

By Senator Fasano

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1 A bill to be entitled
2 An act relating to property insurance; establishing
3 the "Property Insurance Rate Reduction Act"; providing
4 findings; requiring that insurance companies writing
5 property insurance policies in this state consider
6 certain information for the purpose of reducing the
7 risk assumed by such insurers when setting rates;
8 providing an effective date.

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

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12 Section 1. This act may be cited as the "Property Insurance
13 Rate Reduction Act."

14 Section 2. (1) The Legislature has delegated to local
15 governmental units the responsibility to adopt regulations
16 designed to protect the health, safety, and general welfare of
17 the residents of this state.

18 (2) Due to a large number of ground-settlement insurance
19 claims in portions of this state, owners of property located in
20 this state have been subjected to increased property insurance
21 rates by insurers.

22 (3) Local governmental officials have taken substantial
23 steps to reduce increasing property insurance rates through the
24 enactment of local ordinances focused on mitigating the risk of
25 insurers with regard to sinkholes.

26 Section 3. When assessing risk and setting rates, insurance
27 companies writing property insurance policies in this state must
28 consider local ordinances and local amendments to the Florida
29 Building Code, which are intended to reduce or eliminate

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30 geologic hazards. Such considerations must be made for the
31 purpose of reducing the level of risk assumed by an insurer when
32 setting property insurance rates for persons owning property
33 located in this state.

34 Section 4. This act shall take effect upon becoming a law.