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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
05/23/2022	.	
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The Committee on Appropriations (Boyd) recommended the following:

Senate Amendment (with title amendment)

Delete lines 337 - 490

and insert:

(a) A RAP insurer that has any private reinsurance that duplicates RAP coverage such insurer would receive for the 2022-2023 contract year shall notify the board in writing of such duplicative coverage no later than June 30, 2022. Participation in the RAP program for such RAP insurers shall be deferred until the 2023-2024 contract year.



11 (b) A new participating insurer that begins writing covered
12 policies in this state after June 1, 2022, is deemed to defer
13 its RAP coverage to the 2023-2024 contract year.

14 (7) RAP PREMIUMS.—Premiums may not be charged for
15 participation in the RAP program.

16 (8) CLAIMS-PAYING CAPACITY.—The RAP program shall not
17 affect the claims-paying capacity of the FHCF as provided in s.
18 215.555(4)(c)1.

19 (9) INSOLVENCY OF RAP INSURER.—

20 (a) The RAP reimbursement contract shall provide that in
21 the event of an insolvency of a RAP insurer, the RAP program
22 shall pay reimbursements directly to the applicable state
23 guaranty fund for the benefit of policyholders in this state of
24 the RAP insurer.

25 (b) If an authorized insurer or the Citizens Property
26 Insurance Corporation accepts an assignment of an unsound RAP
27 insurer's RAP contract, the FHCF shall apply the unsound RAP
28 insurer's RAP contract to such policies and treat the authorized
29 insurer or the Citizens Property Insurance Corporation as if it
30 were the unsound RAP insurer for the remaining term of the RAP
31 contract, with all rights and duties of the unsound RAP insurer
32 beginning on the date it provides coverage for such policies.

33 (10) VIOLATIONS.—Any violation of this section or of rules
34 adopted under this section constitutes a violation of the
35 insurance code.

36 (11) LEGAL PROCEEDINGS.—The board is authorized to take any
37 action necessary to enforce the rules, provisions, and
38 requirements of the RAP reimbursement contract, required by and
39 adopted pursuant to this section.



40 (12) RULEMAKING.—The board may adopt such rules as are
41 reasonable and necessary to implement this section, and it is
42 the intent of the Legislature that all rules adopted to
43 implement this section will be done as emergency rules pursuant
44 to s. 120.54(4).

45 (13) APPROPRIATION.—

46 (a) Within 60 days after a covered event, the board shall
47 submit written notice to the Executive Office of the Governor if
48 the board determines that funds from the RAP program coverage
49 established by this section will be necessary to reimburse RAP
50 insurers for losses associated with the covered event. The
51 initial notice, and any subsequent requests, must specify the
52 amount necessary to provide RAP reimbursements. Upon receiving
53 such notice, the Executive Office of the Governor shall instruct
54 the Chief Financial Officer to draw a warrant from the General
55 Revenue Fund for a transfer to the board for the RAP program in
56 the amount requested. The Executive Office of the Governor shall
57 provide written notification to the chair and vice chair of the
58 Legislative Budget Commission at least 3 days before the
59 effective date of the warrant. Cumulative transfers authorized
60 under this paragraph may not exceed \$2 billion.

61 (b) If General Revenue Funds are transferred to the board
62 for the RAP program under paragraph (a), the board shall submit
63 written notice to the Executive Office of the Governor that
64 funds will be necessary for the administration of the RAP
65 program and post-event examinations for covered events that
66 require RAP coverage. The initial notice, and any subsequent
67 requests, must specify the amount necessary for administration
68 of the RAP program and post-event examinations. Upon receiving



69 such notice, the Executive Office of the Governor shall instruct
70 the Chief Financial Officer to draw a warrant from the General
71 Revenue Fund for a transfer to the board for the RAP program in
72 the amount requested. The Executive Office of the Governor shall
73 provide written notification to the chair and vice chair of the
74 Legislative Budget Commission at least 3 days before the
75 effective date of the warrant. Cumulative transfers authorized
76 under this paragraph may not exceed \$5 million.

77 (c) No later than January 31, 2023, and quarterly
78 thereafter, the board shall submit a report to the Executive
79 Office of the Governor, the President of the Senate, and the
80 Speaker of the House of Representatives detailing any
81 reimbursements of the RAP program, all loss development
82 projections, the amount of RAP reimbursement coverage deferred
83 until the 2023-2024 contract year, and detailed information
84 about administrative and post-event examination expenditures.

85 (14) EXPIRATION DATE.—If no General Revenue Funds have been
86 transferred to the board for the RAP program under subsection
87 (13) by June 30, 2025, this section expires on July 1, 2025. If
88 General Revenue Funds have been transferred to the board for the
89 RAP program under subsection (13) by June 30, 2025, this section
90 expires on July 1, 2029, and all unencumbered RAP program funds
91 shall be transferred by the board back to the General Revenue
92 Fund unallocated.

93 Section 2. (1) No later than June 30, 2022, each insurer
94 that participates during the 2022-2023 contract year in the
95 Reinsurance to Assist Policyholders program under s. 215.5551,
96 Florida Statutes, shall reduce its rates to reflect the cost
97 savings realized by participating in the program through a rate



98 filing with the Office of Insurance Regulation or by amending a
99 pending rate filing. The insurer shall make no other changes to
100 its rates in the filing.

101 (2) No later than May 1, 2023, each insurer that defers
102 participation in the Reinsurance to Assist Policyholders program
103 until the 2023-2024 year under s. 215.5551, Florida Statutes,
104 shall reduce its rates to reflect the cost savings realized by
105 participating in the program through a rate filing with the
106 Office of Insurance Regulation or by amending a pending rate
107 filing. The insurer shall make no other changes to its rates in
108 the filing.

109 (3) The Office of Insurance Regulation shall expedite the
110 review of the filings made under this section.

111 Section 3. Effective July 1, 2022, paragraphs (a) and (b)
112 of subsection (2) and subsection (10) of section 215.5586,
113 Florida Statutes, are amended to read:

114 215.5586 My Safe Florida Home Program.—There is established
115 within the Department of Financial Services the My Safe Florida
116 Home Program. The department shall provide fiscal
117 accountability, contract management, and strategic leadership
118 for the program, consistent with this section. This section does
119 not create an entitlement for property owners or obligate the
120 state in any way to fund the inspection or retrofitting of
121 residential property in this state. Implementation of this
122 program is subject to annual legislative appropriations. It is
123 the intent of the Legislature that the My Safe Florida Home
124 Program provide trained and certified inspectors to perform
125 inspections for owners of site-built, single-family, residential
126 properties and grants to eligible applicants as funding allows.



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127 The program shall develop and implement a comprehensive and
128 coordinated approach for hurricane damage mitigation that may
129 include the following:

130 (2) MITIGATION GRANTS.—Financial grants shall be used to
131 encourage single-family, site-built, owner-occupied, residential
132 property owners to retrofit their properties to make them less
133 vulnerable to hurricane damage.

134 (a) For a homeowner to be eligible for a grant, the
135 following criteria must be met:

136 1. The homeowner must have been granted a homestead
137 exemption on the home under chapter 196.

138 2. The home must be a dwelling with an insured value of
139 \$500,000 ~~\$300,000~~ or less. Homeowners who are low-income
140 persons, as defined in s. 420.0004(11), are exempt from this
141 requirement.

142 3. The home must have undergone an acceptable hurricane
143 mitigation inspection after July 1, 2008 ~~May 1, 2007~~.

144 4. The home must be located in the "wind-borne debris
145 region" as that term is defined in the Florida Building Code s.
146 ~~1609.2, International Building Code (2006), or as subsequently~~
147 ~~amended.~~

148 5. The building permit application for initial construction
149 of the home must have been made before January 1, 2008 ~~March 1,~~
150 ~~2002.~~

151 6. The homeowner must agree to make his or her home
152 available for inspection once a mitigation project is completed.

154 ===== T I T L E A M E N D M E N T =====

155 And the title is amended as follows:



156 Delete lines 19 - 52
157 and insert:
158 providing for deferral of coverage under the program;
159 prohibiting premiums from being charged for
160 participation in the program; providing that the
161 program does not affect the claims-paying capacity of
162 the Florida Hurricane Catastrophe Fund; requiring the
163 program to pay reimbursements directly to the
164 applicable state guaranty fund in the event of
165 insolvency; specifying requirements for the Florida
166 Hurricane Catastrophe Fund if an insurer or the
167 Citizens Property Insurance Corporation accept
168 assignments of unsound insurers; providing that
169 certain violations are violations of the insurance
170 code; authorizing the board to enforce certain
171 requirements; authorizing the board to adopt rules;
172 providing legislative intent; requiring the board to
173 submit a written notice within a certain timeframe to
174 the Executive Office of the Governor relating to the
175 program funds, under certain circumstances; providing
176 a requirement for the notice and subsequent requests;
177 requiring the Executive Office of the Governor to
178 instruct the Chief Financial Officer to draw a warrant
179 for a transfer to the board for the program under
180 certain circumstances and to provide notification to
181 specified persons within a certain timeframe;
182 prohibiting cumulative transfers from exceeding a
183 specified amount; providing reporting requirements;
184 providing for expiration and transfer of unencumbered



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185 funds; requiring certain property insurers to reduce
186 rates to reflect certain cost savings through rate
187 filings by a specified date; prohibiting such insurers
188 from making other rate changes; requiring the Office
189 of Insurance Regulation to expedite the review of
190 certain filings; amending s. 215.5586, F.S.; revising
191 homeowner eligibility criteria