

Bill No. CS for CS for SB 1488

Barcode 892802

CHAMBER ACTION

Senate

House

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Senator Garcia moved the following amendment:

**Senate Amendment (with title amendment)**

On page 66, between lines 2 and 3,

insert:

Section 23. Joint Legislative-Executive Task Force on Long-Term Solutions for Florida's Hurricane Insurance Market.--

(1) TASK FORCE CREATED.--There is created the Joint Legislative-Executive Task Force on Long-Term Solutions for Florida's Hurricane Insurance Market.

(2) ADMINISTRATION.--The task force shall be administratively housed within the Office of the Chief Financial Officer, but shall operate independently of any state officer or agency. The Office of the Chief Financial Officer shall provide such administrative support as the task force deems necessary to accomplish its mission and shall provide necessary funding for the task force within its existing resources. The Executive Office of the Governor and the Department of Financial Services shall provide substantive

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1 staff support for the task force.

2 (3) MEMBERSHIP.--The members of the task force shall  
3 be appointed as follows:

4 (a) The Governor shall appoint two members who have  
5 expertise in financial matters, one of whom is a  
6 representative of the mortgage lending industry and one of  
7 whom is a representative of the real estate or construction  
8 industry.

9 (b) The Chief Financial Officer shall appoint two  
10 members who have expertise in financial matters, one of whom  
11 is a representative of a national property insurer or of a  
12 Florida-only subsidiary of a national property insurer and one  
13 of whom is a representative of a domestic property insurer in  
14 this state.

15 (c) The Attorney General shall appoint a member who  
16 has expertise in financial matters and who is a representative  
17 of insurance consumers.

18 (d) The Commissioner of Agriculture shall appoint a  
19 member who has expertise in financial matters and who is a  
20 representative of insurance consumers.

21 (e) The President of the Senate shall appoint three  
22 members of the Senate. Of the three members of the Senate, one  
23 shall be the chair of the Senate Committee on Banking and  
24 Insurance and one shall be the Senate Minority Leader or his  
25 or her designee.

26 (f) The Speaker of the House of Representatives shall  
27 appoint three members of the House of Representatives. Of the  
28 three members of the House of Representatives, one shall be  
29 the chair of the House Committee on Insurance and one shall be  
30 the House Minority Leader or his or her designee.

31 (g) The Commissioner of Insurance Regulation shall

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1 serve as an exofficio voting member of the task force.

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3 Members of the task force shall serve without compensation but  
4 are entitled to receive reimbursement for per diem and travel  
5 expenses as provided in section 112.061, Florida Statutes.

6 (4) PURPOSE AND INTENT.--The Legislature recognizes  
7 that the continued availability of hurricane insurance  
8 coverage for property owners in this state is essential to the  
9 state's economic survival. The Legislature further recognizes  
10 that the private sector alone is incapable or unwilling to  
11 provide all of the insurance capacity necessary to meet this  
12 need; that public-private partnerships, including the Florida  
13 Hurricane Catastrophe Fund and Citizens Property Insurance  
14 Corporation have played a critical role in meeting this need  
15 over the last decade; that legislative efforts to resolve  
16 problems in the hurricane insurance market in 2005 may not be  
17 sufficient to address this state's long-term needs; and that  
18 further action may be necessary in subsequent legislative  
19 sessions. The purpose of the task force is to make  
20 recommendations to the legislative and executive branches of  
21 this state's government relating to the creation and  
22 maintenance of insurance capacity in the private sector and  
23 public sector which is sufficient to ensure that all property  
24 owners in this state are able to obtain appropriate insurance  
25 coverage for hurricane losses, as further described in this  
26 section.

27 (5) SPECIFIC TASKS.--The task force shall conduct such  
28 research and hearings as it deems necessary to achieve the  
29 purposes specified in subsection (4) and shall develop  
30 information on relevant issues, including, but not limited to,  
31 the following issues:

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1       (a) Whether this state currently has sufficient  
2 hurricane insurance capacity to ensure the continuation of a  
3 healthy, competitive marketplace, taking into consideration  
4 both private-sector resources and public-sector resources.

5       (b) Identifying the future demands on this state's  
6 hurricane insurance capacity, taking into account population  
7 growth, coastal growth, and anticipated future hurricane  
8 activity.

9       (c) Whether the Florida Hurricane Catastrophe Fund  
10 fulfilled its purpose of creating additional insurance  
11 capacity sufficient to ameliorate the current dangers to the  
12 state's economy and to the public health, safety, and welfare  
13 in its response to the 2004 hurricane season.

14       (d) The extent to which the growth in Citizens  
15 Property Insurance Corporation is attributable to insufficient  
16 insurance capacity.

17       (e) The extent to which the growth trends of Citizens  
18 Property Insurance Corporation create long-term problems for  
19 property owners, buyers, and sellers in this state and for  
20 other persons and businesses that depend on a viable market.

21       (f) Whether changes in the way this state regulates  
22 insurers can reduce the need for the state to create  
23 additional insurance capacity.

24       (g) The feasibility of alternative means of covering  
25 hurricane losses in the residential property insurance  
26 marketplace, including, but not limited to, the creation of a  
27 state hurricane insurer.

28       (h) The form of state activity which is most  
29 consistent with competitive free-market principles and  
30 consumer protection if state activity is needed to create  
31 additional insurance capacity.

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1       (6) REPORT AND RECOMMENDATIONS.--No later than April  
2 1, 2006, the task force shall provide a report containing  
3 findings relating to the tasks identified in subsection (5)  
4 and recommendations consistent with the purposes of this  
5 section and also consistent with such findings. The task force  
6 shall submit the report to the Governor, the Chief Financial  
7 Officer, the Attorney General, the Commissioner of  
8 Agriculture, the President of the Senate, and the Speaker of  
9 the House of Representatives. Any recommendations for  
10 legislative action shall be accompanied by draft legislation.  
11 The task force may also submit such interim reports as it  
12 deems appropriate.

13       (7) ADDITIONAL ACTIVITIES.--The task force shall  
14 monitor the implementation of hurricane insurance-related  
15 legislation enacted during the 2005 Regular Session and shall  
16 make such additional recommendations as it deems appropriate  
17 for further legislative action during the 2004-2006  
18 legislative biennium.

19       (8) EXPIRATION.--The task force shall expire at the  
20 end of the 2004-2006 legislative biennium.

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22 (Redesignate subsequent sections.)  
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25 ===== T I T L E    A M E N D M E N T =====

26 And the title is amended as follows:

27           On page 5, line 13, after the semicolon,  
28  
29 insert:  
30           specifying reporting requirements; creating the  
31           Joint Legislative-Executive Task Force on

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1 Long-Term Solutions for Florida's Hurricane  
2 Insurance Market; requiring the Executive  
3 Office of the Governor and the Department of  
4 Financial Services to provide administrative  
5 support and staff support; providing  
6 membership; providing purpose and intent;  
7 providing for research and hearings on  
8 specified issues; requiring the task force to  
9 submit a report of findings and recommendations  
10 to the Governor, the Chief Financial Officer,  
11 the Attorney General, the Commissioner of  
12 Agriculture, the President of the Senate, and  
13 the Speaker of the House of Representatives;  
14 providing for additional activities; providing  
15 for expiration of the task force;

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