

By Senator Hays

20-01371-12

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1                   A bill to be entitled  
2           An act relating to the Hurricane Loss Mitigation  
3           Program; amending s. 215.559, F.S.; revising  
4           provisions relating to the program; providing  
5           purposes; revising the membership of the program's  
6           advisory council; deleting provisions specifying how  
7           program funding is to be apportioned; deleting the  
8           Manufactured Housing and Mobile Home Mitigation and  
9           Enhancement Program; providing an effective date.

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

12  
13           Section 1. Section 215.559, Florida Statutes, is amended to  
14           read:

15           215.559 Hurricane Loss Mitigation Program.—A Hurricane Loss  
16           Mitigation Program is established in the Division of Emergency  
17           Management.

18           (1) The purpose of the program is to:

19           (a) Provide funding and supervision for the public  
20           hurricane loss projection model;

21           (b) Supervise and fund the My Safe Florida Home Program;

22           (c) Establish a statewide program for inspection standards  
23           and data collection related to hurricane loss;

24           (d) Further the science of hurricane mitigation by working  
25           with all types of businesses, scientists, and academics in order  
26           to further the availability and measure the effectiveness of new  
27           ways to mitigate hurricane damage to homes;

28           (e) Be a state resource on the assessment of the potential  
29           expected cost of hurricane damage and the results of mitigation;

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30 and

31 (f) Provide regulatory oversight to the Office of Insurance  
32 Regulation on the applicability and use of wind mitigation  
33 discounts for homeowners' insurance.

34 (2)~~(1)~~ The Legislature shall annually appropriate \$10  
35 million of the moneys authorized for appropriation under s.  
36 215.555(7)(c) from the Florida Hurricane Catastrophe Fund to the  
37 division for the purposes set forth in this section. ~~Of the~~  
38 ~~amount:~~

39 ~~(a) Seven million dollars in funds shall be used for~~  
40 ~~programs to improve the wind resistance of residences and mobile~~  
41 ~~homes, including loans, subsidies, grants, demonstration~~  
42 ~~projects, and direct assistance; educating persons concerning~~  
43 ~~the Florida Building Code cooperative programs with local~~  
44 ~~governments and the Federal Government; and other efforts to~~  
45 ~~prevent or reduce losses or reduce the cost of rebuilding after~~  
46 ~~a disaster.~~

47 ~~(b) Three million dollars in funds shall be used to~~  
48 ~~retrofit existing facilities used as public hurricane shelters.~~  
49 ~~Each year the division shall prioritize the use of these funds~~  
50 ~~for projects included in the annual report of the Shelter~~  
51 ~~Retrofit Report prepared in accordance with s. 252.385(3). The~~  
52 ~~division must give funding priority to projects in regional~~  
53 ~~planning council regions that have shelter deficits and to~~  
54 ~~projects that maximize the use of state funds.~~

55 ~~(2)(a) Forty percent of the total appropriation in~~  
56 ~~paragraph (1)(a) shall be used to inspect and improve tie-downs~~  
57 ~~for mobile homes.~~

58 ~~(b)1. The Manufactured Housing and Mobile Home Mitigation~~

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59 ~~and Enhancement Program is established. The program shall~~  
60 ~~require the mitigation of damage to or the enhancement of homes~~  
61 ~~for the areas of concern raised by the Department of Highway~~  
62 ~~Safety and Motor Vehicles in the 2004-2005 Hurricane Reports on~~  
63 ~~the effects of the 2004 and 2005 hurricanes on manufactured and~~  
64 ~~mobile homes in this state. The mitigation or enhancement must~~  
65 ~~include, but need not be limited to, problems associated with~~  
66 ~~weakened trusses, studs, and other structural components caused~~  
67 ~~by wood rot or termite damage; site-built additions; or tie-down~~  
68 ~~systems and may also address any other issues deemed appropriate~~  
69 ~~by Tallahassee Community College, the Federation of Manufactured~~  
70 ~~Home Owners of Florida, Inc., the Florida Manufactured Housing~~  
71 ~~Association, and the Department of Highway Safety and Motor~~  
72 ~~Vehicles. The program shall include an education and outreach~~  
73 ~~component to ensure that owners of manufactured and mobile homes~~  
74 ~~are aware of the benefits of participation.~~

75 ~~2. The program shall be a grant program that ensures that~~  
76 ~~entire manufactured home communities and mobile home parks may~~  
77 ~~be improved wherever practicable. The moneys appropriated for~~  
78 ~~this program shall be distributed directly to Tallahassee~~  
79 ~~Community College for the uses set forth under this subsection.~~

80 ~~3. Upon evidence of completion of the program, the Citizens~~  
81 ~~Property Insurance Corporation shall grant, on a pro rata basis,~~  
82 ~~actuarially reasonable discounts, credits, or other rate~~  
83 ~~differentials or appropriate reductions in deductibles for the~~  
84 ~~properties of owners of manufactured homes or mobile homes on~~  
85 ~~which fixtures or construction techniques that have been~~  
86 ~~demonstrated to reduce the amount of loss in a windstorm have~~  
87 ~~been installed or implemented. The discount on the premium must~~

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88 ~~be applied to subsequent renewal premium amounts. Premiums of~~  
89 ~~the Citizens Property Insurance Corporation must reflect the~~  
90 ~~location of the home and the fact that the home has been~~  
91 ~~installed in compliance with building codes adopted after~~  
92 ~~Hurricane Andrew. Rates resulting from the completion of the~~  
93 ~~Manufactured Housing and Mobile Home Mitigation and Enhancement~~  
94 ~~Program are not considered competitive rates for the purposes of~~  
95 ~~s. 627.351(6)(d)1. and 2.~~

96 ~~4. On or before January 1 of each year, Tallahassee~~  
97 ~~Community College shall provide a report of activities under~~  
98 ~~this subsection to the Governor, the President of the Senate,~~  
99 ~~and the Speaker of the House of Representatives. The report must~~  
100 ~~set forth the number of homes that have taken advantage of the~~  
101 ~~program, the types of enhancements and improvements made to the~~  
102 ~~manufactured or mobile homes and attachments to such homes, and~~  
103 ~~whether there has been an increase in availability of insurance~~  
104 ~~products to owners of manufactured or mobile homes.~~

105  
106 ~~Tallahassee Community College shall develop the programs set~~  
107 ~~forth in this subsection in consultation with the Federation of~~  
108 ~~Manufactured Home Owners of Florida, Inc., the Florida~~  
109 ~~Manufactured Housing Association, and the Department of Highway~~  
110 ~~Safety and Motor Vehicles. The moneys appropriated for the~~  
111 ~~programs set forth in this subsection shall be distributed~~  
112 ~~directly to Tallahassee Community College to be used as set~~  
113 ~~forth in this subsection.~~

114 ~~(3) Of moneys provided to the division in paragraph (1)(a),~~  
115 ~~10 percent shall be allocated to the Florida International~~  
116 ~~University center dedicated to hurricane research. The center~~

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117 ~~shall develop a preliminary work plan approved by the advisory~~  
118 ~~council set forth in subsection (4) to eliminate the state and~~  
119 ~~local barriers to upgrading existing mobile homes and~~  
120 ~~communities, research and develop a program for the recycling of~~  
121 ~~existing older mobile homes, and support programs of research~~  
122 ~~and development relating to hurricane loss reduction devices and~~  
123 ~~techniques for site-built residences. The State University~~  
124 ~~System also shall consult with the division and assist the~~  
125 ~~division with the report required under subsection (6).~~

126 ~~(4) Except for the programs set forth in subsection (3),~~  
127 ~~the division shall develop the programs set forth in this~~  
128 ~~section in consultation with an advisory council consisting of a~~  
129 ~~representative designated by the Chief Financial Officer, a~~  
130 ~~representative designated by the Florida Home Builders~~  
131 ~~Association, a representative designated by the Florida~~  
132 ~~Insurance Council, a representative designated by the Federation~~  
133 ~~of Manufactured Home Owners, a representative designated by the~~  
134 ~~Florida Association of Counties, a representative designated by~~  
135 ~~the Florida Manufactured Housing Association, and a~~  
136 ~~representative designated by the Florida Building Commission.~~

137 ~~(5) Moneys provided to the division under this section are~~  
138 ~~intended to supplement, not supplant, the division's other~~  
139 ~~funding sources.~~

140 (3) An advisory council shall be established to provide  
141 advice and assistance regarding the administration of the  
142 program. The advisory council shall consist of:

143 (a) The Director of the Office of Insurance Regulation, or  
144 his or her designee, who may not serve as chair of the  
145 committee;

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146 (b) The Insurance Consumer Advocate, or his or her  
147 designee;

148 (c) Two representatives of homeowners' insurance companies,  
149 one of whom represents small companies and is appointed by the  
150 President of the Senate, and one of whom represents large  
151 companies and is appointed by the Speaker of the House of  
152 Representatives;

153 (d) Two scientists, one of whom has experience and training  
154 in the sciences related to wind or the building code and is  
155 appointed by the President of the Senate, and one of whom has a  
156 background in engineering and is appointed by the Speaker of the  
157 House of Representatives;

158 (e) Two legislators, one appointed by the President of the  
159 Senate, and one appointed by the Speaker of the House of  
160 Representatives;

161 (f) One representative of the reinsurance industry, who is  
162 appointed jointly by the President of the Senate and the Speaker  
163 of the House of Representatives; and

164 (f) One scientist who has a background in modeling  
165 appointed by the division.

166 (4) ~~(6)~~ On January 1st of each year, the division shall  
167 provide a full report and accounting of activities under this  
168 section and an evaluation of such activities to the Speaker of  
169 the House of Representatives, the President of the Senate, and  
170 the Majority and Minority Leaders of the House of  
171 Representatives and the Senate. Upon completion of the report,  
172 the division shall deliver the report to the Office of Insurance  
173 Regulation. The Office of Insurance Regulation shall review the  
174 report and shall make such recommendations available to the

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175 insurance industry as the Office of Insurance Regulation deems  
176 appropriate. These recommendations may be used by insurers for  
177 potential discounts or rebates pursuant to s. 627.0629. The  
178 Office of Insurance Regulation shall make such recommendations  
179 within 1 year after receiving the report.

180 (5)~~(7)~~ This section expires ~~is repealed~~ June 30, 2021.

181 Section 2. This act shall take effect July 1, 2012.