

By the Committee on Banking and Insurance; and Senators Fasano and Storms

597-02355-09

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1 A bill to be entitled
2 An act relating to sinkhole losses; creating s.
3 627.7063, F.S.; defining the term "sinkhole loss
4 prevention ordinance"; requiring the Financial
5 Services Commission to adopt a building code
6 effectiveness grading schedule by rule to evaluate the
7 effectiveness of sinkhole loss prevention ordinances
8 in reducing the number of sinkhole claims and the
9 severity of sinkhole losses; requiring insurance
10 discounts and surcharges based on the grade assigned
11 to a sinkhole loss prevention ordinance; providing an
12 effective date.

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

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16 Section 1. Section 627.7063, Florida Statutes, is created
17 to read:

18 627.7063 Building code effectiveness grading schedule.—

19 (1) As used in this section, the term "sinkhole loss
20 prevention ordinance" means a county ordinance that amends the
21 Florida Building Code and that is intended to reduce the number
22 of sinkhole claims and the severity of sinkhole losses.

23 (2) The commission shall adopt a building code
24 effectiveness grading schedule by rule. The grading schedule
25 shall evaluate the effectiveness of each sinkhole loss
26 prevention ordinance in reducing the number of sinkhole claims
27 and severity of sinkhole losses. Each ordinance shall be
28 evaluated 4 years after the ordinance takes effect. The grading
29 schedule shall be based on the effectiveness of code enforcement

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30 in each county and scientific, modeling, and engineering
31 methodologies. The rules shall further mandate insurance premium
32 discounts or surcharges on personal residential property
33 insurance based on a property's compliance with an ordinance and
34 the grade assigned to the applicable sinkhole loss prevention
35 ordinance.

36 Section 2. This act shall take effect January 1, 2010.