued.⁴⁸

Contractors, whether certified or registered, may be "general contractors" or "building contractors." A general contractor is a person who may contract for and perform any type of construction service unless the work must be subcontracted to a licensed subcontractor.⁴⁹ A building contractor is a person who may contract for and perform construction services for commercial and residential buildings not exceeding three stories in height, or for any size building if the construction does not affect the building's structural frame, unless such work must be subcontracted to a licensed subcontractor.⁵⁰

Current law allows a local government to hire a construction manager and program manager⁵¹ for its construction projects, and allows the state to hire a construction manager for state

⁴¹ Section 713.24(1), F.S.

⁴² *Id.*

⁴³ *Id.*

⁴⁴ Section 713.24(3), F.S.

⁴⁵ Section 489.105(8), F.S.

⁴⁶ *Id.*

⁴⁷ Section 489.105(10), F.S.

⁴⁸ *Id.*

⁴⁹ Sections 489.105(3)(a), and 489.113, F.S.

⁵⁰ Sections 489.105(3)(b), and 489.113, F.S.

⁵¹ A program manager is "responsible for schedule control, cost control, and coordination in providing or procuring planning, design, and construction services." DBPR does not regulate program managers. Section 255.103(3), F.S.

construction projects.⁵² A construction or program manager hired by a local government is not required to be a licensed contractor, engineer, or architect, but if such person is not licensed, he or she must hire a licensed professional to perform any job requiring a license.⁵³ However, a construction manager hired by the state must be a licensed general or building contractor.⁵⁴ Though the construction lien law allows any person who provides services, labor, or materials for improving real property (except public property) to place a construction lien on the property, it is unclear under Florida law if construction or program managers may do so because they do not necessarily provide labor, services, or materials that improves real property.⁵⁵

Further, the lien law provides that a contractor may file a lien for any money owed to him or her for labor, services, or materials⁵⁶ but defines a “contractor” as any person other than a materialman or laborer who contracts with an owner to improve the owner’s real property.⁵⁷ The definition also includes a licensed architect or engineer who improve real property through a design-build contract but does not include a licensed general or building contractor providing construction or program manager services.⁵⁸ Some courts have determined that persons serving as construction or program managers may not file construction liens, even where such persons are licensed contractors.⁵⁹

Notice of Termination

An owner may terminate a notice of commencement before it expires by recording a notice of termination that includes:

- All the information in the notice of commencement;
- The notice of commencement’s reference numbers from the official records of the clerk’s office and effective date;
- The date the notice of commencement is terminated, which may not be earlier than 30 days after the notice of termination is recorded;
- A statement that all persons who worked on the property have been paid in full; and
- A statement that the owner has served a copy of the notice of termination to the contractor and every person in privity with the owner who timely served a notice to owner.⁶⁰

An owner may record a notice of termination after:

- Completion of the construction project; or
- Work stops on the project and every person who worked on the property has been paid.⁶¹

⁵² Section 255.32(2), F.S.

⁵³ Section 255.103, F.S.

⁵⁴ Section 255.32(1), F.S.

⁵⁵ Scott Wolfe, Jr., *Can Construction Managers File Mechanics Liens?*, [can-construction-managers-file-mechanics-liens](#) (last accessed March 7, 2023).

⁵⁶ Section 713.05, F.S.

⁵⁷ Section 713.01(8), F.S.

⁵⁸ *Id.*

⁵⁹ See, e.g., *O’Kon and Company, Inc. v. Riedel*, 540 So.2d 836, 839-40 (Fla. 1st DCA 1988) (“Chapter 713 which provides for professionals offering services to file a lien for services, does not include ‘project managers.’”); see also, e.g., *Medellin v. MLA Consulting, Inc.*, 69 So.3d 372 (Fla. 5th DCA 2011) (A person cannot file a construction lien for home construction consulting services because it does not improve real property.).

⁶⁰ Section 713.132(1), F.S.

⁶¹ Section 713.132(3), F.S.

If the owner serves a copy of the notice of termination on every person in privity with the owner and who served a notice to owner before the recording of the notice of termination, a notice of commencement terminates 30 days after the notice of termination is recorded or on the termination date stated in the notice, whichever is later.⁶²

Manner of Serving Documents

Documents authorized or required under the construction lien law, and notices to contractors for payment bonds for public construction projects, must be served by:

- Actual delivery to the person being served; if a partnership, to one partner; if a corporation, to an officer, director, managing agent, or business agent; or if a limited liability company, to a member or manager; or
- Common carrier delivery service or by registered, Global Express Guaranteed, or certified mail, to the person being served with postage or shipping paid by the sender and with evidence of delivery; or
- Posting on the construction site if service cannot be performed by the other two methods.⁶³

Service of a document by common carrier delivery service or by registered, Global Express Guaranteed, or certified mail is effective on the day the document is mailed, if it is:

- Sent to the last address shown in the notice of commencement or, in the absence of such a notice, to the last address shown in the building permit application or to the last known address of the person to be served; and
- Returned as being “refused,” “moved, not forwardable,” or “unclaimed,” or is otherwise not delivered or deliverable through no fault of the person serving the item.⁶⁴

However, for construction projects where there is a payment bond, a notice to contractor is effective on the date of mailing if:

- The notice is mailed by registered, Global Express Guaranteed, or certified mail, with postage prepaid, to the person to be served at the last address shown in the notice of commencement, the last address shown in the building permit application, or the last known address of the person being served;
- The notice is mailed within 40 days after the date the person first furnishes labor, services, or materials; and
- The person who served the notice maintains:
 - A registered or certified mail log that shows the mail number issued by the United States Postal Service (“USPS”), the name and address of the person served, and the date stamp of the USPS confirming the date of mailing; or
 - Electronic tracking records generated by the USPS containing the tracking number, the name and address of the person served, and verification of the date of receipt.⁶⁵

⁶² Section 713.132(4), F.S.

⁶³ Section 713.18(1), F.S.

⁶⁴ Section 713.18(3), F.S.

⁶⁵ Section 713.18(2), F.S.

Current law also provides that service of a construction lien notice on one property owner or on one partner of a partnership that owns a property is deemed to provide notice to all owners or partners.⁶⁶

Duration of Lien

An action to enforce a properly recorded construction lien must be brought within one year of recording or one year after the recording of an amended claim of lien showing a later final furnishing date, unless the owner of the subject property chooses to shorten the enforcement period by recording a notice of contest of lien in the clerk's office.⁶⁷ After a notice of contest of lien is filed, the clerk's office must serve a copy of the notice on the lienor at the address shown in the claim of lien, certify to such service and the date of service on the notice's face, and record the notice.⁶⁸ The lien of any lienor served with a notice of contest of lien who fails to sue to enforce the lien within 60 days of service of the notice is automatically extinguished.⁶⁹

Discharge of Liens

A construction lien may be discharged by:

- Entering satisfaction of the lien on the margin of the lien document recorded with the clerk's office, if allowed by law;
- Filing satisfaction with the clerk's office;
- Failing to begin an action to enforce the lien within the statutorily-prescribed time frame;
- Judicial order of the circuit court of the county where the property is located; or
- Recording in the clerk's office a court judgment or decree showing the action's final determination.⁷⁰

Attorney Fees and Costs

The prevailing party in an action to enforce a lien or a claim against a payment bond is entitled to recover his or her reasonable attorney fees and costs as determined by the court.⁷¹

Computation of Time

Florida's construction lien law establishes many timeframes for filing or serving notices and other documents but does not specify a method for computing such time periods. However, Florida courts have noted that "[t]he uniform rule in computing time periods is that the first day of the period is excluded from the computation, and the last day is included."⁷² Further, where a statute does not specify a method for computing time, Rule 2.514, Florida Rules of Judicial Administration, applies, providing that, when a time period is stated in days or a longer temporal unit, the parties should:

⁶⁶ Section 713.18(4), F.S.

⁶⁷ Section 713.22(1) and (2), F.S.

⁶⁸ Section 713.22(2), F.S.

⁶⁹ *Id.*

⁷⁰ Section 713.21, F.S.

⁷¹ Section 713.29, F.S.

⁷² *Site-Prep, Inc. v. Tai*, 472 So.2d 766, 767 (Fla. 5th DCA 1985).

- Begin counting from the next day that is not a Saturday, Sunday, or legal holiday;
- Count every day, including intermediate Saturdays, Sundays, and legal holidays; and
- Include the last day of the period, unless that day is a Saturday, Sunday, or legal holiday, or falls within any time period extended through an order of the chief justice, in which case the time period continues to run until the end of the next day that is not a Saturday, Sunday, or legal holiday and does not fall within any time period extended through an order of the chief justice.

Finance Charges

Chapter 713, F.S., does not define “finance charge,” but uses the phrase “finance charges due under the lienor’s contract” everywhere the phrase “finance charges” appears in the chapter. Thus, it can be inferred that the lienor’s contract would define “finance charge” in the construction lien context.

Applicability of Chapter 65-456, Laws of Florida

Section 713.25, F.S., provides that ch. 65-456, Laws of Florida, takes effect on July 1, 1965, but does not apply to any act required to be done within a time period which is running on that date or to existing projects where its operation would impair vested rights.

III. Effect of Proposed Changes:

Notice of Commencement

The bill modifies the statutorily-provided notice of commencement form to reflect that the person signing the notice may use an online notary.⁷³ Additionally, the bill:

- Authorizes a building permit applicant to submit to the clerk’s office⁷⁴ official records identifying information for the recorded notice of commencement, including the instrument number or the number and page of book where the notice of commencement is recorded, to the surety issuing authority in lieu of a certified copy of the notice or notarized statement of filing.
- Provides that the building permit issuing authority is not liable in any civil action for failing to verify that the building permit applicant submitted one of the acceptable forms of proof that the applicant filed a notice of commencement.

Payment Bonds and Related Notices

The bill:

- Modifies the notice of nonpayment form to authorize the use of an online notary.

⁷³ In 2019, the Legislature authorized the use of online notaries. An online notary may perform an online notarization, regardless of the physical location of the principal at the time of the notarial act, if the notary is physically located in Florida and confirms that the principal desires for the notarial act to be performed by a Florida notary public under Florida law. Chapter 2019-71, Laws of Fla.; Section 117.265(3), F.S.

⁷⁴ The bill redefines “clerk’s office” to mean the office of the clerk of the circuit court of the county, “or another officer serving as the county recorder as provided by law,” in which the real property is located.

- Specifies that, while a lienor must still serve a notice of nonpayment on the general contractor to receive protection under a payment bond, he or she may serve a copy of the notice on the surety.
- For a construction project on a public building, if the payment bond is not recorded before the commencement of work or before the recommencement of work after a default or abandonment if applicable, the claimant may serve the notice to contractor up to 45 days after the date he or she is served with a copy of the bond.
- Modifies the available alternative forms of security that may be filed in lieu of a payment bond for public projects to remove an irrevocable letter of credit and a security of a type limited in Part II of Ch. 125 and to add a corporate bond or debenture as authorize in s. 625.317, F.S.

Transfer of Liens to Security

The bill increases the amount of the bond required to be deposited or filed with the clerk's office to transfer a lien to a security. Specifically, the bill changes the amount required to the amount demanded in the lien, plus interest at the legal rate for three years, plus \$5,000 (increased from \$1,000) or 25 percent of the amount demanded in the lien, whichever is greater. Further, the bill requires that the clerk include a copy of the deposit or bond used for the transfer with the certificate made and recorded to show the lien's transfer.

Licensed General and Building Contractors

The bill amends the definition of "contractor" to include any licensed general or building contractor who provides construction or program management services.⁷⁵ This guarantees to licensed general and building contractors providing such services the ability to claim construction liens if they are not paid for their work.

Notice of Termination

The bill requires that a notice of termination be served before recording⁷⁶ on each lienor in privity with the owner and on each person who timely served a notice to owner before the recording of the notice of termination. Under the bill, if it is thus served, a notice of termination terminates the notice of commencement 30 days after it is recorded. However, the bill also requires an owner to serve a copy of the notice of termination on any lienor who began work under a notice of commencement before its termination, lacks a direct contract with the owner, and timely serves a notice to owner after the notice of termination is recorded. Under the bill, the notice of termination is effective as to such lienors 30 days after service.

The bill also:

⁷⁵ The bill specifies that construction management services include scheduling and coordinating both preconstruction and construction phases for the construction project. The bill also specifies that program management services include schedule control, cost control, and coordination in providing or procuring planning, design, and construction.

⁷⁶ The bill specifies that the notice of termination must be recorded in the official records of the county where the improvement is located.

- Specifies that a notice of termination must include a statement that the owner will serve a copy of the notice on all lienors who time serve a notice to owner after the notice of termination's recording.
- Deletes a provision specifying that an owner may only record a notice of termination after construction completion or when construction ceases before completion and all lienors have been paid, specifying instead that such notice may be recorded after all lienors have been paid.
- Clarifies that the notice of termination must include the official records reference numbers and recording date affixed to the recorded notice of commencement by the recording office.

Manner of Serving Documents

The bill:

- Specifies that all documents allowed or required under the construction lien law must be served as provided in s. 713.18, F.S., relating to manner of serving documents.
- Clarifies that "actual delivery" of a notice means "hand delivery."
- Provides that service by mail must be made to the person to be served.
- Clarifies that service sent through the mail is effective upon mailing or shipping.
- Specifies that service to a partnership, corporation, or limited liability company may be made on an employee or agent authorized by the business to receive service.

Further, the bill modifies the requirement that, for service to be effective on the date of mailing, the person serving a notice to contractor where a payment bond applies must maintain electronic tracking records generated by the USPS, deleting the requirement that the records be electronic and specifying that they may be either generated or approved by the USPS. The bill also deletes the requirements that such tracking records contain the name and address of the person served.

Duration of Lien

The bill specifies that after the property owner files a notice of contest of lien with the clerk's office and the clerk's office serves a copy of the notice on the lienor and records the notice with a certificate of service, the clerk's office must serve a copy of the recorded notice on the lienor and the owner or the owner's attorney.

Extent of Lien – Mobile Home Parks

The bill amends s. 713.10, F.S., regarding the extent of liens, clarifying that mobile home parks are not subject to liens for improvements made by their lessees who are leasing a mobile home lot in said park.

Discharge of Liens

The bill provides that the methods specified for discharging a lien may also be used to release a lien, in whole or in part. The bill also specifies that, if a satisfaction or release of lien is filed with the clerk's office, the satisfaction or release must include the lienor's notarized signature and the official reference number and recording date affixed by the recording office on the subject lien.

Attorney Fees and Costs

The bill provides that a prevailing party in an action to enforce a lien transferred to a security may recover his or her reasonable attorney fees in an amount to be determined by the court. The bill also clarifies that, where a prevailing party is entitled to recover his or her reasonable attorney fees in an arbitration action to enforce a claim against a payment bond, the amount or the attorney fees to be awarded may be determined by the arbitrator.

Computation of Time

The bill provides that, in computing any time period relating to the construction lien law, if the last day of the time period is a Saturday, Sunday, legal holiday, or any day observed as a holiday by the clerk's office or designated as such by the chief judge of the circuit, the time period is extended to the end of the next business day.

Finance Charges

The bill defines "finance charge" as the contractually specified additional amount to be paid by the obligor on any balance that remains unpaid by the due date set forth in the credit agreement or other contract.

Applicability of Ch. 65-456, Laws of Florida

The bill repeals s. 713.25, F.S., as it is outdated and no longer applicable.

The bill is effective July 1, 2023.

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. Tax/Fee Issues:**

None.

B. Private Sector Impact:

The bill may cause more subcontractors, laborers, and material suppliers to receive compensation for the labor, services, or materials they supply for construction projects, which may have a positive indeterminate impact on the private sector. However, the bill may have a negative indeterminate impact on the private sector by making it costlier to transfer a lien to a payment bond and an indeterminate impact on the private sector by eliminating and replacing certain alternative forms of security that a contractor working on public project may file in lieu of a payment bond.

C. Government Sector Impact:

The bill may increase expenditures for Clerks of the Circuit Court to the extent the Clerks cannot cover the costs associated with the bill's new service requirements within existing resources.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 255.05, 337.18, 713.01, 713.10, 713.13, 713.132, 713.135, 713.18, 713.21, 713.22, 713.23, 713.24, and 713.29.

This bill creates the following section of the Florida Statutes: 713.011.

This bill repeals the following section of the Florida Statutes: 713.25.

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.

By Senator Grall

29-00360B-23

2023624__

1 A bill to be entitled
 2 An act relating to liens and bonds; amending s.
 3 255.05, F.S.; revising when a notice of contest of
 4 claim against a payment bond must be served; requiring
 5 that a copy of a notice of nonpayment be served on the
 6 surety; revising the process for notarizing a notice
 7 of nonpayment; revising authorized alternative forms
 8 of security; requiring service of documents to be made
 9 in a specified manner; conforming provisions to
 10 changes made by the act; making technical changes;
 11 amending s. 337.18, F.S.; requiring service of
 12 documents to be made in a specified manner; conforming
 13 provisions to changes made by the act; amending s.
 14 713.01, F.S.; revising and providing definitions;
 15 creating s. 713.011, F.S.; providing for the
 16 computation of time when certain time periods fall on
 17 specified days or during an emergency; amending s.
 18 713.10, F.S.; revising the extent of certain liens;
 19 amending s. 713.13, F.S.; conforming a cross-
 20 reference; revising the process for notarizing a
 21 notice of commencement; making technical changes;
 22 amending s. 713.132, F.S.; revising requirements for a
 23 notice of termination; revising when an owner may
 24 record a notice of termination; specifying when a
 25 notice of termination terminates a notice of
 26 commencement; amending s. 713.135, F.S.; defining the
 27 term "copy of the notice of commencement"; providing
 28 applicability; revising the dollar threshold of an
 29 exception; providing immunity; amending s. 713.18,

Page 1 of 34

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

29-00360B-23

2023624__

30 F.S.; requiring service of documents relating to
 31 construction bonds to be made in a specified manner;
 32 authorizing employees or agents of specified entities
 33 to receive service of certain documents; making
 34 technical changes; amending s. 713.21, F.S.;
 35 authorizing the full or partial release of a lien
 36 under specified conditions; making technical changes;
 37 amending s. 713.22, F.S.; requiring the clerk to serve
 38 a copy of a notice of contest of lien on certain
 39 persons after it has been recorded; making technical
 40 changes; amending s. 713.23, F.S.; requiring that a
 41 copy of a notice of nonpayment be served on the
 42 surety; revising the process for notarizing a notice
 43 of nonpayment under a payment bond; requiring the
 44 clerk to serve a copy of a notice of contest of lien
 45 on certain persons after it has been recorded;
 46 amending s. 713.24, F.S.; revising the amount required
 47 in addition to the deposit or bond that applies toward
 48 attorney fees and court costs; requiring the clerk to
 49 make a copy of the deposit or bond used to transfer a
 50 lien to other security and mail it to the lienor;
 51 making technical changes; repealing s. 713.25, F.S.,
 52 relating to applicability of chapter 65-456, Laws of
 53 Florida; amending s. 713.29, F.S.; authorizing
 54 attorney fees in actions brought to enforce a lien
 55 that has been transferred to security; making
 56 technical changes; providing an effective date.

58 Be It Enacted by the Legislature of the State of Florida:

Page 2 of 34

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

29-00360B-23

2023624__

Section 1. Paragraph (a) of subsection (2) and subsection (7) of section 255.05, Florida Statutes, are amended, and subsection (12) is added to that section, to read:

255.05 Bond of contractor constructing public buildings; form; action by claimants.—

(2)(a)1. If a claimant is no longer furnishing labor, services, or materials on a project, a contractor or the contractor's agent or attorney may elect to shorten the time within which an action to enforce any claim against a payment bond must be commenced by recording in the clerk's office a notice in substantially the following form:

NOTICE OF CONTEST OF CLAIM
AGAINST PAYMENT BOND

To: ...(Name and address of claimant)...

You are notified that the undersigned contests your notice of nonpayment, dated,, and served on the undersigned on,, and that the time within which you may file suit to enforce your claim is limited to 60 days after the date of service of this notice.

DATED on,

Signed: ...(Contractor or Attorney)...

The claim of a claimant upon whom such notice is served and who

29-00360B-23

2023624__

fails to institute a suit to enforce his or her claim against the payment bond within 60 days after service of such notice is extinguished automatically. The contractor or the contractor's attorney shall serve a copy of the notice of contest on ~~to~~ the claimant at the address shown in the notice of nonpayment or most recent amendment thereto and shall certify to such service on the face of the notice and record the notice.

2. A claimant, except a laborer, who is not in privity with the contractor shall, before commencing or not later than 45 days after commencing to furnish labor, services, or materials for the prosecution of the work, serve the contractor with a written notice that he or she intends to look to the bond for protection. If the payment bond is not recorded before the commencement of work or before the recommencement of work after a default or abandonment as required by subsection (1), the claimant may serve the contractor with such written notice up to 45 days after the date that the claimant is served with a copy of the bond. A claimant who is not in privity with the contractor and who has not received payment for furnishing his or her labor, services, or materials shall serve a written notice of nonpayment on the contractor and a copy of the notice of nonpayment on the surety. The notice of nonpayment ~~must~~ shall be under oath and served during the progress of the work or thereafter but may not be served earlier than 45 days after the first furnishing of labor, services, or materials by the claimant or later than 90 days after the final furnishing of the labor, services, or materials by the claimant or, with respect to rental equipment, later than 90 days after the date that the rental equipment was last on the ~~job~~ site of the improvement and

29-00360B-23

2023624__

117 available for use. Any notice of nonpayment served by a claimant
 118 who is not in privity with the contractor which includes sums
 119 for retainage must specify the portion of the amount claimed for
 120 retainage. An action for the labor, services, or materials may
 121 not be instituted against the contractor or the surety unless
 122 the notice to the contractor and notice of nonpayment have been
 123 served, if required by this section. Notices required or
 124 permitted under this section must be served in accordance with
 125 s. 713.18. A claimant may not waive in advance his or her right
 126 to bring an action under the bond against the surety. In any
 127 action brought to enforce a claim against a payment bond under
 128 this section, the prevailing party is entitled to recover a
 129 reasonable fee for the services of his or her attorney for trial
 130 and appeal or for arbitration, in an amount to be determined by
 131 the court or arbitrator, which fee must be taxed as part of the
 132 prevailing party's costs, as allowed in equitable actions. The
 133 time periods for service of a notice of nonpayment or for
 134 bringing an action against a contractor or a surety are ~~shall be~~
 135 measured from the last day of furnishing labor, services, or
 136 materials by the claimant and may not be measured by other
 137 standards, such as the issuance of a certificate of occupancy or
 138 the issuance of a certificate of substantial completion. The
 139 negligent inclusion or omission of any information in the notice
 140 of nonpayment that has not prejudiced the contractor or surety
 141 does not constitute a default that operates to defeat an
 142 otherwise valid bond claim. A claimant who serves a fraudulent
 143 notice of nonpayment forfeits his or her rights under the bond.
 144 A notice of nonpayment is fraudulent if the claimant has
 145 willfully exaggerated the amount unpaid, willfully included a

Page 5 of 34

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

29-00360B-23

2023624__

146 claim for work not performed or materials not furnished for the
 147 subject improvement, or prepared the notice with such willful
 148 and gross negligence as to amount to a willful exaggeration.
 149 However, a minor mistake or error in a notice of nonpayment, or
 150 a good faith dispute as to the amount unpaid, does not
 151 constitute a willful exaggeration that operates to defeat an
 152 otherwise valid claim against the bond. The service of a
 153 fraudulent notice of nonpayment is a complete defense to the
 154 claimant's claim against the bond. The notice of nonpayment
 155 under this subparagraph must include the following information,
 156 current as of the date of the notice, and must be in
 157 substantially the following form:

NOTICE OF NONPAYMENT

161 To: ...(name of contractor and address)...

163 ...(name of surety and address)...

165 The undersigned claimant notifies you that:

166 1. Claimant has furnished ...(describe labor, services, or
 167 materials)... for the improvement of the real property
 168 identified as ...(property description).... The corresponding
 169 amount unpaid to date is \$...., of which \$.... is unpaid
 170 retainage.

171 2. Claimant has been paid to date the amount of \$.... for
 172 previously furnishing ...(describe labor, services, or
 173 materials)... for this improvement.

174 3. Claimant expects to furnish ...(describe labor,

Page 6 of 34

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

29-00360B-23

2023624

services, or materials)... for this improvement in the future
(if known), and the corresponding amount expected to become due
is \$.... (if known).

I declare that I have read the foregoing Notice of Nonpayment
and that the facts stated in it are true to the best of my
knowledge and belief.

DATED on,

...(signature and address of claimant)...

STATE OF FLORIDA

COUNTY OF

The foregoing instrument was sworn to (or affirmed) and
subscribed before me by means of ☐ physical presence or sworn to
(or affirmed) by ☐ online notarization this day of,
...(year)..., by ...(name of signatory)....

...(Signature of Notary Public - State of Florida)...

...(Print, Type, or Stamp Commissioned Name of Notary
Public)...

Personally Known OR Produced Identification

Type of Identification Produced.....

(7) In lieu of the bond required by this section, a
contractor may file with the state, county, city, or other

Page 7 of 34

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

29-00360B-23

2023624

political authority an alternative form of security in the form
of cash; ~~or a money order; or a certified check; or a cashier's~~
~~check; or an irrevocable letter of credit; or a domestic corporate~~
~~bond, note, or debenture as authorized in s. 625.317 security of~~
~~a type listed in part II of chapter 625.~~ Any such alternative
form of security is ~~shall be~~ for the same purpose and ~~be~~ subject
to the same conditions as those applicable to the bond required
by this section. The determination of the value of an
alternative form of security shall be made by the appropriate
state, county, city, or other political subdivision.

(12) Unless otherwise provided in this section, service of
any document must be made in accordance with s. 713.18.

Section 2. Paragraph (c) of subsection (1) of section
337.18, Florida Statutes, is amended, and subsection (6) is
added to that section, to read:

337.18 Surety bonds for construction or maintenance
contracts; requirement with respect to contract award; bond
requirements; defaults; damage assessments.—

(1)

(c) A claimant, except a laborer, who is not in privity
with the contractor shall, before commencing or not later than
90 days after commencing to furnish labor, materials, or
supplies for the prosecution of the work, furnish the contractor
with a notice that he or she intends to look to the bond for
protection. A claimant who is not in privity with the contractor
and who has not received payment for his or her labor,
materials, or supplies shall deliver to the contractor and to
the surety written notice of the performance of the labor or
delivery of the materials or supplies and of the nonpayment. The

Page 8 of 34

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

29-00360B-23

2023624

notice of nonpayment may be served at any time during the progress of the work or thereafter but not before 45 days after the first furnishing of labor, services, or materials, and not later than 90 days after the final furnishing of the labor, services, or materials by the claimant or, with respect to rental equipment, not later than 90 days after the date that the rental equipment was last on the ~~job~~ site of the improvement and available for use. An action by a claimant, except a laborer, who is not in privity with the contractor for the labor, materials, or supplies may not be instituted against the contractor or the surety unless both notices have been given. Written notices required or permitted under this section must ~~may~~ be served in accordance with any manner provided in s. 713.18.

(6) Unless otherwise provided in this section, service of any document must be made in accordance with s. 713.18.

Section 3. Present subsections (13) through (29) of section 713.01, Florida Statutes, are redesignated as subsections (14) through (30), respectively, a new subsection (13) is added to that section, and subsections (4), (8), and (12) of that section are amended, to read:

713.01 Definitions.—As used in this part, the term:

(4) "Clerk's office" means the office of the clerk of the circuit court of the county, or another office serving as the county recorder as provided by law, in which the real property is located.

(8) "Contractor" means a person other than a materialman or laborer who enters into a contract with the owner of real property for improving it, ~~or who takes over from a contractor~~

29-00360B-23

2023624

as so defined the entire remaining work under such contract. The term "contractor" includes an architect, landscape architect, or engineer who improves real property pursuant to a design-build contract authorized by s. 489.103(16). The term also includes a licensed general contractor or building contractor, as those terms are defined in s. 489.105(3)(a) and (b), respectively, who provides construction management services, which include scheduling and coordinating preconstruction and construction phases for the construction project, or who provides program management services, which include schedule control, cost control, and coordinating the provision or procurement of planning, design, and construction for the construction project.

(12) "Final furnishing" means the last date that the lienor furnishes labor, services, or materials. Such date may not be measured by other standards, such as the issuance of a certificate of occupancy or the issuance of a certificate of final completion, and does not include the correction of deficiencies in the lienor's previously performed work or materials supplied. With respect to rental equipment, the term means the date that the rental equipment was last on the ~~job~~ site of the improvement and available for use.

(13) "Finance charge" means a contractually specified additional amount to be paid by the obligor on any balance that remains unpaid by the due date set forth in the credit agreement or other contract.

Section 4. Section 713.011, Florida Statutes, is created to read:

713.011 Computation of time.—In computing any time period under this part, if the last day of the time period is a

29-00360B-23

2023624__

291 Saturday, Sunday, or holiday specified in s. 110.117(1), or any
 292 day observed as a holiday by the clerk's office or designated as
 293 a holiday by the chief judge of the circuit, the time period is
 294 extended to the end of the next business day.

295 Section 5. Paragraph (b) of subsection (2) of section
 296 713.10, Florida Statutes, is amended, and subsection (4) is
 297 added to that section, to read:

298 713.10 Extent of liens.—

299 (2)

300 (b) The interest of the lessor is ~~not~~ subject to liens for
 301 improvements made by the lessee unless ~~when~~:

302 1. The lease, or a short form or a memorandum of the lease
 303 that contains the specific language in the lease prohibiting
 304 such liability, is recorded in the official records of the
 305 county where the premises are located before the recording of a
 306 notice of commencement for improvements to the premises and the
 307 terms of the lease expressly prohibit such liability; or

308 2. The terms of the lease expressly prohibit such
 309 liability, and a notice advising that leases for the rental of
 310 premises on a parcel of land prohibit such liability has been
 311 recorded in the official records of the county in which the
 312 parcel of land is located before the recording of a notice of
 313 commencement for improvements to the premises, and the notice
 314 includes the following:

315 a. The name of the lessor.

316 b. The legal description of the parcel of land to which the
 317 notice applies.

318 c. The specific language contained in the various leases
 319 prohibiting such liability.

29-00360B-23

2023624__

320 d. A statement that all or a majority of the leases entered
 321 into for premises on the parcel of land expressly prohibit such
 322 liability.

323 ~~3. The lessee is a mobile home owner who is leasing a~~
 324 ~~mobile home lot in a mobile home park from the lessor.~~

325
 326 A notice that is consistent with subparagraph 2. effectively
 327 prohibits liens for improvements made by a lessee even if other
 328 leases for premises on the parcel do not expressly prohibit
 329 liens or if provisions of each lease restricting the application
 330 of liens are not identical.

331 (4) The interest of the lessor is not subject to liens for
 332 improvements made by the lessee when the lessee is a mobile home
 333 owner who is leasing a mobile home lot in a mobile home park
 334 from the lessor.

335 Section 6. Paragraphs (a) and (d) of subsection (1) of
 336 section 713.13, Florida Statutes, are amended to read:

337 713.13 Notice of commencement.—

338 (1)(a) Except for an improvement that is exempt under
 339 ~~pursuant to~~ s. 713.02(5), an owner or the owner's authorized
 340 agent before actually commencing to improve any real property,
 341 or recommencing completion of any improvement after default or
 342 abandonment, whether or not a project has a payment bond
 343 complying with s. 713.23, shall record a notice of commencement
 344 in the clerk's office and ~~forthwith~~ post either a certified copy
 345 thereof or a notarized statement that the notice of commencement
 346 has been filed for recording along with a copy thereof. The
 347 notice of commencement must ~~shall~~ contain all of the following
 348 information:

29-00360B-23

2023624__

349 1. A description sufficient for identification of the real
 350 property to be improved. The description ~~must~~ should include the
 351 legal description of the property and ~~also should include~~ the
 352 street address and tax folio number of the property if available
 353 or, if ~~the there is no~~ street address is not available, such
 354 additional information as will describe the physical location of
 355 the real property to be improved.

356 2. A general description of the improvement.

357 3. The name and address of the owner, the owner's interest
 358 in the site of the improvement, and the name and address of the
 359 fee simple titleholder, if other than such owner. A lessee who
 360 contracts for the improvements is an owner as defined in s.
 361 713.01 ~~under s. 713.01(23)~~ and must be listed as the owner
 362 together with a statement that the ownership interest is a
 363 leasehold interest.

364 4. The name and address of the contractor.

365 5. The name and address of the surety on the payment bond
 366 under s. 713.23, if any, and the amount of such bond.

367 6. The name and address of any person making a loan for the
 368 construction of the improvements.

369 7. The name and address within the state of a person other
 370 than himself or herself who may be designated by the owner as
 371 the person upon whom notices or other documents may be served
 372 under this part; and service upon the person so designated
 373 constitutes service upon the owner.

374 (d) A notice of commencement must be in substantially the
 375 following form:

376 Permit No.....

Tax Folio No.....

Page 13 of 34

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

29-00360B-23

2023624__

NOTICE OF COMMENCEMENT

378 State of....

379 County of....

381

382 The undersigned hereby gives notice that improvement will be
 383 made to certain real property, and in accordance with Chapter
 384 713, Florida Statutes, the following information is provided in
 385 this Notice of Commencement.

386 1. Description of property: ...(legal description of the
 387 property, and street address if available)....

388 2. General description of improvement:.....

389 3. Owner information or Lessee information if the Lessee
 390 contracted for the improvement:

391 a. Name and address:.....

392 b. Interest in property:.....

393 c. Name and address of fee simple titleholder (if different
 394 from Owner listed above):.....

395 4.a. Contractor: ...(name and address)....

396 b. Contractor's phone number:.....

397 5. Surety (if applicable, a copy of the payment bond is
 398 attached):

399 a. Name and address:.....

400 b. Phone number:.....

401 c. Amount of bond: \$.....

402 6.a. Lender: ...(name and address)....

403 b. Lender's phone number:.....

404 7. Persons within the State of Florida designated by Owner
 405 upon whom notices or other documents may be served as provided
 406 by Section 713.13(1)(a)7., Florida Statutes:

Page 14 of 34

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

29-00360B-23

2023624__

407 a. Name and address:.....

408 b. Phone numbers of designated persons:.....

409 8.a. In addition to himself or herself, Owner designates

410 of to receive a copy of the Lienor's

411 Notice as provided in Section 713.13(1)(b), Florida Statutes.

412 b. Phone number of person or entity designated by

413 owner:.....

414 9. Expiration date of notice of commencement (the

415 expiration date will be 1 year after ~~from~~ the date of recording

416 unless a different date is specified).....

417

418 WARNING TO OWNER: ANY PAYMENTS MADE BY THE OWNER AFTER THE

419 EXPIRATION OF THE NOTICE OF COMMENCEMENT ARE CONSIDERED IMPROPER

420 PAYMENTS UNDER CHAPTER 713, PART I, SECTION 713.13, FLORIDA

421 STATUTES, AND CAN RESULT IN YOUR PAYING TWICE FOR IMPROVEMENTS

422 TO YOUR PROPERTY. A NOTICE OF COMMENCEMENT MUST BE RECORDED AND

423 POSTED ON THE ~~JOB~~ SITE OF THE IMPROVEMENT BEFORE THE FIRST

424 INSPECTION. IF YOU INTEND TO OBTAIN FINANCING, CONSULT WITH YOUR

425 LENDER OR AN ATTORNEY BEFORE COMMENCING WORK OR RECORDING YOUR

426 NOTICE OF COMMENCEMENT.

427

428 ...(Signature of Owner or Lessee, or Owner's or Lessee's

429 Authorized Officer/Director/Partner/Manager)...

430

431 ...(Signatory's Title/Office)...

432

433 The foregoing instrument was acknowledged before me by means of

434 ☐ physical presence or sworn to (or affirmed) by ☐ online

435 notarization this day of, ...(year)..., by ...(name of

Page 15 of 34

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

29-00360B-23

2023624__

436 person)... as ...(type of authority, . . . e.g. officer,

437 trustee, attorney in fact)... for ...(name of party on behalf of

438 whom instrument was executed)....

439

440 ...(Signature of Notary Public - State of Florida)...

441

442 ...(Print, Type, or Stamp Commissioned Name of Notary Public)...

443

444 Personally Known OR Produced Identification

445

446 Type of Identification Produced.....

447 Section 7. Present subsection (4) of section 713.132,

448 Florida Statutes, is redesignated as subsection (5) and amended,

449 a new subsection (4) is added to that section, and subsections

450 (1) and (3) of that section are amended, to read:

451 713.132 Notice of termination.—

452 (1) An owner may terminate the period of effectiveness of a

453 notice of commencement by executing, swearing to, and recording

454 a notice of termination that contains all of the following:

455 (a) The same information that is in ~~as~~ the notice of

456 commencement. ~~+~~

457 (b) The official records' ~~recording office document book~~

458 ~~and page~~ reference numbers and recording date affixed by the

459 recording office on ~~of~~ the recorded notice of commencement. ~~+~~

460 (c) A statement of the date as of which the notice of

461 commencement is terminated, which date may not be earlier than

462 30 days after the notice of termination is recorded. ~~+~~

463 (d) A statement specifying that the notice applies to all

464 the real property subject to the notice of commencement or

Page 16 of 34

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

29-00360B-23

2023624

specifying the portion of such real property to which it applies.

(e) A statement that all lienors have been paid in full.

(f) A statement that the owner has, before recording the notice of termination, served a copy of the notice of termination ~~on the contractor and~~ on each lienor who has a direct contract with the owner or who has timely served a notice to owner, and a statement that the owner will serve a copy of the notice of termination on each lienor who timely serves a notice to owner after the notice of termination has been recorded. The owner is not required to serve a copy of the notice of termination on any lienor who has executed a waiver and release of lien upon final payment in accordance with s. 713.20.

(3) An owner may ~~not~~ record a notice of termination at any time after except after completion of construction, or after construction ceases before completion and all lienors have been paid in full or pro rata in accordance with s. 713.06(4).

(4) If an owner or a contractor, by fraud or collusion, knowingly makes any fraudulent statement or affidavit in a notice of termination or any accompanying affidavit, the owner and the contractor, or either of them, ~~as the case may be,~~ is liable to any lienor who suffers damages as a result of the filing of the fraudulent notice of termination, and any such lienor has a right of action for damages ~~occasioned thereby.~~

~~(5)~~ (4) A notice of termination must be served on each lienor who has a direct contract with the owner and on each lienor who has timely and properly served a notice to owner in

29-00360B-23

2023624

accordance with this part before the recording of the notice of termination. A notice of termination must be recorded in the official records of the county in which the improvement is located. If properly served before recording in accordance with this subsection, the notice of termination terminates the period of effectiveness of the notice of commencement 30 days after the notice of termination is recorded in the official records is effective to terminate the notice of commencement at the later of 30 days after recording of the notice of termination or a later the date stated in the notice of termination as the date on which the notice of commencement is terminated. However, if a lienor who began work under the notice of commencement before its termination lacks a direct contract with the owner and timely serves his or her notice to the owner after the notice of termination has been recorded, the owner must serve a copy of the notice of termination upon such lienor, and the termination of the notice of commencement as to that lienor is effective 30 days after service of the notice of termination, if the notice of termination has been served pursuant to paragraph (1)(f) on the contractor and on each lienor who has a direct contract with the owner or who has served a notice to owner.

Section 8. Subsections (1) and (3) of section 713.135, Florida Statutes, are amended to read:

713.135 Notice of commencement and applicability of lien.—

(1) When a ~~any~~ person applies for a building permit, the authority issuing such permit shall:

(a) Print on the face of each permit card in no less than 14-point, capitalized, boldfaced type: "WARNING TO OWNER: YOUR FAILURE TO RECORD A NOTICE OF COMMENCEMENT MAY RESULT IN YOUR

29-00360B-23

2023624__

PAYING TWICE FOR IMPROVEMENTS TO YOUR PROPERTY. A NOTICE OF COMMENCEMENT MUST BE RECORDED AND POSTED ON THE ~~JOB~~ SITE OF THE IMPROVEMENT BEFORE THE FIRST INSPECTION. IF YOU INTEND TO OBTAIN FINANCING, CONSULT WITH YOUR LENDER OR AN ATTORNEY BEFORE RECORDING YOUR NOTICE OF COMMENCEMENT."

(b) Provide the applicant and the owner of the real property upon which improvements are to be constructed with a printed statement stating that the right, title, and interest of the person who has contracted for the improvement may be subject to attachment under the Construction Lien Law. The Department of Business and Professional Regulation shall furnish, for distribution, the statement described in this paragraph, and the statement must be a summary of the Construction Lien Law and must include an explanation of the provisions of the Construction Lien Law relating to the recording, and the posting of copies, of notices of commencement and a statement encouraging the owner to record a notice of commencement and post a copy of the notice of commencement in accordance with s. 713.13. The statement must also contain an explanation of the owner's rights if a lienor fails to furnish the owner with a notice as provided in s. 713.06(2) and an explanation of the owner's rights as provided in s. 713.22. The authority that issues the building permit must obtain from the Department of Business and Professional Regulation the statement required by this paragraph and must mail, deliver by electronic mail or other electronic format or facsimile, or personally deliver that statement to the owner or, in a case in which the owner is required to personally appear to obtain the permit, provide that statement to any owner making improvements to real property

29-00360B-23

2023624__

consisting of a single or multiple family dwelling up to and including four units. However, the failure by the authorities to provide the summary does not subject the issuing authority to liability.

(c) In addition to providing the owner with the statement as required by paragraph (b), inform each applicant who is not the person whose right, title, and interest is subject to attachment that, as a condition to the issuance of a building permit, the applicant must promise in good faith that the statement will be delivered to the person whose property is subject to attachment.

(d) Furnish to the applicant two or more copies of a form of notice of commencement conforming with s. 713.13.

(e) Require ~~If the direct contract is greater than \$2,500,~~ the applicant to ~~shall~~ file with the issuing authority before ~~prior to~~ the first inspection ~~either a certified copy of the recorded notice of commencement if the direct contract is~~ greater than \$7,500. For purposes of this paragraph, the term "copy of the notice of commencement" means a certified copy of the recorded notice of commencement, or a notarized statement that the notice of commencement has been filed for recording, ~~or the clerk's office's official records identifying information that includes the instrument number for the notice of commencement or the number and page of book where the notice of commencement is recorded, as identified by the clerk.~~

1. In the absence of the filing of a ~~certified~~ copy of the ~~recorded~~ notice of commencement, the issuing authority or a private provider performing inspection services may not perform

29-00360B-23

2023624

581 or approve subsequent inspections until the applicant files by
 582 mail, facsimile, hand delivery, or any other means such
 583 ~~certified~~ copy with the issuing authority.

584 2. The ~~certified~~ copy of the notice of commencement must
 585 contain the name and address of the owner, the name and address
 586 of the contractor, and the location or address of the property
 587 being improved. The issuing authority shall verify that the name
 588 and address of the owner, the name of the contractor, and the
 589 location or address of the property being improved which is
 590 contained in the ~~certified~~ copy of the notice of commencement is
 591 consistent with the information in the building permit
 592 application.

593 3. The issuing authority shall provide the recording
 594 information on the ~~certified~~ copy of the ~~recorded~~ notice of
 595 commencement to any person upon request.

596 4. This ~~paragraph subsection~~ does not require the recording
 597 of a notice of commencement before ~~prior to~~ the issuance of a
 598 building permit. If a local government requires a separate
 599 permit or inspection for installation of temporary electrical
 600 service or other temporary utility service, land clearing, or
 601 other preliminary site work, such permits may be issued and such
 602 inspections may be conducted without providing the issuing
 603 authority with a ~~certified~~ copy of the ~~a recorded~~ notice of
 604 commencement ~~or a notarized statement regarding a recorded~~
 605 ~~notice of commencement. This subsection does not apply to a~~
 606 ~~direct contract to repair or replace an existing heating or air-~~
 607 ~~conditioning system in an amount less than \$15,000.~~

608 (f) ~~(e)~~ Not require that a notice of commencement be
 609 recorded as a condition of the application for, or processing or

29-00360B-23

2023624

610 issuance of, a building permit. However, this paragraph does not
 611 modify or waive the inspection requirements set forth in this
 612 subsection.

613
 614 This subsection does not apply to a direct contract to repair or
 615 replace an existing heating or air-conditioning system in an
 616 amount less than \$15,000.

617 (3) An issuing authority under subsection (1) is not liable
 618 in any civil action for the failure to verify that a certified
 619 copy of the recorded notice of commencement, a notarized
 620 statement that the notice of commencement has been filed for
 621 recording along with a copy thereof, or the clerk's office's
 622 official records identifying information that includes the
 623 instrument number for the notice of commencement or the number
 624 and page of book where the notice of commencement is recorded,
 625 as identified by the clerk, has been filed in accordance with
 626 this section.

627 Section 9. Section 713.18, Florida Statutes, is amended to
 628 read:

629 713.18 Manner of serving documents ~~notices and other~~
 630 ~~instruments.~~

631 (1) Unless otherwise specifically provided by law, service
 632 of any document ~~notices, claims of lien, affidavits,~~
 633 ~~assignments, and other instruments~~ permitted or required under
 634 this part, s. 255.05, or s. 337.18, or copies thereof when so
 635 permitted or required, ~~unless otherwise specifically provided in~~
 636 ~~this part,~~ must be made by one of the following methods:

637 (a) By hand ~~actual~~ delivery to the person to be served; if
 638 a partnership, to one of the partners; if a corporation, to an

29-00360B-23

2023624

639 officer ~~or a~~ director, ~~managing agent, or business agent; or,~~
 640 if a limited liability company, to a member or manager; or to an
 641 employee or agent authorized by the partnership, corporation, or
 642 limited liability company to receive service of such document.

643 (b) By common carrier delivery service or by registered,
 644 Global Express Guaranteed, or certified mail to the person to be
 645 served, with postage or shipping paid by the sender and with
 646 evidence of delivery, which may be in an electronic format.

647 (c) By posting on the site of the improvement if service as
 648 provided by paragraph (a) or paragraph (b) cannot be
 649 accomplished.

650 (2) Notwithstanding subsection (1), service of a notice to
 651 owner or a preliminary notice to contractor under this part, s.
 652 255.05, or s. 337.18, or s. 713.23 is effective as of the date
 653 of mailing and the requirements for service under this section
 654 have been satisfied if all of the following requirements have
 655 been met:

656 (a) The notice is mailed by registered, Global Express
 657 Guaranteed, or certified mail, with postage prepaid, to the
 658 person to be served and addressed as prescribed ~~at any of the~~
 659 ~~addresses set forth~~ in subsection (3).~~;~~

660 (b) The notice is mailed within 40 days after the date the
 661 lienor first furnishes labor, services, or materials,~~;~~ and

662 (c) 1. The person who served the notice maintains a
 663 ~~registered or certified~~ mail log that shows the registered or
 664 certified mail number issued by the United States Postal
 665 Service, the name and address of the person served, and the date
 666 stamp of the United States Postal Service confirming the date of
 667 mailing; or

29-00360B-23

2023624

668 2. The person who served the notice maintains ~~electronic~~
 669 tracking records approved or generated by the United States
 670 Postal Service containing the postal tracking number, ~~the name~~
 671 ~~and address of the person served~~, and verification of the date
 672 of receipt by the United States Postal Service.

673 (3) (a) Notwithstanding subsection (1), service of a
 674 document under an instrument pursuant to this section is
 675 effective on the date of mailing or shipping, and the
 676 requirements for service under this section have been satisfied,
 677 ~~the instrument if the document is it:~~

678 1. ~~Is~~ Sent to the last address shown in the notice of
 679 commencement or any amendment thereto or, in the absence of a
 680 notice of commencement, to the last address shown in the
 681 building permit application, or to the last known address of the
 682 person to be served; and

683 2. ~~Is~~ Returned as being "refused," "moved, not
 684 forwardable," or "unclaimed," or is otherwise not delivered or
 685 deliverable through no fault of the person serving the document
 686 ~~item~~.

687 (b) If the address shown in the notice of commencement or
 688 any amendment thereto to the notice of commencement, or, in the
 689 absence of a notice of commencement, in the building permit
 690 application, is incomplete for purposes of mailing or delivery,
 691 the person serving the document ~~item~~ may complete the address
 692 and properly format it according to United States Postal Service
 693 addressing standards using information obtained from the
 694 property appraiser or another public record without affecting
 695 the validity of service under this section.

696 (4) A document ~~notice~~ served by a lienor on one owner or

29-00360B-23

2023624__

one partner of a partnership owning the real property is deemed ~~served on notice to~~ all owners and partners.

Section 10. Section 713.21, Florida Statutes, is amended to read:

713.21 Discharge of lien.—A lien properly perfected under this chapter may be discharged, or released in whole or in part, by any of the following methods:

(1) By entering satisfaction of the lien upon the margin of the record thereof in the clerk's office when not otherwise prohibited by law. This satisfaction must ~~shall~~ be signed by the lienor or the lienor's agent or attorney and attested by the ~~said~~ clerk. Any person who executes a claim of lien has ~~shall~~ ~~have~~ authority to execute a satisfaction in the absence of actual notice of lack of authority to any person relying on the same.

(2) By the satisfaction or release of the lienor, duly acknowledged and recorded in the clerk's office. The satisfaction or release must include the lienor's notarized signature and set forth the official records' reference number and recording date affixed by the recording office on the subject lien. Any person who executes a claim of lien has ~~shall~~ ~~have~~ authority to execute a satisfaction or release in the absence of actual notice of lack of authority to any person relying on the same.

(3) By failure to begin an action to enforce the lien within the time prescribed in this part.

(4) By an order of the circuit court of the county where the property is located, as provided in this subsection. Upon filing a complaint ~~therefor~~ by any interested party, the clerk

Page 25 of 34

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

29-00360B-23

2023624__

shall issue a summons to the lienor to show cause within 20 days why his or her lien should not be enforced by action or vacated and canceled of record. Upon failure of the lienor to show cause why his or her lien should not be enforced or the lienor's failure to commence such action before the return date of the summons, the court shall ~~forthwith~~ order cancellation of the lien.

(5) By recording in the clerk's office the original or a certified copy of a judgment or decree of a court of competent jurisdiction showing a final determination of the action.

Section 11. Subsection (2) of section 713.22, Florida Statutes, is amended to read:

713.22 Duration of lien.—

(2) An owner or the owner's attorney may elect to shorten the time prescribed in subsection (1) within which to commence an action to enforce any claim of lien or claim against a bond or other security under s. 713.23 or s. 713.24 by recording in the clerk's office a notice in substantially the following form:

NOTICE OF CONTEST OF LIEN

To: ...(Name and address of lienor)...

You are notified that the undersigned contests the claim of lien filed by you on, ...(year)..., and recorded in Book, Page, of the public records of County, Florida, and that the time within which you may file suit to enforce your lien is limited to 60 days from the date of service of this notice. This day of, ...(year)....

Page 26 of 34

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

29-00360B-23

2023624__

Signed: ...(Owner or Attorney)...

The lien of any lienor upon whom such notice is served and who fails to institute a suit to enforce his or her lien within 60 days after service of such notice ~~is shall be~~ extinguished automatically. The clerk shall serve, in accordance with s. 713.18, a copy of the notice of contest ~~on to~~ the lienor lien claimant at the address shown in the claim of lien or most recent amendment thereto and shall certify to such service and the date of service on the face of the notice and record the notice. After the clerk records the notice with the certificate of service, the clerk shall serve, in accordance with s. 713.18, a copy of such recorded notice on the lienor and the owner or the owner's attorney.

Section 12. Paragraphs (d) and (e) of subsection (1) of section 713.23, Florida Statutes, are amended to read:

713.23 Payment bond.—

(1)

(d) In addition, a lienor who has not received payment for furnishing his or her labor, services, or materials must, as a condition precedent to recovery under the bond, serve a written notice of nonpayment ~~on to~~ the contractor and a copy of the notice of nonpayment on the surety. The notice of nonpayment must be under oath and served during the progress of the work or thereafter, but may not be served later than 90 days after the final furnishing of labor, services, or materials by the lienor, or, with respect to rental equipment, later than 90 days after the date the rental equipment was on the ~~job~~ site of the

Page 27 of 34

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

29-00360B-23

2023624__

improvement and available for use. A notice of nonpayment that includes sums for retainage must specify the portion of the amount claimed for retainage. The required notice satisfies this condition precedent with respect to the payment described in the notice of nonpayment, including unpaid finance charges due under the lienor's contract, and with respect to any other payments which become due to the lienor after the date of the notice of nonpayment. The time period for serving a notice of nonpayment ~~is shall be~~ measured from the last day of furnishing labor, services, or materials by the lienor and may not be measured by other standards, such as the issuance of a certificate of occupancy or the issuance of a certificate of substantial completion. The failure of a lienor to receive retainage sums not in excess of 10 percent of the value of labor, services, or materials furnished by the lienor is not considered a nonpayment requiring the service of the notice provided under this paragraph. If the payment bond is not recorded before commencement of construction, the time period for the lienor to serve a notice of nonpayment may, at the option of the lienor, be calculated from the date specified in this section or the date the lienor is served a copy of the bond. However, the limitation period for commencement of an action on the payment bond as established in paragraph (e) may not be expanded. The negligent inclusion or omission of any information in the notice of nonpayment that has not prejudiced the contractor or surety does not constitute a default that operates to defeat an otherwise valid bond claim. A lienor who serves a fraudulent notice of nonpayment forfeits his or her rights under the bond. A notice of nonpayment is fraudulent if the lienor has willfully

Page 28 of 34

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

29-00360B-23

2023624

exaggerated the amount unpaid, willfully included a claim for work not performed or materials not furnished for the subject improvement, or prepared the notice with such willful and gross negligence as to amount to a willful exaggeration. However, a minor mistake or error in a notice of nonpayment, or a good faith dispute as to the amount unpaid, does not constitute a willful exaggeration that operates to defeat an otherwise valid claim against the bond. The service of a fraudulent notice of nonpayment is a complete defense to the lienor's claim against the bond. The notice under this paragraph must include the following information, current as of the date of the notice, and must be in substantially the following form:

NOTICE OF NONPAYMENT

To ...(name of contractor and address)...

...(name of surety and address)...

The undersigned lienor notifies you that:

1. The lienor has furnished ...(describe labor, services, or materials)... for the improvement of the real property identified as ...(property description).... The corresponding amount unpaid to date is \$...., of which \$.... is unpaid retainage.

2. The lienor has been paid to date the amount of \$....for previously furnishing ...(describe labor, services, or materials)... for this improvement.

3. The lienor expects to furnish ...(describe labor,

Page 29 of 34

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

29-00360B-23

2023624

services, or materials)... for this improvement in the future (if known), and the corresponding amount expected to become due is \$.... (if known).

I declare that I have read the foregoing Notice of Nonpayment and that the facts stated in it are true to the best of my knowledge and belief.

DATED on,

...(signature and address of lienor)...

STATE OF FLORIDA

COUNTY OF.....

The foregoing instrument was sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or sworn to (or affirmed) by ☐ online notarization this day of, ... (year)...., by ...(name of signatory)....

...(Signature of Notary Public - State of Florida)...

...(Print, Type, or Stamp Commissioned Name of Notary Public)...

Personally Known OR Produced Identification

Type of Identification Produced.....

(e) An action for the labor, ~~or~~ materials, or supplies may not be instituted or prosecuted against the contractor or surety unless both notices have been given, if required by this

Page 30 of 34

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

29-00360B-23

2023624

section. An action may not be instituted or prosecuted against the contractor or against the surety on the bond under this section after 1 year from the performance of the labor or completion of delivery of the materials and supplies. The time period for bringing an action against the contractor or surety on the bond ~~is shall be~~ measured from the last day of furnishing labor, services, or materials by the lienor. The time period may not be measured by other standards, such as the issuance of a certificate of occupancy or the issuance of a certificate of substantial completion. A contractor or the contractor's attorney may elect to shorten the time within which an action to enforce any claim against a payment bond provided under this section or s. 713.245 must be commenced at any time after a notice of nonpayment, if required, has been served for the claim by recording in the clerk's office a notice in substantially the following form:

NOTICE OF CONTEST OF CLAIM

AGAINST PAYMENT BOND

To: ...(Name and address of lienor)...

You are notified that the undersigned contests your notice of nonpayment, dated,, and served on the undersigned on,, and that the time within which you may file suit to enforce your claim is limited to 60 days after ~~from~~ the date of service of this notice.

DATED on,

Signed: ...(Contractor or Attorney)...

The claim of any lienor upon whom the notice is served and who fails to institute a suit to enforce his or her claim against

29-00360B-23

2023624

the payment bond within 60 days after service of the notice is ~~shall be~~ extinguished automatically. The contractor or the contractor's attorney shall serve, in accordance with s. 713.18, a copy of the notice of contest to the lienor at the address shown in the notice of nonpayment or most recent amendment thereto and shall certify to such service on the face of the notice and record the notice. After the clerk records the notice with the certificate of service, the clerk shall serve, in accordance with s. 713.18, a copy of such recorded notice on the lienor and the contractor or the contractor's attorney.

Section 13. Subsections (1) and (3) of section 713.24, Florida Statutes, are amended to read:

713.24 Transfer of liens to security.-

(1) Any lien claimed under this part may be transferred, by any person having an interest in the real property upon which the lien is imposed or the contract under which the lien is claimed, from such real property to other security by ~~either~~:

(a) Depositing in the clerk's office a sum of money; or

(b) Filing in the clerk's office a bond executed as surety by a surety insurer licensed to do business in this state,

~~either to be~~ in an amount equal to the amount demanded in such claim of lien, plus interest thereon at the legal rate for 3 years, plus \$5,000 ~~\$1,000~~ or 25 percent of the amount demanded in the claim of lien, whichever is greater, to apply on any attorney ~~attorney's~~ fees and court costs that may be taxed in any proceeding to enforce the said lien. Such deposit or bond must ~~shall~~ be conditioned to pay any judgment or decree which may be rendered for the satisfaction of the lien for which such

29-00360B-23

2023624__

claim of lien was recorded. Upon making such deposit or filing such bond, the clerk shall make and record a certificate, which must include a copy of the deposit or bond used to transfer, showing the transfer of the lien from the real property to the security and shall mail a copy thereof together with a copy of the deposit or bond used to transfer by registered or certified mail to the lienor named in the claim of lien so transferred, at the address stated therein. Upon filing the certificate of transfer, the real property is ~~shall thereupon be~~ released from the lien claimed, and such lien is ~~shall be~~ transferred to the ~~said~~ security. In the absence of allegations of privity between the lienor and the owner, and subject to any order of the court increasing the amount required for the lien transfer deposit or bond, no other judgment or decree to pay money may be entered by the court against the owner. The clerk is ~~shall be~~ entitled to a service charge for making and serving the certificate, in the amount of up to \$20, from which the clerk shall remit \$5 to the Department of Revenue for deposit into the General Revenue Fund. If the transaction involves the transfer of multiple liens, the clerk must charge an additional service charge of up to \$10 for each additional lien ~~shall be charged~~, from which the clerk shall remit \$2.50 to the Department of Revenue for deposit into the General Revenue Fund. For recording the certificate and approving the bond, the clerk shall receive her or his usual statutory service charges as prescribed in s. 28.24. Any number of liens may be transferred to one such security.

(3) Any party having an interest in such security or the property from which the lien was transferred may at any time, and any number of times, file a complaint in chancery in the

29-00360B-23

2023624__

circuit court of the county where such security is deposited, or file a motion in a pending action to enforce a lien, for an order to require additional security, reduction of security, change or substitution of sureties, payment of discharge thereof, or any other matter affecting the said security. If the court finds that the amount of the deposit or bond in excess of the amount claimed in the claim of lien is insufficient to pay the lienor's attorney ~~attorney's~~ fees and court costs incurred in the action to enforce the lien, the court must increase the amount of the cash deposit or lien transfer bond. ~~Nothing in~~ This section may not ~~shall~~ be construed to vest exclusive jurisdiction in the circuit courts over transfer bond claims for nonpayment of an amount within the monetary jurisdiction of the county courts.

Section 14. Section 713.25, Florida Statutes, is repealed.

Section 15. Section 713.29, Florida Statutes, is amended to read:

713.29 Attorney ~~Attorney's~~ fees.—In any action brought to enforce a lien, including a lien that has been transferred to security, or to enforce a claim against a bond under this part, the prevailing party is entitled to recover a reasonable fee for the services of her or his attorney for trial and appeal or for arbitration, in an amount to be determined by the court, which fee must be taxed as part of the prevailing party's costs, as allowed in equitable actions.

Section 16. This act shall take effect October 1, 2023.

The Florida Senate
APPEARANCE RECORD

3/15/23

Meeting Date

Banking & Insurance

Committee

Deliver both copies of this form to
Senate professional staff conducting the meeting

SB 624

Bill Number or Topic

Amendment Barcode (if applicable)

Name

FRENCH BROWN

Phone

850-455-0982

Address

106 E. College Ave Suite 1200

Email

fbrown@deanmead.com

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:

☐

I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

REAL Property, Probate & TRUST Law Section

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

3/15

Meeting Date

Senate B+I

Committee

624

Bill Number or Topic

Amendment Barcode (if applicable)

Name

Jim Daughton

Phone

850 505-9000

Address

119 S. Monroe St

Email

jim.daughton@mhdflim.com

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:

Association of General Contractors

☐

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)

March 15, 2023

Meeting Date

Banking and Insurance

Committee

The Florida Senate
APPEARANCE RECORD

Deliver both copies of this form to
Senate professional staff conducting the meeting

SB 624

Bill Number or Topic

Amendment Barcode (if applicable)

Name **David E. Ramba**

Phone **850-727-7087**

Address **120 S Monroe Street**

Street

Email **david@rambaconsulting.com**

Tallahassee

City

Florida

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:

FL Concrete & Products Association and FL Independent
Concrete & Associated Products

☐ 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.

3/15/23

Meeting Date

Banking + Insurance

Committee

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to
Senate professional staff conducting the meeting

624

Bill Number or Topic

Amendment Barcode (if applicable)

Name

Melissa Rambon

Phone

850-570-0269

Address

108 S Monroe St.

Street

Email

Melissa@flapartners.com

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:

☐

I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

National Association Credit Managers

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

Committee Agenda Request

To: Senator Jim Boyd, Chair
Committee on Banking and Insurance

Subject: Committee Agenda Request

Date: February 17, 2023

I respectfully request that **Senate Bill #624**, relating to Liens and Bonds, be placed on the:

- ☒ committee agenda at your earliest possible convenience.
- ☐ next committee agenda.

A handwritten signature in blue ink that reads "Erin K. Grall".

Senator Erin Grall
Florida Senate, District 29



THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

SENATOR ERIN GRALL

29th District

COMMITTEES:

Education Postsecondary, *Chair*
Agriculture
Appropriations
Appropriations Committee on Agriculture,
Environment, and General Government
Appropriations Committee on Transportation,
Tourism, and Economic Development
Education Pre-K -12
Ethics and Elections

SELECT COMMITTEE:

Select Committee on Resiliency

JOINT COMMITTEE:

Joint Administrative Procedures Committee

March 14, 2023

Senator Jim Boyd
418 Senate Building
404 South Monroe Street
Tallahassee, FL 32399

Dear Chair Boyd,

Please accept this letter as notification that Senator Burgess will be presenting SB 624, Liens and Bonds in the Committee on Banking and Insurance on Wednesday, March 15, 2023.

Sincerely,

A handwritten signature in blue ink that reads "Erin K. Grall".

Erin Grall

cc: James Knudson
Lisa Johnson
Amaura Canty

REPLY TO:

- ☐ 3209 Virginia Avenue, Suite A149, Fort Pierce, Florida 34981 (772) 595-1398
- ☐ 1069 U.S. Highway 27 North, Lake Placid, Florida 33852 (863) 699-1080
- ☐ 306 Senate Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5029

Senate's Website: www.flsenate.gov

KATHLEEN PASSIDOMO
President of the Senate

DENNIS BAXLEY
President Pro Tempore

The Florida Senate COMMITTEE VOTE RECORD

COMMITTEE: Banking and Insurance
ITEM: SB 624
FINAL ACTION: Favorable
MEETING DATE: Wednesday, March 15, 2023
TIME: 1:00—3:00 p.m.
PLACE: 412 Knott Building

FINAL VOTE			3/15/2023 Motion to vote "YEA" after Roll Call 1					
Yea	Nay	SENATORS	Yea	Nay	Yea	Nay	Yea	Nay
X		Broxson						
X		Burgess						
X		Burton						
X		Hutson						
VA		Ingoglia						
X		Mayfield						
VA		Powell						
X		Thompson						
X		Torres						
VA		Trumbull						
X		DiCeglie, VICE CHAIR						
X		Boyd, CHAIR						
12	0		FAV	-				
Yea	Nay	TOTALS	Yea	Nay	Yea	Nay	Yea	Nay

CODES: FAV=Favorable
UNF=Unfavorable
-R=Reconsidered

RCS=Replaced by Committee Substitute
RE=Replaced by Engrossed Amendment
RS=Replaced by Substitute Amendment

TP=Temporarily Postponed
VA=Vote After Roll Call
VC=Vote Change After Roll Call

WD=Withdrawn
OO=Out of Order
AV=Abstain from Voting

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 Banking and Insurance

BILL: CS/SB 748

INTRODUCER: Senate Committee on Banking and Insurance and Senator Boyd

SUBJECT: My Safe Florida Home Program

DATE: March 17, 2023

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Thomas	Knudson	BI	Fav/CS
2.			AEG	
3.			FP	

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 748 revises provisions relating to the My Safe Florida Home Program (Program) to:

- Provide that the Program may select as a mitigation inspector a licensed home inspector who has completed certain training;
- Provide that an inspection under the Program may only be done on a property for which a homestead exemption has been granted;
- Delete the requirement that a property eligible for a mitigation grant must be located in the “wind-borne debris region”;
- Increase the amount, from \$5,000 to \$10,000, that low-income homeowners may receive from a grant and not have to provide a matching amount;
- Add the Citizens Property Insurance Corporation to the list of entities that may receive Program brochures for redistribution;
- Delete the requirement that contracts valued at \$1 million or more entered into by the Program be reviewed and approved by the Legislative Budget Commission; and
- Require the Department of Financial Services to develop a quality assurance and reinspection program.

The bill does not have a fiscal impact on state or local governments.

The bill is effective on July 1, 2023.

II. Present Situation:

My Safe Florida Home Program

In 2022, the Legislature reestablished the My Safe Florida Home Program (Program) within the Department of Financial Services (DFS) to provide financial incentives for Florida residential property owners to obtain free home inspections that 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.¹

To implement the Program, \$150 million in nonrecurring funds from the General Revenue Fund was appropriated to the DFS. The funds were 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.²

The program was originally created in 2006³ following the 2004 and 2005 hurricane seasons, where 2.8 million Florida homeowners suffered more than \$33 billion in insured property damage.⁴ 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.⁵ The original appropriation for the program in 2006 was \$250 million.⁶

Hurricane Mitigation Inspections

The Program provides trained and certified inspectors to perform inspections for owners of site-built, single-family, residential properties to determine what mitigation measures are needed, what insurance premium discounts may be available, and what improvements to existing residential properties are needed to reduce the property's vulnerability to hurricane damage. The inspections must include, at a minimum:

- A home inspection and report that summarizes the results and 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 the current mitigation features and the recommended mitigation improvements identified by the inspection.⁷

¹ Section 3, ch. 2022-268, L.O.F.

² Section 4, ch. 2022-268, L.O.F.

³ The Legislature initially established the program as the Florida Comprehensive Hurricane Damage Mitigation Program (ch. 2006-12, L.O.F.) however, the name was subsequently changed in 2007 (ch. 2007-126, L.O.F.).

⁴ Department of Financial Services, My Safe Florida Home, 2008 Annual Report (Feb. 2009) (On file with Senate Banking and Insurance Committee).

⁵ *Id.* My Safe Florida Home 2008 Annual Report.

⁶ Chapter 2006-12 L.O.F. Any unused funds appropriated to the program would revert to the state on June 30, 2009. According to an Operational Audit by the Auditor General, expenditures totaled approximately \$151.9 million of the \$250 million. See 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 accessed on February 21, 2023).

⁷ Section 215.5586(1)(a), F.S.

The DFS is authorized to contract with “wind certification entities” as vendors to provide such inspections. Each wind certification entity must, at a minimum, meet the following requirements

- Use hurricane mitigation inspectors who:
 - Are certified as a building inspector under s. 468.607, F.S.;
 - Are licensed as a general or residential contractor under s. 489.111, F.S.;
 - Are licensed as a professional engineer under s. 471.015, F.S. and who have passed the appropriate equivalency test of the building code training program as required by s. 553.841, F.S.;
 - Are licensed as a professional architect under s. 481.213, F.S.; or
 - Have at least 2 years of experience in residential construction or residential building inspection and have received specialized training in hurricane mitigation procedures.
- Use hurricane mitigation inspectors who also:
 - Have undergone drug testing and a background screening; and
 - Have been certified satisfactorily to the department to conduct the inspections.
- Provide a quality assurance program that includes a reinspection component.⁸

Hurricane Mitigation Grants

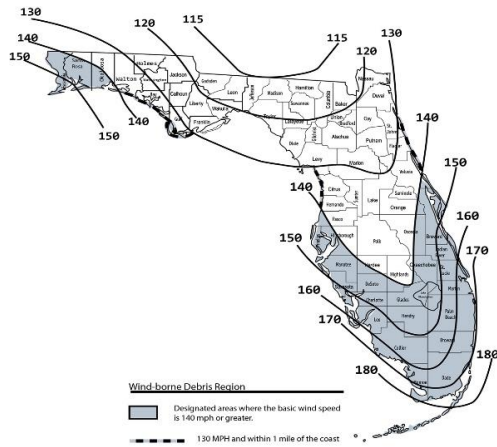
The homeowner eligibility requirements for the mitigation grants are:

- The homeowner must have been granted a homestead exemption on the home
- The home must be a dwelling with an insured value of \$500,000 or less. Low-income homeowners are exempt from this requirement.
- The home must have undergone an acceptable hurricane mitigation inspection after July 1, 2008.
- 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.
- The homeowner must agree to make the home available for inspection upon completion of the mitigation project.
- The home must be in the “wind-borne debris region” (see shaded area in image below) as that term is defined in the Florida Building Code.⁹

Windborne-Debris Map – Florida

⁸ Section 215.5586(1)(b), F.S.

⁹ Section 215.5586(2)(a), F.S.



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.¹⁰ Low-income homeowners may receive up to \$5,000 in grant funds without providing matching dollars.¹¹ A homeowner who receives a Program grant must agree to make his or her home available for inspection after the mitigation project is completed.¹²

Program Transparency Requirements

The DFS must submit an annual report of program activities to the President of the Senate and the Speaker of the House of Representatives. The report must 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.¹³

2022 MSFH Program Implementation

Following the passage of SB 2-D in 2022, The DFS procured a vendor to administer the Program, qualified inspectors to conduct mitigation inspections, and qualified contractors who agreed to provide mitigation repairs and retrofitting under the grant portion of the Program.¹⁴ The DFS compiled a list of approved vendors that homeowners participating in the Program may choose for inspections and mitigation work.¹⁵

On November 18, 2022, a web-based application for homeowners to request mitigation inspections and grant funds went live.¹⁶ Between May 26, 2022 and February 28, 2023, 16,724 mitigation inspections were completed and 2,979 grant applications were approved.¹⁷

¹⁰ Section 215.5586(2)(b), F.S.

¹¹ Section 215.5586(2)(g), F.S.

¹² Section 215.5586(2)(a)6., F.S.

¹³ Section 215.5586(10), F.S.

¹⁴ Florida Department of Financial Services, Agency Analysis of 2023 Senate Bill 748, p. 1 (Mar. 1, 2023).

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ *Id.*

Inspectors completing mitigation inspections under the MSFH Program must complete the Uniform Mitigation Verification Inspection Form (Inspection Form), as revised by the Office of Insurance Regulation on January 12, 2023.¹⁸ The mitigation inspection report provided to the homeowner includes the completed Inspection Form, as well as the information already required by statute,¹⁹ including:

- A summary of the results of the mitigation inspection identifying recommended improvements a homeowner may undertake;
- A range of cost estimates regarding the recommended improvements; and
- Estimated property insurance premium discounts based on the mitigation measures the homeowner has completed.²⁰

III. Effect of Proposed Changes:

Section 1 amends s. 215.5586, F.S., relating to the My Safe Florida Home Program to:

- Provide that the Program use licensed, rather than certified, inspectors to provide hurricane mitigation inspections on site-built, single-family, residential properties that have been granted a homestead exemption;
- Revise the information provided to homeowners as part of a hurricane mitigation inspection to include information regarding estimated premium discounts, rather than insurer-specific premium discounts;
- Provide that the Program may select as a mitigation inspector a home inspector licensed under s. 468.8314, F.S., who has completed at least 3 hours of hurricane mitigation training approved by the Construction Industry Licensing Board, which training includes hurricane mitigation techniques, compliance with the uniform mitigation verification form, and completion of a proficiency exam;
- Provide that the Program may no longer select as a mitigation inspector a person who has at least 2 years of experience in residential construction or residential building inspection and has received specialized training in hurricane mitigation procedures;
- Provide that the inspector background screening be a “level II” background screening;
- Provide that inspections may only be done on a property for which a homestead exemption has been granted;
- Remove the requirement that a property eligible for a mitigation grants must have undergone an acceptable hurricane mitigation inspection after July 1, 2008, but keep the requirement that the property must have undergone an acceptable hurricane mitigation inspection by the Program;
- Delete the requirement that a property eligible for a mitigation grant must be located in the “wind-borne debris region”;
- Delete the provision that mitigation projects be subject to random reinspection;
- Remove “brace gable ends” and “upgrading roof covering from code to code plus” from the list of eligible mitigation grant projects;
- Increase the amount, from \$5,000 to \$10,000, that low-income homeowners may receive from a grant and not have to provide a matching amount;

¹⁸ *Id.*

¹⁹ S. 215.5586(1)(a), F.S.

²⁰ Department of Financial Services, *supra* note 14, at 2.

- Remove a provision authorizing low-income homeowners to use grant funds to make repairs to existing structures that are necessary for the mitigation improvement;
- Authorize, rather than require, the Program to develop brochures that provide information on the benefits of residential hurricane damage mitigation for distribution to Citizens Property Insurance Corporation, general contractors, roofing contractors, and real estate licensees;
- Delete the requirement that contracts valued at \$1 million or more entered into by the Program be reviewed and approved by the Legislative Budget Commission;
- Require the DFS to develop a quality assurance and reinspection program, which may use random sampling to perform the quality assurance portion of the program, that will determine whether initial inspections and mitigation improvements are completed in a manner consistent with the intent of the program; and
- Revise the contents of the annual report to include the “estimated” average annual amount of insurance premium discounts and total “estimated” annual amount of insurance premium discounts homeowners received from insurers as a result of mitigation projects funded by the program.

Section 2 reenacts s. 215.5588(3), F.S., relating to the Florida Disaster Recovery Program, to incorporate the amendments made to s. 215.5586, F.S., by the bill.

The effective date of the bill is July 1, 2023.

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. Tax/Fee Issues:

None.

B. Private Sector Impact:

The bill increases the number of homeowners eligible for the Program.

C. Government Sector Impact:

While the bill increases the number of homeowners eligible for the Program, it does not appropriate additional finds.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 215.5586 and 215.5588.

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 Banking and Insurance Committee on March 15, 2023:**

The committee substitute makes the following changes:

- Removes the proposed change to include townhomes in the Program;
- Deletes proposed authority for the Department of Financial Services to create criteria prioritizing inspection applications; and
- Adds the Citizens Property Insurance Corporation to the list of entities that may receive Program brochures for redistribution.

B. Amendments:

None.



402088

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/17/2023	.	
	.	
	.	
	.	

The Committee on Banking and Insurance (Boyd) recommended the following:

Senate Amendment (with title amendment)

Delete lines 72 - 248
and insert:
damage.

(b) The Department of Financial Services shall contract with wind certification entities to provide hurricane mitigation inspections. The inspections provided to homeowners, at a minimum, must include:

1. A home inspection and report that summarizes the results



402088

and identifies recommended improvements a homeowner may take to mitigate hurricane damage.

2. A range of cost estimates regarding the recommended mitigation improvements.

3. ~~Insurer-specific~~ Information regarding estimated premium discounts, correlated to the current mitigation features and the recommended mitigation improvements identified by the inspection.

(c) ~~(b)~~ To qualify for selection by the department as a wind certification entity to provide hurricane mitigation inspections, the entity must ~~shall~~, at a minimum, meet the following requirements:

1. Use hurricane mitigation inspectors who are licensed or certified as:

a. ~~Are certified as~~ A building inspector under s. 468.607;

b. ~~Are licensed as~~ A general, building, or residential contractor under s. 489.111;

c. ~~Are licensed as~~ A professional engineer under s. 471.015 and who have passed the appropriate equivalency test of the ~~building code training program as required by s. 553.841;~~

d. ~~Are licensed as~~ A professional architect under s. 481.213; or

e. A home inspector under s. 468.8314 and who have completed at least 3 hours of hurricane mitigation training approved by the Construction Industry Licensing Board, which training must include hurricane mitigation techniques, compliance with the uniform mitigation verification form, and completion of a proficiency exam ~~Have at least 2 years of experience in residential construction or residential building~~



402088

~~inspection and have received specialized training in hurricane mitigation procedures. Such training may be provided by a class offered online or in person.~~

2. Use hurricane mitigation inspectors who also~~+~~

~~a.~~ have undergone drug testing and a background screening.

The department may conduct criminal record checks of inspectors used by wind certification entities. Inspectors must submit a set of ~~the~~ fingerprints to the department for state and national criminal history checks and must pay the fingerprint processing fee set forth in s. 624.501. The fingerprints must ~~shall~~ be sent by the department to the Department of Law Enforcement and forwarded to the Federal Bureau of Investigation for processing. The results must ~~shall~~ be returned to the department for screening. The fingerprints must ~~shall~~ be taken by a law enforcement agency, designated examination center, or other department-approved entity~~;~~ and

~~b. Have been certified, in a manner satisfactory to the department, to conduct the inspections.~~

3. Provide a quality assurance program including a reinspection component.

~~(c) The department shall implement a quality assurance program that includes a statistically valid number of reinspections.~~

(d) An application for an inspection must contain a signed or electronically verified statement made under penalty of perjury that the applicant has submitted only a single application for that home.

(e) The owner of a site-built, single-family, residential property for which a homestead exemption has been granted may



402088

69 apply for and receive an inspection without also applying for a
70 grant pursuant to subsection (2) and without meeting the
71 requirements of paragraph (2)(a).

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

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

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

80 2. The home must be a dwelling with an insured value of
81 \$500,000 or less. Homeowners who are low-income persons, as
82 defined in s. 420.0004(11), are exempt from this requirement.

83 3. The home must undergo ~~have undergone~~ an acceptable
84 hurricane mitigation inspection as provided in subsection (1)
85 ~~after July 1, 2008.~~

86 ~~4. The home must be located in the "wind-borne debris~~
87 ~~region" as that term is defined in the Florida Building Code.~~

88 ~~5.~~ The building permit application for initial construction
89 of the home must have been made before January 1, 2008.

90 ~~5.6.~~ The homeowner must agree to make his or her home
91 available for inspection once a mitigation project is completed.

92
93 An application for a grant must contain a signed or
94 electronically verified statement made under penalty of perjury
95 that the applicant has submitted only a single application and
96 must have attached documents demonstrating the applicant meets
97 the requirements of this paragraph.



402088

(b) All 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.

(c) The program shall create a process in which contractors agree to participate and homeowners select from a list of participating contractors. All mitigation must be based upon the securing of all required local permits and inspections and must be performed by properly licensed contractors. ~~Mitigation projects are subject to random reinspection of up to at least 5 percent of all projects.~~ Hurricane mitigation inspectors qualifying for the program may also participate as mitigation contractors as long as the inspectors meet the department's qualifications and certification requirements for mitigation contractors.

(d) Matching fund grants shall also be made available to local governments and nonprofit entities for projects that will reduce hurricane damage to single-family, site-built, owner-occupied, residential property. The department shall liberally construe those requirements in favor of availing the state of the opportunity to leverage funding for the My Safe Florida Home Program with other sources of funding.

(e) When recommended by a hurricane mitigation inspection, grants may be used for the following improvements:

1. Opening protection.
2. Exterior doors, including garage doors.
3. ~~Brace gable ends.~~
4. Reinforcing roof-to-wall connections.
- 4.5. Improving the strength of roof-deck attachments.



402088

~~6. Upgrading roof covering from code to code plus.~~

~~5.7.~~ Secondary water barrier for roof.

The department may require that improvements be made to all openings, including exterior doors and garage doors, as a condition of reimbursing a homeowner approved for a grant. The department may adopt, by rule, the maximum grant allowances for any improvement allowable under this paragraph.

(f) Grants may be used on a previously inspected existing structure or on a rebuild. A rebuild is defined as a site-built, single-family dwelling under construction to replace a home that was destroyed or significantly damaged by a hurricane and deemed unlivable by a regulatory authority. The homeowner must be a low-income homeowner as defined in paragraph (g), must have had a homestead exemption for that home before ~~prior to~~ the hurricane, and must be intending to rebuild the home as that homeowner's homestead.

(g) Low-income homeowners, as defined in s. 420.0004(11), who otherwise meet the requirements of paragraphs (a), (c), (e), and (f) are eligible for a grant of up to \$10,000 ~~\$5,000~~ and are not required to provide a matching amount to receive the grant. ~~Additionally, for low-income homeowners, grant funding may be used for repair to existing structures leading to any of the mitigation improvements provided in paragraph (e), limited to 20 percent of the grant value.~~ The program may accept a certification directly from a low-income homeowner that the homeowner meets the requirements of s. 420.0004(11) if the homeowner provides such certification in a signed or electronically verified statement made under penalty of perjury.



402088

~~(h) The department shall establish objective, reasonable criteria for prioritizing grant applications, consistent with the requirements of this section.~~

~~(i)~~ The department shall develop a process that ensures the most efficient means to collect and verify grant applications to determine eligibility and may direct hurricane mitigation inspectors to collect and verify grant application information or use the Internet or other electronic means to collect information and determine eligibility.

(3) EDUCATION, AND CONSUMER AWARENESS, AND OUTREACH.—

(a) The department may undertake a statewide multimedia public outreach and advertising campaign to inform consumers of the availability and benefits of hurricane inspections and of the safety and financial benefits of residential hurricane damage mitigation. The department may seek out and use local, state, federal, and private funds to support the campaign.

(b) The program may develop brochures for distribution to Citizens Property Insurance Corporation, general contractors, roofing contractors, and real estate brokers and sales associates who are licensed under part I of chapter 475 which provide information on the benefits to homeowners of residential hurricane damage mitigation. Citizens Property Insurance Corporation is encouraged to distribute the brochure to its policyholders.

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

And the title is amended as follows:

Delete lines 7 - 17

and insert:



402088

185 granted a homestead exemption; revising the
186 information provided to homeowners as part of a
187 hurricane mitigation inspection; revising the
188 hurricane mitigation inspectors that may be selected
189 by the Department of Financial Services to provide
190 hurricane mitigation inspections; deleting a provision
191 requiring the department to implement a certain
192 quality assurance program; revising the criteria for

By Senator Boyd

20-00634A-23

2023748__

1 A bill to be entitled
 2 An act relating to the My Safe Florida Home Program;
 3 amending s. 215.5586, F.S.; providing that licensed,
 4 rather than certified, inspectors are to provide
 5 hurricane mitigation inspections on site-built,
 6 single-family, residential properties that have been
 7 granted a homestead exemption; specifying that
 8 townhouses are included in such properties; revising
 9 the information provided to homeowners as part of a
 10 hurricane mitigation inspection; revising the
 11 hurricane mitigation inspectors that may be selected
 12 by the Department of Financial Services to provide
 13 hurricane mitigation inspections; deleting a provision
 14 requiring the department to implement a certain
 15 quality assurance program; authorizing the department
 16 to establish specified criteria for prioritizing
 17 inspection applications; revising the criteria for
 18 mitigation grant eligibility for homeowners; deleting
 19 a provision that subjects mitigation projects to
 20 random reinspection for a specified timeframe;
 21 revising the improvements for which mitigation grants
 22 may be used; revising the amount low-income homeowners
 23 may receive from the department under the grant
 24 program; deleting a provision authorizing low-income
 25 homeowners to use grant funds for specified purposes;
 26 deleting a requirement that the department establish
 27 specified criteria for prioritizing grant
 28 applications; authorizing, rather than requiring, the
 29 program to develop and distribute certain brochures to

Page 1 of 12

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

20-00634A-23

2023748__

30 specified persons; deleting a provision requiring
 31 certain contracts entered into by the department to be
 32 reviewed and approved by the Legislative Budget
 33 Commission; requiring the department to develop a
 34 certain quality assurance and reinspection program;
 35 revising the contents of the annual report the
 36 department is required to deliver to the Legislature;
 37 conforming provisions to changes made by the act;
 38 making technical changes; reenacting s. 215.5588(3),
 39 F.S., relating to the Florida Disaster Recovery
 40 Program, to incorporate the amendments made to s.
 41 215.5586, F.S., in a reference thereto; providing an
 42 effective date.
 43
 44 Be It Enacted by the Legislature of the State of Florida:
 45
 46 Section 1. Section 215.5586, Florida Statutes, is amended
 47 to read:
 48 215.5586 My Safe Florida Home Program.—There is established
 49 within the Department of Financial Services the My Safe Florida
 50 Home Program. The department shall provide fiscal
 51 accountability, contract management, and strategic leadership
 52 for the program, consistent with this section. This section does
 53 not create an entitlement for property owners or obligate the
 54 state in any way to fund the inspection or retrofitting of
 55 residential property in this state. Implementation of this
 56 program is subject to annual legislative appropriations. It is
 57 the intent of the Legislature that the My Safe Florida Home
 58 Program provide licensed ~~trained and certified~~ inspectors to

Page 2 of 12

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

20-00634A-23

2023748__

perform inspections for owners of site-built, single-family, residential properties and grants to eligible applicants as funding allows. The program shall develop and implement a comprehensive and coordinated approach for hurricane damage mitigation that may include the following:

(1) HURRICANE MITIGATION INSPECTIONS.—

(a) Licensed ~~Certified~~ inspectors are to provide home ~~home-~~ ~~retrofit~~ inspections of site-built, single-family, residential properties for which a homestead exemption has been granted, ~~property may be offered to determine what mitigation measures are needed, what insurance premium discounts may be available, and what improvements to existing residential properties are needed to reduce the property's vulnerability to hurricane damage. The term "single-family, residential property" includes those properties defined as townhouses in s. 481.203.~~

(b) The Department of Financial Services shall contract with wind certification entities to provide hurricane mitigation inspections. The inspections provided to homeowners, at a minimum, must include:

1. A home inspection and report that summarizes the results and identifies recommended improvements a homeowner may take to mitigate hurricane damage.

2. A range of cost estimates regarding the recommended mitigation improvements.

3. ~~Insurer-specific~~ Information regarding estimated premium discounts, correlated to the current mitigation features and the recommended mitigation improvements identified by the inspection.

(c) ~~(b)~~ To qualify for selection by the department as a wind

20-00634A-23

2023748__

certification entity to provide hurricane mitigation inspections, the entity must ~~shall~~, at a minimum, meet the following requirements:

1. Use hurricane mitigation inspectors who are licensed or certified as:

a. ~~Are certified as~~ A building inspector under s. 468.607;

b. ~~Are licensed as~~ A general, building, or residential contractor under s. 489.111;

c. ~~Are licensed as~~ A professional engineer under s. 471.015 and ~~who have passed the appropriate equivalency test of the building code training program as required by s. 553.841;~~

d. ~~Are licensed as~~ A professional architect under s. 481.213; or

e. A home inspector under s. 468.8314 and who have completed at least 3 hours of hurricane mitigation training approved by the Construction Industry Licensing Board, which training must include hurricane mitigation techniques and compliance with the uniform mitigation verification form and completion of a proficiency exam ~~Have at least 2 years of experience in residential construction or residential building inspection and have received specialized training in hurricane mitigation procedures. Such training may be provided by a class offered online or in person.~~

2. Use hurricane mitigation inspectors who also:

~~a.~~ have undergone drug testing and a level II background screening. The department may conduct criminal record checks of inspectors used by wind certification entities. Inspectors must submit a set of ~~the~~ fingerprints to the department for state and national criminal history checks and must pay the fingerprint

20-00634A-23

2023748__

processing fee set forth in s. 624.501. The fingerprints must
~~shall~~ be sent by the department to the Department of Law
 Enforcement and forwarded to the Federal Bureau of Investigation
 for processing. The results must ~~shall~~ be returned to the
 department for screening. The fingerprints must ~~shall~~ be taken
 by a law enforcement agency, designated examination center, or
 other department-approved entity, ~~and~~

~~b. Have been certified, in a manner satisfactory to the
 department, to conduct the inspections.~~

3. Provide a quality assurance program including a
 reinspection component.

~~(c) The department shall implement a quality assurance
 program that includes a statistically valid number of
 reinspections.~~

(d) An application for an inspection must contain a signed
 or electronically verified statement made under penalty of
 perjury that the applicant has submitted only a single
 application for that home.

(e) The owner of a site-built, single-family, residential
 property for which a homestead exemption has been granted may
 apply for and receive an inspection without also applying for a
 grant pursuant to subsection (2) and without meeting the
 requirements of paragraph (2)(a).

(f) The department may establish objective, reasonable
 criteria for prioritizing inspection applications, consistent
 with the requirements of this section.

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

20-00634A-23

2023748__

vulnerable to hurricane damage.

(a) For a homeowner, including an owner of a townhouse as
 defined in s. 481.203, to be eligible for a grant, the following
 criteria must be met:

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

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

3. The home must undergo ~~have undergone~~ an acceptable
 hurricane mitigation inspection as provided in subsection (1)
 after July 1, 2008.

4. ~~The home must be located in the "wind-borne debris
 region" as that term is defined in the Florida Building Code.~~

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

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

An application for a grant must contain a signed or
 electronically verified statement made under penalty of perjury
 that the applicant has submitted only a single application and
 must have attached documents demonstrating the applicant meets
 the requirements of this paragraph.

(b) All 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.

(c) The program shall create a process in which contractors

20-00634A-23

2023748

agree to participate and homeowners select from a list of participating contractors. All mitigation must be based upon the securing of all required local permits and inspections and must be performed by properly licensed contractors. ~~Mitigation projects are subject to random reinspection of up to at least 5 percent of all projects.~~ Hurricane mitigation inspectors qualifying for the program may also participate as mitigation contractors as long as the inspectors meet the department's qualifications and certification requirements for mitigation contractors.

(d) Matching fund grants shall also be made available to local governments and nonprofit entities for projects that will reduce hurricane damage to single-family, site-built, owner-occupied, residential property. The department shall liberally construe those requirements in favor of availing the state of the opportunity to leverage funding for the My Safe Florida Home Program with other sources of funding.

(e) When recommended by a hurricane mitigation inspection, grants may be used for the following improvements:

1. Opening protection.
2. Exterior doors, including garage doors.
3. ~~Brace gable ends.~~
4. Reinforcing roof-to-wall connections.
- 4.5. Improving the strength of roof-deck attachments.
6. ~~Upgrading roof covering from code to code plus.~~
- 5.7. Secondary water barrier for roof.

The department may require that improvements be made to all openings, including exterior doors and garage doors, as a

20-00634A-23

2023748

condition of reimbursing a homeowner approved for a grant. The department may adopt, by rule, the maximum grant allowances for any improvement allowable under this paragraph.

(f) Grants may be used on a previously inspected existing structure or on a rebuild. A rebuild is defined as a site-built, single-family dwelling under construction to replace a home that was destroyed or significantly damaged by a hurricane and deemed unlivable by a regulatory authority. The homeowner must be a low-income homeowner as defined in paragraph (g), must have had a homestead exemption for that home before ~~prior to~~ the hurricane, and must be intending to rebuild the home as that homeowner's homestead.

(g) Low-income homeowners, as defined in s. 420.0004(11), who otherwise meet the requirements of paragraphs (a), (c), (e), and (f) are eligible for a grant of up to \$10,000 ~~\$5,000~~ and are not required to provide a matching amount to receive the grant. ~~Additionally, for low-income homeowners, grant funding may be used for repair to existing structures leading to any of the mitigation improvements provided in paragraph (e), limited to 20 percent of the grant value.~~ The program may accept a certification directly from a low-income homeowner that the homeowner meets the requirements of s. 420.0004(11) if the homeowner provides such certification in a signed or electronically verified statement made under penalty of perjury.

~~(h) The department shall establish objective, reasonable criteria for prioritizing grant applications, consistent with the requirements of this section.~~

~~(i)~~ The department shall develop a process that ensures the most efficient means to collect and verify grant applications to

20-00634A-23

2023748

determine eligibility and may direct hurricane mitigation inspectors to collect and verify grant application information or use the Internet or other electronic means to collect information and determine eligibility.

(3) EDUCATION, ~~AND~~ CONSUMER AWARENESS, AND OUTREACH.—

(a) The department may undertake a statewide multimedia public outreach and advertising campaign to inform consumers of the availability and benefits of hurricane inspections and of the safety and financial benefits of residential hurricane damage mitigation. The department may seek out and use local, state, federal, and private funds to support the campaign.

(b) The program may develop brochures for distribution to general contractors, roofing contractors, and real estate brokers and sales associates who are licensed under part I of chapter 475 which provide information on the benefits to homeowners of residential hurricane damage mitigation. Contractors are encouraged to distribute the brochures to homeowners at the first meeting with a homeowner who is considering contracting for home or roof repair or contracting for the construction of a new home. Real estate brokers and sales associates are encouraged to distribute the brochure to clients before the purchase of a home. The brochures may be made available electronically.

(4) FUNDING.—The department may seek out and leverage local, state, federal, or private funds to enhance the financial resources of the program.

(5) RULES.—The Department of Financial Services shall adopt rules pursuant to ss. 120.536(1) and 120.54 to govern the program; implement the provisions of this section; including

20-00634A-23

2023748

rules governing hurricane mitigation inspections and grants, mitigation contractors, and training of inspectors and contractors; and carry out the duties of the department under this section.

(6) HURRICANE MITIGATION INSPECTOR LIST.—The department shall develop and maintain as a public record a current list of hurricane mitigation inspectors authorized to conduct hurricane mitigation inspections pursuant to this section.

~~(7) PUBLIC OUTREACH FOR CONTRACTORS AND REAL ESTATE BROKERS AND SALES ASSOCIATES.—The program shall develop brochures for distribution to general contractors, roofing contractors, and real estate brokers and sales associates licensed under part I of chapter 475 explaining the benefits to homeowners of residential hurricane damage mitigation. The program shall encourage contractors to distribute the brochures to homeowners at the first meeting with a homeowner who is considering contracting for home or roof repairs or contracting for the construction of a new home. The program shall encourage real estate brokers and sales associates licensed under part I of chapter 475 to distribute the brochures to clients prior to the purchase of a home. The brochures may be made available electronically.~~

~~(8)~~ CONTRACT MANAGEMENT.—

(a) The department may contract with third parties for grants management, inspection services, contractor services for low-income homeowners, information technology, educational outreach, and auditing services. Such contracts are ~~shall be~~ considered direct costs of the program and are ~~shall not be~~ subject to administrative cost limits, ~~but contracts valued at~~

20-00634A-23

2023748

~~\$1 million or more shall be subject to review and approval by the Legislative Budget Commission.~~ The department shall contract with providers that have a demonstrated record of successful business operations in areas directly related to the services to be provided and shall ensure the highest accountability for use of state funds, consistent with this section.

(b) The department shall implement a quality assurance and reinspection program that determines whether initial inspections and home improvements are completed in a manner consistent with the intent of the program. The department may use valid random sampling in order to perform the quality assurance portion of the program.

(8)(9) INTENT.—It is the intent of the Legislature that grants made to residential property owners under this section shall be considered disaster-relief assistance within the meaning of s. 139 of the Internal Revenue Code of 1986, as amended.

(9)(10) REPORTS.—The department shall make an annual report on the activities of the program that shall account for the use of state funds and indicate the number of inspections requested, the number of inspections performed, the number of grant applications received, the number and value of grants approved, and the estimated average annual amount of insurance premium discounts and total estimated annual amount of insurance premium discounts homeowners received from insurers as a result of mitigation funded through the program. The report must ~~shall~~ be delivered to the President of the Senate and the Speaker of the House of Representatives by February 1 of each year.

Section 2. For the purpose of incorporating the amendments

Page 11 of 12

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

20-00634A-23

2023748

made by this act to section 215.5586, Florida Statutes, in a reference thereto, subsection (3) of section 215.5588, Florida Statutes, is reenacted to read:

215.5588 Florida Disaster Recovery Program.—

(3) Up to 78 percent of these funds may be used to complement the grants awarded by the Department of Financial Services under s. 215.5586 and fund other eligible disaster-related activities supporting housing rehabilitation, hardening, mitigation, and infrastructure improvements at the request of the local governments in order to assist the State of Florida in better serving low-income homeowners in single-family housing units, including, but not limited to, condominiums. Up to 20 percent of the funds may be used to provide inspections and mitigation improvements to multifamily units receiving rental assistance under projects of the United States Department of Housing and Urban Development or the Rural Development Division of the United States Department of Agriculture.

Section 3. This act shall take effect July 1, 2023.

Page 12 of 12

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to
Senate professional staff conducting the meeting

March 15, 2023

Meeting Date

Binky + Insurance

Committee

SB 748

Bill Number or Topic

N/A

Amendment Barcode (if applicable)

Name

Tasha Carter, FL's Insurance Consumer Advocate

Phone

850.413.5123

Address

200 E. Gaines Street

Street

Email

tasha.carter@myfloridacfo.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:

Dept. of Financial
Services

☐

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)

3/15/23

Meeting Date

Banking & Insurance

Committee

The Florida Senate
APPEARANCE RECORD

Deliver both copies of this form to
Senate professional staff conducting the meeting

748

Bill Number or Topic

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

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:

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 \(flsenate.gov\)](#)

This form is part of the public record for this meeting.

S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

03/15/2023

748

Meeting Date

Bill Number or Topic

Banking & Insurance

Deliver both copies of this form to
Senate professional staff conducting the meeting

Committee

Amendment Barcode (if applicable)

Name **AARP - Ivonne Fernandez**

Phone **954-850-7262**

Address **3710 NW 87th Ave - Suite 605**

Email **ifernandez @aarp.org**

Street

Doral

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:

AARP

☐ 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

3/15
Meeting Date
Banking & Insurance
Committee

748
Bill Number or Topic

Amendment Barcode (if applicable)

Name AUSTIN STOWERS

Phone 850 413 5939

Address 200 E Gaines
Street

Email austin.stowers@mflorida.cfo.com

Tallahassee FL 32399
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:

CFO JIMMY PATRONIS

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)



MY SAFE FLORIDA HOME

2008 Annual Report



ALEX SINK
CHIEF FINANCIAL OFFICER
STATE OF FLORIDA

Florida Department of Financial Services

LETTER FROM FLORIDA'S CHIEF FINANCIAL OFFICER

February 1, 2009

Honorable Jeff Atwater, President of Florida Senate
Honorable Ray Sansom, Speaker of the Florida House of Representatives
Citizens of Florida

Dear President Atwater, Speaker Sansom and Citizens of Florida:

I am pleased to present you with the second annual report of the My Safe Florida Home program in accordance with Section 215.5586 (12), Florida Statutes. The Legislature demonstrated foresight and a commitment to the people of this state by investing in the My Safe Florida Home program.

Strengthening homes in Florida through mitigation is critical to better protecting homeowners against the devastating effects of hurricanes and helping to reduce the state's exposure to catastrophic damage. Mitigation also plays a key role in keeping property insurance coverage available to and affordable for hardworking Floridians.

Our office has heard from many homeowners who have saved hundreds of dollars on their hurricane insurance as a result of the free hurricane mitigation inspections and grant funds offered through this unique and innovative program. The program is also working to help foster a "culture of preparedness" among homeowners, communities and mitigation professionals through its services and public education efforts.

The results achieved for homeowners and our communities – more than 391,000 inspections performed and 39,000 grants awarded as of January 30, 2009 – will have a positive impact on our families and communities for years to come.

It is my goal through the My Safe Florida Home program to help build a culture of mitigation in our state.

Sincerely,



Alex Sink
Chief Financial Officer

My Safe Florida Home Advisory Council

Miriam Lopez
TransAtlantic Bank

J. Otis Black
State Farm Insurance Company

Robert "Bob" Farr
Can Do Service Corporation

Kurtis "Kurt" Gurley
University of Florida

D. Alan Hays
State Representative

Carlos Lopez-Cantera
State Representative

Michael "Mike" S. Bennett
State Senator

Paula Dockery
State Senator

Leslie Chapman-Henderson
Federal Alliance for Safe Homes

Jack Nicholson
Florida Hurricane Catastrophe Fund

Scott Wallace
Citizens Property Insurance Corporation

William "Craig" Fugate
*Division of Emergency Management
Department of Community Affairs*



MY SAFE FLORIDA HOME



Contents

History of the Program	4
Goals & Objectives	5
Hurricane Mitigation Inspections	6
Overview of Improvements	8
A Glance at the Inspection Report	10
Home Structure Rating Scale	11
Inspection Results	12
Mitigation Discounts	14
Hurricane Mitigation Grants	15
Grant Results	18
Local Governments	19
Non-Profit Organizations	20
Public Education & Outreach	22
Public Awareness Study Results	24
Customer Service Survey Results	25
Workforce Training	26
Financial Picture	28
Appendix	31

OUR MISSION

is to help
Floridians learn
how to harden
their homes and
take steps to
better protect themselves
and their families from
hurricane damage.



History of the Program

During the 2004 and 2005 hurricane seasons, more than \$33 billion in insured property damage was inflicted on more than 2.8 million Florida homeowners. Following the storms, Florida began to experience a decline in the availability of property insurance and an increase in its cost.



Florida's geography makes it especially vulnerable to property damage from natural disasters. Coastal exposures represent 79 percent of all property exposure in the state. With more than 4.4 million single-family, site-built homes representing \$2.4 trillion in insurance exposure in Florida, strengthening homes against hurricanes is a viable option for keeping property insurance coverage available and affordable for homeowners and would help reduce the state's exposure to catastrophic losses. Of 4.4 million homes in Florida, 86 percent were built prior to the adoption of stronger building codes in 2002.

In 2006, state lawmakers took action and appropriated \$250 million to create the Florida Comprehensive Hurricane Damage Mitigation Program, and directed the Florida Department of Financial Services (DFS) to implement and administer the program.

Subsequently renamed the My Safe Florida Home (MSFH) program, it was created to help Floridians identify and make improvements to strengthen their homes against hurricanes through free hurricane mitigation inspections and grant funds. Florida Statutes direct the MSFH program to target its resources to homeowners living in single-family, site-built homes in Florida by providing up to 400,000 free hurricane mitigation inspections and at least 35,000 grants.

To maximize service delivery and leverage resources, the MSFH program has a three-pronged approach for delivering services:

- Through the Department of Financial Services
- Through local governments
- Through non-profit organizations

The MSFH program uses a trained workforce of more than 1,200 hurricane mitigation inspectors to perform free inspections and more than 2,000 licensed contractors to make specific improvements, including but not limited to protecting or replacing window and door openings, and strengthening roofs by bracing gable end walls. The program has developed new technology and undertaken public outreach efforts to further enhance service delivery.

Goals & Objectives



GOAL: Help Floridians better protect their property and assets.

OBJECTIVE: To increase the strength of single-family, site-built homes to withstand hurricane damage and minimize losses.

STRATEGIES:

1. Provide up to 400,000 free hurricane mitigation inspections.
2. Provide at least 35,000 grants to help homeowners strengthen their homes.
3. Partner with local governments and non-profit organizations to leverage resources to harden low-income homes.

OUTCOME: Increase in the strength of Florida's homes as measured by the Home Structure Rating Scale.

GOAL: Help Floridians save money on their insurance premiums.

OBJECTIVE: Increase the number of homeowners obtaining savings on their hurricane insurance.

STRATEGIES:

1. Provide up to 400,000 free hurricane mitigation inspections.
2. Provide at least 35,000 grants to help homeowners strengthen their homes.
3. Facilitate homeowners' access to insurance discounts or credits for which they are eligible from their insurance companies.
4. Implement a statewide public education campaign.

OUTCOME: Increase in the amount of insurance premium dollars saved by homeowners following a state-sponsored hurricane mitigation inspection.

GOAL: Promote public education and awareness of the financial and safety benefits of mitigation.

OBJECTIVE: Increase the public's awareness of the financial and safety benefits of mitigation.

STRATEGIES:

1. Provide up to 400,000 free hurricane mitigation inspections.
2. Implement a statewide public education campaign.
3. Provide training and education to mitigation stakeholders including but not limited to inspectors, contractors, realtors and insurance agents.

OUTCOME: Increase in the number of homeowners seeking information (contacting us online, by phone or attending events).

"We feel fortunate to have this grant and to have established a safer residence which not only benefits us but everyone else living within our community and in the state."

- James King, Sarasota Homeowner and MSFH Grant Recipient

"I would like to thank you and the State of Florida for giving us this program. This program gave me the impetus to make long needed improvements in my 45 year old home. I have never been aided by any government organization before... Thanks to this program."

- Margaret Wilsten, Winter Park Homeowner and MSFH Grant Recipient

"I thank the State of Florida for coming up with such a wonderful program as this to help us middle class people protect themselves and their property."

- John Hess, Boca Raton Homeowner and MSFH Grant Recipient



Hurricane Mitigation Inspections

Statutory Requirements

Florida Statutes direct the My Safe Florida Home program to provide up to 400,000 free hurricane mitigation inspections to homeowners residing in single-family, site-built homes statewide.

The program is required to contract with a “Wind Certification Entity” that, at a minimum must use inspectors who:

- Are certified as a building inspector under Section 468.607, Florida Statutes;
- Are a licensed general or residential contractor under Section 489.111, Florida Statutes;
- Are a licensed professional engineer under Section 467.015, Florida Statutes, and have passed the appropriate equivalency test of the Building Code Training Program as required by Section 553.841, Florida Statutes;
- Are a licensed professional architect under Section 481.213, Florida Statutes; or
- Have at least two years experience in residential construction or residential building inspections and have received specialized training in hurricane mitigation procedures.

Wind Certification Entities are also required to provide homeowners with a report that:

1. Recommends up to seven improvements that could be made to better protect the home against hurricanes;
2. Provides cost estimates to make recommended improvements;
3. Outlines potential insurance discounts available based on the current structure of the home if improvements are made;
4. Provides a hurricane-resistance rating of the home’s current and prospective abilities with improvements.

Inspection reports contain recommendations that focus on protecting openings and strengthening roofs in the following categories:

1. Roof deck attachment
2. Secondary water barrier
3. Code-plus roof covering
4. Bracing gable end walls
5. Strengthening roof-to-wall connections
6. Protecting or replacing window openings
7. Protecting or replacing doors

Eligibility Requirements

Homeowners living in single-family, site-built homes were eligible to apply for the free hurricane mitigation inspection online or by phone. Applications were referred to a wind certification entity on a weekly basis.

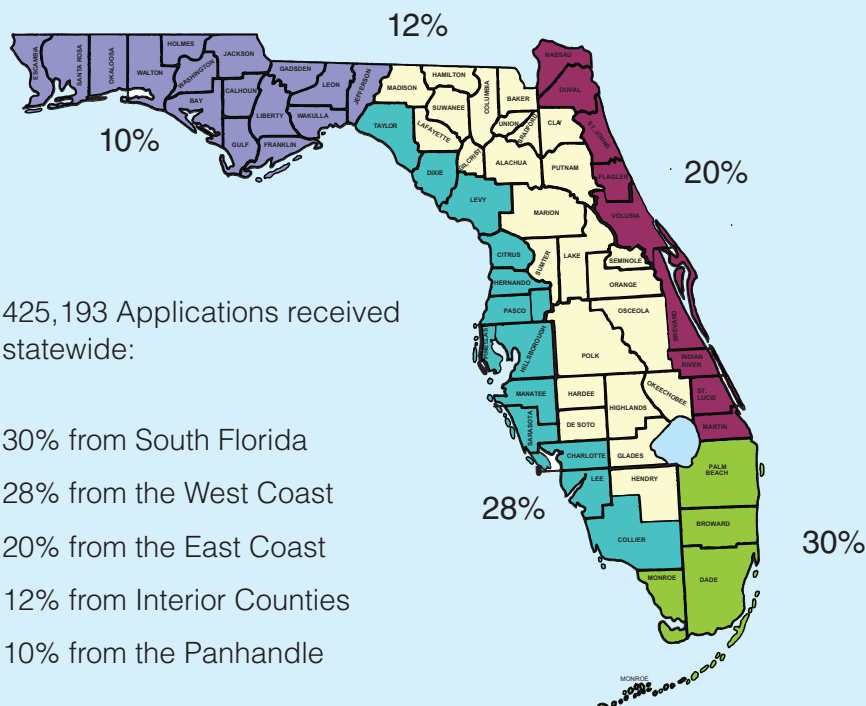
On average, inspections were scheduled within 10 days and an inspection report sent within 30 days. The average insured value of homes inspected by the MSFH program is \$272,315 and the average age of the home is 25 years.

Snapshot of Inspection Applications

Since the program's creation in 2006, more than 425,000 homeowners have applied for a free hurricane mitigation inspection. The greatest number of applicants are from South Florida where the pilot phase initially launched. An overwhelming majority of applicants, nearly 90 percent, applied online.

Nearly 10 percent of homes inspected by the MSFH program are insured with Citizens Property Insurance.

As of January 30, 2009, 391,216 homes have been inspected.



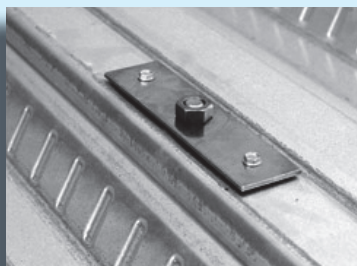
Taking steps to increase the hurricane resistance of a home will:

- Make the home safer, providing an increased level of protection for the homeowner.
- Reduce the likelihood of future property losses.
- Reduce the likelihood of damage to irreplaceable possessions.
- Reduce the likelihood of being displaced following a storm.
- Reduce the likelihood of having to pay the deductible portion of windstorm insurance.
- Increase a homeowner's eligibility to receive discounts on windstorm insurance.



Overview of Improvements

The My Safe Florida Home inspection primarily focuses on the openings to a home and the interior and exterior features of the roof. On average, an inspection takes approximately 45 minutes. An overview of the seven improvements that may be recommended in the MSFH inspection report is provided below:



Improvement 1 - Improving the strength of the roof deck attachment.

For example, if the roof consists of shingles nailed to plywood sheets, the inspection may reveal that the plywood sheets are not adequately nailed to the roof trusses, and that additional nails and/or longer nails need to be added to reduce the possibility of the plywood being blown off in a hurricane. There are two alternatives under Improvement 1:

- 1a. Interior roof deck attachment (can be installed by accessing the underside of the roof via the attic)
- 1b. Exterior roof deck attachment (can be added when a new roof is installed)



Improvement 2 - Creating a secondary water barrier to prevent water intrusion.

For example, using strips of “peel and stick-on” material that cover the joints between the plywood sheets on your roof to reduce leakage until repairs can be made if a hurricane blows off your roof shingles. There are two alternatives under Improvement 2:

- 2a. Interior secondary water barrier (can be installed by accessing the underside of the roof via the attic)
- 2b. Exterior secondary water barrier (can be added when a new roof is installed)



Improvement 3 - Improving the survivability of your roof covering.

For example, upgrading to stronger hurricane-resistant roof shingles, attached with properly sized and properly applied roofing nails, to reduce the susceptibility of your roof shingles blowing off in a hurricane. Shingles offering the best protection are designed to withstand hurricane winds of 140 mph or greater.

Improvement 4 - Bracing gable-end walls.

This improvement is made inside your attic to decrease the chance that gable end walls will fail under hurricane wind pressure.

Improvement 5 - Reinforcing roof-to-wall connections.

For example, installing metal tie-down clips that attach roof rafters to walls to decrease the chance that all or a portion of the roof will lift off the house during a hurricane.

Improvements 6 & 7 - Window and Door protection.

The wind inspection report combines Improvements 6 & 7 because it is recommended they be done at the same time, as the rating score always reflects protections for all openings. There are three levels of opening protection under Improvement 6 & 7. Openings include windows, sliding glass doors, a garage door, gable vents, and skylights.

Improvement 6a/7a. Standard – This improvement is the lowest-cost option for protecting openings. On a one-story house, this improvement would provide temporary structural panels for each window that would need to be installed each time a serious storm threatened the home. On a two-story home, this improvement would be a combination of standard shutters (first floor) and permanently attached shutters (second floor).

Improvement 6b/7b. Permanently Attached - Protective devices that are always attached to the house and only need to be deployed when a hurricane is approaching.

Improvement 6c/7c. Permanently Deployed - These are protective devices such as impact-rated glass windows and doors or hurricane screens that require no installation when a hurricane is approaching. Some homeowners may want to upgrade from standard opening protection to permanently attached or permanently deployed protection.



A Glance at the Inspection Report

On average, homeowners who participated in the program received an inspection report within 30 days. The report includes contractor bid sheets to assist the homeowner in collecting estimates for the recommended improvements.

The report provides the homeowner with a hurricane resistance rating designed to provide a general indication of how well the home is expected to perform in the event of a hurricane. The report indicates the beneficial features that contribute to the rating and improvement plans to increase its rating. Examples of beneficial features include:

- One Story
- Non-tile roof covering
- Florida Building Code compliant roof covering
- Code plus roof decking material
- Intermediate roof deck attachment
- Hip roof shape
- Clip roof-to-wall connection
- Hurricane level window protection
- Reinforced masonry wall construction
- Restrained foundation

Improvement plans provide the homeowner with the new hurricane wind resistance rating the home would receive if specific improvements are completed, the estimated cost of the plan and the estimated annual wind insurance savings. An example is provided below:

Plan	Improvement(s) (See Appendix A for Details)	Hurricane Wind Resistance Rating	Estimated Cost**	Estimated Annual Premium Savings*	
				Percent	Dollars
	Current condition of house	11	\$0	21% - 28%	\$41 - \$54
A	Roof deck attachment - interior Recommended Improvement 1a Secondary water barrier - interior Recommended Improvement 2a	27	\$4,650	30% - 33%	\$58 - \$64
B	Window and door protection Recommended Improvement 6a7a	36	\$6,024	31% - 32%	\$60 - \$62
C	Roof deck attachment - interior Recommended Improvement 1a Secondary water barrier - interior Recommended Improvement 2a Window and door protection Recommended Improvement 6a7a	62	\$10,674	35% - 38%	\$68 - \$74

* Estimated annual premium savings are based on your current insurance company's windstorm loss reduction credits and your current base wind premium per year. Possible discounts are estimates and do not factor in future rate changes.

** A breakdown of estimated costs for each improvement plan is provided in Section 2 of this report.

Home Structure Rating Scale



The Home Structure Rating Scale (HSRS) produces a score between 0 and 100 based on structure plus location, with 0 as the score for a very weak structure and 100 the score for a code-plus structure.

In all wind zones, the score for a home constructed under statewide building code standards (March 1, 2002) lies within a scoring range of 40 to 90.

Primary factors considered in the score include:

- Roof shape
- Roof cover year
- Type and strength of roof attachment
- Opening protection
- Number of stories

Secondary factors considered include:

- Masonry walls
- Unbraced gable ends
- Foundation restraint
- Soffits
- Vinyl siding

A home in Gainesville or Orlando will always produce a higher score than the same home in Miami or Sarasota. The HSRS score considers structure plus location. Homeowners only have control over improving the structure. A majority of homeowners believe the score should be tied to the category of storm their home could withstand.

HSRS is largely based on research done in 2001-2002 for single-family, site-built houses and not multi-family structures. Homes built before the 2001 Florida Building Code, depending on location, will typically result in a score below 40 unless multiple code-plus improvements are made.

Legislation (SB 2860) passed in 2008 requires, beginning in 2010, the disclosure of a home's HSRS score at the time a house is bought/sold if insured for \$500,000 or more by Citizens in the wind borne debris region (WBDR). In 2011, all houses in the WBDR regardless of insured value or insurer will have to disclose the HSRS score at the time of closing. As a result, stringent certification and further training of inspectors to fulfill this legislative mandate is critical.

"Yes, it can be expensive to 'harden' a home against storm damage, and that's probably why only 17 percent of homes in Florida are now built to meet the state's toughest new building codes. That leaves about 3.5 million existing homes that still need to be toughed up to make families and property owners less vulnerable."

- Tallahassee Democrat Editorial



Hip Roof



Gable Roof

Results of Completed Inspections

As of January 30, 2009, of the 391,216 inspections completed 213,478 homeowners, or 55 percent, are eligible for insurance savings without making a single improvement. This represents a potential \$46.9 million in wind insurance savings statewide. Many homeowners have reported greater savings than originally estimated in the MSFH inspection report.

With the exception of a concrete roof, homeowners realize the greatest discount when protecting their openings. Many homeowners are eligible for substantial savings based on the shape of their roof alone.

- An upgrade to a home's roof covering was recommended for 76 percent of homes inspected;
- Reinforcements to a home's roof-to-wall connections were recommended for 18 percent of homes inspected;
- Opening protection for windows, doors, garage doors or any combination of openings was recommended for 91 percent of homes inspected.

Among homes inspected as of January 30, 2009, the frequency in which an improvement has been recommended is as follows:

Type of Improvement	Percent of Time Improvement is Recommended
Roof Deck Attachment (Interior)	69%
Roof Deck Attachment (Exterior)	42%
Code-Plus Roof Coverings (Includes secondary water barrier)	76%
Bracing Gable End Walls	9%
Strengthening Roof-to-Wall Connections	18%
Protecting/Replacing Window and Door Openings	91%

Profile of Inspection Customer

- 10 percent of homes inspected are insured by Citizens.
- 77 percent of homes inspected need new roofs.
- 78 percent of homes inspected are located in the wind-borne debris region.
- 93 percent of homes inspected lack complete opening protection.

Homes inspected score an average of 40 on a scale of 0 to 100 for their ability to withstand damage from hurricane winds. The rating scale, developed by the Office of Insurance Regulation, considers the structure of the home plus its location.

When improvements are tied together as a plan in the inspection report, homeowners can consider the costs to make improvements, potential insurance savings available and the increase in their home's rating. Among homes inspected, average costs, discounts and movement on the rating scale by plan are as follows:

Plan A:

Estimated Costs	\$4,010
Average Discounts*	25%
Rating Scale	Moved 40 to 50 (10 point increase)

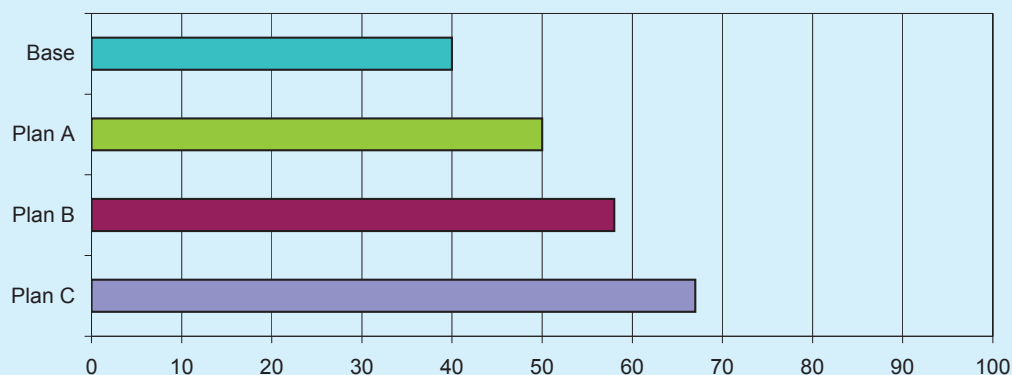
Plan B:

Estimated Costs	\$9,364
Average Discounts*	28%
Rating Scale	Moved 40 to 58 (18 point increase)

Plan C:

Estimated Costs	\$13,228
Average Discounts*	31%
Rating Scale	Moved 40 to 67 (27 point increase)

* Wind portion on premium



"Like many Floridians, one of my biggest concerns is Florida's hurricane season. The My Safe Florida Home program was a God send for me and my family. I would like to thank you and the State of Florida for this wonderful program."

- Anthony Smith, Flagler Beach Homeowner and MSFH Grant Recipient

"Please accept this thank you to you and the My Safe Florida Home program for offering the program which allowed us compensation for improving our home with hurricane windows and doors."

- Barb Cartwright, Port Charlotte Homeowner and MSFH Grant Recipient



Mitigation Discounts

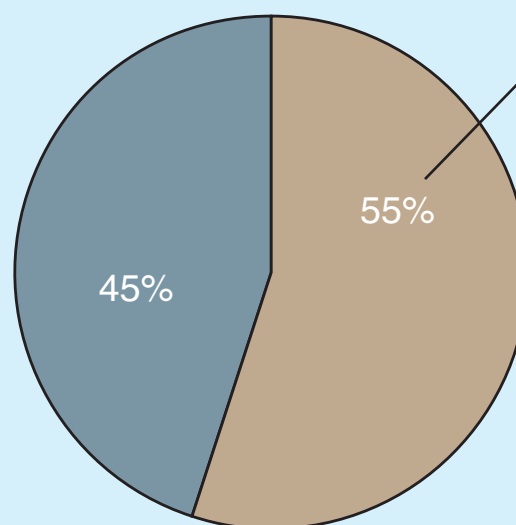
In 2007, Chief Financial Officer Alex Sink called for an Emergency Rule providing the MSFH program the authority to complete a uniform form - "Uniform Mitigation Verification Form," developed by the Office of Insurance Regulation (OIR) that insurers must use to verify discounts. As a result, the MSFH program immediately began providing this form to help homeowners who had received an inspection access insurance discounts for which they were eligible.

After the emergency rule expired, the program modified its contracts to require MSFH inspectors to complete this form at the time of inspection.

A county-by-county breakdown of average discounts and wind premiums is available in the Appendix.

Mitigation Discounts

Roof Geometry	
Hip Roof	28%
Roof Covering	
Florida Building Code Approved Shingles	7%
Concrete Roof	80%
Roof Deck Attachment	
Plywood/OSB with 8d nails (spaced 6" /6"-12" apart)	9%
Dimensional Lumber	9%
Concrete	80%
Roof-To-Wall Attachment	
Clips	18%
Single Wrap	20%
Double Wrap	21%
Secondary Water Resistance (SWR)	
SWR applied to a hip roof	32%
SWR applied to other roof shapes	6%
Opening Protection	
Hurricane Rated Shutters	39%
Basic Shutters	29%



Percent of homeowners eligible for insurance savings without making a single improvement.

- Estimated mitigation discounts statewide is \$46.9 million.
- Of 213,478 Floridians statewide the average discount is \$220 with an average wind premium of \$1,080.

* These discounts apply only to the hurricane portion of your insurance premium. Some insurance companies may offer a larger discount than those indicated above. If your home has multiple features, these minimums cannot be combined to reach an overall discount. Please check with your agent and/or insurance company for the total discount that you may be eligible to receive.

(as filed with the Florida Office of Insurance Regulation by insurance companies)

Hurricane Mitigation Grants



Statutory Requirements

Florida Statutes direct the My Safe Florida Home program to provide at least 35,000 hurricane mitigation grants to homeowners living in single-family, site-built homes statewide and whose homes meet the following eligibility criteria:

- Permitted to be built before March 1, 2002;
- Insured value of \$300,000 or less;
- Has a valid homestead exemption;
- Located in the wind-borne debris region;
- Undergone a hurricane mitigation inspection.

Homes that meet the above criteria are eligible for a matching grant of up to \$5,000 to make the following improvements if recommended in the homeowner's inspection report:

1. Bracing gable end walls;
2. Protecting/replacing window openings;
3. Protecting/replacing doors, including garage doors.

As a condition of approving a grant, Florida Statutes allow the MSFH program to require all openings - windows, doors and garage doors to be protected.

All grants must be matched on a dollar-for-dollar basis with the state's contribution not to exceed \$5,000, unless the homeowner qualifies as low-income.

A low-income homeowner is defined under law as a person whose household income is 80 percent or lower than the Area Median Income. If qualified, up to \$5,000 is available with no match required.

Matching grants are also available to local governments and non-profit organizations to provide inspections and grants to single-family, site-built homes. Florida Statutes directed the MSFH program to transfer \$40 million to the Volunteer Florida Foundation (VFF) to provide inspections and grants to low-income homeowners. During the 2008 Legislative Session this requirement was rescinded. Florida Statutes also direct the MSFH program to create a process in which contractors agree to participate and homeowners select contractors from a list maintained by the MSFH program.



"I was able to get my storm shutters and I appreciate it from the depths of my heart."

- Mary Williams, Winterhaven Homeowner and MSFH Grant Recipient



"Three big storms within six weeks... you don't really see that too often. Now with the My Safe Florida Home program in place we can rest a little bit easier at night and not have to worry so much."

- Joe Walker, Lake Wales Homeowner and MSFH Grant Recipient

The My Safe Florida Home program initially launched as a “pilot” in August 2006 during which time the program:

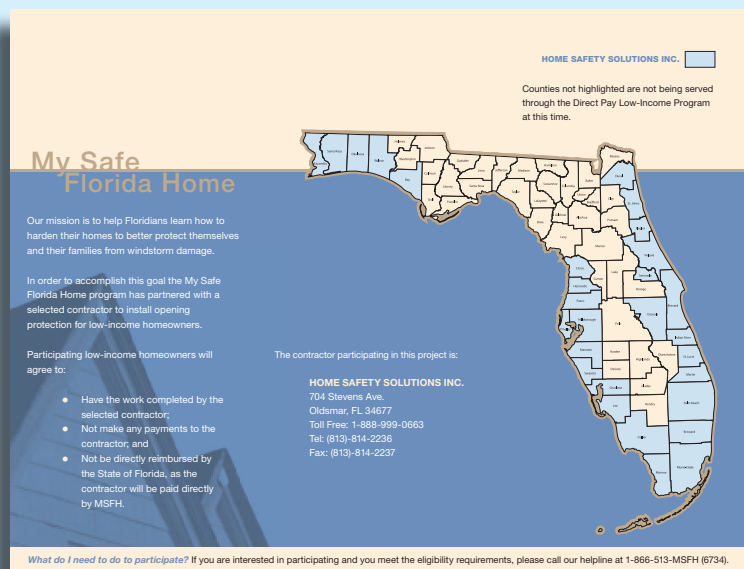
- Set up an inspection application process and call center;
- Enlisted the support of the Volunteer Florida Foundation to serve low-income homeowners through a network of 12 non-profits;
- Developed a process in which licensed contractors could participate which included an application process and verification of licensure and workers’ compensation coverage;
- Conducted more than 18 training classes on mitigation improvements for wind inspectors and contractors;
- Mailed grant applications to 14,442 homeowners who received inspections during the “pilot” phase.

Statutory changes made during the 2007 Legislative Session required the MSFH program to improve and realign its processes and service delivery for inspections and grants. Since that time, more than 31,000 grant applications have been reviewed and approved by the MSFH program.

To meet the Legislature's goal to provide 35,000 grants, the program partnered with 18 local governments to provide inspections and grants to up to 3,000 low-to moderate-income homeowners in their jurisdictions.

Non-profit organizations were also enlisted to help meet program goals. Through the Volunteer Florida Foundation (VFF), 20 non-profit organizations worked to help serve up to 7,000 low-income homeowners. On July 1, 2008, the MSFH program absorbed VFF's non-profit contracts based on direction from the 2008 Legislature.

Many low-income grant applicants contacted the program and expressed concerns regarding their ability to pay a deposit or make full payment to a participating contractor. As a result, the MSFH program created the Low-Income Direct Pay Program as a way to expand its capacity to serve low-income homeowners. Through a competitive bid process the program has partnered with a statewide contractor to install impact and wind pressure rated garage doors and opening protection on more than 1,200 low-income homes.



HOME SAFETY SOLUTIONS INC.

Counties not highlighted are not being served through the Direct Pay Low-Income Program at this time.

My Safe Florida Home

Our mission is to help Floridians learn how to harden their homes to better protect themselves and their families from windstorm damage.

In order to accomplish this goal the My Safe Florida Home program has partnered with a selected contractor to install opening protection for low-income homeowners.

Participating low-income homeowners will agree to:

- Have the work completed by the selected contractor;
- Not make any payments to the contractor; and
- Not be directly reimbursed by the State of Florida, as the contractor will be paid directly by MSFH.

The contractor participating in this project is:

HOME SAFETY SOLUTIONS INC.
704 Stevens Ave.
Oldsmar, FL 34677
Toll Free: 1-888-999-0663
Tel: (813)-814-2236
Fax: (813)-814-2237

What do I need to do to participate? If you are interested in participating and you meet the eligibility requirements, please call our helpline at 1-866-513-MSFH (6734).

Eligibility Requirements

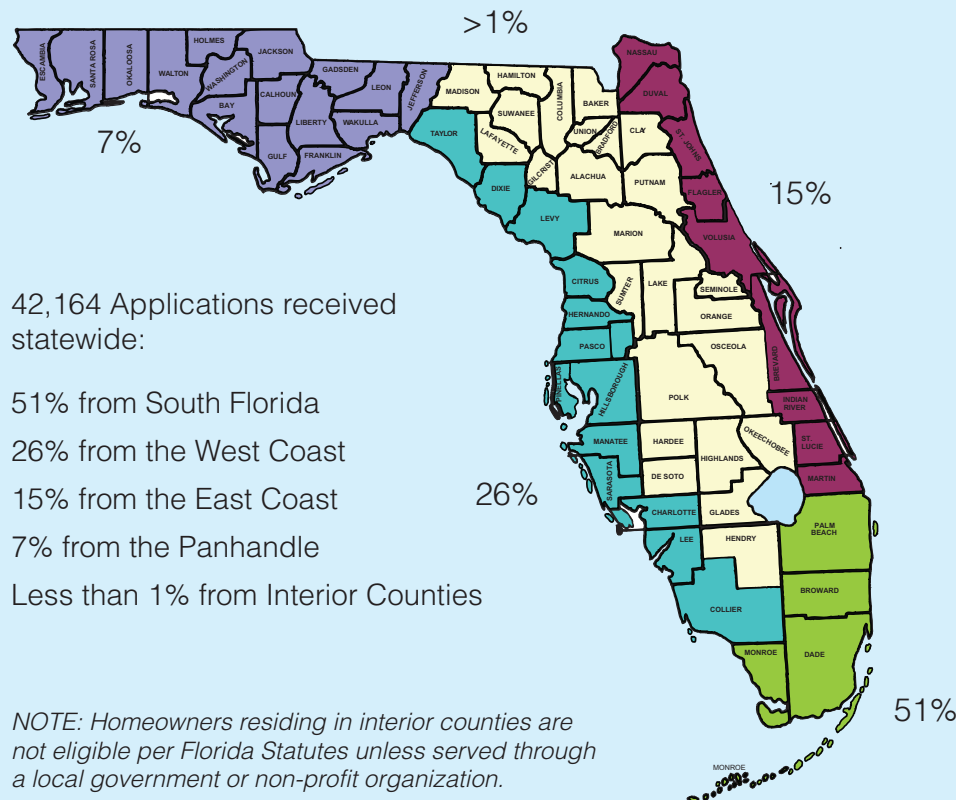
Eligible homeowners were able to apply for grants online or by phone. Homeowners were required to provide documentation to verify homestead exemption, insured value of home, and low-income eligibility, if applicable.

Once completed paperwork was received, grants were approved within 30 days, on average.

Snapshot of Grant Applications

The MSFH program has a three-pronged approach for delivering services. Of 38,597 grants approved as of January 30, 2009, the distribution of grants by service approach is as followed:

- 31,229 grants through the MSFH program administered by the Department of Financial Services;
- 2,026 grants through local governments;
- 5,342 grants through non-profit organizations.



"My Safe Florida Home program is great... it has saved so much. If I'm not mistaken, about a \$200 reduction."

- Ann Cobb, Lake Wales Homeowner and MSFH Grant Recipient



"My Safe Florida Home has a tremendous value to the city and the county in general. We definitely hope that it is refunded in the next budget year. Anything we can do to encourage that, we'd do immediately."

- Tom DeYampert, St. Petersburg Housing and Community Development

As of January 30, 2009, 26,383 homeowners have been reimbursed by the MSFH program administered by the Department of Financial Services for more than \$88 million. The average reimbursement per homeowner is approximately \$3,500.

Of more than 39,000 grants awarded by the MSFH program and its local government and non-profit partners, approximately 37 percent have been awarded to low-income homeowners.

Profile of MSFH Grant Customer

- As of December 31, 2008, more than 88 percent of grant program participants paid are using grant monies to protect their home's openings - windows, doors and garage doors
- 99 percent of homeowners approved for a grant live in the wind-borne debris region
- 44 percent of homeowners approved for a grant are insured by Citizens
- Average age of home: 25 years
- Average insured value: \$272,315
- Average buying power: \$7,000 (MSFH pays 1/2)
- Average savings reported by homeowners who retrofitted their home: \$773
- Among homes retrofitted the average increase on the HSRS: 18
- In the last two years the program has retrofitted 258 homes per week, on average
- Reimbursement requests from homeowners are paid by the MSFH program within 6 to 8 weeks, on average



Local Governments



Florida Statutes direct the MSFH program to provide matching grants to local governments for “projects that will help reduce hurricane damage to single-family, site-built, owner-occupied, residential properties.” In cases where low-income homeowners are being served, no match is required.

Partnering with local governments to provide inspections and grant funds to homeowners, especially low-income homeowners, is the second prong in the MSFH program’s three-pronged approach to delivering services. Eligible homeowners sign up directly with the participating local government (city or county) and allowable improvements under the MSFH program are made without any out-of-pocket expenses to the homeowners.

As of January 30, 2009 18 local governments have applied for grants through the MSFH program, many of which administer housing or mitigation programs that share the MSFH program’s mission and goals. This partnership has enabled the MSFH program to maximize the capacity of local jurisdictions to serve low-income homeowners as well as leverage matching funds. Of more than \$10.6 million awarded to local governments, nearly \$9.5 million has been matched or leveraged at the local level.

Local Government	Grant Award	# of Homes	Type of Grant	Local Leverage	Mitigation Improvements
Pembroke Pines	\$50,000	10	Matching	\$250,000	Openings Only
Jupiter	\$743,672	130	Low Income	\$227,913	All Allowed
West Palm Beach	\$1,000,000	200	Low Income	\$1,000,000	Openings Only
Miramar	\$237,500	47	Mixed	\$750,000	All Allowed
St. Petersburg	\$200,000	30	Mixed	\$500,000	All Allowed
Melbourne	\$500,000	95	Mixed	\$120,000	Openings Only
St. Lucie County	\$750,000	140	Low Income	\$250,000	All Allowed
Pasco County	\$500,000	115	Low Income	\$250,000	Openings Only
City of Palm Bay	\$1,500,000	500	Mixed	\$250,000	All Allowed
City of Lakeland	\$250,000	50	Low Income	\$117,500	Openings Only
Polk County	\$750,000	150	Mixed	\$285,000	Openings Only
City of Sarasota	\$1,250,000	250	Low Income	\$913,750	Openings Only
Volusia County	\$650,000	130	Low Income	\$50,000	Openings Only
City of Miami	\$500,000	100	Low Income	n/a	Openings Only
City of Hialeah	\$500,000	100	Mixed	n/a	All Allowed
City of Sunrise	\$100,000	20	Mixed	\$200,000	All Allowed
Broward County	\$180,000	36	Low Income	\$400,000	All Allowed
Escambia County	\$1,000,000	500	Mixed	\$3,904,763	All Allowed
TOTAL	\$10,661,172	2,603		\$9,468,926	

“Hopefully the program will be extended so more Floridians can take advantage of mitigation efforts and reduction of their homeowner insurance premium. I think it is the best plan on the part of the State to offset the obscene increases in rates from insurers... We of senior citizen status thank you and your office for such efforts to ease our fixed income burden.”

- Ralph Fuller, Pensacola Homeowner and MSFH Grant Recipient



“The My Safe Florida Home program has allowed us to not only rehabilitate people’s homes but has also let us add that extra element of hurricane protection and peace of mind and safety for them. An ounce of prevention is worth a pound of cure and the My Safe Florida Home program is really kicking that in for us.”

- Ed Barbario, Miami-Dade Community Development Department

Non-Profit Organizations

Florida Statutes directed the MSFH program to transfer \$40 million from the funds appropriated for the MSFH program to the Volunteer Florida Foundation to provide inspections and grants to low-income homeowners. Under the law governing the MSFH program, low-income homeowners are defined as those whose household income is 80 percent or lower than the Area Median Income.

Non-profit organizations may perform any of the seven improvements recommended in a homeowner's inspection report if it gives the state an opportunity to "leverage funding for the My Safe Florida Home program with other sources of funding," according to Florida Statutes.

The VFF worked with non-profit organizations statewide and helped low-income homeowners repair and rebuild following the 2004 and 2005 hurricane seasons. Many of the non-profit organizations under VFF's umbrella leveraged contractor labor and materials at a reduced rate to maximize the number of homeowners served.

The participation of non-profit organizations is part of the third prong in the MSFH program's three-pronged approach to delivering services. Eligible homeowners signed up directly with non-profit organizations in their communities, and allowable improvements under the MSFH program were made without any out-of-pocket expenses to the homeowners.

In 2007, the VFF recruited and distributed in excess of \$5 million to 12 non-profit organizations in 11 counties to provide inspections and approved grants for 4,722 low-income homeowners. In September 2007, the VFF enlisted eight new non-profit organizations to further expand capacity statewide.

During the 2008 Legislative Session, the VFF was removed from statute as a recipient of direct funding. On July 1, 2008, the program assumed administration of VFF's contracts with the non-profit organizations to continue serving low-income homeowners who had been enrolled.



Examples of Homeowners served through non-profit organizations

James Talley is 52, disabled and lives alone in a single-family home built in 1962. His only source of income is Social Security. In 2006, his total household income was \$13,200. With less than \$4,700, his entire house was shuttered and hurricane straps were installed in his roof deck. Following the improvements made to his home, Mr. Talley saved \$285 on his wind insurance through Citizens Property Insurance Corporation.

Alton and Beverly Tippins, an elderly couple from Pensacola, live in a single-family home built in 1971. Like many seniors in Florida, they live on a fixed income. Improvements to their home included shuttering the entire house and bracing the gable ends and installation of hurricane straps in their roof. Anticipating a nearly \$6,000 increase in their premium with State Farm, they instead saw only a \$75 increase as a result of improvements made to their home.

Sub-Recipient Name	County(ies) Served	In Progress	Completed
Brevard Long-Term Recovery	Brevard	16	204
Volunteer Broward	Broward	75	398
Liberia ESDC*	Broward	0	20
Housing Coalition of Charlotte	Charlotte	110	116
Rebuild Northwest Florida, Inc.	Escambia and Santa Rosa	230	2460
Community Rebuilding	Glades and Hendry	0	93
Ecumenical Workforce (CREW)			
Habitat for Humanity of Greater	Miami-Dade	1	178
Miami Beach Community Development Corporation	Miami-Dade	0	117
Centro Campesino	Miami-Dade	0	21
Osceola Council on Aging, Inc.	Osceola	0	130
We Help Community	Palm Beach		656
Florida Association for Volunteer Action in the Caribbean and the Americas	Palm Beach, Broward, Miami Dade	105	75
Indiantown Non-Profit Housing, Inc.	Palm Beach, Martin, St. Lucie, Indian River	0	78
Homes for Independence, Inc.	Pinellas	0	119
Habitat for Humanity of Pinellas Co.	Pinellas	12	0
Rebuild Polk After Disaster	Polk	0	287
Senior Friendship Center, Inc.	Sarasota	0	74
St. Johns Housing Partnership, Inc.	St. Johns	0	30
St. Lucie INTACT	St. Lucie	40	400
UW Volusia-Flagler/VIND	Volusia	0	59
Totals		589	5515

* The VFF contracts expired in 2007.

Public Education & Outreach

Florida Statutes allow the MSFH program to initiate a statewide multimedia public outreach and advertising campaign. The goal of the campaign is to inform consumers of the availability and benefits of hurricane mitigation inspections and grants.

Additionally, Florida Statutes direct the MSFH program to develop and distribute brochures to general and roofing contractors working with homeowners considering roof repairs or replacements. Florida Statutes also direct the MSFH program to distribute brochures to real estate brokers who interface with customers prior to the purchase of a home.

The MSFH program developed and launched a Web site, www.mysafefloridahome.com in the pilot phase of the program. Since that time, the MSFH program has added unique features, including Homeowner How-To videos produced by the Federal Alliance for Safe Homes (FLASH) and a Shutter Selection Guide developed by the Institute for Business and Home Safety to help provide pertinent information and guidance to homeowners participating in the program.

Several brochures and tip sheets have been developed offering general or step-by-step information about the MSFH program, advice on making improvements and selecting contractors to make those improvements, and guidance on what insurance savings are available to homeowners based on the current features of the home, such as a hip roof. All of these brochures can be accessed at www.mysafefloridahome.com.



MY SAFE FLORIDA HOME

DESIGNED TO PROTECT FLORIDIANS AND THEIR HOMES

IS YOUR HOME HURRICANE RESISTANT?
The Department of Financial Services is providing guidance on what you can do to strengthen your home against catastrophic storms. You can start by taking advantage of the My Safe Florida Home program, which offers free wind inspections to measure how safe your home is against hurricanes. Following the inspection, you will receive a detailed report explaining how to make your home more hurricane resistant. If you provide your insurance information at the time you apply, the report will also outline possible discounts available if you take the recommended steps to strengthen your home.

WELCOME TO MY SAFE FLORIDA HOME
For many of us, buying and owning a home is one of the most important investments we make in our lives. When we make this investment, we expect our homes will protect us and serve as a safe haven from hurricanes.

To better protect ourselves and our homes when a hurricane hits, we must also invest in building standards and techniques that will strengthen our homes and communities against the catastrophic damage that hurricanes inflict.

Alex Sink
Alex Sink
Chief Financial Officer
State of Florida

For more information on the seven categories of improvements, visit www.MySafeFloridaHome.com or call the My Safe Florida Home helpline 1-866-513-MSFH (6734)

ALEX SINK
CHIEF FINANCIAL OFFICER
STATE OF FLORIDA
Florida Department of Financial Services

In July 2007, the MSFH program joined the Florida Association of Insurance Agents, FLASH and Home Depot to hold “Safe Living” events in nine cities. The events focused on promoting the wind mitigation techniques recommended by the MSFH program. The event also highlighted the safety benefits and potential insurance savings available to homeowners who harden their homes.

From September through November 2007, the MSFH program hosted three fairs across the state – Pensacola, Clearwater and the Ft. Lauderdale area. Manufacturers, contractors and insurance companies participated in the MSFH events. Additionally, the Department of Financial Services’ Division of Consumer Services and its 11 outreach offices helped promote the MSFH program. More than 460 outreach events and presentations have been conducted around the state where the MSFH program was a component.

In August 2007, the MSFH program expanded its marketing efforts by creating door hangers and other unique marketing materials for its inspection firms and inspector workforce to distribute.

In September 2007, a billboard advertising campaign – Shutter Up Florida – was initiated in coordination with the Florida Surplus Lines Association at no cost to the MSFH program. This advertising campaign was ongoing through the 2008 hurricane season.

In March 2008, a statewide media campaign was launched by the MSFH program to increase participation in and applications for hurricane mitigation inspections. The marketing campaign plan targeted four TV markets – Tampa/St. Petersburg, Miami/Fort Lauderdale, West Palm Beach/Fort Pierce and Tallahassee/Thomasville with television advertisements shown in these four markets over 11 weeks.

Radio advertisement also ran in other areas of the state during the same 11 week period – Orlando/Daytona Beach/Melbourne, Jacksonville, Fort Myers/Naples, Pensacola/Ft. Walton, Gainesville/Ocala, and Panama City. Spanish and Creole radio advertisements were aired in Orlando, Tampa and Miami/Fort Lauderdale.

By the end of the marketing campaign the MSFH program saw a 232 percent increase in online inspection applications. Prior to the campaign the program received an average of 17,000 online applications a month. Thirty days into the campaign the number of online applications increased to 32,000 a month.

“Even without a grant or insurance discount, the free inspection alone is a spur and a guide to action. We know from bitter experience that even people who are adequately insured can have an agonizing wait for repairs and compensation, suffering dislocation, discomfort and the loss of irreplaceable belongings - all of which might have been prevented by hardening the house.”

- Ft. Myers News Press
Editorial

“Florida homeowners have demonstrated their interest in seeking help to harden their homes against hurricanes. Now it’s up to the state to provide that help more efficiently to more homeowners.”

- St. Petersburg Times
Editorial



Public Awareness Study Results

Prior to launching the statewide media campaign in March 2008, the MSFH program conducted a study to measure public opinion and awareness about the program with the intent of defining key messages that could be used to increase participation.

Of those surveyed fewer than three in 10 Floridians (28 percent) who own site-built, single-family homes were aware that the State of Florida had a program to help homeowners strengthen their homes against hurricanes.

Demographics of study participants include:

- Race: White
- Sex: Female
- Average Age: 46 years old
- Average Household Size: 2 - 4 person
- Average Income: \$57,500
- 50 percent have children under 21 living at home

Of homeowners who were aware of the program, when questioned about their knowledge of program specifics the following information was provided:

- 40 percent of homeowners knew the program provided free inspections to make recommendations for strengthening homes against hurricanes
- 23 percent of homeowners knew the program provided matching grant money to help make homes stronger
- 32 percent of homeowners read or heard something about the program in the media or on the internet

To strengthen homes against hurricanes, the typical homeowner reported to be willing to pay \$3,191 of their own money providing the State of Florida matches this money. This survey response correlates closely with the average reimbursement of \$3,500 which is matched by the homeowner.

Protecting one's family from hurricanes was the number one motivator for participating in the program. Motivators include:

- 33 percent - Better protection for family against hurricanes
- 24 percent - Peace of mind in knowing what can be done to strengthen home
- 20 percent - Potential savings on homeowner's insurance policy

Messages with the greatest impact on a homeowner's willingness to participate in the program are:

- 40 percent - If homeowners' insurance premiums go down \$180
- 39 percent - If home sustains less damage

Media/Internet coverage was perceived to be overwhelmingly positive, as 80 percent of homeowners reported references to the program in the media as being positive.

Customer Service Survey Results



From March to April 2008, the MSFH program conducted two customer services surveys to gauge customer satisfaction among two different populations of program participants, with each set of survey recipients provided with 30 days to respond.

MSFH participants who applied for and received an inspection between September 1, 2007 and December 1, 2007 received the survey. Of 19,795 program participants, 4,636 or 23 percent of homeowners completed the survey and offered the following responses:

- 97% rated the inspection application process as Easy or Somewhat Easy;
- 82% said they would recommend the program to others;
- 80% rated their overall experience as Excellent or Good;
- 80% said information in the inspection report was useful;
- 77% indicated they received their report within 45 days;
- 37% reported they pursued improvements based on the free inspection report;
- 34% reported receiving insurance savings as a result of the free inspection.

Of those who reported they pursued improvements based on the inspection report when asked which improvements were pursued 41 percent indicated that they opted to protect their windows and 37 percent reported protecting their doors, including garage door.

MSFH participants who applied and were approved for a grant between September 1, 2007 and December 1, 2007 received the survey. Of 4,387 program participants, 750 or 17 percent of homeowners completed the survey and offered the following responses:

- 89% rated the grant application process as Easy or Somewhat Easy;
- 84% indicated the grant award letter provided clear information and direction;
- 81% rated their experience with the grant application process as Excellent or Good;
- 78% rated their experience in obtaining a contractor as Easy or Somewhat Easy;
- 77% indicated they were approved for a grant within 45 days;
- 28% reported that they have submitted documentation to their insurer and received a discount.

"I wanted to say thank you and the State of Florida for helping us to take steps to strengthen our home against hurricane damage and the reimbursement checks we received. The customer service we got was great each time we needed it."

- Richard Holjes, Port Orange Homeowner and MSFH Grant Recipient

"I wish to express my profound gratitude for this financial assistance. I couldn't be more pleased with the customer service I received as a grantee under the My Safe Florida Home program."

- David Birkenhauer, Dunedin Homeowner and MSFH Grant Recipient

"Thank you for the assistance I received for making this improvement to my home possible. I was very pleased with the professional service in assisting me with the various questions."

- Jan Cocuzzi, New Port Richey Homeowner and MSFH Grant Recipient

Inspector Workforce and Training

Florida Statutes direct the MSFH program to contract with a “wind certification entity” that, at least must use inspectors who:

- Are certified building inspectors, licensed general or residential contractors, licensed professional engineers, licensed professional architects or have at least two years experience in residential construction or residential building inspections;
- Undergo background checks, including fingerprinting and drug testing; and
- Receive specialized training in hurricane mitigation procedures.

Wind certification entities are also required to have an internal quality assurance program that includes a reinspection component.

To be approved as an inspector for the MSFH program, individuals must:

Step 1: Pass the inspector course with a score of 90 percent or better.

Step 2: Undergo a level two background check as well as a five-panel drug screening.

The MSFH program has facilitated training and background checks for 1,596 individuals interested in performing mitigation inspections. As of January 30, 2009, 336 inspectors were actively performing inspections for the MSFH program.

During the pilot phase, the MSFH program contracted with the Federal Alliance for Safe Homes (FLASH) to develop the training manual for inspectors and to conduct training classes.

Beginning in March 2007, the University of Florida (UF) through its extension service offices statewide, began offering training classes for inspectors. As of January 30, 2009, the UF has held 57 classes.

Although Florida Statutes only requires wind certification entities contracted with the MSFH program to have a quality assurance program, in 2007 the MSFH program initiated performance and compliance audits of wind certification entities.

On May 1, 2008 in an effort to further improve the quality of data received by inspectors in the field, the MSFH program developed a web-based platform for accepting inspection data – WINGS (Wind Inspection and Grant Management System.) This web-based platform also allowed the MSFH program to streamline other aspects of the program, such as approving grants and processing reimbursement requests.

Contractor Workforce and Training

Florida Statutes direct the MSFH program to create a process in which mitigation contractors agree to participate and homeowners select from a list of participating contractors. According to Florida Statutes' "all mitigation must be based upon the securing of all required local permits and inspections and be performed by properly licensed contractors."

The MSFH program created an online application process and participation agreement for interested contractors. As part of the application process, contractors must provide proof of licensure and workers' compensation coverage and take a mitigation course conducted by FLASH or the online course developed for the MSFH program by the Contractors Estimating Institute.

As of January 30, 2009, 4,948 contractors had signed up to perform mitigation work through the MSFH program. Of the 2,292 approved participating contractors, 76 percent are state licensed and 24 percent are locally licensed.

To facilitate communication with this sizable workforce, the MSFH program initiated an electronic newsletter in April 2007. Ten editions of the newsletter have been distributed since its launch. Electronic copies of these newsletters can be found on the program's website at www.mysafe-floridahome.com under the "For Contractors" link.



"With the My Safe Florida Home program in its final stages of completion I would like to compliment all of you that worked so diligently to make this program a success ... We at M.A. Untch Enterprises, Inc. were proud to participate as contractors in the excellent program."

- Martin Untch
M.A. Untch Enterprises, Inc.
MSFH Participating Contractor

"If it wasn't for My Safe Florida Home we would not be selling any shutters at all."

- Clyde "Buddy" Choat,
Ventilated Awnings Co.
MSFH Participating Contractor



In 2006, the Legislature appropriated \$250 million for the MSFH program for a period not to exceed three years. Unused funds will revert back to General Revenue on June 30, 2009. Of \$250 million, the Legislature specifically directed the transfer of funds to the following organizations with specified amounts:

Volunteer Florida Foundation (VFF)

\$40 million to provide inspection and grants to low-income homeowners administered by the VFF. This requirement was rescinded in 2008 – as a result the VFF distributed nearly \$15 million to their non-profit partners to mitigate low-income households.

Tallahassee Community College (TCC)

\$22.5 million for the Mobile Home Mitigation Enhancement Program administered by TCC.

Department of Community Affairs (DCA)

\$1 million for the Low-Income Emergency Home Repair Program administered by DCA.

In 2007, state lawmakers set the goals expected for the MSFH program to include 400,000 free hurricane mitigation inspections and 35,000 grants. As a result, the three-year program budget is structured as follows:

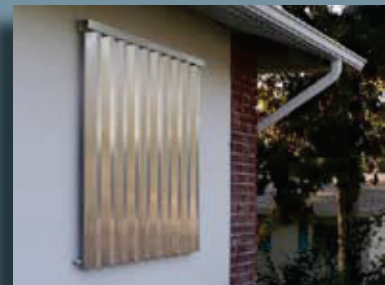
My Safe Florida Home Program Budget				
Program Budget	3-Year Goal	FY 06-07	FY 07-08	FY 08-09
400,000 inspections	\$60 million	\$5 million	\$40 million	\$15 million
Quality Assurance Inspections	\$1.3 million		\$600,000	\$700,000
Grant Work inspections	\$500,000		\$200,000	\$300,000
28,000 grants @ \$4,000	\$112 million	\$1 million	\$56 million	\$55 million
Non-Profit Organizations (6,000 low-income grants)	\$25 million	\$5 million	\$10 million	\$10 million
Local Governments (2,000 grants)	\$10 million	\$1 million	\$3 million	\$6 million
Loan Program*	\$10 million	\$0	\$5 million	\$5 million
TCC - Mobile Homes	\$22.5 million	\$7.5 million	\$15 million	\$0 million
DCA - Low-Income Emergency Home Repair	\$1 million	\$0	\$1 million	\$0
Public Education & Awareness	\$1.5 million	\$250,000	\$1 million	\$250,000
Technology/Training	\$2 million	\$750,000	\$750,000	\$500,000
Salaries & Expenses	\$1.7 million	\$0	\$846,000	\$846,000
Administrative (1%)	\$2.5 million	\$500,000	\$1 million	\$1 million
TOTAL PROGRAM COSTS	\$250 million	\$21 million	\$134.4 million	\$94.6 million

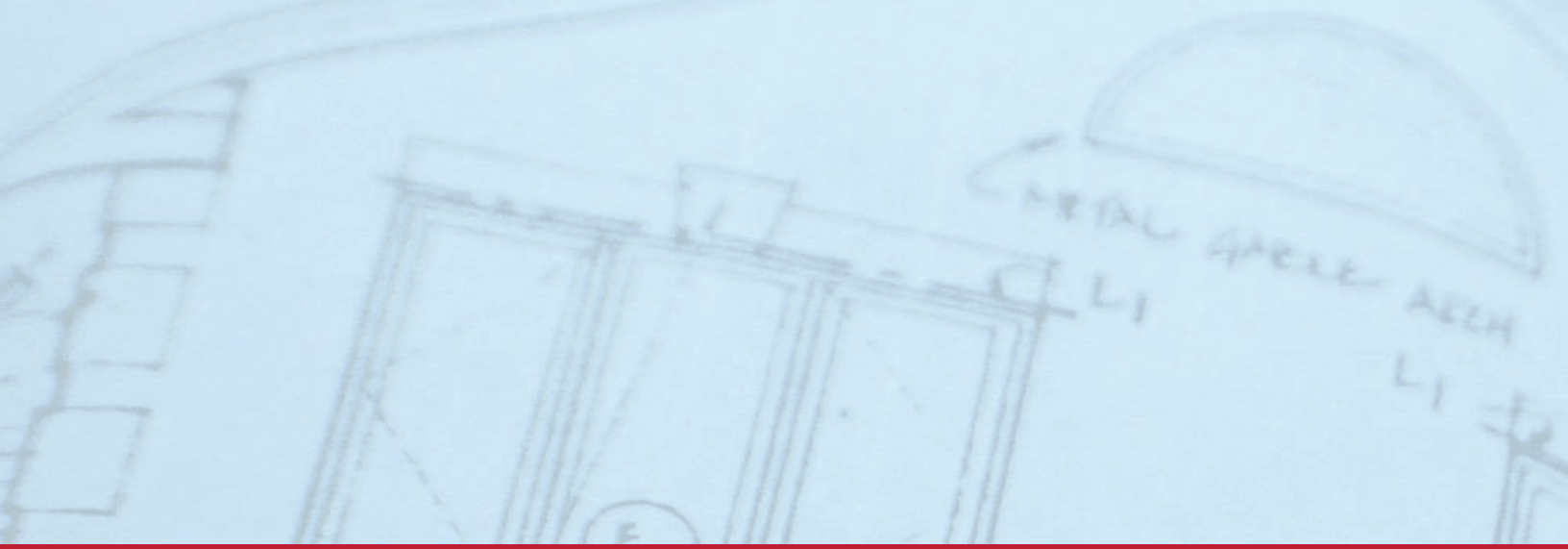
Encumbered Funds

My Safe Florida Home Program				
Expenditures as of 1/30/09				
Program Area	FY 06-07	FY 07-08	FY 08-09	Total to Date
Inspections	\$8.8 million	\$36.9 million	\$12.7 million	\$58.4 million
Survey Inspections	\$8.8 million	\$36.3 million	\$12 million	
Quality Assurance		\$508,950	\$515,160	
Grant Work Inspections		\$44,400	\$100,260	
Performance & Compliance Audits		\$47,850	\$75,000	
Grants through DFS				\$65.8 million
Grants Paid-to-Date	\$912,000	\$27.8 million	\$37 million	
Grants through Non-Profit				\$18.1 million
Paid-to-Date	\$5 million	\$11.1 million	\$2 million	
Grants through Local Governments				\$4.1 million
Paid-to-Date		\$3.1 million	\$1 million	
Tallahassee Community College - Mobile Homes	\$7.5 million	\$15 million		\$22.5 million
DCA – Low-Income Emergency Home Repair		\$1 million		\$1 million
Public Education & Awareness	\$97,000	\$1.1 million		\$1.2 million
Technology/Training	\$856,000	\$447,460	\$411,420	\$1.7 million
Data Dispatch and Delivery System	\$493,000	\$369,760	\$286,540	
Development of Inspection Survey Checklist	\$70,000			
Development of Inspection Report	\$69,000			
Development of Inspector Curriculum/ Training Materials	\$143,000	\$38,200	\$44,880	
Classroom Training for Inspectors/ Contractors	\$81,000	\$27,500	\$80,000	
Online Training for Contractors		\$12,000		
Administrative	\$592,000	\$1,505,925	\$741,770	\$2.9 million
Administrative Expenses	\$592,000	\$821,925	\$352,420	
Salaries & Benefits (10 FTE)*		\$684,000	\$389,350	
TOTAL PROGRAM COSTS	\$23.8 million	\$98 million	\$53.9 million	\$175.7 million

Appendix

1. Section 215.5586, Florida Statutes
2. MSFH Timeline
3. MSFH Process Guide
4. Wind Inspection Data by County
5. MSFH Survey Checklist
6. Wind Inspection Report
7. Wind Inspection Projected Discount Data
8. Grant Application Data by County
9. MSFH Program Brochures
10. Salter Mitchell - Marketing for Change Final Report
11. Kerr Downs Executive Summary
12. Inspection Survey Results
13. Grant Survey Results
14. CFO Sink's Letter to the Legislature





www.**MY SAFE**.com
FLORIDA HOME

The 2008 Florida Statutes

Title XIV

TAXATION AND FINANCE

Chapter 215

FINANCIAL MATTERS: GENERAL PROVISIONS

215.5586 My Safe Florida Home Program.--There is established within the Department of Financial Services the My Safe Florida Home Program. The department shall provide fiscal accountability, contract management, and strategic leadership for the program, consistent with this section. This section does not create an entitlement for property owners or obligate the state in any way to fund the inspection or retrofitting of residential property in this state. Implementation of this program is subject to annual legislative appropriations. It is the intent of the Legislature that the My Safe Florida Home Program provide inspections for at least 400,000 site-built, single-family, residential properties and provide grants to at least 35,000 applicants before June 30, 2009. The program shall develop and implement a comprehensive and coordinated approach for hurricane damage mitigation that shall include the following:

(1) HURRICANE MITIGATION INSPECTIONS.--

(a) Free home-retrofit inspections of site-built, single-family, residential property shall be offered throughout the state to determine what mitigation measures are needed, what insurance premium discounts may be available, and what improvements to existing residential properties are needed to reduce the property's vulnerability to hurricane damage. The Department of Financial Services shall contract with wind certification entities to provide free hurricane mitigation inspections. The inspections provided to homeowners, at a minimum, must include:

1. A home inspection and report that summarizes the results and identifies recommended improvements a homeowner may take to mitigate hurricane damage.
2. A range of cost estimates regarding the recommended mitigation improvements.
3. Insurer-specific information regarding premium discounts correlated to the current mitigation features and the recommended mitigation improvements identified by the inspection.
4. A hurricane resistance rating scale specifying the home's current as well as projected wind resistance capabilities. As soon as practical, the rating scale must be the uniform home grading scale adopted by the Financial Services Commission pursuant to s. 215.55865.

(b) To qualify for selection by the department as a wind certification entity to provide hurricane mitigation inspections, the entity shall, at a minimum, meet the following requirements:

1. Use hurricane mitigation inspectors who:
 - a. Are certified as a building inspector under s. 468.607;
 - b. Are licensed as a general or residential contractor under s. 489.111;
 - c. Are licensed as a professional engineer under s. 471.015 and who have passed the appropriate equivalency test of the Building Code Training Program as required by s. 553.841;
 - d. Are licensed as a professional architect under s. 481.213; or

e. Have at least 2 years of experience in residential construction or residential building inspection and have received specialized training in hurricane mitigation procedures. Such training may be provided by a class offered online or in person.

2. Use hurricane mitigation inspectors who also:

a. Have undergone drug testing and level 2 background checks pursuant to s. 435.04. The department may conduct criminal record checks of inspectors used by wind certification entities. Inspectors must submit a set of the fingerprints to the department for state and national criminal history checks and must pay the fingerprint processing fee set forth in s. 624.501. The fingerprints shall be sent by the department to the Department of Law Enforcement and forwarded to the Federal Bureau of Investigation for processing. The results shall be returned to the department for screening. The fingerprints shall be taken by a law enforcement agency, designated examination center, or other department-approved entity; and

b. Have been certified, in a manner satisfactory to the department, to conduct the inspections.

3. Provide a quality assurance program including a reinspection component.

(c) The department shall implement a quality assurance program that includes a statistically valid number of reinspections.

(d) An application for an inspection must contain a signed or electronically verified statement made under penalty of perjury that the applicant has submitted only a single application for that home.

(e) The owner of a site-built, single-family, residential property may apply for and receive an inspection without also applying for a grant pursuant to subsection (2) and without meeting the requirements of paragraph (2)(a).

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

(a) To be eligible for a grant for persons who have obtained a completed inspection after May 1, 2007, a residential property must:

1. Have been granted a homestead exemption under chapter 196.

2. Be a dwelling with an insured value of \$300,000 or less. Homeowners who are low-income persons, as defined in s. 420.0004(10), are exempt from this requirement.

3. Have undergone an acceptable hurricane mitigation inspection.

4. Be located in the "wind-borne debris region" as that term is defined in s. 1609.2, International Building Code (2006).

5. Be a home for which the building permit application for initial construction was made before March 1, 2002.

An application for a grant must contain a signed or electronically verified statement made under penalty of perjury that the applicant has submitted only a single application and must have attached documents demonstrating the applicant meets the requirements of this paragraph.

(b) All grants must be matched on a dollar-for-dollar basis for a total of \$10,000 for the actual cost of the mitigation project with the state's contribution not to exceed \$5,000.

(c) The program shall create a process in which contractors agree to participate and homeowners select from a list of participating contractors. All mitigation must be based upon the securing of all required local permits and inspections and must be performed by properly licensed contractors. Mitigation projects are subject to random reinspection of up to at least 5 percent of all projects. Hurricane mitigation inspectors qualifying for the program may also participate as mitigation contractors as long as the inspectors meet the department's qualifications and certification requirements for mitigation contractors.

(d) Matching fund grants shall also be made available to local governments and nonprofit entities for projects that will reduce hurricane damage to single-family, site-built, owner-occupied, residential property. The department shall liberally construe those requirements in favor of availing the state of the opportunity to leverage funding for the My Safe Florida Home Program with other sources of funding.

(e) When recommended by a hurricane mitigation inspection, grants may be used for the following improvements only:

1. Opening protection.
2. Exterior doors, including garage doors.
3. Brace gable ends.

The department may require that improvements be made to all openings, including exterior doors and garage doors, as a condition of reimbursing a homeowner approved for a grant.

(f) Grants may be used on a previously inspected existing structure or on a rebuild. A rebuild is defined as a site-built, single-family dwelling under construction to replace a home that was destroyed or significantly damaged by a hurricane and deemed unlivable by a regulatory authority. The homeowner must be a low-income homeowner as defined in paragraph (g), must have had a homestead exemption for that home prior to the hurricane, and must be intending to rebuild the home as that homeowner's homestead.

(g) Low-income homeowners, as defined in s. ~~420.0004~~(10), who otherwise meet the requirements of paragraphs (a), (c), (e), and (f) are eligible for a grant of up to \$5,000 and are not required to provide a matching amount to receive the grant. Additionally, for low-income homeowners, grant funding may be used for repair to existing structures leading to any of the mitigation improvements provided in paragraph (e), limited to 20 percent of the grant value. The program may accept a certification directly from a low-income homeowner that the homeowner meets the requirements of s. ~~420.0004~~(10) if the homeowner provides such certification in a signed or electronically verified statement made under penalty of perjury.

(h) The department shall establish objective, reasonable criteria for prioritizing grant applications, consistent with the requirements of this section.

(i) The department shall develop a process that ensures the most efficient means to collect and verify grant applications to determine eligibility and may direct hurricane mitigation inspectors to collect and verify grant application information or use the Internet or other electronic means to collect information and determine eligibility.

(3) EDUCATION AND CONSUMER AWARENESS.--The department may undertake a statewide multimedia public outreach and advertising campaign to inform consumers of the availability and benefits of hurricane inspections and of the safety and financial benefits of residential hurricane damage mitigation. The department may seek out and use local, state, federal, and private funds to support the campaign.

(4) ADVISORY COUNCIL.--There is created an advisory council to provide advice and assistance to the department regarding administration of the program. The advisory council shall consist of:

(a) A representative of lending institutions, selected by the Financial Services Commission from a list of at least three persons recommended by the Florida Bankers Association.

(b) A representative of residential property insurers, selected by the Financial Services Commission from a list of at least three persons recommended by the Florida Insurance Council.

(c) A representative of home builders, selected by the Financial Services Commission from a list of at least three persons recommended by the Florida Home Builders Association.

(d) A faculty member of a state university, selected by the Financial Services Commission, who is an expert in hurricane-resistant construction methodologies and materials.

(e) Two members of the House of Representatives, selected by the Speaker of the House of Representatives.

(f) Two members of the Senate, selected by the President of the Senate.

(g) The Chief Executive Officer of the Federal Alliance for Safe Homes, Inc., or his or her designee.

(h) The senior officer of the Florida Hurricane Catastrophe Fund.

(i) The executive director of Citizens Property Insurance Corporation.

(j) The director of the Division of Emergency Management of the Department of Community Affairs.

Members appointed under paragraphs (a)-(d) shall serve at the pleasure of the Financial Services Commission. Members appointed under paragraphs (e) and (f) shall serve at the pleasure of the appointing officer. All other members shall serve voting ex officio. Members of the advisory council shall serve without compensation but may receive reimbursement as provided in s. 112.061 for per diem and travel expenses incurred in the performance of their official duties.

(5) FUNDING.--The department may seek out and leverage local, state, federal, or private funds to enhance the financial resources of the program.

(6) RULES.--The Department of Financial Services shall adopt rules pursuant to ss. 120.536(1) and 120.54 to govern the program; implement the provisions of this section; including rules governing hurricane mitigation inspections, mitigation contractors, and training of inspectors and contractors; and carry out the duties of the department under this section.

(7) HURRICANE MITIGATION INSPECTOR LIST.--The department shall develop and maintain as a public record a current list of hurricane mitigation inspectors authorized to conduct hurricane mitigation inspections pursuant to this section.

(8) NO-INTEREST LOANS.--The department shall implement a no-interest loan program by October 1, 2008, contingent upon the selection of a qualified vendor and execution of a contract acceptable to the department and the vendor. The department shall enter into partnerships with the private sector to provide loans to owners of site-built, single-family, residential property to pay for mitigation measures listed in subsection (2). A loan eligible for interest payments pursuant to this subsection may be for a term of up to 3 years and cover up to \$5,000 in mitigation measures. The department shall pay the creditor the market rate of interest using funds appropriated for the My Safe Florida Home Program. In no case shall the department pay more than the interest rate set by s. 687.03. To be eligible for a loan, a loan applicant must first obtain a home inspection and report that specifies what improvements are needed to reduce the property's vulnerability to windstorm damage pursuant to this section and meet loan underwriting requirements set by the lender. The department shall set aside \$10 million from funds appropriated for the My Safe Florida Home Program to implement this subsection. The department may adopt rules pursuant to ss. 120.536(1) and 120.54 to implement this subsection which may include eligibility criteria.

(9) PUBLIC OUTREACH FOR CONTRACTORS AND REAL ESTATE BROKERS AND SALES ASSOCIATES.--The program shall develop brochures for distribution to general contractors, roofing contractors, and real estate brokers and sales associates licensed under part I of chapter 475 explaining the benefits to homeowners of residential hurricane damage mitigation. The program shall encourage contractors to distribute the brochures to homeowners at the first meeting with a homeowner who is considering contracting for home or roof repairs or contracting for the construction of a new home. The program shall encourage real estate brokers and sales associates licensed under part I of chapter 475 to distribute the brochures to clients prior to the purchase of a home. The brochures may be made available electronically.

(10) CONTRACT MANAGEMENT.--The department may contract with third parties for grants management, inspection services, contractor services for low-income homeowners, information technology, educational outreach, and auditing services. Such contracts shall be considered direct costs of the program and shall not be subject to administrative cost limits, but contracts valued at \$500,000 or more shall be subject to review and approval by the Legislative Budget Commission. The department shall contract with providers that have a demonstrated record of successful business operations in areas directly related to the services to be provided and shall ensure the highest accountability for use of state funds, consistent with this section.

(11) INTENT.--It is the intent of the Legislature that grants made to residential property owners under this section shall be considered disaster-relief assistance within the meaning of s. 139 of the Internal Revenue Code of 1986, as amended.

(12) REPORTS.--The department shall make an annual report on the activities of the program that shall account for the use of state funds and indicate the number of inspections requested, the number of inspections performed, the number of grant applications received, and the number and value of grants approved. The report shall be delivered to the President of the Senate and the Speaker of the House of Representatives by February 1 of each year.

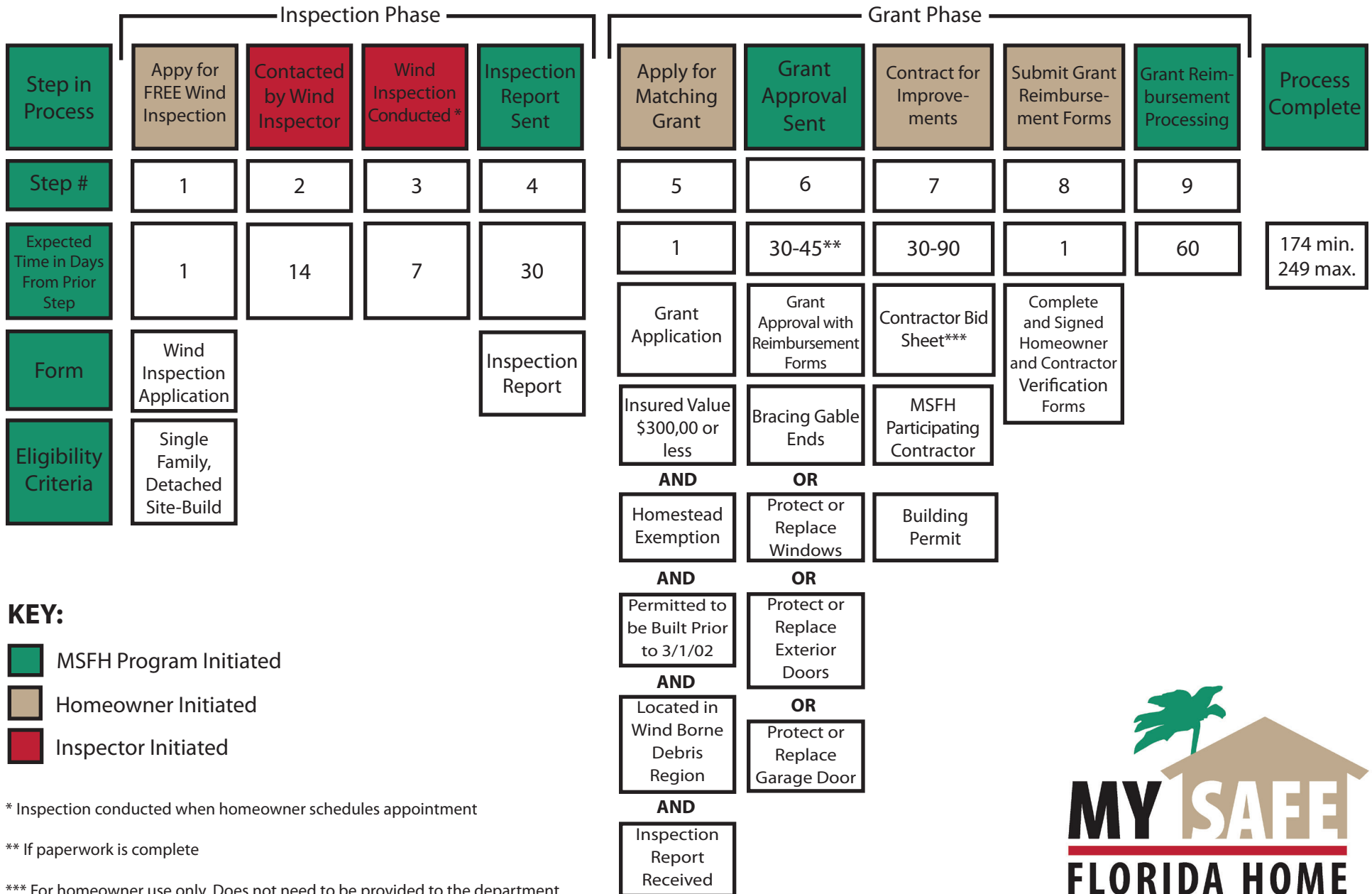
History.--s. 2, ch. 2006-12; s. 4, ch. 2007-1; s. 1, ch. 2007-126; s. 40, ch. 2008-4; s. 1, ch. 2008-248.

MSFH Program Development Timeline

Date	Milestone	Actions
May 2006	Bill creating program approved by Legislature and signed by governor	
June-August 2006	Built MSFH from conception to inception	Built workforce team, including state staff and temp employee database; wrote scripts and procedures to respond to incoming calls; determined workflow. Set up application process, Web site, process maps. Contracted with two companies to conduct pilot.
Aug. 2006-Nov. 2006	Pilot program begins Aug. 15; goal is to inspect 12,000 homes in 12 weeks	Background checks, drug screening conducted on wind inspector candidates. Training materials developed. For wind inspectors: Six training classes held; trained 500 inspectors to conduct mitigation inspections. For contractors: 12 training classes for approx. 800 contractors who would perform mitigation work; reviewed contractor applicants for workers' comp coverage and licensure. Solicited partners through Volunteer Florida Foundation: Secured 12 nonprofits in 10 counties to provide inspections and mitigation assistance. Hosted <i>Fortify Florida</i> expos in Tampa Bay, Pensacola and Palm Beach. Conducted 14,264 free inspections in 17 counties.
Feb. 2007	Legislature makes statutory changes to MSFH	Required to improve and realign processes and service delivery for inspection and grants.
Feb. -April 2007	Program halts while infrastructure created	Conducted bidding process and selected new windstorm inspection firms. Created approved home inspectors list and registry of approved contractors; developed database and dispatch (DBBDS) to generate home inspection reports.
April 23, 2007	Program reopens	11 Wind Certification Entities in place; 500 approved inspectors begin working 53,000 customer backlog
June 6, 2007	Customer backlog cleared	New applications total 2,200 weekly
June 2007	New grant eligibility requirements adopted (HB 7057). CFO requests IRS ruling to exclude grants from federal income tax	Tax ruling is needed so grants not subject to tax liability (would be taxable at 25% -- \$1,250 on a \$5,000 grant).
July 2007	Expanded Helpline staff; holds expos with Fl Assoc. of Insurance Agents	Added 12 people to DFS staff to provide 24 resources to answer consumer phone calls; receiving 5,000 calls weekly.
Sept. 2007	Publicity, public appearances building	Outreach efforts increase applicants to 3,200 weekly. Host MSFH fair in Pensacola.
Nov.- Dec. 2007	IRS excludes grants from federal income tax	As of Dec. 2007, \$8.6 million in grants were issued; ruling saved Floridians approx. \$2.15 million in additional federal income tax. Host MSFH fair in Ft. Lauderdale area.
May 31, 2008	Grant goal met	Applications for matching grants total 35,000, which was the legislative goal. No new grant apps accepted.
July 2008	Inspection goal met	400,000 free inspections conducted, one year ahead of schedule. Grant application fulfillment continues.

My Safe Florida Home Program

Process Guide



KEY:

- MSFH Program Initiated
- Homeowner Initiated
- Inspector Initiated

* Inspection conducted when homeowner schedules appointment

** If paperwork is complete

*** For homeowner use only. Does not need to be provided to the department



FLDFS Homeowner Wind Inspection Data by County**Applications and Inspected Counts**

1/30/2009 09:16:56 AM

County	Applications	Inspected
Alachua	965	806
Baker	48	37
Bay	5649	5207
Bradford	63	52
Brevard	34954	32048
Broward	48026	41867
Calhoun	90	74
Charlotte	12626	11820
Citrus	3738	3436
Clay	1016	860
Collier	6272	5451
Columbia	151	115
Desoto	352	309
Dixie	55	43
Duval	5539	4592
Escambia	12303	11128
Flagler	1804	1615
Franklin	232	188
Gadsden	177	139
Gilchrist	38	29
Glades	92	74
Gulf	356	316
Hamilton	11	5
Hardee	117	105
Hendry	413	380
Hernando	4255	3892
Highlands	1155	1013
Hillsborough	16461	14848
Holmes	56	40
Indian River	8764	8031
Jackson	241	201
Jefferson	54	45
Lafayette	15	12
Lake	7455	6885
Lee	26618	24247
Leon	2418	2027
Levy	141	123
Liberty	25	19
Madison	44	31
Manatee	7432	6711
Marion	9382	8730
Martin	6410	5853
Miami-Dade	34383	26755
Monroe	872	755
Nassau	674	594
Okaloosa	11244	10150
Okeechobee	367	316
Orange	9025	7868
Osceola	1682	1424
Palm Beach	44144	38987
Pasco	9034	8325

This report displays a total number for Inspection Applications received and Inspections completed.

The information is assembled by county, with a grand total at the end of the report. Only Primary Inspections with the Request Source =

FLDFS Homeowner Wind Inspection Data by County

Applications and Inspected Counts

1/30/2009 09:16:56 AM

Pinellas	22921	20657
Polk	6452	5789
Putnam	144	115
Saint Johns	4029	3566
Saint Lucie	16715	15260
Santa Rosa	8113	7371
Sarasota	11766	10895
Seminole	4606	4071
Sumter	11252	10750
Suwannee	60	45
Taylor	74	59
Union	19	15
Volusia	8468	7192
Wakulla	262	229
Walton	1653	1414
Washington	127	106
TOTALS:	434099	386112

This report displays a total number for Inspection Applications received and Inspections completed.

The information is assembled by county, with a grand total at the end of the report. Only Primary Inspections with the Request Source =

My Safe Florida Home Survey Checklist

Section A Inspector Information

Date Assigned: _____ WCE: _____ Date Inspected: _____

Inspector: _____ Inspection Company: _____

Start time: _____ Finish Time: _____

Dates of Attempted Calls: 1st _____ 2nd _____ 3rd _____

Section B Owner Information

Owner's Name: _____ Contact Person: _____

Property Address: _____ Home Phone: _____

City: _____ Work Phone: _____

County: _____ Cell Phone: _____

Zip Code: _____ E-Mail Address: _____

Insurance Co: _____ Policy Number: _____

Section C General Building Information

Year Built _____	Number of Stories ☐ 1 Story ☐ 2 Story ☐ 3 Story ☐ 4 Story	Foundation ☐ Pier/Piling ☐ Slab on Grade ☐ Stem wall	Foundation Restraint ☐ Anchor Bolts ☐ Cut Nails ☐ Rebar ☐ None/Unknown
Wind Speed _____	Exposure Cat _____	☐ B ☐ C	WBDR ☐ No ☐ Yes

Section D Signature

I acknowledge that (inspector name) _____ ID Number _____ inspected the home at the address shown above and no damage was caused to the home and/or any property.

Printed Name: _____

Signature: _____

Date: _____

Section E Codes

Window Type		Door Type		Protection Codes: For Shutters or Impact Rated units	
Single Hung	SH	Single Hinged (out swing)	SO	Hurricane (Missile D)	H
Double Hung	DH	Double Hinged (out swing)	DO	Basic (Missile C)	B
Horizontal Sliding	HS	Single Hinged (in swing)	SI	Ordinary (Wind Press Only)	O
Awning / Jalousie	AW	Double Hinged (in swing)	DI	NOT RATED	NR
Casement	CS	Sliding Glass	SG	None = NOTHING	X
Fixed glass	FG	Garage (Single)	GS	Wood Structural Panels	W
		Garage (Double)	GD		

Section W Inspector Certification

I, the Inspector named below, by my signature below, certify that I conducted the inspection of the residence identified on this Survey Checklist, and in my professional opinion, based on my knowledge, information, and belief, I certify that the data I report in this Survey Checklist regarding the residence is true and correct.

Print Inspector Name: _____

Inspector Signature: _____

Date Signed: _____

Front Elevation																							
Section F-1 Exterior Roof Information																							
Roof Shape										Roof Complexity													
		Hip				Gable				Flat		Simple Roof Shape											
		Gambrel				Mansard				Other								Moderate Roof Shape					
										Complex Roof Shape													
Roof Covering (Front Elevation Only)																							
		Shingles				Tile				Year installed:						Year Known							
		Wood				Metal										Year Estimated							
		Other																					
Section G-1 Window Openings																							
Number	Quantity	Window Type	Floor	Protection		Opening in Inches																	
				Code	Yr. Installed	Width	Height																
1																							
2																							
3																							
4																							
5																							
6																							
7																							
Section H-1 Doors																							
Number	Quantity	Door Type	Floor	Protection		Opening in Inches		Glazed															
				Code	Yr. Installed	Width	Height	Yes	No														
1																							
2																							
3																							
4																							
Section I-1 Skylights										Section J-1 Gable Ends (all dimensions in inches)													
Quantity	Protection		Daylight/Buck		Quantity	Height	Bottom Chord Width	Vent-inches															
	Code	Yr. Installed	Width	Height				Width	Height														
Section K-1 Wall Cladding (circle floor)																							
		Aluminum Siding		1	2	3	4			Stucco		1	2	3	4			Other		1	2	3	4
		Vinyl Siding		1	2	3	4			Brick Veneer		1	2	3	4								
		Wood Siding		1	2	3	4			Painted Block		1	2	3	4								
Section L-1 Wall Construction (circle floor)																							
		Concrete Block Un-Reinforced		1	2	3	4			Solid Concrete		1	2	3	4								
		Concrete Block Reinforced		1	2	3	4			Wood/Light Metal Frame		1	2	3	4								
Section M-1 Reinforcement Check: (check 3- 5 locations for entire house)																							
Not Applicable				Left Corner				Window/Door				Right Corner											
Section N-1 Carport						Section O-1 Porches						Section P-1 Soffits											
(Circle Applicable) <i>None</i> <i>Built-In</i> <i>Attached</i> <i>Detached</i> Number of Cars: _____						(Exclude Pool Screen Enclosure) (Circle Size and Type) Size Type <i>Small</i> <i>Open</i> <i>Medium</i> <i>Screened</i> <i>Large</i> <i>Enclosed</i>						Overhang (inches)		Horizontal Length (linear feet)									
												Type		Solid/Wood/Other									
Vinyl/Aluminum																							
		None																					

Right Elevation																		
Section F-2 Exterior Roof Information																		
Roof Shape										Roof Complexity								
☐	☐	Hip	☐	☐	Gable	☐	☐	Flat	☐	☐	Simple Roof Shape							
☐	☐	Gambrel	☐	☐	Mansard	☐	☐	Other	☐	☐	Moderate Roof Shape							
☐	☐		☐	☐		☐	☐		☐	☐	Complex Roof Shape							
Section G-2 Window Openings																		
Number	Quantity	Window Type	Floor	Protection		Opening in Inches												
				Code	Yr. Installed	Width	Height											
1																		
2																		
3																		
4																		
5																		
6																		
7																		
Section H-2 Doors																		
Number	Quantity	Door Type	Floor	Protection		Opening in Inches		Glazed										
				Code	Yr. Installed	Width	Height	Yes	No									
1																		
2																		
3																		
4																		
Section I-2 Skylights										Section J-2 Gable Ends (all dimensions in inches)								
Quantity	Protection		Daylight/Buck		Quantity	Height	Bottom Chord Width	Vent-inches										
	Code	Yr. Installed	Width	Height				Width	Height									
Section K-2 Wall Cladding (circle floor)																		
	Aluminum Siding	1	2	3	4		Stucco	1	2	3	4	Other 1 2 3 4						
	Vinyl Siding	1	2	3	4		Brick Veneer	1	2	3	4							
	Wood Siding	1	2	3	4		Painted Block	1	2	3	4							
Section L-2 Wall Construction (circle floor)																		
	Concrete Block Un-Reinforced	1	2	3	4		Solid Concrete	1	2	3	4							
	Concrete Block Reinforced	1	2	3	4		Wood/Light Metal Frame	1	2	3	4							
Section M-2 Reinforcement Check: (check 3- 5 locations for entire house)																		
Not Applicable ☐		Left Corner ☐		Window/Door ☐		Right Corner ☐												
Section N-2 Carport						Section O-2 Porches						Section P-2 Soffits						
(Circle Applicable) <i>None</i> <i>Built-In</i> <i>Attached</i> <i>Detached</i> Number of Cars: _____						(Exclude Pool Screen Enclosure) (Circle Size and Type) <u>Size</u> <u>Type</u> <i>Small</i> <i>Open</i> <i>Medium</i> <i>Screened</i> <i>Large</i> <i>Enclosed</i>						Overhang (inches)			Horizontal Length (linear feet)			
												Type ☐ Solid/Wood/Other ☐ Vinyl/Aluminum ☐ None						

Back Elevation																	
Section F-3 Exterior Roof Information																	
Roof Shape										Roof Complexity							
☐	☐	Hip	☐	☐	Gable	☐	☐	Flat	☐	☐	☐ Simple Roof Shape ☐ Moderate Roof Shape ☐ Complex Roof Shape						
☐	☐	Gambrel	☐	☐	Mansard	☐	☐	Other	☐								
☐	☐		☐	☐		☐	☐		☐								
Section G-3 Window Openings																	
Number	Quantity	Window Type	Floor	Protection		Opening in Inches											
				Code	Yr. Installed	Width	Height										
1																	
2																	
3																	
4																	
5																	
6																	
7																	
Section H-3 Doors																	
Number	Quantity	Door Type	Floor	Protection		Opening in Inches		Glazed									
				Code	Yr. Installed	Width	Height	Yes	No								
1																	
2																	
3																	
4																	
Section I-3 Skylights										Section J-3 Gable Ends (all dimensions in inches)							
Quantity	Protection		Daylight/Buck		Quantity	Height	Bottom Chord Width	Vent-inches									
	Code	Yr. Installed	Width	Height				Width	Height								
Section K-3 Wall Cladding (circle floor)																	
	Aluminum Siding	1	2	3	4		Stucco	1	2	3	4		Other 1 2 3 4				
	Vinyl Siding	1	2	3	4		Brick Veneer	1	2	3	4						
	Wood Siding	1	2	3	4		Painted Block	1	2	3	4						
Section L-3 Wall Construction (circle floor)																	
	Concrete Block Un-Reinforced	1	2	3	4		Solid Concrete	1	2	3	4						
	Concrete Block Reinforced	1	2	3	4		Wood/Light Metal Frame	1	2	3	4						
Section M-3 Reinforcement Check: (check 3- 5 locations for entire house)																	
Not Applicable ☐		Left Corner ☐		Window/Door ☐		Right Corner ☐											
Section N-3 Carport						Section O-3 Porches						Section P-3 Soffits					
(Circle Applicable) <i>None</i> <i>Built-In</i> <i>Attached</i> <i>Detached</i> Number of Cars: _____						(Exclude Pool Screen Enclosure) (Circle Size and Type) Size <i>Small</i> <i>Medium</i> <i>Large</i> Type <i>Open</i> <i>Screened</i> <i>Enclosed</i>						Overhang (inches)		Horizontal Length (linear feet)			
												Type ☐ Solid/Wood/Other ☐ Vinyl/Aluminum ☐ None					

Left Elevation																	
Section F-4 Exterior Roof Information																	
Roof Shape										Roof Complexity							
☐		☐ Hip		☐		☐ Gable		☐		☐ Flat		☐ Simple Roof Shape ☐ Moderate Roof Shape ☐ Complex Roof Shape					
		☐ Gambrel				☐ Mansard				☐ Other							
Section G-4 Window Openings																	
Number	Quantity	Window Type	Floor	Protection		Opening in Inches											
				Code	Yr. Installed	Width	Height										
1																	
2																	
3																	
4																	
5																	
6																	
7																	
Section H-4 Doors																	
Number	Quantity	Door Type	Floor	Protection		Opening in Inches		Glazed									
				Code	Yr. Installed	Width	Height	Yes	No								
1																	
2																	
3																	
4																	
Section I-4 Skylights										Section J-4 Gable Ends (all dimensions in inches)							
Quantity	Protection		Daylight/Buck		Quantity	Height	Bottom Chord Width	Vent-inches									
	Code	Yr. Installed	Width	Height				Width	Height								
Section K-4 Wall Cladding (circle floor)																	
		Aluminum Siding		1	2	3	4			Stucco		1	2	3	4	Other 1 2 3 4	
		Vinyl Siding		1	2	3	4			Brick Veneer		1	2	3	4		
		Wood Siding		1	2	3	4			Painted Block		1	2	3	4		
Section L-4 Wall Construction (circle floor)																	
		Concrete Block Un-Reinforced		1	2	3	4			Solid Concrete		1	2	3	4		
		Concrete Block Reinforced		1	2	3	4			Wood/Light Metal Frame		1	2	3	4		
Section M-4 Reinforcement Check: (check 3- 5 locations for entire house)																	
Not Applicable ☐		Left Corner ☐		Window/Door ☐		Right Corner ☐											
Section N-4 Carport						Section O-4 Porches						Section P-4 Soffits					
(Circle Applicable) <i>None</i> <i>Built-In</i> <i>Attached</i> <i>Detached</i> Number of Cars: _____						(Exclude Pool Screen Enclosure) (Circle Size and Type) <u>Size</u> <u>Type</u> <i>Small</i> <i>Open</i> <i>Medium</i> <i>Screened</i> <i>Large</i> <i>Enclosed</i>						Overhang		Horizontal Length			
												(inches)		(linear feet)			
												Type ☐ Solid/Wood/Other ☐ Vinyl/Aluminum ☐ None					

Section Q Roof Deck									
Materials			Deck Thickness		Roof Deck Attachment			Spacing	
☐ No Access ☐ Plywood ☐ OSB ☐ Planks/Dimensional Lumber ☐ Concrete ☐ Deck over Battens ☐ Battens ☐ Metal Deck ☐ Other			(Nominal) ☐ No Access ☐ 3/8" ☐ 7/16" ☐ 1/2" ☐ 5/8" ☐ 3/4" ☐ =>1" ☐ Other		☐ No Access ☐ Staples ☐ 6d Nail ☐ 8d Nail ☐ 10d Nail ☐ Screws (=> #8 x 2.5") ☐ Spray Foam Adhesive ☐ Construction Adhesive			For 8d and 10d nails and Screws only ☐ > 6"/12" ☐ 6"/12" ☐ 6"/6"	
Note: If Planks, Concrete or metal is checked, go to section R Roof Slope: /12					Average # of missed nails in 4' of structure: ☐ 0 ☐ 1 ☐ 2 ☐ 3 ☐ 4+				
Section R Roof Structure Materials			Section S Secondary Water Barrier						
No Access ☐ Rafters ☐ Wood Trusses ☐ Light Metal Trusses ☐ ☐ ☐ ☐ ☐			☐ Exterior ☐ Interior ☐ None How verified: <i>Photos</i> <i>Documents</i> <i>Other</i> (Circle Applicable) Spray Foam Adhesive: ☐ ☐						
Spacing: 12" 16" 24" >24" (Circle one)			If none, is there > than 4 feet of height? ☐ Yes ☐ No Y N ☐ ☐						
Section T Roof to Wall Connection									
Severe Corrosion No Access ☐ ☐ None Y N ☐ ☐ 3 or More Nails Y N ☐ ☐ Every Truss/Rafter Y N ☐ ☐ Straight within 1.5" of truss with block Y N ☐ ☐									
☐ Toe Nail ☐ Clips or Non-Wrap Strap ☐ Single Wrap ☐ Double Wrap ☐ Unknown									
If Unknown, Explain why: _____									
Section U Gable End Wall Construction					Section V Building Footprint Area				
(Total must equal # of gables listed on four elevations) Gables less than 4 feet in height: A ☐ Gables 4 feet or more in height: B ☐ Total number of ALL Gables: A + B = ☐					Plan View of House (for calculating building footprint area)				
Of the Gables 4 feet or more in height how many have: No Access ☐ Not Braced - Cathedral Ceiling ☐ Not Braced - Flat Ceiling ☐									
Of the Braced Gables how many are: Balloon Framed ☐ Deck/Diaphragm ☐ Diagonal Bottom or X Bracing ☐ Horizontal Continuous ☐ Masonry Cathedral ☐ Masonry Flat Ceiling ☐									
Total from above (must = B): ☐									
☐ Plywood ☐ OSB ☐ Planks ☐ Non-wood / Insulation ☐ None ☐ Masonry					Total Building Footprint Area = _____ sq. ft.				



**MY SAFE
FLORIDA HOME**

Wind Inspection Report

Dear Homeowner,

At your request, the State of Florida has paid for an inspection of your home by a qualified wind mitigation inspector. The purpose of this report is to identify specific actions that you can take to strengthen your home against hurricane winds. Please use this report as a resource to make your home as hurricane-resistant as possible.

This report provides you with:

- Your home's current level of resistance to hurricane winds
- Specific improvements that will increase your home's hurricane wind resistance
- The estimated costs of improvements
- Your potential savings on homeowner's wind insurance premiums
- Guidelines on securing bids from licensed contractors to perform the recommended improvements

Why you should consider strengthening your home:

Taking steps to increase your hurricane wind resistance rating will:

- Make your house safer, providing increased levels of protection for you and your family
- Reduce the likelihood of future property losses
- Reduce the likelihood of damage to irreplaceable possessions
- Reduce the likelihood of being displaced from your home following a storm
- Possibly make you eligible to receive discounts on windstorm insurance
- Possibly increase the resale value of your house

Please refer to the user's guide available on our website at www.mysafefloridahome.com for answers to questions you may have about your inspection report and the My Safe Florida Home program.

Thank you for your participation in the My Safe Florida Home program.

Sincerely,

Alex Sink
Chief Financial Officer
State of Florida

Section 1: Wind Inspection Report

Understanding your home's hurricane wind resistance rating

The hurricane wind resistance ratings provided in this report are estimated numbers on a scale of 0 to 100. The ratings are designed to provide a general indication of how well your home is expected to perform over a broad range of hurricanes with different intensities and wind directions, and based on your location. Homes built to Florida's current strictest building code requirements will have ratings near 100 while the weakest homes will have ratings approaching zero.

Your home's current hurricane wind resistance rating is estimated to be 42.

It is important to realize that the rating is intended to provide only a relative measure of how well your home is expected to perform over a wide range of wind speeds and wind directions. The rating is approximate and is based on a limited number of visible inspection features. Research to improve the rating system is underway and future adjustments are likely as our understanding of hurricane wind effects continues to improve.

Your house has the following beneficial features that contribute to its current hurricane wind rating:

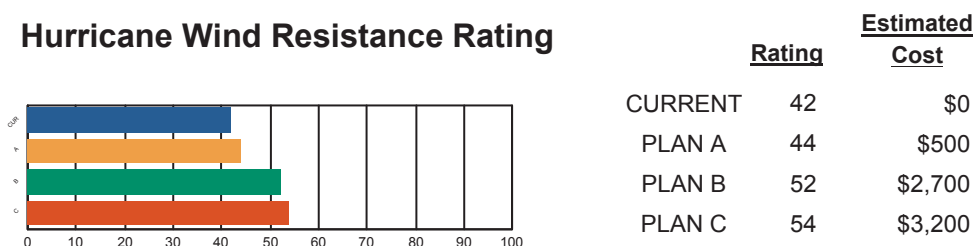
- One story
- Non-tile roof covering
- Intermediate roof deck attachment (attachment B)
- Clip roof-to-wall connection
- Restrained foundation

Please contact your homeowner's insurance agent or insurance company to find out if you are eligible for windstorm loss reduction credits or discounts for these features and to determine how to apply for them.

The following chart shows your home's current wind resistance rating. It also shows the wind resistance rating you could achieve if you implement any of the up to three Recommended Improvement Plans developed as a result of your recent wind inspection (denoted as Plans A, B and C). The details of these plans are included in Sections 1 and 2 of this report and in the contractor bid sheets provided in Appendix A.

Each improvement plan offers a combination of hurricane-resistance features. Based on the combination of features in each plan, the chart below details how much it is estimated to cost you to implement that plan and the possible discount or credit you may qualify for on the windstorm portion of your insurance premium.

Hurricane Wind Resistance Rating



By making all of the improvements recommended in Improvement Plan C, you can increase your home's rating by as much as 12 points to a total rating of 54.

Recommended Improvement Plans for Your House

Based on the results of your wind inspection, the recommended improvement plans for your house are outlined in the table below. For each improvement plan, the table provides the new hurricane wind resistance rating after the improvements are completed and the estimated cost of the improvements. The estimated annual wind insurance premium savings will be shown if insurance information was provided at the time you applied for a free inspection. The chart also shows which of the seven improvements are included in your Recommended Improvement Plans.

Plan	Improvement(s) (See Appendix A for Details)	Hurricane Wind Resistance Rating	Estimated Cost**
	Current condition of house	42	\$0
A	Brace gable ends Recommended Improvement 4	44	\$500
B	Roof deck attachment - interior Recommended Improvement 1a Secondary water barrier - interior Recommended Improvement 2a	52	\$2,700
C	Roof deck attachment - interior Recommended Improvement 1a Secondary water barrier - interior Recommended Improvement 2a Brace gable ends Recommended Improvement 4	54	\$3,200

** A breakdown of estimated costs for each improvement plan is provided in Section 2 of this report.

Section 2: Estimated Improvement Costs & Contractor Bid Summar

IMPORTANT:

Do not show this page to the contractors when requesting cost estimates

Use the following table to compare contractor bids. Please note that the bids you receive may be substantially different than the *My Safe Florida Home* estimates due to the current availability and cost of materials and labor in your area, installation details that are specific to your house, and other factors. You should make your final decision based on the actual bids rather than the estimates given in this report. This table includes cost details for the recommended improvement plans outlined on the previous pages. It also outlines alternative improvement methods you can consider as substitutes for elements within your recommended plans. Additionally, the chart outlines additional improvements that can help make your home more hurricane resistant.

IN	Description of Improvement	Estimated Cost	Bid 1	Bid 2	Bid 3
	Recommended Improvements				
	Plan A				
4	Brace gable ends	\$500			
	TOTAL	\$500			
	Plan B				
1a	Roof deck attachment - interior	\$2,700			
2a	Secondary water barrier - interior	\$0			
	TOTAL	\$2,700			
	Plan C				
1a	Roof deck attachment - interior	\$2,700			
2a	Secondary water barrier - interior	\$0			
4	Brace gable ends	\$500			
	TOTAL	\$3,200			
	Alternative Improvements				
1b	Roof deck attachment - exterior	\$95			
2b	Secondary water barrier - exterior	\$472			
3	Upgrade roof covering	\$2,938			
	Additional Improvements				
6a7a	Window & door protection - standard	\$5,313			
6b7b	Window & door protection - perm. attached	\$6,912			
6c7c	Window & door protection - perm. deployed	\$12,675			
IN	= Improvement Number				



Appendix A: Contractor Bid Sheets

**** IMPORTANT CONTRACTOR INSTRUCTIONS ****

The following bid sheets have been prepared for the homeowner as the result of a free inspection performed by the *My Safe Florida Home* program. These bid sheets are pre-populated with data collected during the wind inspection to assist contractors in providing cost estimates. Contractors are asked to provide their bids for specified work using the attached forms to help homeowners best evaluate bids from multiple contractors. The *My Safe Florida Home* program has identified seven key improvements that will enhance a home's ability to withstand a hurricane:

Improvement 1) Improving the strength of your roof deck attachment

Improvement 2) Creating a secondary water barrier to prevent water intrusion

Improvement 3) Upgrading roof covering

Improvement 4) Bracing gable-end walls

Improvement 5) Reinforcing roof-to-wall connections

Improvements 6 & 7) Window protection (6) and door protection (7)

NOTE: Improvements 6 & 7 are combined because it is recommended that they be undertaken together.

NOTE: Only those bid sheets for the Improvements presented in Section 2 as Recommended, Alternative, or Additional for your home are included in this section.

Please do not return bid sheets or contractor estimates to the My Safe Florida Home program. They are for your use only. Obtaining three estimates is not a requirement of the program.

Improvement 1a: **Roof Deck Attachment - Interior**

Bid Requested: ☐

Improvement 2a: **Secondary Water Barrier - Interior**

Company: _____

Printed Name: _____ Date: _____

Signature: _____

Apply Adhesive to Roof Decking and Rafters	Quantity	Cost
A spray-on adhesive shall be applied to the underside of the roof sheathing from the attic such that a positive bond between the joists and the sheathing is formed. The applied adhesive shall have a minimum uplift capacity of 260 psf for a 4x8 ft panel as determined by laboratory testing. The 260 psf value refers to the mean value of the test results. Joints between sheathing pieces will also be sprayed with adhesive to prevent water infiltration in the event of roof covering losses. The adhesive should be applied continuously to within at least one foot of the eaves. <i>If hired, contractor must supply properly completed documentation for this work to the homeowner.</i>	Interior Roof Area = <u>1,800</u> SF	_____

The bid sheet is for your use only. Do not return the completed form to the My Safe Florida Home program.

Improvement 1b: **Roof Deck Attachment - Exterior**

Bid Requested: ☐

Improvement 2b: **Secondary Water Barrier - Exterior**

Company: _____

Printed Name: _____ Date: _____

Signature: _____

Re-nail Roof Sheathing & Add Secondary Water Barrier	Quantity	Cost
Work is to be performed after existing roof covering has been removed to the decking level. Replace damaged sheathing, re-nail the sheathing, and/or install a secondary water barrier following the requirements specified below.	Exterior Roof Area = <u>1,900</u> SF	_____
Replace Damaged Sheathing Any damaged roof sheathing is to be replaced and attached to the roof trusses/rafters using the specifications given in the Florida Building Code with one exception; nail fastener spacing will not exceed 6 inches on center for all roof zones in all wind zones. Deck fasteners will be 8d ring shank nails. Within 4 feet of any gable end, Re-nail Sheathing All roof sheathing is to be re-nailed using the specifications given in the Florida Building Code with one exception; nail fastener spacing will not exceed 6 inches on center for all roof zones in all wind zones. Existing fasteners and new fasteners may be used to satisfy this requirement. New fasteners will be 8d ring shank nails. Within 4 feet of any gable end, nail spacing will be reduced to 4 inches on center. The contractor will verify that the new fasteners have properly penetrated the rafter/truss by visual examination inside the attic. Fasteners that miss the framing in whole or in part will be removed and re-nailed. <i>If hired, contractor must supply properly completed documentation for this work to the homeowner.</i> Secondary Water Barrier Prior to application of underlayment, all joints between plywood sheets will be taped with a self-adhering polyethylene or rubberized asphalt underlayment that has a minimum width of 6 inches. This self-adhering product shall be applied in accordance with the manufacturer's instructions for wood application. This product will have adherence strength suitable so that it remains attached to the roof deck and provides a secondary water barrier if the roof cover <i>If hired, contractor must supply properly completed documentation for this work to the homeowner.</i>		

The bid sheet is for your use only. Do not return the completed form to the My Safe Florida Home program.

Improvement 3: Upgraded Roof Covering**Bid Requested:** ☐

Company: _____

Printed Name: _____ Date: _____

Signature: _____

Install Upgraded Code-Plus Roof Covering	Quantity	Cost
For shingle roofs, Code Minimum is defined as products meeting the FBC minimum of ASTM D3161 requirements, and Code Plus is defined as products meeting ASTM D7158 Class H. For tile roofs, Code Minimum is considered adhesive set tile, and Code Plus is tile fastened to the roof deck with 2 stainless steel screws. The use of Upgraded Underlayment -- using a synthetic underlayment instead of number 15 or 30 felt -- should be included in Code Plus <i>If hired, contractor must supply properly completed documentation for this work to the homeowner.</i>	Exterior Roof Area = <u>1,900</u> SF	_____
Install Standard Code-Minimum Roof Covering		
Install a new roof covering per the manufacturer's installation instructions using FBC-compliant products. For shingles, six nails are required for each shingle. For mechanically attached tiles, the manufacturer's directions are to be followed. <i>If hired, contractor must supply properly completed documentation for this work to the homeowner.</i>		_____

The bid sheet is for your use only. Do not return the completed form to the My Safe Florida Home program.

Improvement 4: Brace Gable Ends**Bid Requested:** ☐

Company: _____

Printed Name: _____ Date: _____

Signature: _____

Brace All Gable End Walls 4 ft or Greater in Height	Quantity	Cost
The objective of this improvement is to brace the bottom chord of the gable end truss or gable end wall. Top chord bracing is accomplished through the use of properly connected roof sheathing, and is not the objective of this improvement. For homes with flat ceilings, bracing of the bottom chord may be accomplished by following the prescriptive requirements described on Page 9-10 of the "A Homeowner's Guide to Hurricane Retrofit" booklet published by the Institute for Business and Home Safety. You can obtain this guide online at www.ibhs.org. Otherwise, for cathedral, vaulted, or other unusual situations, evaluation of the existing wall and bracing should be reviewed by a Professional Engineer. An allowance for inspection by a Professional Engineer should be included in the cost estimates provided to the homeowner, where appropriate. Contractors should indicate in their bids for bracing gable ends whether an allowance for inspection by a Professional Engineer is included in the price. <i>If hired, contractor must supply properly completed</i>	Number of Gable-End Walls to Brace = <u>2</u>	_____

The bid sheet is for your use only. Do not return the completed form to the My Safe Florida Home program.

Improvements 6 & 7: Window and Door Protection**Bid Requested:** ☐

Company: _____

Printed Name: _____ Date: _____

Signature: _____

IMPORTANT: The wind inspection report and bid sheets will always show the lowest cost opening protection option. However, you may elect to pursue a permanent opening protection that is more expensive.

GENERAL REQUIREMENTS: Opening protection must satisfy the Florida Building Code standards for both impact resistance and pressure resistance. Opening protection must be installed as per the manufacturer's specifications. The contractor will ensure that all local standards and requirements are met. Products that meet the Florida Building Code requirements must be used in order to receive windstorm insurance credits or discounts.

In the cost analysis for window protection, removable storm panels have been assumed for first floor openings and accordion shutters have been assumed for second floor openings, but other Florida Building Code approved protective devices, including impact resistant units, can be used. The number and area of openings presented below represent only those openings not already Hurricane level

	Quantity	Cost
Install Window Protection		
See general requirements. ADDITIONAL REQUIREMENTS: If the structure is already equipped with shutter protection or the equivalent thereof, non-compliance with the current Florida Building Code standards should be verified before replacement with new products. <i>If hired, contractor must supply properly completed documentation for this work to the homeowner..</i>	Number of Windows = <u> 5 </u> Area = <u> 128 </u> SF	<u> </u>
Upgrade Entry Doors		
See general requirements. ADDITIONAL REQUIREMENTS: At least one door must meet the Florida Building Code requirements for a means of escape when all of the opening protection is deployed on the house. All remaining entry doors will be equipped with shutter devices meeting Florida Building Code requirements. <i>If hired, contractor must supply properly completed documentation for this work to the homeowner.</i>	Replace <u> 0 </u> Door(s) Shutter <u> 1 </u> Single Door(s) Shutter <u> 0 </u> Double Door(s)	<u> </u> <u> </u> <u> </u>
Install Sliding Glass Door Protection		
See general requirements and entry door requirements. <i>If hired, contractor must supply properly completed documentation for this work to the homeowner.</i>	Number of Sliders = <u> 1 </u> Area = <u> 47 </u> SF	<u> </u>

Upgrade Garage Doors		
See general requirements. In the cost analysis, replacement of the existing garage door has been assumed; however shuttering devices meeting the general requirements can be used. <i>If hired, contractor must supply properly completed</i>	Number of 1 Car Units = <u> 0 </u> Number of 2 Car Units = <u> 1 </u> Area = <u> 144 </u> SF	_____

The bid sheet is for your use only. Do not return the completed form to the My Safe Florida Home program.

****** END OF BID SHEETS ******

FLDFS Wind Inspection Projected Discount Data and HRR Improvement by County

1/30/2009 09:13:51 AM

County	#HO ELIGIBLE CUR	AVG \$PREM CUR	AVG PRE MIN DISC CUR	AVG PRE MAX DISC CUR	AVG PRE MIN DISC A	AVG PRE MAX DISC A	AVG PRE MIN DISC B	AVG PRE MAX DISC B	AVG PRE MIN DISC C	AVG PRE MAX DISC C	AVG HRR CUR	AVG HRR A	AVG HRR B	AVG HRR C
Alachua	421	\$525.00	15.3%	20.5%	19.5%	25.8%	22.5%	29.2%	24.9%	32.2%	61	72	79	85
			\$80.43	\$107.87	\$102.60	\$135.67	\$117.88	\$153.33	\$130.58	\$167.90				
Baker	22	\$910.00	17.6%	23.7%	23.3%	30.7%	23.9%	32.5%	26.8%	35.8%	50	63	67	77
			\$160.08	\$215.92	\$211.78	\$279.62	\$217.44	\$295.99	\$243.78	\$326.16				
Bay	1930	\$1,368.00	14.2%	20.5%	18.3%	26.8%	21.6%	30.3%	25.2%	35.1%	47	58	67	78
			\$193.77	\$280.47	\$250.55	\$366.10	\$295.48	\$414.82	\$345.36	\$480.54				
Bradford	23	\$1,145.00	20.3%	24.5%	24.6%	29.5%	26.3%	31.5%	29.2%	34.3%	62	71	76	82
			\$231.99	\$280.28	\$281.77	\$338.02	\$301.14	\$360.10	\$331.48	\$392.16				
Brevard	16404	\$1,373.00	16.7%	24.1%	20.9%	29.3%	23.2%	31.4%	26.1%	34.6%	41	53	60	71
			\$229.54	\$331.55	\$286.67	\$402.47	\$318.80	\$430.76	\$358.44	\$475.58				
Broward	25086	\$2,075.00	18.2%	23.4%	24.2%	30.2%	27.7%	32.4%	31.2%	35.9%	19	28	37	45
			\$377.18	\$486.52	\$498.25	\$622.44	\$574.82	\$672.37	\$642.97	\$745.95				
Calhoun	45	\$1,638.00	16.1%	24.1%	20.8%	29.6%	23.7%	32.3%	26.7%	35.3%	37	46	52	60
			\$261.35	\$394.54	\$341.25	\$485.60	\$388.17	\$528.73	\$436.93	\$579.01				
Charlotte	7927	\$1,481.00	17.3%	25.2%	20.9%	29.8%	23.6%	32.2%	25.9%	34.6%	45	57	64	74
			\$255.68	\$372.64	\$309.37	\$441.78	\$349.73	\$477.39	\$383.60	\$512.58				
Citrus	1769	\$702.00	16.8%	23.3%	20.5%	28.2%	23.8%	30.9%	26.8%	34.2%	66	75	81	87
			\$118.17	\$163.82	\$144.03	\$196.86	\$166.94	\$216.87	\$187.81	\$239.92				
Clay	486	\$601.00	19.2%	24.6%	23.2%	29.2%	26.2%	32.2%	30.1%	36.3%	61	71	77	85
			\$115.24	\$147.92	\$138.04	\$175.57	\$156.09	\$193.64	\$180.86	\$218.31				
Collier	3386	\$1,937.00	16.4%	22.6%	20.2%	27.2%	22.8%	29.8%	25.3%	32.4%	36	45	53	62
			\$317.59	\$437.68	\$386.62	\$527.69	\$442.32	\$576.92	\$489.62	\$627.87				
Columbia	49	\$534.00	19.1%	24.1%	22.9%	28.2%	26.8%	31.4%	29.4%	34.2%	59	67	75	82
			\$102.22	\$128.70	\$122.13	\$150.61	\$143.07	\$167.66	\$157.08	\$182.57				
Desoto	189	\$995.00	15.8%	25.4%	20.2%	31.1%	23.2%	34.2%	25.3%	36.5%	54	64	72	79
			\$156.83	\$252.66	\$198.70	\$309.11	\$230.96	\$338.35	\$251.56	\$363.07				
Dixie	28	\$2,096.00	16.8%	24.5%	21.5%	30.1%	24.1%	33.3%	28.5%	37.2%	30	37	47	59
			\$351.08	\$514.27	\$449.89	\$631.79	\$504.95	\$697.40	\$596.41	\$774.57				
Duval	2218	\$625.00	16.2%	22.3%	21.2%	28.4%	24.2%	31.2%	27.8%	34.9%	38	52	59	70
			\$100.09	\$139.24	\$131.48	\$177.40	\$150.28	\$193.72	\$173.48	\$218.36				
Escambia	6162	\$1,339.00	19.4%	23.2%	24.9%	29.3%	27.6%	32.2%	29.8%	34.5%	36	50	59	70
			\$259.15	\$308.46	\$332.92	\$392.21	\$369.04	\$428.72	\$399.13	\$461.92				

This report provides potential premium discount information and HRR improvement ratings as indicated in Completed Wind Inspection reports. It provides the number of homeowners eligible for a discount on their wind insurance premium and the

FLDFS Wind Inspection Projected Discount Data and HRR Improvement by County

1/30/2009 09:13:51 AM

Flagler	948	\$742.00	18.0%	24.4%	21.6%	28.8%	24.4%	31.4%	27.3%	34.7%	46	56	64	74
			\$133.40	\$181.03	\$160.07	\$213.34	\$181.34	\$233.18	\$202.44	\$257.27				
Franklin	95	\$1,857.00	20.3%	26.8%	24.8%	32.4%	28.3%	35.8%	30.8%	38.7%	23	32	42	53
			\$377.26	\$497.52	\$459.94	\$602.49	\$525.38	\$664.56	\$571.29	\$717.76				
Gadsden	51	\$598.00	17.6%	20.9%	23.0%	26.7%	25.4%	29.2%	28.6%	32.6%	54	65	73	80
			\$105.06	\$125.11	\$137.43	\$159.75	\$152.00	\$174.83	\$170.81	\$194.84				
Gilchrist	13	\$616.00	23.8%	23.5%	26.0%	28.2%	27.5%	29.6%	30.6%	32.8%	57	62	68	76
			\$146.42	\$144.76	\$160.16	\$173.85	\$169.22	\$182.63	\$188.79	\$202.19				
Glades	53	\$1,074.00	13.4%	21.4%	16.4%	26.7%	20.2%	30.6%	22.3%	33.4%	59	71	76	85
			\$143.67	\$229.92	\$176.61	\$286.80	\$217.09	\$328.37	\$239.71	\$358.76				
Gulf	116	\$1,666.00	16.9%	20.6%	21.2%	26.3%	24.7%	30.0%	27.5%	33.6%	18	26	37	50
			\$281.93	\$343.84	\$352.41	\$437.86	\$412.05	\$500.52	\$458.87	\$559.98				
Hamilton	2	\$80.00	23.0%	23.0%	20.7%	20.7%	20.7%	20.7%	26.3%	26.3%	60	68	72	81
			\$18.40	\$18.40	\$16.53	\$16.53	\$16.53	\$16.53	\$21.07	\$21.07				
Hardee	70	\$569.00	15.4%	18.3%	23.5%	27.4%	25.3%	29.2%	28.6%	32.7%	54	69	76	83
			\$87.79	\$104.18	\$133.64	\$155.63	\$143.79	\$165.90	\$162.65	\$185.98				
Hendry	296	\$1,108.00	12.0%	20.7%	15.3%	25.7%	18.3%	28.5%	20.2%	30.9%	56	68	75	82
			\$132.77	\$229.63	\$169.87	\$284.89	\$202.35	\$315.58	\$223.29	\$342.34				
Hernando	2286	\$792.00	18.2%	24.5%	22.3%	29.4%	25.2%	32.1%	28.1%	35.3%	53	64	70	79
			\$144.33	\$193.78	\$176.84	\$232.56	\$199.93	\$254.06	\$222.38	\$279.92				
Highlands	697	\$592.00	18.2%	23.2%	22.4%	28.6%	25.0%	30.9%	27.6%	33.6%	67	77	82	88
			\$107.85	\$137.48	\$132.77	\$169.11	\$148.16	\$182.96	\$163.12	\$199.11				
Hillsborough	8964	\$877.00	15.5%	19.2%	20.6%	25.3%	23.1%	27.9%	26.3%	31.4%	44	56	63	73
			\$135.51	\$168.39	\$180.67	\$221.69	\$202.60	\$244.67	\$230.34	\$275.81				
Holmes	28	\$585.00	14.9%	20.6%	18.8%	27.1%	21.6%	30.2%	23.2%	33.3%	43	54	63	71
			\$86.91	\$120.23	\$109.79	\$158.34	\$126.28	\$176.91	\$135.96	\$194.87				
Indian River	5183	\$1,683.00	17.1%	26.6%	20.2%	30.6%	22.8%	32.8%	24.7%	35.0%	48	59	66	74
			\$288.56	\$447.15	\$339.85	\$515.82	\$383.55	\$552.74	\$416.25	\$588.86				
Jackson	79	\$648.00	18.9%	22.4%	23.4%	27.5%	26.2%	30.8%	29.2%	34.0%	55	66	74	82
			\$122.30	\$144.96	\$151.32	\$177.91	\$169.90	\$199.46	\$189.48	\$220.47				
Jefferson	22	\$988.00	19.2%	21.0%	24.4%	26.3%	27.7%	29.6%	31.0%	32.1%	58	67	74	81
			\$189.97	\$207.03	\$240.99	\$260.32	\$274.06	\$292.10	\$306.71	\$317.02				
Lafayette	6	\$995.00	17.5%	20.0%	20.6%	28.0%	24.0%	30.7%	25.7%	35.4%	36	50	54	64
			\$174.13	\$199.00	\$204.69	\$278.60	\$238.80	\$305.61	\$255.86	\$352.51				
Lake	3176	\$528.00	17.4%	25.1%	20.3%	29.3%	23.9%	32.7%	26.4%	35.7%	71	79	86	90
			\$91.83	\$132.42	\$107.22	\$154.92	\$126.30	\$172.73	\$139.59	\$188.25				

This report provides potential premium discount information and HRR improvement ratings as indicated in Completed Wind Inspection reports. It provides the number of homeowners eligible for a discount on their wind insurance premium and the

FLDFS Wind Inspection Projected Discount Data and HRR Improvement by County

1/30/2009 09:13:51 AM

Lee	12178	\$1,460.00	17.2%	25.5%	20.7%	29.6%	23.3%	31.8%	25.4%	34.4%	44	54	61	70
			\$250.56	\$364.66	\$301.77	\$432.11	\$336.35	\$463.99	\$370.66	\$502.63				
Leon	873	\$495.00	18.1%	22.5%	22.2%	27.7%	24.7%	30.5%	27.5%	33.7%	57	68	75	82
			\$89.37	\$111.56	\$110.09	\$137.21	\$122.46	\$150.90	\$136.09	\$166.99				
Levy	71	\$982.00	16.2%	24.6%	20.2%	29.8%	23.5%	32.2%	26.3%	35.8%	48	57	64	72
			\$159.47	\$241.14	\$198.06	\$292.56	\$230.63	\$316.56	\$258.46	\$351.34				
Liberty	12	\$904.00	19.8%	27.6%	22.9%	33.1%	24.1%	36.3%	25.9%	40.4%	50	64	68	75
			\$178.54	\$249.35	\$207.17	\$299.07	\$217.86	\$328.15	\$234.14	\$365.22				
Madison	22	\$916.00	11.3%	19.7%	16.6%	26.8%	20%	31.7%	22.3%	34.8%	52	64	71	78
			\$103.26	\$180.29	\$151.74	\$245.33	\$182.80	\$290.33	\$204.71	\$319.01				
Manatee	3981	\$1,312.00	15.6%	20.9%	20.1%	26.2%	23.2%	29.2%	26%	32.3%	37	48	55	65
			\$205.07	\$273.78	\$263.69	\$343.41	\$305.02	\$382.98	\$341.16	\$423.41				
Marion	3990	\$539.00	17.2%	25.5%	19.8%	29.1%	23.7%	32.7%	25.8%	35.1%	74	81	86	91
			\$92.48	\$137.33	\$106.75	\$156.89	\$127.71	\$176.30	\$138.88	\$189.17				
Martin	3059	\$1,865.00	16.2%	22.9%	19.3%	26.8%	22.1%	29.3%	23.9%	31.5%	41	50	57	64
			\$301.50	\$427.50	\$359.82	\$500.67	\$411.33	\$547.03	\$446.12	\$586.88				
Miami-Dade	15001	\$2,252.00	17.6%	22.2%	24.2%	29.6%	26.9%	31.5%	30.9%	35.9%	22	31	37	46
			\$396.11	\$499.29	\$544.43	\$667.54	\$605.77	\$709.95	\$695.47	\$807.61				
Monroe	428	\$2,844.00	21.5%	25.7%	26.2%	31.5%	28.2%	33.1%	32.3%	37.6%	28	36	39	49
			\$611.79	\$730.59	\$745.81	\$896.07	\$802.95	\$941.50	\$917.96	\$1,069.03				
Nassau	311	\$1,045.00	16.8%	25.3%	20.9%	31.1%	24.5%	33.8%	27.1%	37%	36	48	57	67
			\$175.06	\$264.07	\$218.28	\$324.99	\$255.79	\$353.00	\$283.40	\$386.75				
Okaloosa	5205	\$1,522.00	16.5%	22.1%	20.7%	27.7%	23.8%	30.7%	26.8%	34.3%	32	45	55	67
			\$250.42	\$336.84	\$315.57	\$421.70	\$361.60	\$467.95	\$408.30	\$521.64				
Okeechobee	149	\$1,002.00	19.1%	23.7%	22.1%	27.5%	24.1%	28.9%	25.9%	31.1%	61	70	75	81
			\$191.32	\$237.32	\$221.80	\$275.07	\$241.73	\$289.92	\$259.56	\$311.87				
Orange	4548	\$663.00	15.9%	22.5%	20.1%	28.3%	22.3%	30.6%	25.3%	34.1%	62	74	79	86
			\$105.73	\$149.36	\$133.25	\$187.73	\$148.15	\$202.97	\$167.87	\$226.32				
Osceola	874	\$687.00	18.9%	24.6%	22.7%	29.5%	25.5%	32%	28%	34.9%	65	75	82	88
			\$129.91	\$168.80	\$155.77	\$202.50	\$175.17	\$219.73	\$192.63	\$239.48				
Palm Beach	22191	\$2,013.00	17.9%	24.3%	21.1%	28%	23.4%	29.8%	25.1%	31.7%	38	45	51	57
			\$359.96	\$488.44	\$423.93	\$562.98	\$470.54	\$599.71	\$505.10	\$638.62				
Pasco	4707	\$1,048.00	17.4%	23.2%	22.4%	29.1%	24.6%	31.2%	27.7%	34.7%	44	56	63	73
			\$182.66	\$243.45	\$234.70	\$305.28	\$258.18	\$327.49	\$290.06	\$363.58				
Pinellas	12626	\$1,303.00	14.1%	18.5%	21.1%	26.5%	23.4%	28.5%	27.2%	32.6%	30	44	50	61
			\$184.20	\$241.00	\$274.76	\$345.85	\$304.58	\$371.13	\$353.83	\$424.70				

This report provides potential premium discount information and HRR improvement ratings as indicated in Completed Wind Inspection reports. It provides the number of homeowners eligible for a discount on their wind insurance premium and the

FLDFS Wind Inspection Projected Discount Data and HRR Improvement by County

1/30/2009 09:13:51 AM

Polk	2393	\$594.00	19.1%	24.0%	23.4%	29.1%	25.9%	31.5%	28.3%	34.2%	66	77	82	88
			\$113.67	\$142.71	\$138.88	\$172.74	\$153.77	\$186.85	\$168.23	\$203.14				
Putnam	65	\$622.00	18.3%	21.3%	21.9%	25.9%	25.1%	29.1%	28.2%	32.9%	57	65	74	80
			\$113.87	\$132.20	\$136.35	\$160.82	\$156.00	\$181.29	\$175.49	\$204.60				
Saint Johns	1295	\$1,011.00	16.7%	23.7%	19.8%	28.2%	23.7%	31.7%	26.8%	35.4%	31	41	52	65
			\$168.54	\$239.60	\$200.43	\$285.60	\$239.79	\$320.12	\$270.97	\$358.00				
Saint Lucie	7018	\$1,428.00	17.5%	25.4%	20.5%	29.2%	22.8%	31.3%	24.6%	33.3%	49	59	66	74
			\$249.89	\$362.67	\$292.16	\$417.53	\$325.66	\$447.47	\$350.59	\$475.42				
Santa Rosa	3707	\$1,343.00	19.4%	25.5%	22.6%	29.7%	26.7%	33.4%	28.5%	35.5%	40	51	63	73
			\$260.72	\$342.39	\$303.27	\$398.46	\$359.14	\$448.96	\$382.49	\$476.72				
Sarasota	6500	\$1,416.00	17.0%	22.7%	21.2%	27.7%	24.0%	30.2%	26.7%	33.2%	36	47	53	62
			\$240.53	\$321.83	\$299.61	\$391.71	\$340.42	\$428.09	\$378.03	\$469.47				
Seminole	2550	\$724.00	16.0%	21.9%	20.3%	27.6%	22.3%	29.7%	25.4%	33.2%	56	68	74	82
			\$115.87	\$158.84	\$146.97	\$199.95	\$161.50	\$215.21	\$184.04	\$240.51				
Sumter	6320	\$590.00	17.8%	27.8%	19.9%	30.8%	24.7%	35.3%	26.3%	37.1%	78	84	88	92
			\$104.78	\$163.84	\$117.52	\$181.67	\$145.85	\$208.01	\$155.01	\$219.10				
Suwannee	29	\$561.00	15.8%	20.0%	22.2%	26.6%	23.4%	27.5%	27.9%	32.1%	55	67	74	84
			\$88.41	\$112.39	\$124.32	\$149.30	\$131.02	\$154.37	\$156.36	\$179.88				
Taylor	37	\$996.00	15.9%	21.6%	21.1%	29.3%	24.0%	31.5%	26.3%	34.7%	44	54	63	70
			\$158.01	\$214.78	\$210.11	\$291.69	\$238.55	\$314.10	\$262.12	\$345.44				
Union	8	\$604.00	20.1%	26.4%	22.5%	27.5%	25.4%	30.6%	28.4%	34.7%	53	67	76	85
			\$121.56	\$159.31	\$135.90	\$166.10	\$153.59	\$184.65	\$171.71	\$209.67				
Volusia	4119	\$819.00	15.8%	21.8%	20.8%	27.7%	23.9%	30.5%	27.4%	34.2%	41	53	61	72
			\$129.76	\$178.60	\$170.06	\$226.45	\$195.94	\$249.61	\$224.16	\$280.21				
Wakulla	124	\$903.00	15.8%	24.1%	19.5%	29.0%	22.4%	31.7%	24.4%	34.4%	39	49	57	65
			\$142.95	\$217.23	\$175.83	\$262.01	\$202.04	\$286.68	\$220.72	\$310.47				
Walton	812	\$1,956.00	16.8%	24.3%	19.5%	28.4%	23.0%	31.5%	25.3%	34.3%	28	37	47	57
			\$327.65	\$475.20	\$380.78	\$554.59	\$450.25	\$616.15	\$494.91	\$671.20				
Washington	45	\$569.00	18.0%	22.5%	22.3%	28.2%	24.1%	30.4%	27.8%	34.5%	44	54	65	73
			\$102.67	\$127.78	\$127.08	\$160.62	\$136.92	\$172.72	\$158.13	\$196.19				
TOTALS:	213478	\$1,079.55	17.3%	23.2%	21.4%	28.4%	24.1%	31.0%	26.9%	34.3%	47.49	57.93	65.06	73.52
			\$186.79	\$250.01	\$230.72	\$306.29	\$260.64	\$334.99	\$290.77	\$369.76				

This report provides potential premium discount information and HRR improvement ratings as indicated in Completed Wind Inspection reports. It provides the number of homeowners eligible for a discount on their wind insurance premium and the

GRANT APPLICATION DATA BY COUNTY

Figures for Pilot (before 7/1/2007) AND Post (after 7/1/2007)

1/30/2009 09:18:39 AM

Page 1 of 1

County	RECD Pilot	RECD Post	APRV Pilot	APRV Post	PEND Pilot	PEND Post	Online	Phone	Low Income	Matching	Avg\$ Insured	DocSub Online	Avg Age (yrs)	Pkts Sent Pilot	Pkts Sent Post	Exp
Alachua																
Baker																
Bay		196		183		15	124	72	45	151	\$187,024	34			183	1
Bradford																
Brevard		1427		1374		51	922	505	326	1101	\$201,336	210			1374	2
Broward	668	5866	645	5605		286	3734	2132	1119	4747	\$213,143	697	30	651	5614	669
Calhoun		3		3			2	1	0	3	\$207,666	0			3	
Charlotte	48	865	46	834		42	500	365	199	666	\$211,905	65	21	47	835	64
Citrus		16		14		2	6	10	3	13	\$177,080	2			14	
Clay																
Collier	61	279	59	268		9	165	114	55	224	\$232,258	28	19	59	268	44
Columbia		1		1			1	0	0	1	\$232,000	0			1	
Desoto		2		1			1	1	2	0		0			1	
Dixie		2		2			1	1	0	2	\$255,700	0			2	
Duval		83		79		3	58	25	14	69	\$207,370	15			79	
Escambia	109	747	75	708		54	481	266	131	616	\$183,965	94	25	75	708	100
Flagler		101		97		4	61	40	26	75	\$210,369	13			97	1
Franklin		6		6		1	4	2	0	6	\$168,533	1			6	
Gadsden																
Gilchrist																
Glades																
Gulf		8		8		3	4	4	2	6	\$194,583	0			8	
Hamilton																
Hardee		1		1			0	1	0	1	\$186,000	0			1	
Hendry		5		4			1	4	2	3	\$197,666	0			4	
Hernando		38		35		3	15	23	7	31	\$206,486	1			35	
Highlands		10		8			3	7	5	5	\$246,280	0			8	
Hillsborough	243	170	236	164		14	102	68	35	135	\$207,890	12	26	240	164	321
Holmes																
Indian River	43	617	42	588		23	366	251	203	414	\$193,071	62	27	42	588	51
Jackson																
Jefferson																
Lafayette																
Lake		2		2			1	1	1	1	\$219,000	0			2	

THIS REPORT PROVIDES GRANT APPLICATION INFORMATION. RECD (received) is the count of grant applications Received and Processed. APRV (approved) is the count of pilot grant applications with a status of Approved and post pilot grant appli

GRANT APPLICATION DATA BY COUNTY

1/30/2009 09:18:39 AM

Figures for Pilot (before 7/1/2007) AND Post (after 7/1/2007)

Page 1 of 1

Lee		160	1058	155	1027			53	649	409	242	816	\$216,746	111	23	156	1027	137
Leon			1		1				0	1	0	1	\$190,300	0			1	
Levy			4		4				4	0	0	4	\$233,675	0			4	
Liberty																		
Madison																		
Manatee	89	464		88	441			24	299	165	77	387	\$215,611	38	28	88	442	94
Marion																		
Martin	48	474		47	451			23	304	170	89	385	\$209,362	66	26	47	453	55
Miami-Dade	644	2838		612	2823			201	1752	1086	863	1975	\$198,645	295	40	619	2627	809
Monroe	45	59		27	57			4	34	25	11	48	\$207,501	10	39	27	58	28
Nassau		13			13			1	8	5	3	10	\$239,470	1			13	
Okaloosa		468			455			24	315	153	98	370	\$199,579	87			456	2
Okeechobee		2			2				2	0	0	2	\$165,000	1			2	
Orange		13			9			1	6	7	6	7	\$192,800	3			10	
Osceola		1			1				0	1	1	0		0			1	
Palm Beach	405	4635		390	4414		1	196	2755	1880	870	3765	\$218,442	487	25	391	4425	414
Pasco	1	598		1	565			25	357	241	153	445	\$185,407	68	14	1	565	1
Pinellas	260	2402		248	2314			93	1610	792	330	2072	\$197,324	334	34	251	2319	238
Polk	2	19		1	18			4	8	11	6	13	\$186,809	0	19	1	18	
Putnam																		
Saint Johns		71			68			4	47	24	13	58	\$211,346	6			68	
Saint Lucie	56	997		50	944			63	603	394	271	726	\$187,250	93	23	50	945	93
Santa Rosa	71	409		45	383			16	266	143	74	335	\$201,452	43	18	45	383	44
Sarasota	99	772		99	735			32	483	289	164	608	\$213,189	67	29	99	735	119
Seminole		11			10				6	5	5	6	\$248,316	2			10	
Sumter		1			1				1	0	0	1	\$159,000	0			1	
Suwannee																		
Taylor																		
Union																		
Volusia	1	565		1	538			29	350	215	155	410	\$182,449	48	27	1	538	1
Wakulla	2	6		1	6			1	5	1	0	6	\$180,864	1	9	1	6	
Walton	4	24		3	24			2	16	8	3	21	\$214,271	4	24	3	24	4
Washington																		
TOTALS:	3059	26350	2871	25089	1	1306	16432	9918	5609	20741	\$204,314	2999	25.05	2894	25126	3292		

THIS REPORT PROVIDES GRANT APPLICATION INFORMATION. RECD (received) is the count of grant applications Received and Processed. APRV (approved) is the count of pilot grant applications with a status of Approved and post pilot grant appli

GRANT APPLICATION DATA BY COUNTY

Figures for Pilot (before 7/1/2007) AND Post (after 7/1/2007)

The following lists Grant Applications in various statuses for both Pilot and Post records for all counties.

* Pending is defined as Grant Applications mailed to or created online, but the necessary documents not returned to DFS.

PILOT STATUS	COUNTS
APPROVED	2871
DEFIC	104
INVALID	84
PENDING	1
TOTAL	3060

POST STATUS	COUNTS	TYPE
APPROVED	4845	Low Income
	20244	Matching
	25089	TOTAL
DEFICIENT	180	Matching
	618	Low Income
	798	TOTAL
DENIED	133	Low Income
	313	Matching
	446	TOTAL
INREVIEW	4	Matching
	13	Low Income
	17	TOTAL
PENDING	516	Low Income
	790	Matching
	1306	TOTAL
TOTAL	27656	

THIS REPORT PROVIDES GRANT APPLICATION INFORMATION. RECD (received) is the count of grant applications Received and Processed. APRV (approved) is the count of pilot grant applications with a status of Approved and post pilot grant appli



DESIGNED TO PROTECT FLORIDIANS AND THEIR **HOMES**



For more information on the seven
categories of improvements, visit
www.MySafeFloridaHome.com
or call the My Safe Florida Home helpline
1-866-513-MSFH (6734)



WELCOME TO MY SAFE FLORIDA HOME

For many of us, buying and owning a home is one of the most important investments we make in our lives. When we make this investment, we expect our homes will protect us and serve as a safe haven from hurricanes.

To better protect ourselves and our homes when a hurricane hits, we must also invest in building standards and techniques that will strengthen our homes and communities against the catastrophic damage that hurricanes inflict.

Alex Sink

Alex Sink
Chief Financial Office
State of Florida

IS YOUR HOME HURRICANE RESISTANT?

The Department of Financial Services is providing guidance on what you can do to strengthen your home against catastrophic storms. You can start by taking advantage of the My Safe Florida Home program, which offers free wind inspections to measure how safe your home is against hurricanes. Following the inspection, you will receive a detailed report explaining how to make your home more hurricane resistant. If you provide your insurance information at the time you apply, the report will also outline possible discounts available if you take the recommended steps to strengthen your home.



ALEX SINK
CHIEF FINANCIAL OFFICER
STATE OF FLORIDA

Florida Department of Financial Services



WHY SHOULD YOU MAKE AN INVESTMENT TO STRENGTHEN YOUR HOME AGAINST HURRICANES?

We've got two good reasons:

Reason 1: A free wind inspection. Before you can strengthen your home, you need to know how hurricane resistant it is. A qualified wind inspector, trained in wind-resistant building techniques, will examine your home and provide a detailed report that will:

- explain and prioritize improvements to strengthen your home,
- provide cost estimates for each recommended improvement,
- rate how hurricane resistant your home is, and how resistant it will be after improvements,
- explain what insurance discounts are available and how to get them, if you provided your insurance information.

Reason 2: A discount on insurance premiums. Strengthened homes are less likely to suffer serious damage in a hurricane. Homeowners may be entitled to a range of discounts on their homeowners' insurance premium, depending on what and how many improvements are made. The discounts will be outlined in your free wind inspection report.

WHAT IMPROVEMENTS CAN STRENGTHEN MY HOME AGAINST HURRICANES?

Free wind inspections from the My Safe Florida Home program will recommend improvements in one or more of seven specific categories:

1. Improving your roof deck attachment.

If your roof is made of shingles nailed to plywood sheets, the inspection may reveal that the sheets are not adequately nailed to your roof trusses, and that more and/or longer nails can help prevent the plywood from being blown off during a hurricane.

2. Creating a better water barrier.

There are products that cover and seal the joints between the plywood sheets on your roof. This will reduce leakage if your shingles are blown off.

3. Improving your roof covering.

Upgrading to stronger, thicker, properly nailed hurricane-resistant roof shingles will reduce the chance of your roof shingles blowing off during a hurricane.

4. Bracing gable-ends in your roof framing.

This is usually done in your attic to lessen the chances that your roof will collapse under hurricane wind loads.

5. Reinforcing roof-to-wall connections.

Installing metal tie-down straps that attach roof rafters to wall studs can decrease the chances that your roof will lift during a hurricane.

6. Upgrading exterior wall-opening protections.

For instance, installing hurricane-rated window shutters.

7. Upgrading exterior doors.

For example, replacing a standard garage door with a hurricane-rated garage door.

You may qualify for a free wind inspection if you have a single-family, site-built home.

WHERE DO I SIGN UP?

Step 1: You can apply for the free inspection through the My Safe Florida Home Web site, or by calling the My Safe Florida Home helpline:

www.MySafeFloridaHome.com
1-866-513-6734

Step 2: Once your application has been approved, a qualified wind inspector will contact you to set up an appointment.

Step 3: After the inspection, you will receive a report that rates the hurricane resistance of your home before and after improvements, prioritizes improvements to give you the greatest defense against hurricanes, and details the cost of each. It will also outline the potential insurance savings, if you provided your insurance information at the time you applied.

NOTE: Mobile, modular and manufactured homes, apartments, condominiums, townhome, duplexes and triplexes are not eligible.

WHAT ELSE MAY I QUALIFY FOR?

Strengthening your home by participating in the My Safe Florida Home program may qualify you for discounts on your insurance premium.

By law, all companies offering homeowners insurance must provide discounts to policyholders who invest in products and improvements proven to defend a home against hurricane damage. Contact your insurance company or agent to find out what discounts are available to you after strengthening your home.

Local governments and not-for-profit agencies are also offering grants to low-income homeowners in certain areas of the state. These programs will offer hurricane protection upgrades at a reduced cost or no cost to the qualifying homeowner.



How to Save Money on Your Homeowners' Insurance

For More Information

If you live in a single-family home or duplex, you may take the Florida Wind Insurance Incentives Survey (www.FloridaWindIncentives.org or <http://www.dca.state.fl.us/fdem/mitdb/index.cfm>) to find out what homeowners' insurance discounts may be available to you based on specific building features that better protect your home against hurricane damage.

For more information about the My Safe Florida Home program, please visit www.MySafeFloridaHome.com, or call the My Safe Florida Home Consumer Helpline toll-free at 1-866-513-6734.



Discounts will vary by company. Please contact your agent or insurance company to find out what savings may be available to you.



ALEX SINK
CHIEF FINANCIAL OFFICER
STATE OF FLORIDA
Florida Department of Financial Services

You may save money on your homeowners' insurance in many ways. These savings are generally classified as *hurricane or mitigation-related discounts or credits*.

Hurricane or Mitigation-Related Discounts or Credits

If you live in a home built after 2002, or after 1994 in Miami-Dade or Broward counties, you may qualify for one or more discounts on the wind portion of your homeowners' insurance premium.

You may also be eligible for discounts by taking certain steps to strengthen your home against hurricane damage. Taking such actions to strengthen your home entitles you, by Florida law, to a range of discounts on your wind insurance premium, depending on the type and number of improvements you make.



Improvements might include, for example, shutter protection for windows and doors, and installing hurricane straps in your roof.

The My Safe Florida Home program provides free wind inspections to help eligible homeowners find out how safe their homes are from hurricane damage. After the inspection, homeowners receive a detailed report outlining improvements to make their home more hurricane resistant. This report will identify insurance discounts that may be available to homeowners if they take the suggested actions to strengthen their homes against hurricanes.

Non-Hurricane-Related Savings

In addition to hurricane mitigation, you may also save on your homeowners' insurance in other ways. These include:

- Multipolicy discounts;
- Senior discounts;
- Discounts for installing lightning rods, security systems, deadbolt locks, fire sprinkler systems, smoke detectors, etc.

Applying for your Insurance Discount

Contact your insurance agent or company and ask what features or upgrades they offer discounts or credits for, and what you need to do to qualify. As you discuss these issues with your agent or company, keep the following in mind:

- Verify how much of a discount is available for your home's features or for any upgrades you make. For example, installing hurricane shutters on your home might result in as much as a 29 percent discount on your windstorm premium. If your current windstorm premium is \$1,000, you could save \$300. Other upgrades, like installing hurricane straps in your roof, may also result in savings.
- Ask about any special requirements the company may have in order for you to qualify for a discount. For example, do the shutters need a specific wind rating? Does the company require an inspection of the home before granting the discount? Must the person inspecting the home be a licensed contractor, engineer or other professional? When will the discount or credit be applied?
- Ask what documentation the company requires, and where to send it. Your agent/company may want photographs, receipts and other verification that the upgrades were installed correctly. Be sure to keep copies of everything you submit, as well as a record of when you mailed it.
- Ask your agent to confirm when the discount will take effect, and how it will be granted. For example, if you will receive a discount on your premium during your next policy renewal period, or a refund for a portion of the premium you've already paid?

Mitigation Discounts

Minimum discounts* for certain mitigation features: (as filed with the Florida Office of Insurance Regulation by insurance companies)

Roof Geometry	
Hip Roof	28%

Roof Covering	
Florida Building Code Approved Shingles	7%
Concrete Roof	80%

Roof Deck Attachment	
Plywood/OSB with 8d nails (spaced 6"/6" or 6"/12" apart)	9%
Dimensional Lumber	9%
Concrete	80%

Roof-To-Wall Attachment	
Clips	18%
Single Wrap	20%
Double Wrap	21%

Secondary Water Resistance (SWR)	
SWR applied to a hip roof	32%
SWR applied to other roof shapes	6%

Opening Protection	
Hurricane Rated Shutters	39%
Basic Shutters	29%

*These discounts apply only to the hurricane portion of your insurance premium. Some insurance companies may offer a larger discount than those indicated above. If your home has multiple features, these minimums cannot be combined to reach an overall discount. Please check with your agent and/or insurance company for the total discount that you may be eligible to receive.

Q&A

QUESTION: What products are available through this project?

ANSWER: Garage doors will be replaced with an impact- and wind-pressure-rated door. For window protection, the homeowner may choose between fabric panels or accordion shutters. Exterior doors will be replaced with an impact-rated door or shuttered with a fabric panel or accordion shutter device.

NOTE: Homeowners in Miami Dade and Broward counties who are subject to Miami Dade code product approval may also use metal or polypropylene panels.

QUESTION: What is covered by the medical exemption?

ANSWER: Medical exemptions are available for homeowners who currently have hurricane (impact and wind rated) panels that they are unable to deploy. With an approved medical exemption the homeowner can choose to replace their current protection with wind and impact rated accordion shutters up to \$5,000.

QUESTION: What if a category cost exceeds the \$5,000 grant limit?

ANSWER: The Contractor will protect as many categories as possible without exceeding the \$5,000 grant limit. The homeowner may independently contract at their expense to have partial opening protection installed which will allow the My Safe Florida Home contractor to complete the retrofit category within the \$5,000 grant limit.

QUESTION: Can I use this project to brace my gable ends?

ANSWER: No. This project is only available for opening protection. If the homeowner has not exceeded the \$5,000 limit, they may still pursue reimbursement for bracing gable ends through the My Safe Florida Home reimbursement process.



ALEX SINK • CHIEF FINANCIAL OFFICER • STATE OF FLORIDA
DEPARTMENT OF FINANCIAL SERVICES

P.O. Box 7300 • Tallahassee, FL 32314-7000



Low-Income Direct Pay Program



ALEX SINK
CHIEF FINANCIAL OFFICER
STATE OF FLORIDA

Florida Department of Financial Services

My Safe Florida Home

In order to accomplish this goal the My Safe Florida Home program has partnered with a selected contractor to install opening protection for low-income homeowners.

Participating low-income homeowners will agree to:

- Have the work completed by the selected contractor;
- Not make any payments to the contractor; and
- Not be directly reimbursed by the State of Florida, as the contractor will be paid directly by MSFH.

The contractor participating in this project is:

HOME SAFETY SOLUTIONS INC.

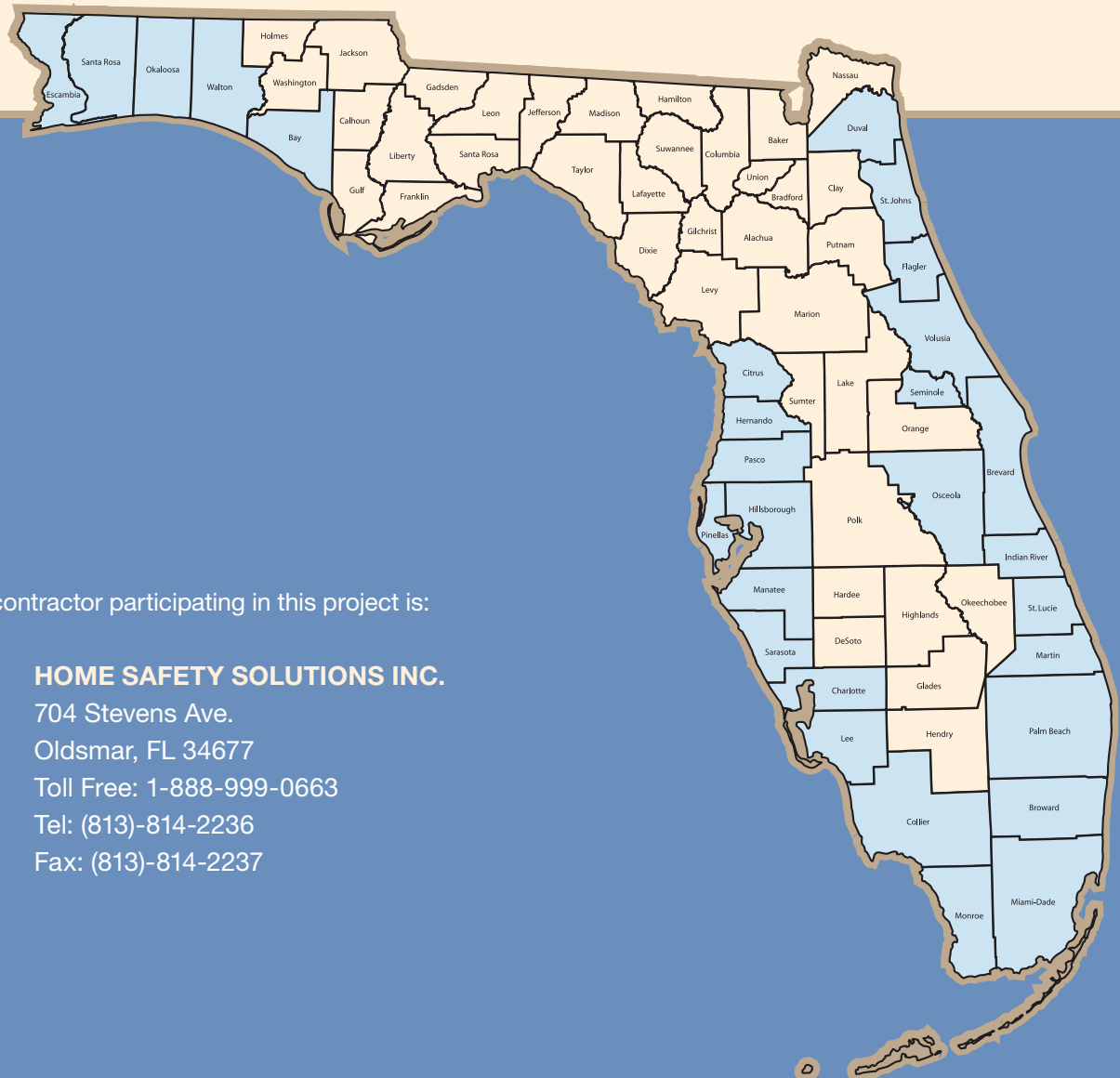
704 Stevens Ave.

Oldsmar, FL 34677

Toll Free: 1-888-999-0663

Tel: (813)-814-2236

Fax: (813)-814-2237



Final Report

Media Campaign for MySafeFlorida.com

Summary

The overall program met its objectives. The media buy over-performed, delivering more spots and rating points than planned while staying below budget. Ultimately, behavior changed. Compared to the average before the campaign, weekly online applications had more than doubled by the close of the campaign.

Background

Goal of Media Campaign

Increase applications for free wind inspections of single-family detached homes in Florida, especially in the wind-borne debris regions along the state's coastlines.

Target Audience

This program targeted Florida residents eligible for free wind inspections, meaning anyone who owns a single-family, detached, site-built home in the state. Our target audience excluded occupants of mobile homes, manufactured homes, apartments, condominiums, multi-family dwellings and businesses as they were ineligible for the program.

Strategy

To encourage owners of single-family site-built homes in Florida to apply, the media campaign aimed to build awareness of a key benefit of the inspection: saving money. Seven out of ten homeowners who sign up for wind inspections save an average of \$200 on their annual homeowner's insurance premiums. The campaign utilized the strong behavioral determinant of saving money to better elicit the desired response of Florida homeowners applying for the inspection service.

Tactics

<i>Tactic</i>	<i>Intended Result</i>	<i>Timing</i>
Air attention-getting television spots and radio ads directing homeowners to www.MySafeFloridaHome.com to apply for a free home inspection.	Raise awareness of the program and its benefits. Increase the number of online applicants for the program.	Broadcast spots aired March 10 through May 26. Some make-goods ran after May 26.
Redesign the look of the www.MySafeFloridaHome.com and associated application page to carry the campaign look (M4C will do design; DFS will apply to site)	Match the online experience to the promotional campaign	New design applied to website March 2008.

<i>Tactic</i>	<i>Intended Result</i>	<i>Timing</i>
Gain free media exposure via press releases and press conferences in relevant statewide media markets, to include: ○ Newspapers ○ TV ○ Radio DFS will execute the earned media strategy provided by M4C.	Help boost awareness of the program and its benefits. Help increase the number of online applicants for the program.	Launched press conference in March 2008

Final Media Schedule

The initial media plan, submitted during the bidding process, proposed investing in 1,000 rating points of TV in some markets and 800 rating points of radio in other markets, along with specific ethnic radio buys. When the plan was executed, buyers set even higher targets – without any impact on the budget. The final media plan called for airing 1,100 rating points over 11 weeks (three weeks were dark) in three TV markets – Tampa/ St. Petersburg, Miami/Fort Lauderdale, and West Palm Beach/Fort Pierce. In addition, another 660 rating points were to be purchased in the Tallahassee/Thomasville market. (This was initially a radio-only market). The media plan for the other markets was focused on radio, with between 860 and 880 rating points purchased over the same period in the remaining six markets. Spanish-language radio was also planned for Orlando, Tampa and Miami/Fort Lauderdale. Haitian radio was planned for Miami/Fort Lauderdale.

	Mar-08					Apr-08				May-08				
MEDIA	3	10	17	24	31	7	14	21	28	5	12	19		
<u>TV</u>													New Target	Bid
<i>Tampa/St. Petersburg</i>		200	200	200		100	100		100	100		100	1100	1000
<i>Miami/Fort Lauderdale</i>		200	200	200		100	100		100	100		100	1100	1000
<i>West Palm/Ft. Pierce</i>		200	200	200		100	100		100	100		100	1100	1000
<i>Tallahassee/Thomasville</i>		200	180	180		100							660	600
<i>Totals</i>														
<u>Radio</u>														
<i>Orlando/Daytona Beach/Melbourne</i>		180	100	100		100	100		100	100		100	880	800
<i>Jacksonville</i>		180	100	100		100	100		100	100		100	880	800
<i>Fort Myers/Naples</i>		180	100	100		100	100		100	100		100	880	800
<i>Pensacola/Ft. Walton</i>		160	100	100		100	100		100			100	660	600
<i>Gainesville/Ocala</i>		160	100	100		100	100		100			100	660	600
<i>Panama City</i>		160	100	100		100	100		100			100	660	600
<i>Orlando Hispanic</i>		160	100	100		100	100		100			100	660	800
<i>Tampa Hispanic</i>		180	100	100		100	100		100	100		100	880	800
<i>Miami/FTL Haitian (Creole)</i>		180	100	100		100	100		100	100		100	880	800
<i>Miami/FTL Hispanic</i>		180	100	100		100	100		100	100		100	880	800

Results

Media Buy

As planned, 94% of the media campaign's budget was invested in purchasing advertising time on television and radio. In both mediums, the actual media weight exceeded what the agency initially pledged.

In television, \$648,099.90 was budgeted and \$645,137.33 or 99.5% was actually spent. This purchased 2287 spots. Including value-added spots and make-goods, 2593 or 114% actually ran. Nearly 4,000 adult 25+ rating points were purchased and 4214.4 or 105% actually ran. For 99.5% of the planned budget, the campaign delivered 113% of the planned spots and 105% of the planned rating points. Market-by-market breakdowns are shown below.

	Purchased # of Spots	Actual # of Spots	Purchased TRPs A25+	Actual TRPs A25+
MIAMI / FT. LAUDERDALE	469	504	1109.0	1135.2
TAMPA	475	512	1102.2	1178.8
TALLAHASSEE / THOMASVILLE	321	387	674.6	677.3
WEST PALM BEACH	380	416	1111.5	1223.1
TV TOTAL	2287	2593	3997.3	4214.4

	Purchased Dollars (Net cost)	Actual Dollars (Net cost)	% Spots Purchased vs. Actual	% TRPs Purchased vs. Actual	% Dollars Purchased vs Actual
MIAMI / FT. LAUDERDALE	\$291,721.50	\$290,776.50	107.5%	102.4%	99.7%
TAMPA	\$234,378.90	\$234,378.90	107.8%	106.9%	100.0%
TALLAHASSEE / THOMASVILLE	\$17,123.40	\$17,005.28	120.6%	100.4%	99.3%
WEST PALM BEACH	\$104,876.10	\$102,976.65	109.5%	110.0%	98.2%
TV TOTAL	\$648,099.90	\$645,137.33	113.4%	105.4%	99.5%

Because of the timing in which radio ratings data is provided by the ratings services, this report expresses delivery of radio schedules in number of spots only. It is assumed that if purchased spots actually ran then rating points are delivered. In radio, \$352,386.74 was budgeted and \$346,427.21 or 98.3% was actually spent. That purchased 5856 spots. Including value-added and make-goods, 5878 spots or 100.3% of spots actually ran. For 98.3% of the planned budget, the campaign delivered 100.3% of the planned spots. Market-by-market breakdowns are shown below.

	Purchased # of Spots	Actual # of Spots	Purchased TRP'S A25+
GAINESVILLE / OCALA	696	696	635
FT MYERS / NAPLES	876	875	888
JACKSONVILLE	751	725	841
MIAMI (HAITIAN)	407	416	N/A
MIAMI (HISPANIC)	358	358	875
ORLANDO (GENERAL MARKET)	970	1029	836
ORLANDO (HISPANIC)	238	217	864
PANAMA CITY	468	468	667
PENSACOLA / FT WALTON	734	733	690
TALLAHASSEE / THOMASVILLE	3	9	
TAMPA HISPANIC	355	352	807
RADIO CAMPAIGN TOTAL	5856	5878	7103

	Purchased Dollars (Net cost)	Actual Dollars (Net cost)	% Spots Purchased vs. Actual	% Dollars Purchased vs Actual
GAINESVILLE / OCALA	\$19,533.15	\$19,533.15	100.0%	100.0%
FT MYERS / NAPLES	\$29,684.34	\$29,684.10	99.9%	100.0%
JACKSONVILLE	\$55,118.07	\$49,551.77	96.5%	89.9%
MIAMI (HAITIAN)	\$25,493.27	\$25,492.77	102.2%	100.0%
MIAMI (HISPANIC)	\$57,621.38	\$57,243.38	100.0%	99.3%
ORLANDO (GENERAL MARKET)	\$97,656.30	\$97,656.30	106.1%	100.0%
ORLANDO (HISPANIC)	\$19,722.15	\$19,707.98	91.2%	99.9%
PANAMA CITY	\$9,334.71	\$9,334.93	100.0%	100.0%
PENSACOLA / FT WALTON	\$17,398.40	\$17,397.97	99.9%	100.0%
TALLAHASSEE / THOMASVILLE	\$383.67	\$383.56	300.0%	100.0%
TAMPA HISPANIC	\$20,441.30	\$20,441.30	99.2%	100.0%
RADIO CAMPAIGN TOTAL	\$352,386.74	\$346,427.21	100.4%	98.3%

Buyers also negotiated for added-value components, which were delivered at no additional cost. A station-by-station summary is shown below. While it is difficult to assign a dollar value to these components, we feel that \$180,000 in value is a very conservative estimate.

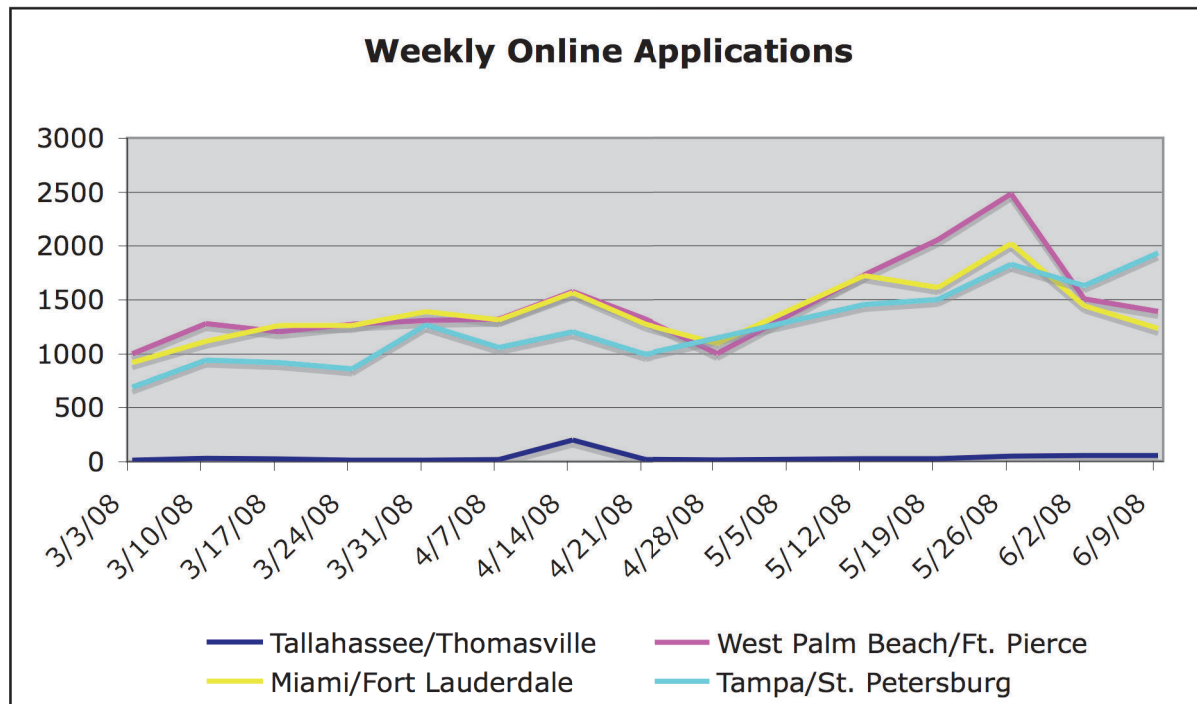
STATION	ADDED VALUE
WWKA-FM	5 billboards per week, 5a-6p, w/o 3/24, 4/7, 4/14, 4/28, 5/5, 5/19
WDBO	Logo and link on website
WMMO-FM	Rotating 10-second sponsorships
WOMX-FM	Rotating billboards
WVUE-FM	Banner
WSVN-TV	AM news billboards
WTVJ-TV	Radio news simulcast
WPLG-TV	:30 TV ad rotating online; rotating internet banners-400,000 impressions
WAQI-AM WAMR-FM	Rotating news/weather/traffic billboards
WMCQ-FM	Rotating web banners
1610AM/102.5FM	Simulcast
WRHB	Koze Fanm Show - website mention and link
WPEC-TV	News billboards
WPTV-TV	Half-page ad in hurricane guide
WPBF-TV	Logo in hurricane guide; participation at hurricane expos; 2 weather billboards during flight weeks; internet schedule on weather page
WFLA-TV	5-7a news ticker
WFTS-TV	Web banner; billboards on 24 hour weather channel; full-page print ad
WTVT-TV	News/weather billboards
WTSP-TV	Rotating news/weather/sports billboards
WSKY	M-Sa 6a-12M Rotators; Interview on Bob Rose Show
WMFQ	M-Su 6a-12M Rotators
WTRS	M-Su 6a-12M Rotators
	Week of 3/24 - 60 billboard sponsorship weekend
WXJZ	M-Su 6a-12M Rotators
WKTK	M-Su 6a-12M Rotators
WAVV	M-F 7p-12M Rotators
WBTT	M-F 6a-7p Billboard Rotators
WCKY	M-F 6a-7p Billboard Rotators
WOLZ	M-F 6a-7p Billboard Rotators
WFSY	M-F 6a-7p Billboard Rotators
WPAP	M-F 6a-7p Billboard Rotators
WQIK	M-F 6a-7p Billboard Rotators
WSOL	M-F 6a-7p Billboard Rotators
WPLA	M-F 6a-7p Billboard Rotators

STATION	ADDED VALUE
WRRX	M-F 6a-7p Rotators (10 per week); M-F 3p-7p Rotators (20 per week)
WCOA	M-F 6a-7p Rotators (10 per week)
WJLQ	M-F 6a-7p Rotators (15 per week)
WZNS	M-Su 6a-12M Rotators
	M-F 6a-10a Billboard Rotators
	M-F 3p-7p Billboard Rotators
WTWC	1 for 1 matched spot for M-F, 7a-9a Today Show

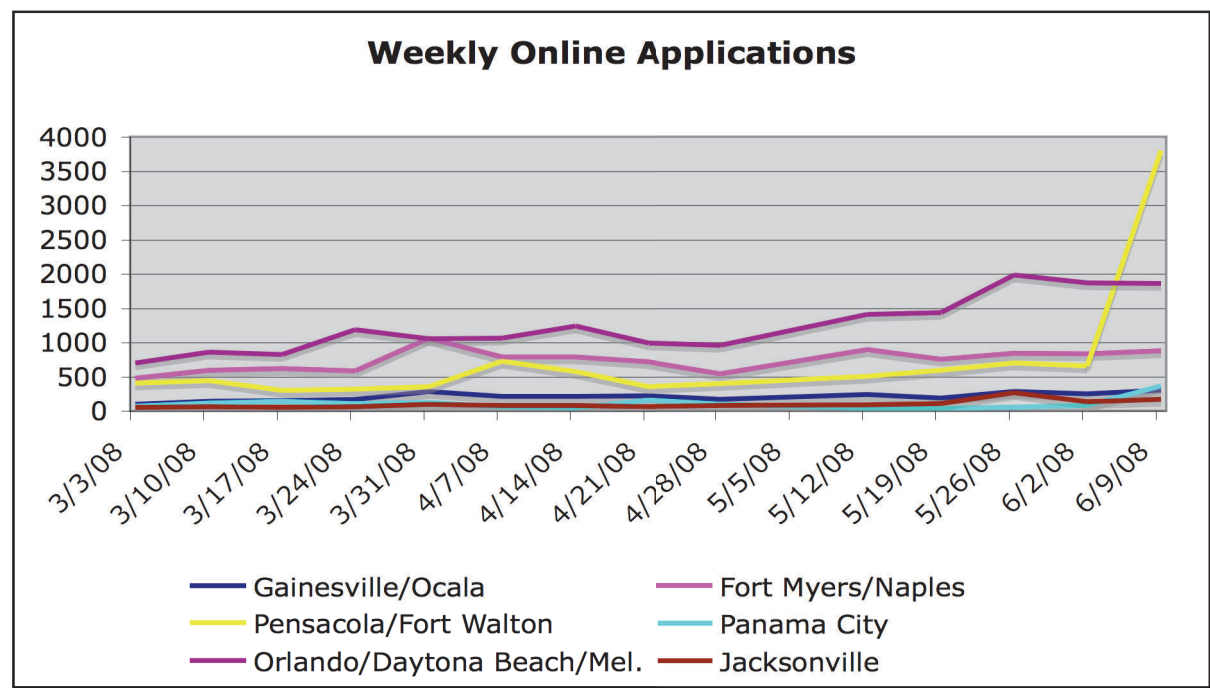
Behavior Change

By the end of the campaign, weekly online application totals soared to 232% of pre-campaign numbers, from less than 5,000 applications a week on average to more than 10,000. Every single market experienced an increase, ranging from 550% in Pensacola to 145% in West Palm Beach. The graphs below illustrate the increase overall, by television market and by radio market.

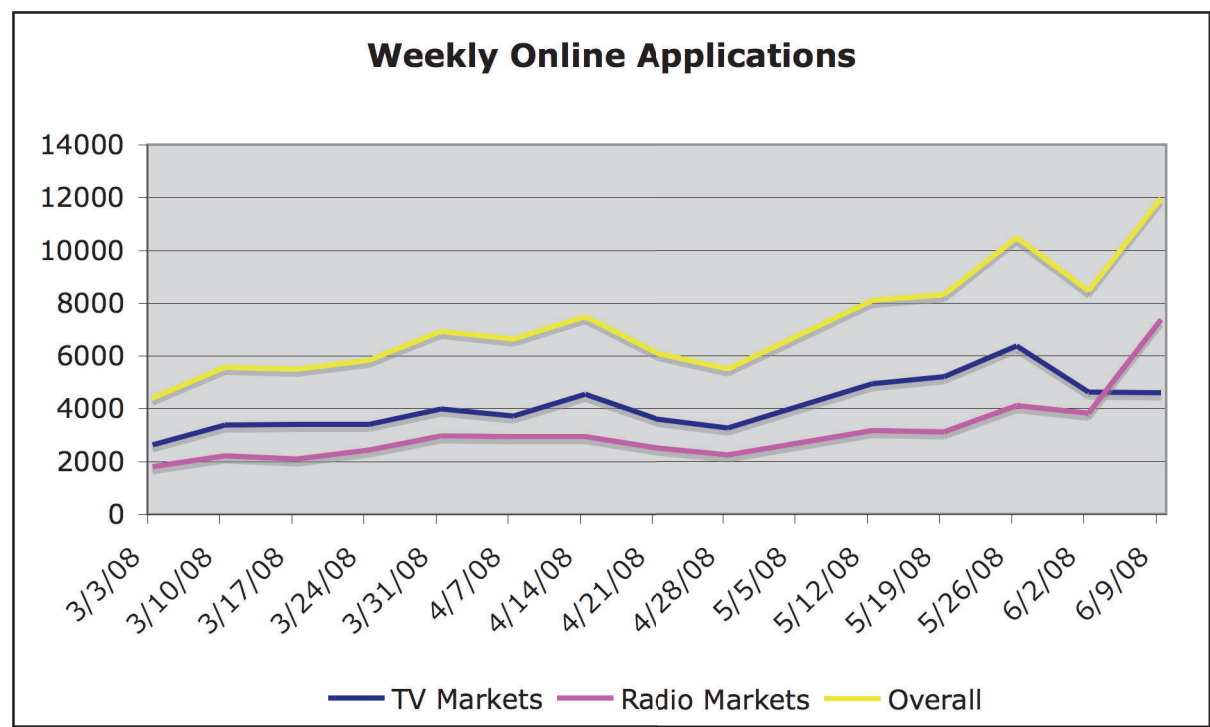
Online Application Increases in TV Markets



Online Application Increases in Radio Markets



Increase in overall online applications (weekly)



Executive Summary

Success of Media Campaign

The bottom line measure of the media campaign success is the fact that the My Safe Florida Home Program has generated over 250,671 home inspections and over 317,000 applications as of the last week of May 2008. The goal of 400,000 home inspections seems easily within reach by June 2009.

Research Study

The research study designed to measure the effectiveness of the media campaign for generating awareness of the My Safe Florida Home Program and to get homeowners to sign up for free wind inspections was a classic pre-test/post-test study in which a statewide survey of homeowners was conducted prior to the media campaign (October 2007) and an identical study was conducted at the conclusion of the media campaign (May 2008).

Exogenous Influences on Effectiveness of Media Campaign

It should be noted that the effectiveness of the media campaign was measured by a telephone survey conducted during the latter part of May 2008, i.e., at the end of the media campaign. Snap shot measurements such as the one conducted in this study can gauge the overall impact of a media campaign, yet this study was not designed to evaluate the impact of specific elements of the campaign (e.g., individual advertisements or media such as radio or television). Recall of a specific advertisement, for example, will be higher if measurements are conducted the day of, and the days immediately following, that advertisement rather than waiting until the end of an advertising campaign.

It should also be noted that many other influences other than the media campaign affect awareness of programs such as the My Safe Florida Home Program. Timing of campaigns and external influences can have significant impacts on recall of programs and behavioral intent such as signing up for a free home inspection. Baseline measurements of awareness of the My Safe Florida Home Program were conducted during October 2007 near the end of hurricane season. While the 2007 hurricane experiences in Florida were minimal, the baseline measurements, nonetheless, took place during the hurricane season and there were active hurricanes in other parts of the world during baseline measurements of awareness of the My Safe Florida Home Program.

The follow-up measurements of the effectiveness of the media campaign occurred prior to the start of hurricane season. Media coverage, in general, and the collective consciousness of the Florida public presumably had not yet begun to focus on the upcoming hurricane season. For example, Alma, the first Pacific hurricane of 2008, was mentioned in the media for the first time on May 29, 2008, after all interviews for the follow-up survey were completed.

Timing of the baseline measurements (during hurricane season), timing of the follow-up measurements (prior to hurricane season), and the fact that measurements of the effectiveness of the media campaign were conducted at the end of the media campaign rather than during the campaign can all have an impact on awareness of the My Safe Florida Home Program and Floridians' intentions to sign up for free home inspections.

Media Campaign's Influence on Intent to Get Wind Inspections and to Apply for Matching Grants

The same percentage of homeowners (65%) prior to and after the media campaign claimed they would be at least somewhat likely to apply for a free home wind inspection. However, considerably more homeowners (72%) after the media campaign said they would apply, if eligible, for a matching grant to strengthen their homes against hurricane winds. Compared to before the media campaign, Florida homeowners after the media campaign were willing to spend considerably more money making improvements to their homes to get matching funds from the State of Florida.

Prior to the media campaign, homeowners were willing to spend \$3,191, while they were willing to spend \$4,448 to strengthen their homes after the media campaign.

The media campaign had salutary effects on the impact of various arguments for signing up for free wind inspections. The media campaign increased the percentages of homeowners who indicated a likelihood of signing up for a free wind inspection based on each of the following arguments (in italics):

- *Stronger homes sustain less damage from hurricanes* – increase of two percentage points (70% - 72%) in homeowners who expressed some likelihood of signing up for a free inspection.
- *Inspections lead to decreases of \$180 on average in homeowners insurance premiums* – increase of four percentage points (72% - 76%) in homeowners who expressed some likelihood of signing up for a free inspection.
- *Improvements to strengthen homes against hurricanes return \$4 for every \$1 invested in mitigation* – increase of four percentage points (71% - 75%) in homeowners who expressed some likelihood of signing up for a free inspection.
- *Inspections and subsequent improvements can increase the value of your home* – increase of three percentage points (70% - 73%) in homeowners who expressed some likelihood of signing up for a free inspection.

Behavioral Intent in the Face of Counter Arguments

Five arguments against getting free home inspections were pitted against an argument in favor of inspections based on the fact that it's smart to get an inspection, it's free, and there is no obligation to get improvements. The media campaign increased the percentage of homeowners who intended to get a free inspection for four of the five arguments against getting an inspection (argument in italics).

- Smart to get an inspection vs. *why bother spending money the chance of a hurricane are slim* – increase of seven percentage points (65% - 72%) in homeowners who agreed it's smart to get an inspection.
- Smart to get an inspection vs. *potential hassle of completing forms and clearing bureaucratic huddles* – increase of one percentage point (59% - 60%) in homeowners who agreed it's smart to get an inspection.
- Smart to get an inspection vs. *concerns over home records becoming public information* – increase of five percentage points (50% - 55%) in homeowners who agreed it's smart to get an inspection.
- Smart to get an inspection vs. *amount of out-of-pocket mitigation costs possibly exceeding the increase in value of home* – increase of four percentage points (62% - 66%) in homeowners who agreed it's smart to get an inspection.
- Smart to get an inspection vs. *difficulties in learning about the program and figuring out what to do to participate* – decrease of one percentage point (59% - 58%) in homeowners who agreed it's smart to get an inspection.

Attitudes and Perceptions

- The percentage of homeowners who have a favorable perception of the My Safe Florida Home Program remained essentially the same prior to and after the media campaign (87% prior; 86% after).
- The percentage of homeowners selecting the number one motivator for signing up for the My Safe Florida Home Program (better protection for your family against hurricanes) increased from 33% prior to the media campaign to 42% after the campaign.

Awareness and Knowledge

- Awareness of the concept that there is a program to help homeowners decreased from 28% prior to the media campaign to 27% after.
- Percentage of homeowners who were able to give the correct name of the program without prompting increased from 5% prior to 6% after the media campaign.
- Aided recall of the My Safe Florida Home Program decreased from 28% prior to 19% after the media campaign.
- Knowledge of some program elements decreased during the media campaign, while knowledge of other elements increased.

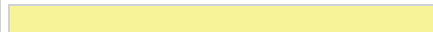
Survey Report : Inspection Survey

Viewed	5824
Started	4652
Completed	4636
Completion Rate	99.66%
Drop Outs (After Starting)	16
Average time taken to complete survey : 3 minute(s)	

Was it easy to apply for a free wind inspection?

 Custom Analysis Options

Frequency Analysis

	Answer	Count	Percent	20%	40%	60%	80%	100%
	Easy	<u>3668</u>	<u>79.43%</u>					
	Somewhat Easy	<u>831</u>	<u>17.99%</u>					
	Somewhat Difficult	<u>87</u>	<u>1.88%</u>					
	Difficult	<u>32</u>	<u>0.69%</u>					
	Total	4618	100%					

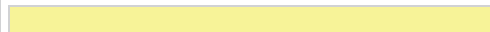
Key Analytics

Mean	1.238	Key Facts 97.42% chose the following options : Easy Somewhat Easy Least chosen option 0.69% : Difficult
Confidence Interval @ 95%	[1.224 - 1.253] n = 4618	
Standard Deviation	0.511	
Standard Error	0.008	

Were you contacted to schedule your inspection within the time expected?

 Custom Analysis Options

Frequency Analysis

	Answer	Count	Percent	20%	40%	60%	80%	100%
	Yes	<u>4177</u>	<u>90.22%</u>					

	No	<u>356</u>	<u>7.69%</u>	
	Dont know	<u>97</u>	<u>2.10%</u>	
	Total	4630	100%	

Key Analytics

Mean	1.119	Key Facts 97.9% chose the following options : Yes No Least chosen option 2.1% : Dont know
Confidence Interval @ 95%	[1.108 - 1.130] n = 4630	
Standard Deviation	0.383	
Standard Error	0.006	

When your inspector called to schedule your inspection, was it clear who was calling and why?

 Custom Analysis Options

Frequency Analysis

	Answer	Count	Percent	20%	40%	60%	80%	100%
	Yes	<u>4543</u>	<u>98.29%</u>					
	No	<u>60</u>	<u>1.30%</u>					
	Dont know	<u>19</u>	<u>0.41%</u>					
	Total	4622	100%					

Key Analytics

Mean	1.021	Key Facts 99.59% chose the following options : Yes No Least chosen option 0.41% : Dont know
Confidence Interval @ 95%	[1.016 - 1.026] n = 4622	
Standard Deviation	0.170	
Standard Error	0.003	

On the day of your inspection, did your inspector arrive on time?

 Custom Analysis Options

Frequency Analysis

	Answer	Count	Percent	20%	40%	60%	80%	100%
	Yes	<u>4421</u>	<u>95.82%</u>					

	No	<u>114</u>	<u>2.47%</u>	
	Dont know	<u>79</u>	<u>1.71%</u>	
	Total	4614	100%	

Key Analytics

Mean	1.059	Key Facts 98.29% chose the following options : Yes No Least chosen option 1.71% : Dont know
Confidence Interval @ 95%	[1.050 - 1.068] n = 4614	
Standard Deviation	0.300	
Standard Error	0.004	

Was your inspector courteous and professional?

 Custom Analysis Options

Frequency Analysis

	Answer	Count	Percent	20%	40%	60%	80%	100%
	Yes	<u>4501</u>	<u>97.59%</u>					
	No	<u>49</u>	<u>1.06%</u>					
	Dont know	<u>62</u>	<u>1.34%</u>					
	Total	4612	100%					

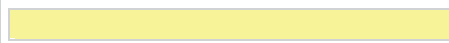
Key Analytics

Mean	1.038	Key Facts 98.94% chose the following options : Yes Dont know Least chosen option 1.06% : No
Confidence Interval @ 95%	[1.030 - 1.045] n = 4612	
Standard Deviation	0.251	
Standard Error	0.004	

Upon completion of the inspection, did the inspector leave informational materials with you?

 Custom Analysis Options

Frequency Analysis

	Answer	Count	Percent	20%	40%	60%	80%	100%
	Yes	<u>3827</u>	<u>83.05%</u>					

	No	<u>504</u>	<u>10.94%</u>	
	Dont know	<u>277</u>	<u>6.01%</u>	
	Total	4608	100%	

Key Analytics

Mean	1.230	Key Facts 93.99% chose the following options : Yes No Least chosen option 6.01% : Dont know
Confidence Interval @ 95%	[1.214 - 1.245] n = 4608	
Standard Deviation	0.545	
Standard Error	0.008	

Did you receive your report within 45 days of the inspection?

 Custom Analysis Options

Frequency Analysis

	Answer	Count	Percent	20%	40%	60%	80%	100%
	Yes	<u>3553</u>	<u>77.14%</u>					
	No	<u>726</u>	<u>15.76%</u>					
	Dont know	<u>327</u>	<u>7.10%</u>					
	Total	4606	100%					

Key Analytics

Mean	1.300	Key Facts 92.9% chose the following options : Yes No Least chosen option 7.1% : Dont know
Confidence Interval @ 95%	[1.282 - 1.317] n = 4606	
Standard Deviation	0.593	
Standard Error	0.009	

Did your report contain information that was helpful to you?

 Custom Analysis Options

Frequency Analysis

	Answer	Count	Percent	20%	40%	60%	80%	100%
	Yes	<u>3653</u>	<u>79.52%</u>					

	No	<u>653</u>	<u>14.21%</u>	
	Dont know	<u>288</u>	<u>6.27%</u>	
	Total	4594	100%	

Key Analytics

Mean	1.268	Key Facts 93.73% chose the following options : Yes No Least chosen option 6.27% : Dont know
Confidence Interval @ 95%	[1.251 - 1.284] n = 4594	
Standard Deviation	0.567	
Standard Error	0.008	

Have you received any insurance discounts or savings as a result of your free wind inspection?

 Custom Analysis Options

Frequency Analysis

	Answer	Count	Percent	20%	40%	60%	80%	100%
	Yes	<u>1555</u>	<u>33.66%</u>					
	No	<u>2417</u>	<u>52.32%</u>					
	Dont know	<u>648</u>	<u>14.03%</u>					
	Total	4620	100%					

Key Analytics

Mean	1.804	Key Facts 85.97% chose the following options : No Yes Least chosen option 14.03% : Dont know
Confidence Interval @ 95%	[1.785 - 1.823] n = 4620	
Standard Deviation	0.662	
Standard Error	0.010	

 Custom Analysis Options

Overall Matrix Scorecard

Question	Count	Score	Completely satisfied	Somewhat satisfied	Neutral	Somewhat unsatisfied	Completely unsatisfied
----------	-------	-------	----------------------	--------------------	---------	----------------------	------------------------

1.	Overall, how would you rate your experience with your free wind inspection?	4599	1.823	
----	---	------	-------	------------------------

Overall, how would you rate your experience with your free wind inspection?

 Custom Analysis Options

Frequency Analysis

	Answer	Count	Percent	20%	40%	60%	80%	100%
	Completely satisfied	<u>2675</u>	<u>58.16%</u>					
	Somewhat satisfied	<u>949</u>	<u>20.63%</u>					
	Neutral	<u>370</u>	<u>8.05%</u>					
	Somewhat unsatisfied	<u>325</u>	<u>7.07%</u>					
	Completely unsatisfied	<u>280</u>	<u>6.09%</u>					
	Total	4599	100%					

Key Analytics

Mean	1.823	Key Facts 78.8% chose the following options : Completely satisfied Somewhat satisfied Least chosen option 6.09% : Completely unsatisfied
Confidence Interval @ 95%	[1.788 - 1.858] n = 4599	
Standard Deviation	1.209	
Standard Error	0.018	

Have you decided to pursue any improvements to your home based on the inspection report you received from the My Safe Florida Home program?

 Custom Analysis Options

Frequency Analysis

	Answer	Count	Percent	20%	40%	60%	80%	100%
	Yes	<u>1711</u>	<u>37.31%</u>					
	No	<u>1242</u>	<u>27.08%</u>					
	Undecided	<u>1420</u>	<u>30.96%</u>					

	Dont know	213	4.64%	
	Total	4586	100%	

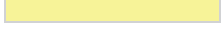
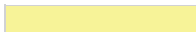
Key Analytics

Mean	2.029	Key Facts 68.27% chose the following options : Yes Undecided Least chosen option 4.64% : Dont know
Confidence Interval @ 95%	[2.002 - 2.056] n = 4586	
Standard Deviation	0.932	
Standard Error	0.014	

If yes, what improvements have you made to strengthen your home? Check all that apply.

 Custom Analysis Options

Frequency Analysis

	Answer	Count	Percent	20%	40%	60%	80%	100%
	Improvement 1: Roof Deck Attachment	111	3.63%					
	Improvement 2: Secondary Water Barrier	106	3.47%					
	Improvement 3: Roof Covering	148	4.85%					
	Improvement 4: Gable Ends	226	7.40%					
	Improvement 5: Roof-to-Wall Connections	93	3.05%					
	Improvement 6: Window Protection	1244	40.73%					
	Improvement 7: Door Protections (including garage door)	1126	36.87%					
	Total	3054	100%					

Key Analytics

Mean	5.724	Key Facts
------	-------	------------------

Standard Error	0.029	Improvement 7: Door Protections (including garage door) Least chosen option 3.05% : Improvement 5: Roof-to-Wall Connections
----------------	-------	--

Would you recommend the program to others?

 Custom Analysis Options

Frequency Analysis

	Answer	Count	Percent	20%	40%	60%	80%	100%
	Yes	<u>3785</u>	<u>82.41%</u>					
	No	<u>384</u>	<u>8.36%</u>					
	Dont know	<u>424</u>	<u>9.23%</u>					
	Total	4593	100%					

Key Analytics

Mean	1.268	Key Facts 91.64% chose the following options : Yes Dont know Least chosen option 8.36% : No
Confidence Interval @ 95%	[1.250 - 1.286] n = 4593	
Standard Deviation	0.617	
Standard Error	0.009	

 Custom Analysis Options

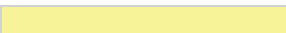
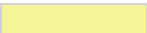
Overall Matrix Scorecard

	Question	Count	Score	Excellent	Good	Fair	Poor
1.	Overall, how would you rate your experience with the My Safe Florida Home program?	4604	1.752				

Overall, how would you rate your experience with the My Safe Florida Home program?

 Custom Analysis Options

Frequency Analysis

	Answer	Count	Percent	20%	40%	60%	80%	100%
⬆️	Excellent	<u>2443</u>	<u>53.06%</u>					
⬆️	Good	<u>1261</u>	<u>27.39%</u>					
⬆️	Fair	<u>497</u>	<u>10.79%</u>					
⬆️	Poor	<u>403</u>	<u>8.75%</u>					
	Total	4604	100%					

Key Analytics

Mean	1.752	Key Facts 80.45% chose the following options : Excellent Good Least chosen option 8.75% : Poor
Confidence Interval @ 95%	[1.725 - 1.780] n = 4604	
Standard Deviation	0.963	
Standard Error	0.014	

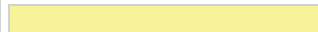
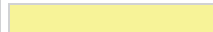
Survey Report : Grant Survey

Viewed	1401
Started	755
Completed	750
Completion Rate	99.34%
Drop Outs (After Starting)	5
Average time taken to complete survey : 4 minute(s)	

Was it easy to apply for a grant through the My Safe Florida Home program?

 Custom Analysis Options

Frequency Analysis

	Answer	Count	Percent	20%	40%	60%	80%	100%
	Easy	<u>401</u>	<u>53.40%</u>					
	Somewhat Easy	<u>264</u>	<u>35.15%</u>					
	Somewhat Difficult	<u>59</u>	<u>7.86%</u>					
	Difficult	<u>27</u>	<u>3.60%</u>					
	Total	751	100%					

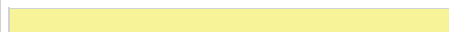
Key Analytics

Mean	1.617	Key Facts 88.55% chose the following options : Easy Somewhat Easy Least chosen option 3.6% : Difficult
Confidence Interval @ 95%	[1.561 - 1.672] n = 751	
Standard Deviation	0.781	
Standard Error	0.029	

Were you approved for a grant within the time expected?

 Custom Analysis Options

Frequency Analysis

	Answer	Count	Percent	20%	40%	60%	80%	100%
	Yes	<u>576</u>	<u>76.80%</u>					

	No	<u>136</u>	<u>18.13%</u>	
	Dont know	<u>38</u>	<u>5.07%</u>	
	Total	750	100%	

Key Analytics

Mean	1.283	Key Facts 94.93% chose the following options : Yes No Least chosen option 5.07% : Dont know
Confidence Interval @ 95%	[1.243 - 1.322] n = 750	
Standard Deviation	0.552	
Standard Error	0.020	

Did the grant award letter clearly explain what improvements are eligible for reimbursement?

 Custom Analysis Options

Frequency Analysis

	Answer	Count	Percent	20%	40%	60%	80%	100%
	Yes	<u>629</u>	<u>84.32%</u>					
	No	<u>93</u>	<u>12.47%</u>					
	Dont know	<u>24</u>	<u>3.22%</u>					
	Total	746	100%					

Key Analytics

Mean	1.189	Key Facts 96.78% chose the following options : Yes No Least chosen option 3.22% : Dont know
Confidence Interval @ 95%	[1.156 - 1.223] n = 746	
Standard Deviation	0.467	
Standard Error	0.017	

How would you rate your experience in selecting a contractor to complete the improvements?

 Custom Analysis Options

Frequency Analysis

	Answer	Count	Percent	20%	40%	60%	80%	100%
--	--------	-------	---------	-----	-----	-----	-----	------

⬆️	Easy	<u>286</u>	<u>39.83%</u>	
⬆️	Somewhat Easy	<u>270</u>	<u>37.60%</u>	
⬆️	Somewhat Difficult	<u>99</u>	<u>13.79%</u>	
⬆️	Difficult	<u>63</u>	<u>8.77%</u>	
	Total	718	100%	

Key Analytics

Mean	1.915	Key Facts 77.44% chose the following options : Easy Somewhat Easy Least chosen option 8.77% : Difficult
Confidence Interval @ 95%	[1.846 - 1.984] n = 718	
Standard Deviation	0.939	
Standard Error	0.035	

Upon completion of the improvements, was it easy to fill out the required reimbursement forms?

 Custom Analysis Options

Frequency Analysis

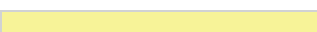
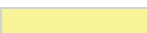
	Answer	Count	Percent	20%	40%	60%	80%	100%
⬆️	Yes	<u>395</u>	<u>56.51%</u>					
⬆️	No	<u>67</u>	<u>9.59%</u>					
⬆️	Dont know	<u>237</u>	<u>33.91%</u>					
	Total	699	100%					

Key Analytics

Mean	1.774	Key Facts 90.41% chose the following options : Yes Dont know Least chosen option 9.59% : No
Confidence Interval @ 95%	[1.705 - 1.842] n = 699	
Standard Deviation	0.924	
Standard Error	0.035	

Once you submitted your reimbursement forms for completed work, did you receive your reimbursement within the time expected?

 Custom Analysis Options

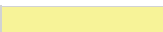
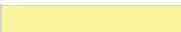
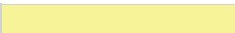
Frequency Analysis					20%	40%	60%	80%	100%
	Answer	Count	Percent						
	Yes	<u>92</u>	<u>13.22%</u>						
	No	<u>48</u>	<u>6.90%</u>						
	Have not received reimbursement	<u>381</u>	<u>54.74%</u>						
	Dont know	<u>175</u>	<u>25.14%</u>						
	Total	696	100%						

Key Analytics

Mean	2.918	Key Facts 79.89% chose the following options : Have not received reimbursement Dont know Least chosen option 6.9% : No
Confidence Interval @ 95%	[2.850 - 2.986] n = 696	
Standard Deviation	0.919	
Standard Error	0.035	

Have you received any insurance discounts or savings as a result of the improvements you've made to your home?

 Custom Analysis Options

Frequency Analysis					20%	40%	60%	80%	100%
	Answer	Count	Percent						
	Yes	<u>201</u>	<u>28.43%</u>						
	No	<u>221</u>	<u>31.26%</u>						
	Dont know	<u>285</u>	<u>40.31%</u>						
	Total	707	100%						

Key Analytics

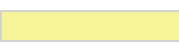
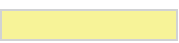
Mean	2.119	Key Facts 71.57% chose the following options : Dont know No Least chosen option 28.43% : Yes
Confidence Interval @ 95%	[2.058 - 2.179] n = 707	
Standard Deviation	0.821	
Standard Error	0.031	

Overall Matrix Scorecard

	Question	Count	Score	Excellent	Good	Fair	Poor	N/A
1.	If you contacted the My Safe Florida Home program helpline with questions, how would you rate the assistance provided by our helpline specialists?	719	2.527					

If you contacted the My Safe Florida Home program helpline with questions, how would you rate the assistance provided by our helpline specialists?

Frequency Analysis

	Answer	Count	Percent	20%	40%	60%	80%	100%
	Excellent	<u>225</u>	<u>31.29%</u>					
	Good	<u>216</u>	<u>30.04%</u>					
	Fair	<u>87</u>	<u>12.10%</u>					
	Poor	<u>56</u>	<u>7.79%</u>					
	N/A	<u>135</u>	<u>18.78%</u>					
	Total	719	100%					

Key Analytics

Mean	2.527	Key Facts 61.34% chose the following options : Excellent Good Least chosen option 7.79% : Poor
Confidence Interval @ 95%	[2.420 - 2.635] n = 719	
Standard Deviation	1.470	
Standard Error	0.055	

Overall Matrix Scorecard

	Question	Count	Score	Excellent	Good	Fair	Poor
--	----------	-------	-------	-----------	------	------	------

1.	How would you rate your experience with the grant application and reimbursement process?	652	2.135	
----	--	-----	-------	-------------

How would you rate your experience with the grant application and reimbursement process?

 Custom Analysis Options

Frequency Analysis

	Answer	Count	Percent	20%	40%	60%	80%	100%
	Excellent	<u>183</u>	<u>28.07%</u>					
	Good	<u>283</u>	<u>43.40%</u>					
	Fair	<u>101</u>	<u>15.49%</u>					
	Poor	<u>85</u>	<u>13.04%</u>					
	Total	652	100%					

Key Analytics

Mean	2.135	Key Facts 71.47% chose the following options : Good Excellent Least chosen option 13.04% : Poor
Confidence Interval @ 95%	[2.061 - 2.209] n = 652	
Standard Deviation	0.970	
Standard Error	0.038	

 Custom Analysis Options

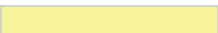
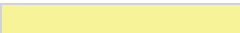
Overall Matrix Scorecard

	Question	Count	Score	Excellent	Good	Fair	Poor
1.	Overall, how would you rate your experience with the My Safe Florida Home program?	721	1.922				

Overall, how would you rate your experience with the My Safe Florida Home program?

 Custom Analysis Options

Frequency Analysis

	Answer	Count	Percent	20%	40%	60%	80%	100%
	Excellent	<u>272</u>	<u>37.73%</u>					
	Good	<u>298</u>	<u>41.33%</u>					
	Fair	<u>86</u>	<u>11.93%</u>					
	Poor	<u>65</u>	<u>9.02%</u>					
	Total	721	100%					

Key Analytics

Mean	1.922	Key Facts 79.06% chose the following options : Good Excellent Least chosen option 9.02% : Poor
Confidence Interval @ 95%	[1.855 - 1.990] n = 721	
Standard Deviation	0.923	
Standard Error	0.034	

Would you recommend the program to someone you know?

 Custom Analysis Options

Frequency Analysis

	Answer	Count	Percent	20%	40%	60%	80%	100%
	Yes	<u>643</u>	<u>87.25%</u>					
	No	<u>44</u>	<u>5.97%</u>					
	Dont know	<u>50</u>	<u>6.78%</u>					
	Total	737	100%					

Key Analytics

Mean	1.195	Key Facts 94.03% chose the following options : Yes Dont know Least chosen option 5.97% : No
Confidence Interval @ 95%	[1.156 - 1.234] n = 737	
Standard Deviation	0.542	
Standard Error	0.020	



CHIEF FINANCIAL OFFICER
STATE OF FLORIDA

ALEX SINK

September 12, 2008

The Honorable Sandra Adams
The Florida House of Representatives
2074 Winter Springs Blvd.
Oviedo, Florida 32765-9347

Dear Representative Adams:

I am pleased to provide you with a brief update on the status of the My Safe Florida Home program, wisely created by the Legislature in 2006. The response from and participation of the public in this historic program has been a resounding success!

As you know, the My Safe Florida Home program started as a pilot program before I arrived in Tallahassee. Since that time, the program has evolved into a high volume, consumer-focused, and accountable program that has generated important benefits to thousands of homeowners. As an avid supporter of this innovative program, I wanted to share with you the enclosed DVD highlighting the feedback we have received from homeowners participating in the program.

As of September 5th, we have encumbered grant funds for nearly 40,000 homeowners. Nearly half of these homeowners have been reimbursed and are now more secure in their homes. We have also signed up more than 400,000 Floridians statewide for free wind inspections. Approximately 60 percent of homeowners who have received an inspection are eligible for an average savings of \$220 on their insurance without taking any further action.

I strongly support the continuation of the My Safe Florida Home program and would urge your support of at least \$25 million funding to help us serve another 100,000 homeowners with free inspections and retrofit an additional 2,500 low-income homes in hurricane-hazard areas.

Thank you for your vision in creating this program. In these challenging economic times, a renewed commitment to hardening homes against hurricanes is a wise investment for Floridians.

Sincerely,

A handwritten signature in black ink that reads "Alex Sink".

Alex Sink

AS/ttr
Enclosure

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 Banking and Insurance

BILL: SB 1002

INTRODUCER: Senators Stewart and Hooper

SUBJECT: Motor Vehicle Glass

DATE: March 14, 2023

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Thomas	Knudson	BI	Favorable
2.			CM	
3.			RC	

I. Summary:

SB 1002 revises definitions under the Florida Motor Vehicle Repair Act to ensure that businesses that calibrate or recalibrate advanced driver assistance systems associated with windshields are regulated under the Act. The bill prohibits motor vehicle repair shops, their employees, and their representatives, from offering an inducement to a customer in exchange for making an insurance claim for motor vehicle glass replacement or repair. Finally, the bill prohibits a policyholder, or any other person, from entering an assignment agreement of post-loss benefits for motor vehicle glass replacement or repair, including for calibration or recalibration of advanced driver assistance systems.

It is not anticipated that the bill will have any significant fiscal impact on state or local government.

The bill is effective July 1, 2023.

II. Present Situation:

Automobile Insurance Coverage Related to Windshield Repair

Comprehensive motor vehicle insurance provides coverage for damage to the insured vehicle caused by events other than a collision.¹ This coverage type also covers damage to the vehicle's windshield, and is required by most lenders for purposes of protecting the financial interest of the lender.² For insured vehicles with comprehensive coverage, insurers may not apply the insurance policy deductible to the damaged windshield.³

¹Florida Department of Financial Services, *Automobile Insurance Toolkit*, [automobile-insurance-toolkit](#) (last accessed March 6, 2023).

² *Id.*

³ Section 627.7288, F.S.

In-Network Versus Out-of-Network Motor Vehicle Repair Shops

Insurers frequently create preferred vendor networks with motor vehicle repair shops to expedite windshield repairs and negotiate rates for services to be paid directly by the insurer.⁴ An out-of-network motor vehicle repair shop receives payment either from the insured in the form of direct payment or from the insurer by obtaining an assignment of benefits (AOB) of the insured's insurance policy.⁵ Where the policyholder has executed an AOB with the out-of-network motor vehicle repair shop, the shop can either negotiate with, or file a lawsuit against, the insurer if the two sides do not agree on the claim amount.⁶

In Florida, the insured has the right to select either an insurer's preferred motor vehicle repair shop or one not in the insurer's preferred network of motor vehicle repair shops to repair the damaged windshield.⁷ However, an insurer that requires a particular repair shop to restore the damaged windshield, must require that particular repair shop to restore the damaged windshield to its pre-accident condition no matter the cost to the insurer.⁸ An insurer may not require the use of replacement parts that are not at least equivalent in kind and quality to the damaged parts prior to the loss.⁹

Windshield Litigation

The Florida Department of Financial Services provided the following information on the volume of windshield litigation involving an AOB¹⁰:

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Auto Glass Lawsuits	435	1,200	3,329	6,753	11,077	17,768	21,851	14,539	16,168	21,094	24,080	33,196

Florida Motor Vehicle Repair Act

The Department of Agriculture and Consumer Services (DACCS) regulates motor vehicle repair shops in Florida under the Florida Motor Vehicle Repair Act.¹¹ This Act requires that all motor vehicle repair shops, with limited exceptions, register with the DACCS.¹² A motor vehicle repair shop may be fixed or mobile and includes a person or business that does motor vehicle glass work for compensation.¹³ Under the Act, it is unlawful for a motor vehicle repair shop or its employee to engage in various activities such as misrepresenting that repairs have been made to

⁴ Dale Parker and Brendan McKay, *Florida Auto Glass Claims: A Cracked System*, Trial Advocate Quarterly Fall 2016 (Westlaw Citation: 35 No. 4 Trial Advoc. Q. 20), [Florida-Auto-Glass-Claims-A-Cracked-System](#) (last accessed March 6, 2023).

⁵ *Id.*

⁶ *Id.*

⁷ *Ibid*, fn. 1.

⁸ Section 626.9743(3), F.S.

⁹ Section 626.9743(4), F.S.

¹⁰ Data provided by the Florida Department of Financial Services to the Senate Committee on Banking and Insurance on January 19, 2023 (on file with the Senate Banking and Insurance Committee).

¹¹ Sections 559.901-559.9221, F.S.

¹² Section 559.904, F.S.

¹³ Section 559.903(6) and (7), F.S.

a motor vehicle or fraudulently altering any customer contract, estimate, invoice, or other document.¹⁴ The Act provides for various remedies for unlawful acts by motor vehicle repair shops, including notices of noncompliance, administrative fines, orders to cease and desist, probation of registrants, and suspension or revocation of registrations.¹⁵ In addition, a customer injured by a violation of the Motor Vehicle Repair Act may bring an action against a repair shop.¹⁶ The prevailing party is entitled to damages plus court costs and reasonable attorney fees.¹⁷

Use of Inducements by Motor Vehicle Repair Shops

The Florida Motor Vehicle Repair Act does not prohibit motor vehicle repair shops from offering inducements to consumers. Some out-of-network motor vehicle repair shops advertise inducements to compete for business with in-network vehicle repair shops, while others offer inducements if a consumer files a qualified insurance claim for windshield replacement.¹⁸

Regulation of Inducements in Related Insurance Fields

Prohibited Practices by Insurance Agents

Insurance agents are subject to prosecution under the Unfair Insurance Trade Practices Act¹⁹ for knowingly misrepresenting the benefits, advantages, conditions, or terms of any insurance policy,²⁰ offering inducements to enter into an insurance contract in many settings,²¹ and causing false insurance claims to be filed.²²

Prohibited Practices by Public Adjusters

Public adjusters are subject to prosecution for unfair and deceptive insurance practices²³ if the adjuster offers a monetary or other valuable inducement to invite a policyholder to submit a claim.²⁴ Such unfair and deceptive trade practices also include making an untrue, deceptive, or misleading representation with respect to the business of insurance,²⁵ inviting a policyholder to submit a claim when the policyholder does not have coverage,²⁶ or inviting a policyholder to submit a claim by stating that there is “no risk” to the policyholder by submitting such claim.²⁷

¹⁴ Section. 559.920, F.S.

¹⁵ Section 559.921, F.S.

¹⁶ Section 559.921(1), F.S.

¹⁷ *Id.*

¹⁸ See, e.g.: [FREE WINDSHIELD](#) “up to \$150 cash back at the time of service”; [Cash Back Quote](#) “Get up to \$100 - \$200 Cash Back with FL Insurance” (last accessed March 6, 2023).

¹⁹ Section 626.9541, F.S.

²⁰ Section 626.9541(1)(a)1., F.S.

²¹ Section 626.9541(1)(h), F.S.

²² Section 626.9541(1)(u)1., F.S.

²³ Section 626.854(7), F.S.

²⁴ Section 626.854(7)(a)2., F.S.

²⁵ Section 626.854(7), F.S.

²⁶ Section 626.854(7)(a)1., F.S.

²⁷ Section 626.854(7)(a)3., F.S.

Advanced Driver Assistance Systems

Advanced driver assistance systems (ADAS) are technological features of a motor vehicle that are designed to increase the safety of driving a vehicle by reducing traffic crashes. Traffic crashes are a leading cause of death in the United States for people ages 1–54 and each year, 1.35 million people are killed on roadways around the world. More than half of those killed are pedestrians, motorcyclists, or cyclists.²⁸

Such technologies help keep the driver and passengers safe, but also other drivers and pedestrians. Driver assistance systems may warn of an impending crash, while others are designed to take action to avoid a crash. A forward collision warning system monitors the vehicle's speed, the speed of the vehicle in front of it and the distance between the vehicles. A lane departure warning system monitors lane markings and alerts the driver when it detects that the vehicle is drifting out of its lane. Automatic emergency braking systems apply the vehicle's brakes automatically in time to avoid or mitigate an impending forward crash with another vehicle. Other systems include backup cameras, adaptive cruise control, lane centering, blind spot warning, lane keeping assistance, and automatic high beams.²⁹

These ADAS functions are typically based on one front camera or on a front stereovision camera. The camera information may be supplemented with information from other sensors like light detection and ranging or radio detection. The ADAS cameras are located inside the car, against the front windshield, behind the central rear view mirror. The ADAS camera field of view is located in the wiper area to keep the glass in front of the camera as clean as possible.³⁰ An ADAS sensor calibration is required whenever a sensor's aiming is disturbed in any way. This can occur in a collision, even a minor fender bender, or be a byproduct of common service work such as windshield replacement, suspension repairs or wheel alignment.³¹

III. Effect of Proposed Changes:

Section 1 amends s. 559.903, F.S., to:

- Define the term “advanced driver assistance system” to mean “any motor vehicle electronic safety system that is associated with motor vehicle glass and is designed to support the driver and motor vehicle in a manner intended to increase motor vehicle safety and reduce losses associated with motor vehicle crashes.”
- Revise the definition of the term “motor vehicle repair” to include the “calibration or recalibration of advanced driver assistance systems.”

²⁸ *Road Traffic Injuries and Deaths—A Global Problem*, Centers for Disease Control and Prevention, [global-road-safety](#) (last accessed March 6, 2023).

²⁹ *Driver assistance technologies*, National Highway Traffic Safety Administration, [driver-assistance-technologies](#) (last accessed March 6, 2023).

³⁰ *Advanced Driver Assistance Systems, On-Road Intelligent Vehicles*, Rahul Kala, 2016, [advanced-driver-assistance-systems](#) (last accessed March 7, 2023).

³¹ *ADAS Sensor Calibration Increases Repair Costs*, <https://www.aaa.com/autorepair/articles/adas-sensor-calibration-increases-repair-costs> (last accessed March 7, 2023).

These changes will ensure that businesses that calibrate or recalibrate electronic safety systems associated with windshields are regulated by the DACS pursuant to the Florida Motor vehicle Repair Act.

Section 2 amends s. 559.920, F.S., to provide that a motor vehicle repair shop may not provide an inducement in the form of a rebate, gift, gift card, cash, coupon, or any other thing of value, in exchange for making an insurance claim for motor vehicle glass replacement or repair, including the calibration or recalibration of an advanced driver assistance system. A nonemployee who is compensated for soliciting insurance claims is also prohibited from offering such inducements. Motor vehicle repair shops would be subject to disciplinary actions by the DACS for violations of the bill's provisions.

Section 3 creates s. 627.7289, F.S., to prohibit a policyholder, or any other person, from entering an assignment agreement of post-loss benefits for motor vehicle glass replacement or repair, including for calibration or recalibration of advanced driver assistance systems. This prohibition will apply to motor vehicle insurance policies issued or renewed in this state on or after July 1, 2023. An "assignment agreement" includes any agreement whereby post-loss benefits under a motor vehicle insurance policy are assigned or transferred to a person providing services for motor vehicle glass replacement or repair, including inspecting, protecting, repairing, restoring, or replacing the motor vehicle glass or calibrating or recalibrating advanced driver assistance systems.

The bill provides an effective date of July 1, 2023.

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. Tax/Fee Issues:**

None.

B. Private Sector Impact:

Motor vehicle repair shops will be prohibited from providing certain inducements to customers. This may negatively affect their businesses.

Indeterminate with respect to insurance premiums. A reduction in auto glass costs resulting in a reduction in insurance premiums for auto comprehensive coverage is difficult to estimate as comprehensive coverage includes a wide variety of coverages including, but not limited to, flood, hail, theft, and hurricane.

C. Government Sector Impact:

It is not anticipated that the bill will have any significant fiscal impact on state or local government.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 559.903 and 559.920.

This bill creates the following section of the Florida Statutes: 627.7289.

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.

By Senator Stewart

17-00257B-23

20231002__

A bill to be entitled

An act relating to motor vehicle glass; amending s. 559.903, F.S.; defining the term "advanced driver assistance system"; revising the definition of the term "motor vehicle repair"; amending s. 559.920, F.S.; prohibiting motor vehicle repair shops or their employees from offering anything of value to a customer in exchange for making an insurance claim for motor vehicle glass replacement or repair, including offers made through certain persons; specifying that the failure to provide certain electronic or written notice relating to calibrating or recalibrating an advanced driver assistance system is unlawful; creating s. 627.7289, F.S.; prohibiting persons from entering into assignment agreements of post-loss benefits for motor vehicle glass replacement or repair after a specified date; providing that such assignment agreements are void and unenforceable; defining the term "assignment agreement"; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Present subsections (1) through (5), (6), and (7) of section 559.903, Florida Statutes, are redesignated as subsections (2) through (6), (8), and (9), respectively, a new subsection (1) is added to that section, and present subsection (8) of that section is amended, to read:

559.903 Definitions.—As used in this act:

Page 1 of 5

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

17-00257B-23

20231002__

(1) "Advanced driver assistance system" means any motor vehicle electronic safety system that is associated with motor vehicle glass and is designed to support the driver and motor vehicle in a manner intended to increase motor vehicle safety and reduce losses associated with motor vehicle crashes.

~~(7)(8)~~ "Motor vehicle repair" means all maintenance of and modifications and repairs to motor vehicles, and diagnostic work incident thereto, including, but not limited to, the rebuilding or restoring of rebuilt vehicles, body work, painting, warranty work, calibration or recalibration of advanced driver assistance systems, and other work customarily undertaken by motor vehicle repair shops.

Section 2. Section 559.920, Florida Statutes, is amended to read:

559.920 Unlawful acts and practices.—It is ~~shall be~~ a violation of this act for any motor vehicle repair shop or employee thereof to do any of the following:

(1) Engage or attempt to engage in repair work for compensation of any type without first being registered with or having submitted an affidavit of exemption to the department. ~~+~~

(2) Make or charge for repairs that ~~which~~ have not been expressly or impliedly authorized by the customer. ~~+~~

(3) Misrepresent that repairs have been made to a motor vehicle. ~~+~~

(4) Misrepresent that certain parts and repairs are necessary to repair a vehicle. ~~+~~

(5) Misrepresent that the vehicle being inspected or diagnosed is in a dangerous condition or that the customer's continued use of the vehicle may be harmful or cause great

Page 2 of 5

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

17-00257B-23

20231002__

59 damage to the vehicle.~~+~~

60 (6) Fraudulently alter any customer contract, estimate,
61 invoice, or other document.~~+~~

62 (7) Fraudulently misuse any customer's credit card.~~+~~

63 (8) Make or authorize in any manner or by any means
64 ~~whatever~~ any written or oral statement ~~that which~~ is untrue,
65 deceptive, or misleading~~+~~ and ~~that which~~ is known, or ~~that which~~
66 by the exercise of reasonable care should be known, to be
67 untrue, deceptive, or misleading.~~+~~

68 (9) Make false promises of a character likely to influence,
69 persuade, or induce a customer to authorize the repair, service,
70 or maintenance of a motor vehicle.~~+~~

71 (10) Substitute used, rebuilt, salvaged, or straightened
72 parts for new replacement parts without notice to the motor
73 vehicle owner and to her or his insurer if the cost of repair is
74 to be paid pursuant to an insurance policy and the identity of
75 the insurer or its claims adjuster is disclosed to the motor
76 vehicle repair shop.~~+~~

77 (11) Cause or allow a customer to sign any work order that
78 does not state the repairs requested by the customer or the
79 automobile's odometer reading at the time of repair.~~+~~

80 (12) Fail or refuse to give to a customer a copy of any
81 document requiring the customer's signature upon completion or
82 cancellation of the repair work.~~+~~

83 (13) Willfully depart from or disregard accepted practices
84 and professional standards.~~+~~

85 (14) Have repair work subcontracted without the knowledge
86 or consent of the customer unless the motor vehicle repair shop
87 or employee thereof demonstrates that the customer could not

17-00257B-23

20231002__

88 reasonably have been notified.~~+~~

89 (15) Conduct the business of motor vehicle repair in a
90 location other than that stated on the registration
91 certificate.~~+~~

92 (16) Rebuild or restore a rebuilt vehicle without the
93 knowledge of the owner in such a manner that it does not conform
94 to the original vehicle manufacturer's established repair
95 procedures or specifications and allowable tolerances for the
96 particular model and year.~~+~~~~+~~

97 (17) Offer to a customer a rebate, gift, gift card, cash,
98 coupon, or any other thing of value in exchange for making an
99 insurance claim for motor vehicle glass replacement or repair,
100 including, but not limited to, calibration or recalibration of
101 an advanced driver assistance system. A nonemployee who is
102 compensated for the solicitation of insurance claims is also
103 prohibited from making such offer.

104 (18) Fail to provide electronic notice or written notice in
105 at least 12-point type to the customer whether the calibration
106 or recalibration of the advanced driver assistance system is
107 required as part of the replacement or repair of motor vehicle
108 glass to make such system operable and to ensure such service is
109 performed in a manner that meets or exceeds the vehicle
110 manufacturer's specifications.

111 (20) Perform any other act that is a violation of this part
112 or that constitutes fraud or misrepresentation.

113 (19)~~(18)~~ Violate any provision of s. 713.585.

114 Section 3. Section 627.7289, Florida Statutes, is created
115 to read:

116 627.7289 Assignment of post-loss motor vehicle glass

17-00257B-23

20231002__

benefits prohibited.—

(1) A policyholder or any other person may not enter into an assignment agreement of post-loss benefits for motor vehicle glass replacement or repair, including, but not limited to, for calibration or recalibration of advanced driver assistance systems as defined in s. 559.903, under a policy of motor vehicle insurance issued or renewed in this state by an authorized insurer on or after July 1, 2023. Any such assignment agreement entered into in violation of this subsection is void and unenforceable.

(2) As used in this section, the term "assignment agreement" means any instrument, regardless of how such agreement is named or styled, by which post-loss benefits, including, but not limited to, claim payments, under a motor vehicle insurance policy are, in whole or in part, assigned or transferred to, or acquired in any manner by, a person providing services for motor vehicle glass replacement or repair, including, but not limited to, inspecting, protecting, repairing, restoring, or replacing the motor vehicle glass or calibrating or recalibrating advanced driver assistance systems.

Section 4. This act shall take effect July 1, 2023.

The Florida Senate

APPEARANCE RECORD

3/15/23

Meeting Date

SB 1007

Bill Number or Topic

Deliver both copies of this form to
Senate professional staff conducting the meeting

Committee

Amendment Barcode (if applicable)

Name

Tracy Butler

Phone

941 8484150

Address

5410 105th Ter E

Email

Street

Parrish

FL

34219

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 \(flsenate.gov\)](#)

This form is part of the public record for this meeting.

S-001 (08/10/2021)

APPEARANCE RECORD

SB1002

Meeting Date

Deliver both copies of this form to
Senate professional staff conducting the meeting

Bill Number or Topic

Committee

Amendment Barcode (if applicable)

Name

Phone

Address

Email

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: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

3/15/23

Meeting Date

INS/ BANKING

Committee

Deliver both copies of this form to
Senate professional staff conducting the meeting

SB 1002

Bill Number or Topic

Amendment Barcode (if applicable)

Name JEREMIAH WILLIAMS

Phone (727) 510-3403

Address 3710 37th St N

Email

Street

Si Pate FL 33713

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 \(flsenate.gov\)](#)

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

Meeting Date

Committee

Bill Number or Topic

Amendment Barcode (if applicable)

Name

Phone

Address

Email

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:



I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

CFU JIMMY PATRONIS

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

3-15-2023

Meeting Date

Banking and Insurance

Committee

Name Matt Tweel

Deliver both copies of this form to

Senate professional staff conducting the meeting

SB 1002

Bill Number or Topic

Amendment Barcode (if applicable)

Phone 813-375-1746

Address 4421 Tuna dr

Email

Street

Tampa

City

FL

State

33617

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 \(flsenate.gov\)](#)

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

8/15/23
Meeting Date

SB 1002
Bill Number or Topic

Senate Banking
Committee

Amendment Barcode (if applicable)

Name Daniel Selzer Phone 352-875-2570

Address 11850 9th St. N #7102 Email Dan@SignatureShield.com
Street
City St Pete State FL Zip 33710

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 \(flsenate.gov\)](#)

This form is part of the public record for this meeting.

S-001 (08/10/2021)

The Florida Senate
APPEARANCE RECORD

3/15
Meeting Date

SB 1002
Bill Number or Topic

Deliver both copies of this form to
Senate professional staff conducting the meeting

Insurance Banking
Committee

Amendment Barcode (if applicable)

Name

Luis Lopez

Phone

Address

7205 E EMMIST

Email

Luis@UCADFLA.COM

Street

Tampa FL

33610

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 \(flsenate.gov\)](#)

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

03/15/2023

Meeting Date

Banking and Insurance

Committee

1002

Bill Number or Topic

Amendment Barcode (if applicable)

Name Chad Kunde

Phone (850) 766-7896

Address 136 S Brimough St

Street

Tallahassee

City

FL

State

32301

Zip

Email _____

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 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 \(flsenate.gov\)](#)

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

3/15/2023

Meeting Date

Banking & Insurance

Committee

SB 1002

Bill Number or Topic

Amendment Barcode (if applicable)

Name Eric De Campos

Phone 847-989-7104

Address 1111 E. Tawky Ave. Ste 400

Street

Email edecampos@nicb.org

Des Plaines

City

IL

State

60018

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:

National Insurance Crime Bureau

☐ 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)

3/15/23

Meeting Date

Banking & Insurance

Committee

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to
Senate professional staff conducting the meeting

1002

Bill Number or Topic

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

☐ 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

3/15/23

Meeting Date

Banking and Insurance

Committee

Deliver both copies of this form to
Senate professional staff conducting the meeting

SB 1002

Bill Number or Topic

Amendment Barcode (if applicable)

Name

Tanner Warwick

Phone

Address

516 N Adams St

Street

Email

Twarwick@aif.com

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:

Associated Industries
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 \(flsenate.gov\)](#)

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

3/15

Meeting Date

BEI

Committee

1002

Bill Number or Topic

Amendment Barcode (if applicable)

Name

Greg Black

Phone

509 8022

Address

PO Box 838

Email

Greg@WaypointStrat.com

Street

TLH

FL

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:

R Street 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

Deliver both copies of this form to
Senate professional staff conducting the meeting

3/15/23

Meeting Date

SB 1002

Bill Number or Topic

B + 1

Committee

Amendment Barcode (if applicable)

Name Amanda Fraser

Phone _____

Address _____

Street

Email _____

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:

APC/A

☐ 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 1002

3/15/23

Meeting Date

Deliver both copies of this form to
Senate professional staff conducting the meeting

Bill Number or Topic

Banking & Insurance
Committee

Amendment Barcode (if applicable)

Name BO Murphy

Phone 850-893-4155

Address ~~808~~ 3159 Shamrock St. S.
Street

Email bmurphy@faia.com

Tallahassee FL 32309
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:

Consumers-Florida Association of Insurance Agents

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)

3/15/23

Meeting Date

Banking & Insurance

Committee

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to
Senate professional staff conducting the meeting

1002 - Motor Vehicle Glass

Bill Number or Topic

Amendment Barcode (if applicable)

Name **George Feijoo**

Phone **3057207099**

Address **108 S. Monroe St.**

Email **grfeijoo@flapartners.com**

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:

Florida Insurance Council

☐ 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

3/15/23

Meeting Date

1002

Bill Number or Topic

B-I

Committee

Amendment Barcode (if applicable)

Name

Caitlin Murray

Phone

(850) 491-8424

Address

Street

Email

cmurray@namic.org

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:

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

March 15 2023

Meeting Date

Banking + Insurance

Committee

SB 1002

Bill Number or Topic

N/A

Amendment Barcode (if applicable)

Name Tasha Carter, Insurance Consumer Advocate Phone 850.413.5923

Address 200 E. Gaines Street

Street

Tallahassee

City

FL

State

32319

Zip

Email tasha.carter@myfloridacfo.com

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:

Dept. of Financial
Services

☐ 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

Committee Agenda Request

To: Senator , Chair Jim Boyd
Committee on Banking and Insurance

Subject: Committee Agenda Request

Date: February 28, 2023

I respectfully request that **Senate Bill #1002**, relating to Motor Vehicle Glass, be placed on:

- ☒ committee agenda at your earliest possible convenience.
- ☐ next committee agenda.

A handwritten signature in cursive script that reads "Linda Stewart".

Senator Linda Stewart
Florida Senate, District 17

COMMITTEE: Banking and Insurance
ITEM: SB 1002
FINAL ACTION: Favorable
MEETING DATE: Wednesday, March 15, 2023
TIME: 1:00—3:00 p.m.
PLACE: 412 Knott Building

[illegible]

CODES: FAV=Favorable
UNF=Unfavorable
-R=Reconsidered

RCS=Replaced by Committee Substitute
RE=Replaced by Engrossed Amendment
RS=Replaced by Substitute Amendment

TP=Temporarily Postponed
VA=Vote After Roll Call
VC=Vote Change After Roll Call

WD=Withdrawn
OO=Out of Order
AV=Abstain from Voting

CourtSmart Tag Report

Room: KB 412 **Case No.:** -
Caption: Senate Committee on Banking and Insurance

Type:
Judge:

Started: 3/15/2023 1:00:50 PM
Ends: 3/15/2023 2:29:08 PM **Length:** 01:28:19

1:00:48 PM Chair calls meeting to order
1:01:07 PM Roll call; Quorum present
1:01:23 PM Chair opening remarks
1:01:29 PM SB 516 is Tp'd
1:01:54 PM SB 532 by Senator Burton
1:02:01 PM Senator Burton to explain the bill
1:02:34 PM barcode amendment #336708
1:03:33 PM Senator Burton waives close on the amendment
1:04:11 PM voice vote on amendment
1:04:18 PM Appearance cards waiving in support
1:04:26 PM Senator Burton waives close on bill as amended
1:04:45 PM roll call vote on CS/SB 532
1:04:57 PM Chair Boyd turns gavel over to Vice Chair DeCeglie
1:05:37 PM SB 298 by Senator Boyd
1:05:52 PM Senator Boyd explains the bill
1:06:01 PM questions?
1:06:24 PM Appearance cards waiving in support
1:06:52 PM debate?
1:07:53 PM Senator Boyd to close on bill
1:08:04 PM Roll call vote on SB 298
1:08:40 PM Tab 7 SB 748 by Senator Boyd
1:08:57 PM Senator Boyd to explain the bill
1:09:23 PM questions?
1:10:02 PM questions?
1:10:04 PM barcode amendment 402088
1:10:16 PM debate on amendment?
1:10:47 PM voice vote on amendment
1:10:54 PM back on bill as amended
1:10:59 PM Appearance cards waiving in support
1:11:20 PM Senator Boyd to close on bill
1:11:58 PM Roll Call vote on CS/SB 748
1:12:22 PM Tab 5 SB 594 by Senator Martin
1:13:33 PM Senator Boyd explains the bill for Senator Martin
1:13:53 PM questions?
1:14:54 PM Appearance cards waiving in support
1:15:18 PM Senator Boyd to close on bill on behalf of Senator Martin
1:15:43 PM Roll call vote on bill
1:15:53 PM Vice Chair DeCeglie passes gavel back to Chair Boyd
1:16:18 PM SB 624 by Senator Grall
1:16:51 PM Senator Burgess explains the bill on behalf of Senator Grall
1:17:07 PM questions?
1:17:50 PM Appearance cards waiving in support
1:18:05 PM debate?
1:18:33 PM Senator Burgess waives close
1:18:44 PM Roll call vote on SB 624
1:19:03 PM tab 4 SB 564 by Senator Hutson
1:19:44 PM Senator Hutson to explain the bill
1:19:57 PM strike all barcode amendment 135986
1:20:49 PM Senator Hutson explains amendment
1:21:11 PM questions?
1:21:15 PM debate?
1:21:24 PM voice vote on strike all

1:21:35 PM	Senator Torres for a question
1:22:06 PM	Senator Hutson to respond
1:22:55 PM	Senator Thompson for a question
1:23:54 PM	Senator Hutson to respond
1:24:02 PM	no further question
1:24:55 PM	Appearance cards waiving in support
1:25:15 PM	John Rothell, Fla. Credit Union Assoc
1:26:17 PM	Jonathan Wright, Florida Credit Union Assoc
1:30:41 PM	Senator Thompson for a question
1:31:40 PM	Jonathan Wright answers
1:31:53 PM	Senator Thompson for a follow up
1:32:46 PM	Senator Hutson for a question
1:33:05 PM	Jonathan Wright responds
1:33:41 PM	Senator Hutson for a question
1:34:11 PM	Jonathan Wright answers
1:35:07 PM	Senator Ingoglia for a question
1:36:06 PM	Anthony DiMarco, Florida Bankers Association
1:38:07 PM	more appearance cards waiving in support
1:39:08 PM	French Brown, Fla. Retail Assoc. & Fla. Restaurant and Lodging
1:45:21 PM	Senator Ingoglia for a question
1:47:37 PM	French Brown responds
1:49:10 PM	Senator Mayfield in debate
1:50:30 PM	Senator Powell in debate
1:51:46 PM	Senator Torres in debate
1:52:46 PM	Chair Boyd comments on bill
1:53:35 PM	Senator Hutson to close on his bill
1:54:56 PM	Roll call vote on SB 564
1:55:55 PM	SB 1002 by Senator Stewart
1:57:12 PM	Senator Stewart to explain the bill
1:58:13 PM	questions?
1:58:53 PM	appearance cards
1:59:07 PM	Trey Butler, citizen, works at auto glass shop
2:00:26 PM	Bill Camp, citizen, auto glass shop
2:03:38 PM	Senator Burgess for a question for Bill Camp
2:05:19 PM	Jeremiah Williams, citizen, auto glass shop
2:06:19 PM	appearance cards waives in support
2:07:04 PM	Matt Tweel, citizen, auto glass shop
2:07:41 PM	Daniel Seltzer, citizen, auto glass shop
2:09:11 PM	Senator Thompson for a question
2:10:12 PM	Daniel Seltzer in reply
2:10:41 PM	Senator thompson for a follow up
2:11:40 PM	Daniel Seltzer for a response
2:11:55 PM	Senator Powell for a quesiton
2:12:48 PM	Luis Lopez, citizen, auto glass shop
2:15:15 PM	Senator Broxson for a question
2:17:04 PM	Luis Lopez for a response
2:18:05 PM	Eric DeCampos, National Insurance Crime Bureau
2:19:55 PM	Michael Carlson, Personal Insurance Federation
2:21:44 PM	appearance cards waives in support
2:22:43 PM	debate on the bill?
2:23:36 PM	Senator Burgess in debate
2:23:59 PM	Chair Boyd comments on the bill
2:25:00 PM	Senator Stewart to close on the bill
2:26:21 PM	Roll Call Vote on SB 1002
2:27:21 PM	Chair closing comments
2:27:52 PM	Wishes Staff Director James Knudson Get Well Soon
2:28:07 PM	Senators records missed votes
2:28:36 PM	Senator Torres moves we adjourn