

HB 33B

2007

1                   A bill to be entitled  
2           An act relating to a hurricane deductible cooperative  
3           reimbursement pilot program; providing for the  
4           Legislature, in consultation with the Office of Insurance  
5           Regulation, to conduct research and prepare a report on  
6           creating a hurricane deductible cooperative reimbursement  
7           pilot program in certain counties for certain purposes;  
8           specifying criteria for the program; specifying  
9           recommendations to be addressed by the report; requiring  
10          submittal of the report to the Legislature; providing an  
11          effective date.

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

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15          Section 1. Hurricane Deductible Cooperative Reimbursement  
16          Pilot Program.--

17               (1) The Legislature, in consultation with the Office of  
18               Insurance Regulation, shall conduct research and prepare a  
19               report regarding the creation of a hurricane deductible  
20               cooperative reimbursement pilot program. The report shall study  
21               and conduct research on the feasibility of a pilot program in  
22               Brevard, Duval, Lake, Orange, and Seminole Counties or other  
23               counties as deemed appropriate, to reimburse participating  
24               residents for losses above their selected deductible retention  
25               of 2 or 5 percent and up to the hurricane deductible program of  
26               10 percent of the insured value of the personal residential risk  
27               located in those counties. The Hurricane Deductible Cooperative  
28               Reimbursement Program would apply to losses incurred only as the

29 result of named storms. The research and report shall take into  
30 account and make recommendations regarding the following:

31 (a) Use of a not for profit entity to administer the  
32 program.

33 (b) Possible sources for the initial funding of the pilot  
34 program.

35 (c) Income, residency requirements, and total insured  
36 value limits, if any, of participants of the pilot program.

37 (d) Evaluation of risk and loss projections within the  
38 pilot counties to ensure the financial soundness of the program.

39 (e) Potential premium savings to insureds participating in  
40 the program.

41 (f) The amount a participant shall pay to participate in  
42 the pilot program.

43 (g) The administration and operation of the pilot program,  
44 including claims administration and the participation of  
45 insurance companies in the pilot program.

46 (h) Mechanisms for controlling and preventing instances of  
47 fraud.

48 (i) Any additional items that may be necessary to  
49 implement this pilot program.

50 (2) The report on the feasibility of the Hurricane  
51 Deductible Cooperative Reimbursement Pilot Program shall be  
52 submitted by December 1, 2007, to the President of the Senate,  
53 the Speaker of the House of Representatives, the minority party  
54 leaders of the Senate and the House of Representatives, and the  
55 chairs of the standing committees of the Senate and the House of  
56 Representatives having jurisdiction over matters relating to

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57 | property and casualty insurance.

58 |       Section 2. This act shall take effect upon becoming a law.