

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Banking and Insurance Committee

BILL: SB 638

INTRODUCER: Senator Simmons

SUBJECT: Residential Property Structural Soundness Evaluation Grant Program

DATE: February 13, 2011

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Burgess	Burgess	BI	Pre-meeting
2.	_____	_____	CA	_____
3.	_____	_____	BC	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

The bill amends s. 627.0629, F.S., and deletes subsection (8) relating to a grant program for homeowners insured by Citizens Property Insurance Corporation (Citizens) in the high risk account to obtain evaluations of the wind resistance of their homes. The Department of Community Affairs was to establish by rule the standards to govern the evaluation, the recommendations for retrofitting, the eligibility of those who would perform the evaluations, and the selection of the applicants to obtain the grants. The program would be administered by Citizens. All of these provisions of program, however, are to be effected “to the extent that funds are provided for this purpose in the General Appropriations Act (GAA).”¹ No such appropriation has been awarded in recent years.

This bill substantially amends the following section of the Florida Statutes:
627.0629.

II. Present Situation:

In 1997, the Legislature enacted s. 627.0629(8), F.S.,² which established a grant program for homeowners insured by the Florida Windstorm Underwriting Association (FWUA) to obtain evaluations of the wind resistance of their homes. The Department of Community Affairs was to establish by rule the standards to govern the evaluation, the recommendations for retrofitting, the eligibility of those who would perform the evaluations, and the selection of the applicants to obtain the grants. The program would be administered by the FWUA. All of these provisions of

¹ Section 627.0629(8)(b), F.S.

² Section 4, ch. 97-55, LOF.

program, however, are to be effected “to the extent that funds are provided for this purpose in the General Appropriations Act (GAA).” In 2002, the Florida Legislature combined the FWUA with the Florida Residential Property and Casualty Joint Underwriting Association (RPCJUA) and thereby created Citizens. At that point, Citizens assumed the responsibility for administering the structural soundness evaluation grant program, to the extent that funds are provided by the GAA.

Representatives for Citizens have represented that no grants have been awarded at least since the inception of Citizens in 2002, because funds have not been provided by the GAA.

Representatives of the Division of Emergency Management within the Department of Community Affairs have represented that the agency has not promulgated rules to establish the grant program because funds have not been provided by the GAA, which is a precondition for the program.

III. Effect of Proposed Changes:

Section 1. The bill deletes s. 627.0629(8), F.S., relating to a grant program for the evaluation of residential property structural soundness. The program is conditioned on funds being provided in the GAA, and no funds have been provided for that purpose. Accordingly, no grants have been awarded under s. 627.0629(8), F.S.

Section 2. Provides an effective date of July 1, 2011.

Other Potential Implications:

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.