

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 7025 PCB IBFA 10-04 Residential Property Structural Soundness Evaluation Grant Program

SPONSOR(S): Insurance, Business & Financial Affairs Policy Committee, Patterson

TIED BILLS: **IDEN./SIM. BILLS:**

	REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
Orig. Comm.:	Insurance, Business & Financial Affairs Policy Committee	14 Y, 0 N	Callaway	Cooper
1)	General Government Policy Council		Callaway	Hamby
2)				
3)				
4)				
5)				

SUMMARY ANALYSIS

The bill repeals s. 627.0629(8), F.S., which establishes a mitigation evaluation grant program for policyholders of Citizens Property Insurance Corporation insured in the high-risk account. The program would allow these policyholders to obtain a grant to pay for a wind mitigation evaluation of their home. The statute conditions the program on appropriation of funds and no appropriation has been given in recent years and due to budget constraints no future appropriation is anticipated.

There is no fiscal impact on state or local government.

The bill is effective on July 1, 2010.

HOUSE PRINCIPLES

Members are encouraged to evaluate proposed legislation in light of the following guiding principles of the House of Representatives

- Balance the state budget.
- Create a legal and regulatory environment that fosters economic growth and job creation.
- Lower the tax burden on families and businesses.
- Reverse or restrain the growth of government.
- Promote public safety.
- Promote educational accountability, excellence, and choice.
- Foster respect for the family and for innocent human life.
- Protect Florida's natural beauty.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Section 627.0629(8), F.S., requires the Department of Community Affairs to establish a program to provide grants for policyholders of Citizens Property Insurance Corporation (Citizens) insured in the high-risk account to pay for a wind mitigation evaluation of their home. The program is to be administered by Citizens. The statute conditions implementation of the program on an appropriation in the General Appropriations Act (GAA). No appropriation in the GAA was made for the program in fiscal year 2008-2009 or fiscal year 2009-2010 and it is believed no funding has ever been appropriated for the program.¹

The bill repeals s. 627.0629(8), F.S., which establishes the mitigation evaluation grant program because the statute conditions the program on appropriation of funds and no appropriation has been given in recent years and due to budget constraints no future appropriation is anticipated.

B. SECTION DIRECTORY:

Section 1: Deletes s. 627.0629(8), F.S., relating to a mitigation grant program for certain policyholders of Citizens Property Insurance Corporation.

Section 2: Provides an effective date of July 1, 2010.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

¹ Although it is not believed that an appropriation has ever been given to fund the mitigation program, documentation of funding was only traced back to fiscal year 2008-2009.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Repealing this statute will preclude certain policyholders of Citizens from receiving grants from the state to use to pay for a mitigation inspection. However, no funding has been provided by the State in the last two years for grants and it is believed no funding has been provided since the program's inception.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to: require counties or municipalities to spend funds or take an action requiring the expenditure of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or reduce the percentage of a state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None provided in the bill.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES

None.