

A bill to be entitled

An act relating to insurance premiums; creating the Insurance Premium Relief Grant Program for the purpose of mitigating steep increases in premiums on certain homestead properties; providing for the administration of the program; providing prerequisites to receiving a grant; providing limitations on the amount of a grant; providing for the distribution of grant moneys to counties; providing an application deadline; providing procedures to be followed by county agencies, the Florida Housing Finance Corporation, and the Legislative Budget Commission; providing for administrative costs; requiring that checks be made payable to grant recipients; allowing the corporation to reallocate grant moneys in specified circumstances; providing appropriations; providing an effective date.

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

Section 1. Insurance Premium Relief Grant Program; creation; purpose; qualifications; procedures.--

(1) There is created the Insurance Premium Relief Grant Program. The purpose of the program is to provide to qualifying residents of this state grants that will mitigate steep increases in the amount of premiums due on homestead property. The county agencies that currently administer funds for affordable housing under the State Housing Initiatives Partnership Program shall administer this program.

29 (2) Prerequisites to receiving a grant are:

30 (a) The applicant must be a resident of this state.

31 (b) The applicant's annual income may not exceed that of
32 "moderate-income persons" as defined in s. 420.602(9), Florida
33 Statutes.

34 (c) The property for which the premium-relief grant is
35 sought must be the applicant's homestead and must have been his
36 or her homestead for at least 2 years immediately preceding the
37 date of application.

38 (d) The current fair market value of the homestead, as
39 determined by the property appraiser and stated on the
40 applicable notice of proposed property taxes, may not exceed the
41 lesser of the median sales price of homes in the county as of
42 the date of application or \$300,000, whichever is less.

43 (e) The latest documented annual increase in the amount of
44 the insurance premium for the homestead property, which increase
45 is due to changes in the price for coverage and not to changes
46 in the types or amount of coverage or deductibles or other
47 policy changes, must equal at least 1 percent of the applicant's
48 annual income; for example, the amount of the increase in
49 premium must be at least \$250 for an applicant who has an annual
50 income of \$25,000.

51 (3) (a) The amount of each grant shall be 50 percent of the
52 annual increase in the amount of the premium, with a maximum
53 grant amount of \$1,000. If the amount of relief for which an
54 applicant qualifies is \$10 or less, the grant may not be
55 awarded.

56 (b) Grants must be awarded in each county to the extent

57 that funds are available. Each county must receive a pro rata
58 amount of the appropriated funds. In allocating the grant money,
59 greater priority must be given to counties in which the
60 percentages of increase in insurance premiums are the highest.
61 Grant funds must be distributed to the various counties in
62 accordance with a formula that incorporates the percentage of
63 increase in the insurance premiums for each county and the
64 number of homestead properties in each county.

65 (4) (a) An applicant for a grant under this program must
66 submit the application on or before February 1, 2007.

67 (b) The county agency must rank all grant applications
68 that are received by the deadline on the basis of need. Each
69 county agency must formulate detailed plans for ranking
70 applications on the basis of need and for administering the
71 program in that county and must submit those plans to the
72 Florida Housing Finance Corporation for approval.

73 (c) The corporation must forward approved county plans,
74 together with the corporation's plan for administering the
75 program at the state level, to the Legislative Budget
76 Commission. The commission must approve the release of
77 appropriated funds.

78 (d) Each county agency may retain for administrative costs
79 up to 5 percent of the funds allocated to that county for the
80 program. Each county agency must provide adequate public
81 awareness and education activities to notify county residents of
82 the availability of the grant program.

83 (e) Checks for the grant moneys must be made payable to
84 the recipients of the grants.

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85 (f) Funds distributed to counties which are not committed
86 to specific grants or allocated for administrative costs by June
87 1, 2007, must be returned to the Florida Housing Finance
88 Corporation for reallocation to counties where there remains
89 unmet need for the grant program. The Florida Housing Finance
90 Corporation is granted budget authority sufficient to disburse
91 the reallocated funds to counties.

92 (5) Moneys appropriated for the grant program must be
93 placed in unbudgeted reserve until the release of the funds is
94 approved by the Legislative Budget Commission.

95 Section 2. The sums of \$355 million from the Local
96 Government Housing Trust Fund and \$145 million from the State
97 Housing Trust Fund are appropriated to the Florida Housing
98 Finance Corporation for the purpose of funding the Insurance
99 Premium Relief Grant Program during the 2006-2007 fiscal year.

100 Section 3. This act shall take effect upon becoming a law.