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Storm Center Brief

A Publication of the Florida Catastrophic Storm Risk Management Center

FSU Storm Center Examining Florida's Hurricane Mitigation Inspection System

The Florida Department of Financial Services has contracted with the Storm Center and Tallahassee-based Panhandle Windstorm Inspections, LLC, (PWI) to study the My Safe Florida Home (MSFH) residential wind inspection system.

Among the study's goals is a comparison of components of the MSFH inspection system to those of private windstorm inspection firms. Specifically, the study compares the public program's inspector screening process, certification process, inspector qualifications, and training and continuing education requirements with those of private windstorm inspection firms.

In addition, the study looks at how wind inspection and inspection data collection policies and procedures of the MSFH program compare to those of private firms.

Fraud prevention practices and procedures of the MSFH program and private wind inspection firms will be compared as well as quality assurance programs.

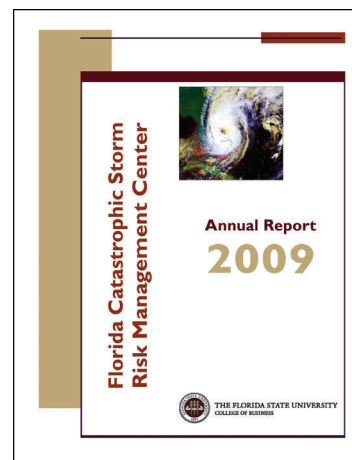
Finally, the study will evaluate the windstorm inspection market both during and after the MSFH program to identify problems and provide solutions for fraud prevention.

A final report for the project will be submitted to the Florida Department of Financial Services on March 1. 6

Center's 2009 Annual Report Now Available Online

The focus for 2009 was on completing several research projects and launching new initiatives.

Several new projects related to the economic and risk management impacts of catastrophic tropical storms were completed including a ground-breaking, four-paper series on the topic of subsidies in Florida's property insurance market.



Also, our faculty and staff disseminated research by speaking at several Center-sponsored symposia, speakers series, and venues in Florida and nationally. Our director and associate directors addressed Florida legislative committees and

state commissions.

Learn more by seeing the full report at www.stormrisk.org. 6



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CFD Appoints Center Director to Advisory Council

Florida CFD Alex Sink announced that Storm Center Director Patrick Maroney is a member of her new Advisory Council on Risk Management. The Council is the continuation of a public/private partnership that lead to multi-million dollar savings from applying private-sector business practices to Florida's risk management. Other members of the Council include representatives from Publix Supermarkets, Rosen Hotels and Resorts, Baptist Health System of Jacksonville, and the Florida Department of Juvenile Justice. Council meetings will be held twice a year in person, with conference call meetings as needed to advise the CFD and the Division of Risk Management. 6

Legislature Considering Homeowners Insurance-Related Bills

The number of homeowners insurance-related bills expected to be considered by Florida legislators this year continued to grow as of press time. Among them are:

SB 740 Relating to Office of Insurance Regulation

Requires that the Financial Services Commission reconfirm the appointment of the Director of the Office of Insurance Regulation every 2 years.

SB 876 Relating to Residential Property Insurance (Identical SB447)

Authorizes certain insurers to use a rate different from otherwise applicable filed rates. Preserves the authority of the Office of Insurance Regulation to disapprove rates as inadequate or disapprove a rate filing for using certain rating factors. Provides requirements for attachment and payment of the Citizens Property Insurance Corporation policyholder surcharge. Requires written notice of certain nonrenewals. Preserves insurer authority to cancel policies.

SB 1460 General Bill (Richter)

Florida Hurricane Catastrophe Fund/Contract Year; revises the method by which an insurer's retention is calculated. Revises contract years relating to minimum retention levels. Extends the expiration date of certain provisions of state law. Increases the maximum financial obligations of the State Board of Administration with respect to all contracts covering a particular contract year. Revises contract years for which a Temporary Increase in Coverage Layer (TICL) options addendum must provide for reimbursement of TICL insurers for covered events.

HB 151 Assessment of Residential Real Property

Prohibits adding to assessed value of residential real property just value of changes or improvements made for purpose of improving property's resistance to wind damage and just value of renewable energy source devices; provides limitation on assessed value of residential real property; provides procedural requirements and limitations; requires nonrefundable filing fee.

HB 159 Florida Insurance Guaranty Association

Combines two of three separate accounts of association; increases aggregate liability of association; authorizes explanation of existence or function of association as exception to prohibited advertisements in sales of insurance.

HB 457 Low-Income and Moderate-Income Homeowners (Identical SB928)

Authorizes counties to establish fund for providing no-interest loans to assist low-income and moderate-income homeowners in paying homeowners' insurance premiums; authorizes governing authority of county to levy surtaxes on building-related permits to finance assistance fund; limits amount families may receive from fund in any year; requires loans to be repaid if homestead is sold or refinanced; requires proceeds from refinancing or selling homestead to be deposited back into fund; provides ordinance requirements; specifies amount of surtaxes; limits uses of fund; provides for program to be adopted initially by governing authority of specified constitutional charter counties and for later adoption in remaining counties of state. 6



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Legislation Online at
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