

By Representative Feeney

1 A bill to be entitled
2 An act relating to hurricane loss mitigation;
3 providing a short title; creating s. 215.559,
4 F.S.; creating the Hurricane Loss Mitigation
5 Clearing Trust Fund; providing for
6 administration; specifying moneys to be
7 credited to the fund; requiring appropriation
8 of moneys in the fund; providing purposes;
9 specifying uses of such moneys by specified
10 officers and agencies; providing allocations;
11 requiring reports; providing that fund balances
12 carry over to future years; amending s.
13 215.555, F.S.; requiring the State Board of
14 Administration annually to transfer specified
15 amounts from the Florida Hurricane Catastrophe
16 Fund to the Hurricane Loss Mitigation Clearing
17 Trust Fund; providing an effective date.

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

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21 Section 1. This act may be cited as the "Bill Williams
22 Residential Safety and Preparedness Act."

23 Section 2. Section 215.559, Florida Statutes, is
24 created to read:

25 215.559 Hurricane Loss Mitigation Clearing Trust
26 Fund.--

27 (1) There is created a clearing fund under the
28 administration of the Comptroller, to be known as the
29 Hurricane Loss Mitigation Clearing Trust Fund. Funds to be
30 credited to the trust fund shall consist of moneys transferred
31 from the Florida Hurricane Catastrophe Fund pursuant to s.

1 215.555(7)(c). The Legislature shall annually appropriate the
2 moneys provided under s. 215.555(7)(c) for the purposes set
3 forth in this section.

4 (2) Moneys in the fund shall be used for the purpose
5 of providing funding for local governments, state agencies,
6 and nonprofit organizations to support programs intended to
7 improve hurricane preparedness; reduce potential losses in the
8 event of a hurricane and provide research into means to reduce
9 such losses; educate or inform the public as to means to
10 reduce hurricane losses; and assist the public in determining
11 the appropriateness of particular upgrades to structures or in
12 the financing of such upgrades.

13 (3) The Comptroller shall annually transfer the
14 following amounts of moneys in the fund:

15 (a)1. Eighty-five percent to the Grants and Donations
16 Trust Fund of the Department of Community Affairs, to be used
17 by the Department of Community Affairs for programs to improve
18 the wind resistance of residences and mobile homes, including
19 loans, subsidies, grants, demonstration projects, and direct
20 assistance; cooperative programs with local governments and
21 the Federal Government; and other efforts to prevent or reduce
22 losses or reduce the cost of rebuilding after a disaster.

23 2. In allocating the funds described in subparagraph
24 1., at least 40 percent of the total appropriation for loans,
25 subsidies, grants, demonstration projects, and direct
26 assistance for the first year of the programs shall be used
27 for mobile homes, including programs to inspect and improve
28 tie-downs, construct and provide safety structures, and
29 provide other means to reduce losses. In the second year of
30 the programs, at least 30 percent of the total appropriation
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1 shall be used for mobile homes, and thereafter at least 20
2 percent shall be used for such purposes.

3 3. The Department of Community Affairs shall develop
4 the programs in consultation with an advisory council
5 appointed by the secretary consisting of a representative of
6 the Department of Insurance, a representative of home
7 builders, a representative of insurance companies, a
8 representative of the Federation of Mobile Home Owners, and a
9 representative of a mobile home manufacturer.

10 4. Moneys provided to the Department of Community
11 Affairs under this paragraph are intended to supplement other
12 funding sources of the Department of Community Affairs and may
13 not supplant other funding sources of the Department of
14 Community Affairs.

15 (b) Five percent to the Insurance Commissioner's
16 Regulatory Trust Fund, to be used by the Department of
17 Insurance for the purpose of consumer education, information,
18 and outreach to encourage consumers to take actions that will
19 reduce their property insurance costs, including a media
20 public awareness campaign, provided that the funding for the
21 campaign must be matched by at least an equal amount of
22 in-kind services, with a goal of three times the funds being
23 matched by in-kind services. Moneys provided to the Department
24 of Insurance under this paragraph are intended to supplement
25 other funding sources and may not supplant other funding
26 sources of the Department of Insurance.

27 (c) Ten percent to the Operations and Maintenance
28 Trust Fund in the general office of the Board of Regents, to
29 be used by the State University System to support programs of
30 research and development, including demonstration projects,
31 with regard to hurricane loss reduction devices and techniques

1 for residences and mobile homes and with regard to the
2 development of credible data on potential loss reductions.
3 The funding of research and development programs must be
4 matched by at least an equal amount of funds or in-kind
5 services from entities other than the State University System.
6 The State University System shall consult with the Department
7 of Community Affairs prior to expending moneys provided under
8 this paragraph.

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10 On January 1, 2000, and annually thereafter, the Department of
11 Community Affairs shall provide a full report and accounting
12 of activities under this subsection and an evaluation of such
13 activities to the Speaker of the House of Representatives, the
14 President of the Senate, and the Majority and Minority Leaders
15 of the House of Representatives and the Senate.

16 (4) Notwithstanding the provisions of s. 216.301 and
17 pursuant to s. 216.351, any balance in the trust fund at the
18 end of any fiscal year shall remain in the trust fund at the
19 end of the year and shall be available for carrying out the
20 purposes of the trust fund.

21 Section 3. Paragraph (c) of subsection (7) of section
22 215.555, Florida Statutes, 1998 Supplement, is amended to
23 read:

24 215.555 Florida Hurricane Catastrophe Fund.--

25 (7) ADDITIONAL POWERS AND DUTIES.--

26 (c) Beginning with the 1999-2000 fiscal year, on the
27 first day of each fiscal year, the board shall transfer a
28 portion of the investment income of the Florida Hurricane
29 Catastrophe Fund to the Hurricane Loss Mitigation Clearing
30 Trust Fund created by s. 215.559. The amount of the annual
31 transfer shall consist of \$10 million, plus an additional

1 amount such that the total amount transferred equals 35
2 percent of the investment income of the Florida Hurricane
3 Catastrophe Fund for the prior fiscal year, however, the board
4 shall limit the transfer to \$10 million if the board ~~Each~~
5 ~~fiscal year, the Legislature shall appropriate from the~~
6 ~~investment income of the Florida Hurricane Catastrophe Fund an~~
7 ~~amount no less than \$10 million and no more than 35 percent of~~
8 ~~the investment income from the prior fiscal year for the~~
9 ~~purpose of providing funding for local governments, state~~
10 ~~agencies, public and private educational institutions, and~~
11 ~~nonprofit organizations to support programs intended to~~
12 ~~improve hurricane preparedness, reduce potential losses in the~~
13 ~~event of a hurricane, provide research into means to reduce~~
14 ~~such losses, educate or inform the public as to means to~~
15 ~~reduce hurricane losses, assist the public in determining the~~
16 ~~appropriateness of particular upgrades to structures or in the~~
17 ~~financing of such upgrades, or protect local infrastructure~~
18 ~~from potential damage from a hurricane. Moneys shall first be~~
19 ~~available for appropriation under this paragraph in fiscal~~
20 ~~year 1997-1998. Moneys in excess of the \$10 million specified~~
21 ~~in this paragraph shall not be available for appropriation~~
22 ~~under this paragraph if the State Board of Administration~~
23 ~~finds that an appropriation of an amount of investment income~~
24 in excess of \$10 million ~~from the fund would jeopardize the~~
25 ~~actuarial soundness of the fund~~ based on the assumptions
26 contained in the premium formula approved for that year or
27 would have an adverse impact on rates.

28 Section 4. This act shall take effect upon becoming a
29 law.

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SENATE SUMMARY

Creates the Hurricane Loss Mitigation Clearing Trust Fund. Provides for administration. Specifies moneys to be credited to the fund. Requires appropriation of moneys in the fund. Provides purposes. Specifies uses of such moneys by specified officers and agencies. Provides allocations. Requires reports. Provides that fund balances carry over to future years. Requires the State Board of Administration annually to transfer specified amounts from the Florida Hurricane Catastrophe Fund to the Hurricane Loss Mitigation Clearing Trust Fund.