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HB 7103, Engrossed 3

2008 Legislature

1 A bill to be entitled
2 An act relating to the My Safe Florida Home Program;
3 amending s. 215.5586, F.S.; requiring that wind
4 certification entities meet certain minimum criteria to
5 qualify for selection by the Department of Financial
6 Services; deleting a provision requiring hurricane
7 mitigation inspectors participating in the program to meet
8 the requirements for a criminal record check by a
9 specified date; authorizing the department to require that
10 improvements be made to all openings of a structure,
11 including exterior doors and garage doors, as a condition
12 of reimbursing a homeowner for a grant; deleting a
13 provision authorizing the department to transfer certain
14 funds to Volunteer Florida Foundation, Inc., for certain
15 purposes; deleting a requirement that Volunteer Florida,
16 Inc., undertake certain activities; requiring the
17 department to implement a no-interest loan program by a
18 certain date; providing program requirements; requiring
19 the department to set aside certain moneys for certain
20 purposes; authorizing the department to adopt rules;
21 authorizing the department to contract with third parties
22 for contractor services and technology; amending s.
23 627.711, F.S.; requiring insurers to accept as valid
24 uniform mitigation verification forms certified by the
25 department or signed by certain professionals; providing
26 an effective date.

27
28 Be It Enacted by the Legislature of the State of Florida:

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30 Section 1. Subsection (1), paragraphs (e) and (j) of
31 subsection (2), and subsections (8) and (10) of section
32 215.5586, Florida Statutes, are amended to read:

33 215.5586 My Safe Florida Home Program.--There is
34 established within the Department of Financial Services the My
35 Safe Florida Home Program. The department shall provide fiscal
36 accountability, contract management, and strategic leadership
37 for the program, consistent with this section. This section does
38 not create an entitlement for property owners or obligate the
39 state in any way to fund the inspection or retrofitting of
40 residential property in this state. Implementation of this
41 program is subject to annual legislative appropriations. It is
42 the intent of the Legislature that the My Safe Florida Home
43 Program provide inspections for at least 400,000 site-built,
44 single-family, residential properties and provide grants to at
45 least 35,000 applicants before June 30, 2009. The program shall
46 develop and implement a comprehensive and coordinated approach
47 for hurricane damage mitigation that shall include the
48 following:

49 (1) HURRICANE MITIGATION INSPECTIONS.--

50 (a) Free home-retrofit inspections of site-built, single-
51 family, residential property shall be offered throughout the
52 state to determine what mitigation measures are needed, what
53 insurance premium discounts may be available, and what
54 improvements to existing residential properties are needed to
55 reduce the property's vulnerability to hurricane damage. The
56 Department of Financial Services shall contract with wind

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57 certification entities to provide free hurricane mitigation
58 inspections. The inspections provided to homeowners, at a
59 minimum, must include:

60 1. A home inspection and report that summarizes the
61 results and identifies recommended improvements a homeowner may
62 take to mitigate hurricane damage.

63 2. A range of cost estimates regarding the recommended
64 mitigation improvements.

65 3. Insurer-specific information regarding premium
66 discounts correlated to the current mitigation features and the
67 recommended mitigation improvements identified by the
68 inspection.

69 4. A hurricane resistance rating scale specifying the
70 home's current as well as projected wind resistance
71 capabilities. As soon as practical, the rating scale must be the
72 uniform home grading scale adopted by the Financial Services
73 Commission pursuant to s. 215.55865.

74 (b) To qualify for selection by the department as a wind
75 certification entity to provide hurricane mitigation
76 inspections, the entity shall, at a minimum, meet the following
77 requirements:

78 1. Use hurricane mitigation inspectors who:

79 a. Are certified as a building inspector under s. 468.607;

80 b. Are licensed as a general or residential contractor
81 under s. 489.111;

82 c. Are licensed as a professional engineer under s.
83 471.015 and who have passed the appropriate equivalency test of
84 the Building Code Training Program as required by s. 553.841;

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85 d. Are licensed as a professional architect under s.
 86 481.213; or

87 e.a. Have at least 2 years of ~~prior~~ experience in
 88 residential construction or residential building inspection and
 89 have received specialized training in hurricane mitigation
 90 procedures. Such training may be provided by a class offered
 91 online or in person.

92 2. Use hurricane mitigation inspectors who also:

93 a.b. Have undergone drug testing and level 2 background
 94 checks pursuant to s. 435.04. The department may ~~is authorized~~
 95 ~~to~~ conduct criminal record checks of inspectors used by wind
 96 certification entities. Inspectors must submit a set of the
 97 fingerprints to the department for state and national criminal
 98 history checks and must pay the fingerprint processing fee set
 99 forth in s. 624.501. The fingerprints shall be sent by the
 100 department to the Department of Law Enforcement and forwarded to
 101 the Federal Bureau of Investigation for processing. The results
 102 shall be returned to the department for screening. The
 103 fingerprints shall be taken by a law enforcement agency,
 104 designated examination center, or other department-approved
 105 entity; ~~and. Hurricane mitigation inspectors participating in~~
 106 ~~the program on January 25, 2007, shall have until June 1, 2007,~~
 107 ~~to meet the requirements for a criminal record check.~~

108 b.e. Have been certified, in a manner satisfactory to the
 109 department, to conduct the inspections.

110 3.2. Provide a quality assurance program including a
 111 reinspection component.

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112 (c) The department shall implement a quality assurance
 113 program that includes a statistically valid number of
 114 reinspections.

115 ~~(d)(e)~~ An application for an inspection must contain a
 116 signed or electronically verified statement made under penalty
 117 of perjury that the applicant has submitted only a single
 118 application for that home.

119 ~~(e)(d)~~ The owner of a site-built, single-family,
 120 residential property may apply for and receive an inspection
 121 without also applying for a grant pursuant to subsection (2) and
 122 without meeting the requirements of paragraph (2)(a).

123 (2) MITIGATION GRANTS.--Financial grants shall be used to
 124 encourage single-family, site-built, owner-occupied, residential
 125 property owners to retrofit their properties to make them less
 126 vulnerable to hurricane damage.

127 (e) When recommended by a hurricane mitigation inspection,
 128 grants may be used for the following improvements only:

- 129 1. Opening protection.
- 130 2. Exterior doors, including garage doors.
- 131 3. Brace gable ends.

132
 133 The department may require that improvements be made to all
 134 openings, including exterior doors and garage doors, as a
 135 condition of reimbursing a homeowner approved ~~approving an~~
 136 ~~application for a grant if the department determines that~~
 137 ~~improvements to less than all openings would not substantially~~
 138 ~~improve the structure's ability to withstand hurricane damage.~~

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139 ~~(j) The department shall transfer the amount of \$40~~
140 ~~million from funds appropriated to the program, including up to~~
141 ~~5 percent for administrative costs, to Volunteer Florida~~
142 ~~Foundation, Inc., for provision of inspections and grants to~~
143 ~~low-income homeowners, as defined in s. 420.0004(10), consistent~~
144 ~~with this section. Volunteer Florida Foundation, Inc., shall be~~
145 ~~responsible for inspections and grants management for low income~~
146 ~~homeowners and shall report its activities and account for state~~
147 ~~funds on a quarterly and annual basis to the Chief Financial~~
148 ~~Officer, the President of the Senate, and the Speaker of the~~
149 ~~House of Representatives.~~

150 (8) NO-INTEREST LOANS.--The department shall implement ~~may~~
151 ~~develop~~ a no-interest loan program by October 1, 2008,
152 contingent upon the selection of a qualified vendor and
153 execution of a contract acceptable to the department and the
154 vendor. The department shall enter into partnerships with
155 ~~December 31, 2007,~~ to encourage the private sector to provide
156 loans to owners of site-built, single-family, residential
157 property to pay for mitigation measures listed in subsection
158 (2). A loan eligible for interest payments pursuant to this
159 subsection may be for a term of up to 3 years and cover up to
160 \$5,000 in mitigation measures. The department shall pay the
161 creditor the market rate of interest using funds appropriated
162 for the My Safe Florida Home Program. In no case shall the
163 department pay more than the interest rate set by s. 687.03. To
164 be eligible for a loan, a loan applicant must first obtain a
165 home inspection and report that specifies what improvements are
166 needed to reduce the property's vulnerability to windstorm

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167 damage pursuant to this section and meet loan underwriting
 168 requirements set by the lender. The department shall ~~may~~ set
 169 aside ~~up to~~ \$10 million from funds appropriated for the My Safe
 170 Florida Home Program to implement this subsection. The
 171 department may ~~shall~~ adopt rules pursuant to ss. 120.536(1) and
 172 120.54 to implement this subsection which may include
 173 eligibility criteria.

174 (10) CONTRACT MANAGEMENT.--The department may contract
 175 with third parties for grants management, inspection services,
 176 contractor services for low-income homeowners, information
 177 technology, educational outreach, and auditing services. Such
 178 contracts shall be considered direct costs of the program and
 179 shall not be subject to administrative cost limits, but
 180 contracts valued at \$500,000 or more shall be subject to review
 181 and approval by the Legislative Budget Commission. The
 182 department shall contract with providers that have a
 183 demonstrated record of successful business operations in areas
 184 directly related to the services to be provided and shall ensure
 185 the highest accountability for use of state funds, consistent
 186 with this section.

187 Section 2. Subsection (2) of section 627.711, Florida
 188 Statutes, is amended to read:

189 627.711 Notice of premium discounts for hurricane loss
 190 mitigation; uniform mitigation verification inspection form.--

191 (2) By July 1, 2007, the Financial Services Commission
 192 shall develop by rule a uniform mitigation verification
 193 inspection form that shall be used by all insurers when
 194 submitted by policyholders for the purpose of factoring

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195 discounts for wind insurance. In developing the form, the
 196 commission shall seek input from insurance, construction, and
 197 building code representatives. Further, the commission shall
 198 provide guidance as to the length of time the inspection results
 199 are valid. An insurer shall accept as valid a uniform mitigation
 200 verification form certified by the Department of Financial

201 Services or signed by:

202 (a) A hurricane mitigation inspector employed by an
 203 approved My Safe Florida Home wind certification entity;

204 (b) A building code inspector certified under s. 468.607;

205 (c) A general or residential contractor licensed under s.
 206 489.111;

207 (d) A professional engineer licensed under s. 471.015 who
 208 has passed the appropriate equivalency test of the Building Code
 209 training program as required by s. 553.841; or

210 (e) A professional architect licensed under s. 481.213.

211 Section 3. This act shall take effect July 1, 2008.