

By the Committees on Criminal Justice; and Banking and Insurance; and Senator Justice

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1 A bill to be entitled
2 An act relating to the My Safe Florida Home Program;
3 amending s. 215.5586, F.S.; revising legislative
4 intent; revising criteria for hurricane mitigation
5 inspections; revising criteria for eligibility for a
6 mitigation grant; expanding the list of improvements
7 for which grants may be used; correcting a reference
8 to the Florida Division of Emergency Management;
9 deleting provisions relating to no-interest loans;
10 requiring that contracts valued at or greater than a
11 specified amount be subject to review and approval of
12 the Legislative Budget Commission; amending s.
13 627.711, F.S.; deleting provisions requiring an
14 insurer to accept certain uniform mitigation
15 verification forms; providing a criminal penalty for
16 knowingly submitting a false or fraudulent mitigation
17 form with the intent to receive an undeserved
18 discount; providing an effective date.

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

21
22 Section 1. Section 215.5586, Florida Statutes, as amended
23 by section 1 of chapter 2009-10, Laws of Florida, is amended to
24 read:

25 215.5586 My Safe Florida Home Program.—There is established
26 within the Department of Financial Services the My Safe Florida
27 Home Program. The department shall provide fiscal
28 accountability, contract management, and strategic leadership
29 for the program, consistent with this section. This section does

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30 not create an entitlement for property owners or obligate the
31 state in any way to fund the inspection or retrofitting of
32 residential property in this state. Implementation of this
33 program is subject to annual legislative appropriations. It is
34 the intent of the Legislature that the My Safe Florida Home
35 Program provide trained and certified inspectors to perform
36 inspections for owners of ~~for at least 400,000~~ site-built,
37 single-family, residential properties and ~~provide~~ grants to
38 eligible at least 35,000 applicants as funding allows ~~before~~
39 ~~June 30, 2009~~. The program shall develop and implement a
40 comprehensive and coordinated approach for hurricane damage
41 mitigation that may ~~shall~~ include the following:

42 (1) HURRICANE MITIGATION INSPECTIONS.

43 (a) Certified inspectors to provide ~~free~~ home-retrofit
44 inspections of site-built, single-family, residential property
45 may ~~shall~~ be offered ~~throughout the state~~ to determine what
46 mitigation measures are needed, what insurance premium discounts
47 may be available, and what improvements to existing residential
48 properties are needed to reduce the property's vulnerability to
49 hurricane damage. The Department of Financial Services shall
50 contract with wind certification entities to provide ~~free~~
51 hurricane mitigation inspections. The inspections provided to
52 homeowners, at a minimum, must include:

53 1. A home inspection and report that summarizes the results
54 and identifies recommended improvements a homeowner may take to
55 mitigate hurricane damage.

56 2. A range of cost estimates regarding the recommended
57 mitigation improvements.

58 3. Insurer-specific information regarding premium discounts

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59 correlated to the current mitigation features and the
60 recommended mitigation improvements identified by the
61 inspection.

62 4. A hurricane resistance rating scale specifying the
63 home's current as well as projected wind resistance
64 capabilities. As soon as practical, the rating scale must be the
65 uniform home grading scale adopted by the Financial Services
66 Commission pursuant to s. 215.55865.

67 (b) To qualify for selection by the department as a wind
68 certification entity to provide hurricane mitigation
69 inspections, the entity shall, at a minimum, meet the following
70 requirements:

71 1. Use hurricane mitigation inspectors who:

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

73 b. Are licensed as a general or residential contractor
74 under s. 489.111;

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

78 d. Are licensed as a professional architect under s.
79 481.213; or

80 e. Have at least 2 years of experience in residential
81 construction or residential building inspection and have
82 received specialized training in hurricane mitigation
83 procedures. Such training may be provided by a class offered
84 online or in person.

85 2. Use hurricane mitigation inspectors who also:

86 a. Have undergone drug testing and level 2 background
87 checks pursuant to s. 435.04. The department may conduct

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88 criminal record checks of inspectors used by wind certification
89 entities. Inspectors must submit a set of the fingerprints to
90 the department for state and national criminal history checks
91 and must pay the fingerprint processing fee set forth in s.
92 624.501. The fingerprints shall be sent by the department to the
93 Department of Law Enforcement and forwarded to the Federal
94 Bureau of Investigation for processing. The results shall be
95 returned to the department for screening. The fingerprints shall
96 be taken by a law enforcement agency, designated examination
97 center, or other department-approved entity; and

98 b. Have been certified, in a manner satisfactory to the
99 department, to conduct the inspections.

100 3. Provide a quality assurance program including a
101 reinspection component.

102 (c) The department shall implement a quality assurance
103 program that includes a statistically valid number of
104 reinspections.

105 (d) An application for an inspection must contain a signed
106 or electronically verified statement made under penalty of
107 perjury that the applicant has submitted only a single
108 application for that home.

109 (e) The owner of a site-built, single-family, residential
110 property may apply for and receive an inspection without also
111 applying for a grant pursuant to subsection (2) and without
112 meeting the requirements of paragraph (2)(a).

113 (2) MITIGATION GRANTS.—Financial grants shall be used to
114 encourage single-family, site-built, owner-occupied, residential
115 property owners to retrofit their properties to make them less
116 vulnerable to hurricane damage.

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117 (a) For a homeowner to be eligible for a grant, the
118 following criteria for persons who have obtained a completed
119 inspection after May 1, 2007, a residential property must be
120 met:

121 1. The homeowner must have been granted a homestead
122 exemption on the home under chapter 196.

123 2. The home must be a dwelling with an insured value of
124 \$300,000 or less. Homeowners who are low-income persons, as
125 defined in s. 420.0004(10), are exempt from this requirement.

126 3. The home must have undergone an acceptable hurricane
127 mitigation inspection after May 1, 2007.

128 4. The home must be located in the "wind-borne debris
129 region" as that term is defined in s. 1609.2, International
130 Building Code (2006), or as subsequently amended.

131 5. ~~Be a home for which~~ The building permit application for
132 initial construction of the home must have been ~~was~~ made before
133 March 1, 2002.

134
135 An application for a grant must contain a signed or
136 electronically verified statement made under penalty of perjury
137 that the applicant has submitted only a single application and
138 must have attached documents demonstrating the applicant meets
139 the requirements of this paragraph.

140 (b) All grants must be matched on a dollar-for-dollar basis
141 up to ~~for~~ a total of \$10,000 for the actual cost of the
142 mitigation project with the state's contribution not to exceed
143 \$5,000.

144 (c) The program shall create a process in which contractors
145 agree to participate and homeowners select from a list of

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146 participating contractors. All mitigation must be based upon the
147 securing of all required local permits and inspections and must
148 be performed by properly licensed contractors. Mitigation
149 projects are subject to random reinspection of up to at least 5
150 percent of all projects. Hurricane mitigation inspectors
151 qualifying for the program may also participate as mitigation
152 contractors as long as the inspectors meet the department's
153 qualifications and certification requirements for mitigation
154 contractors.

155 (d) Matching fund grants shall also be made available to
156 local governments and nonprofit entities for projects that will
157 reduce hurricane damage to single-family, site-built, owner-
158 occupied, residential property. The department shall liberally
159 construe those requirements in favor of availing the state of
160 the opportunity to leverage funding for the My Safe Florida Home
161 Program with other sources of funding.

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

- 164 1. Opening protection.
- 165 2. Exterior doors, including garage doors.
- 166 3. Brace gable ends.
- 167 4. Reinforcing roof-to-wall connections.
- 168 5. Improving the strength of roof-deck attachments.
- 169 6. Upgrading roof covering from code to code plus.
- 170 7. Secondary water barrier for roof.

171
172 The department may require that improvements be made to all
173 openings, including exterior doors and garage doors, as a
174 condition of reimbursing a homeowner approved for a grant. The

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175 department may adopt, by rule, the maximum grant allowances for
176 any improvement allowable under this paragraph.

177 (f) Grants may be used on a previously inspected existing
178 structure or on a rebuild. A rebuild is defined as a site-built,
179 single-family dwelling under construction to replace a home that
180 was destroyed or significantly damaged by a hurricane and deemed
181 unlivable by a regulatory authority. The homeowner must be a
182 low-income homeowner as defined in paragraph (g), must have had
183 a homestead exemption for that home prior to the hurricane, and
184 must be intending to rebuild the home as that homeowner's
185 homestead.

186 (g) Low-income homeowners, as defined in s. 420.0004(10),
187 who otherwise meet the requirements of paragraphs (a), (c), (e),
188 and (f) are eligible for a grant of up to \$5,000 and are not
189 required to provide a matching amount to receive the grant.
190 Additionally, for low-income homeowners, grant funding may be
191 used for repair to existing structures leading to any of the
192 mitigation improvements provided in paragraph (e), limited to 20
193 percent of the grant value. The program may accept a
194 certification directly from a low-income homeowner that the
195 homeowner meets the requirements of s. 420.0004(10) if the
196 homeowner provides such certification in a signed or
197 electronically verified statement made under penalty of perjury.

198 (h) The department shall establish objective, reasonable
199 criteria for prioritizing grant applications, consistent with
200 the requirements of this section.

201 (i) The department shall develop a process that ensures the
202 most efficient means to collect and verify grant applications to
203 determine eligibility and may direct hurricane mitigation

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204 inspectors to collect and verify grant application information
205 or use the Internet or other electronic means to collect
206 information and determine eligibility.

207 (3) EDUCATION AND CONSUMER AWARENESS.—The department may
208 undertake a statewide multimedia public outreach and advertising
209 campaign to inform consumers of the availability and benefits of
210 hurricane inspections and of the safety and financial benefits
211 of residential hurricane damage mitigation. The department may
212 seek out and use local, state, federal, and private funds to
213 support the campaign.

214 (4) ADVISORY COUNCIL.—There is created an advisory council
215 to provide advice and assistance to the department regarding
216 administration of the program. The advisory council shall
217 consist of:

218 (a) A representative of lending institutions, selected by
219 the Financial Services Commission from a list of at least three
220 persons recommended by the Florida Bankers Association.

221 (b) A representative of residential property insurers,
222 selected by the Financial Services Commission from a list of at
223 least three persons recommended by the Florida Insurance
224 Council.

225 (c) A representative of home builders, selected by the
226 Financial Services Commission from a list of at least three
227 persons recommended by the Florida Home Builders Association.

228 (d) A faculty member of a state university, selected by the
229 Financial Services Commission, who is an expert in hurricane-
230 resistant construction methodologies and materials.

231 (e) Two members of the House of Representatives, selected
232 by the Speaker of the House of Representatives.

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233 (f) Two members of the Senate, selected by the President of
234 the Senate.

235 (g) The Chief Executive Officer of the Federal Alliance for
236 Safe Homes, Inc., or his or her designee.

237 (h) The senior officer of the Florida Hurricane Catastrophe
238 Fund.

239 (i) The executive director of Citizens Property Insurance
240 Corporation.

241 (j) The director of the Florida Division of Emergency
242 Management ~~of the Department of Community Affairs~~.

243

244 Members appointed under paragraphs (a)-(d) shall serve at the
245 pleasure of the Financial Services Commission. Members appointed
246 under paragraphs (e) and (f) shall serve at the pleasure of the
247 appointing officer. All other members shall serve as voting ex
248 officio members. Members of the advisory council shall serve
249 without compensation but may receive reimbursement as provided
250 in s. 112.061 for per diem and travel expenses incurred in the
251 performance of their official duties.

252 (5) FUNDING.—The department may seek out and leverage
253 local, state, federal, or private funds to enhance the financial
254 resources of the program.

255 (6) RULES.—The Department of Financial Services shall adopt
256 rules pursuant to ss. 120.536(1) and 120.54 to govern the
257 program; implement the provisions of this section; including
258 rules governing hurricane mitigation inspections and grants,
259 mitigation contractors, and training of inspectors and
260 contractors; and carry out the duties of the department under
261 this section.

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262 (7) HURRICANE MITIGATION INSPECTOR LIST.—The department
263 shall develop and maintain as a public record a current list of
264 hurricane mitigation inspectors authorized to conduct hurricane
265 mitigation inspections pursuant to this section.

266 ~~(8) NO-INTEREST LOANS.—The department shall implement a no-~~
267 ~~interest loan program by October 1, 2008, contingent upon the~~
268 ~~selection of a qualified vendor and execution of a contract~~
269 ~~acceptable to the department and the vendor. The department~~
270 ~~shall enter into partnerships with the private sector to provide~~
271 ~~loans to owners of site built, single-family, residential~~
272 ~~property to pay for mitigation measures listed in subsection~~
273 ~~(2). A loan eligible for interest payments pursuant to this~~
274 ~~subsection may be for a term of up to 3 years and cover up to~~
275 ~~\$5,000 in mitigation measures. The department shall pay the~~
276 ~~creditor the market rate of interest using funds appropriated~~
277 ~~for the My Safe Florida Home Program. In no case shall the~~
278 ~~department pay more than the interest rate set by s. 687.03. To~~
279 ~~be eligible for a loan, a loan applicant must first obtain a~~
280 ~~home inspection and report that specifies what improvements are~~
281 ~~needed to reduce the property's vulnerability to windstorm~~
282 ~~damage pursuant to this section and meet loan underwriting~~
283 ~~requirements set by the lender. The department may adopt rules~~
284 ~~pursuant to ss. 120.536(1) and 120.54 to implement this~~
285 ~~subsection which may include eligibility criteria.~~

286 (8) ~~(9)~~ PUBLIC OUTREACH FOR CONTRACTORS AND REAL ESTATE
287 BROKERS AND SALES ASSOCIATES.—The program shall develop
288 brochures for distribution to general contractors, roofing
289 contractors, and real estate brokers and sales associates
290 licensed under part I of chapter 475 explaining the benefits to

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291 homeowners of residential hurricane damage mitigation. The
292 program shall encourage contractors to distribute the brochures
293 to homeowners at the first meeting with a homeowner who is
294 considering contracting for home or roof repairs or contracting
295 for the construction of a new home. The program shall encourage
296 real estate brokers and sales associates licensed under part I
297 of chapter 475 to distribute the brochures to clients prior to
298 the purchase of a home. The brochures may be made available
299 electronically.

300 (9)~~(10)~~ CONTRACT MANAGEMENT.—The department may contract
301 with third parties for grants management, inspection services,
302 contractor services for low-income homeowners, information
303 technology, educational outreach, and auditing services. Such
304 contracts shall be considered direct costs of the program and
305 shall not be subject to administrative cost limits, but
306 contracts valued at \$1 million ~~\$500,000~~ or more shall be subject
307 to review and approval by the Legislative Budget Commission. The
308 department shall contract with providers that have a
309 demonstrated record of successful business operations in areas
310 directly related to the services to be provided and shall ensure
311 the highest accountability for use of state funds, consistent
312 with this section.

313 (10)~~(11)~~ INTENT.—It is the intent of the Legislature that
314 grants made to residential property owners under this section
315 shall be considered disaster-relief assistance within the
316 meaning of s. 139 of the Internal Revenue Code of 1986, as
317 amended.

318 (11)~~(12)~~ REPORTS.—The department shall make an annual
319 report on the activities of the program that shall account for

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320 the use of state funds and indicate the number of inspections
321 requested, the number of inspections performed, the number of
322 grant applications received, and the number and value of grants
323 approved. The report shall be delivered to the President of the
324 Senate and the Speaker of the House of Representatives by
325 February 1 of each year.

326 Section 2. Subsection (2) of section 627.711, Florida
327 Statutes, is amended, and subsection (3) is added to that
328 section, to read:

329 627.711 Notice of premium discounts for hurricane loss
330 mitigation; uniform mitigation verification inspection form.—

331 (2) By July 1, 2007, the Financial Services Commission
332 shall develop by rule a uniform mitigation verification
333 inspection form that shall be used by all insurers when
334 submitted by policyholders for the purpose of factoring
335 discounts for wind insurance. In developing the form, the
336 commission shall seek input from insurance, construction, and
337 building code representatives. Further, the commission shall
338 provide guidance as to the length of time the inspection results
339 are valid. ~~An insurer shall accept as valid a uniform mitigation
340 verification form certified by the Department of Financial
341 Services or signed by:~~

342 ~~(a) A hurricane mitigation inspector employed by an
343 approved My Safe Florida Home wind certification entity;~~

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

345 ~~(c) A general or residential contractor licensed under s.
346 489.111;~~

347 ~~(d) A professional engineer licensed under s. 471.015 who
348 has passed the appropriate equivalency test of the Building Code~~

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349 ~~Training Program as required by s. 553.841; or~~
350 ~~(c) A professional architect licensed under s. 481.213.~~
351 (3) An individual or entity who knowingly provides or
352 utters a false or fraudulent mitigation verification form with
353 the intent to obtain or receive a discount on an insurance
354 premium to which the individual or entity is not entitled
355 commits a misdemeanor of the first degree, punishable as
356 provided in s. 775.082 or s. 775.083.

357 Section 3. This act shall take effect July 1, 2009.