



Insurance, Business & Financial Affairs Policy Committee

**Wednesday, February 3, 2010
3:30 PM
212 Knott Bldg.**



The Florida House of Representatives
General Government Policy Council
Insurance, Business & Financial Affairs Policy Committee

Larry Cretul
Speaker

Pat Patterson
Chair

AGENDA

February 3, 2010
212 Knott Building

I. Opening Remarks by Chair

II. **Consideration of the following bill(s):**

CS/HB 33 - Selling, Giving, or Serving Alcoholic Beverages to Person Under 21 Years of Age by Public Safety & Domestic Security Policy Committee, Randolph

HB 375 – Regulation of Hoisting Equipment Used in Construction, Demolition, or Excavation Work by Rep. Evers

HB 545 - Residential Property Sales by Rep. Patterson

Consideration of the following proposed committee bill(s):

PCB IBFA 10-01 – SAFE Public Records Exemption

PCB IBFA 10-02 – SAFE Trust Fund

PCB IBFA 10-03 – Repeal of Outdated or Obsolete Insurance Provisions

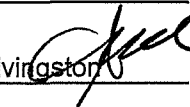

PCB IBFA 10-04 – Repeal of Mitigation Grant Program

PCB IBFA 10-05 – Repeal of Use of Funds by Citizens Property Insurance Corporation

III. Adjournment

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 33 Selling, Giving, or Serving Alcoholic Beverages to Persons Under 21 Years of Age
SPONSOR(S): Public Safety & Domestic Security Policy Committee; Randolph and others
TIED BILLS: **IDEN./SIM. BILLS:** SB 1068

	REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1)	Public Safety & Domestic Security Policy Committee	11 Y, 0 N, As CS	Krol	Cunningham
2)	Insurance, Business & Financial Affairs Policy Committee		Livingston 	Cooper 
3)	Criminal & Civil Justice Policy Council			
4)				
5)				

SUMMARY ANALYSIS

The Division of Alcoholic Beverages and Tobacco (Division) in the Department of Business and Professional Regulation (DBPR) is responsible for regulating the conduct, management, and operation of the manufacturing, packaging, distribution, and sale within the state of all alcoholic beverages.

Section 562.11(1)(a)1., F.S., provides a second degree misdemeanor penalty for a person who sells, gives, serves, or permits to be served alcoholic beverages to a person under 21 years of age or permits a person under 21 years of age to consume such beverages on the premises of an alcoholic beverage licensee..

The bill amends present law to make a second or subsequent violation of s. 562.11(1)(a)1., F.S., a first degree misdemeanor if committed within a year of a prior conviction.

The bill creates a complete defense for any person who violates s. 562.11(1)(a), F.S., if:

- The buyer or recipient of the alcoholic beverage falsely evidenced that he or she was 21 years of age or older,
- The appearance of the buyer or recipient was such that an ordinarily prudent person would believe him or her to be 21 years of age or older, and
- The person carefully checked the buyer or recipient's identification card, acted in good faith and relied upon the representation and appearance of the buyer or recipient in the belief that the buyer or recipient was 21 years of age or older.

The bill may have a minimal fiscal impact upon county governments because of potential jail bed impact.

The effective date of the bill is 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:

Present Situation

The Division of Alcoholic Beverages and Tobacco (Division) in the Department of Business and Professional Regulation (DBPR) is responsible for regulating the conduct, management, and operation of the manufacturing, packaging, distribution, and sale within the state of all alcoholic beverages. Chapters 561-565 and 567-568, F.S., comprise Florida's beverage law.

Currently s. 562.11(1)(a)1., F.S., provides a second degree misdemeanor¹ penalty for a person who sells, gives, serves, or permits to be served alcoholic beverages² to a person under 21 years of age or permits a person under 21 years of age to consume such beverages on the licensed premises.

Section 561.01(11), F.S., defines "licensed premises" to mean, in part:

not only rooms where alcoholic beverages are stored or sold by the licensee, but also all other rooms in the building which are so closely connected therewith as to admit of free passage from drink parlor to other rooms over which the licensee has some dominion or control and shall also include all of the area embraced within the sketch, appearing on or attached to the application for the license involved and designated as such on said sketch, in addition to that included or designated by general law. The area embraced within the sketch may include a sidewalk or other outside area which is contiguous to the licensed premises. When the sketch includes a sidewalk or other outside area, written approval from the county or municipality attesting to compliance with local ordinances must be submitted to the division to authorize inclusion of sidewalks and outside areas in licensed premises. The division may approve applications for temporary expansion of the licensed premises to include a sidewalk or other outside area for special events...

Section 562.11(1)(c), F.S., provides that an alcoholic beverage licensee who violates the prohibition in s. 562.11(1)(a), F.S., has a complete defense to any civil action, except for any administrative action by

¹ Sections 775.082 and 775.083, F.S. provide that a second-degree misdemeanor carries a penalty of a jail sentence of not more than 60 days and a fine of not more than \$500.

² Section 561.01, F.S., defines the term "alcoholic beverages" as "distilled spirits and all beverages containing one-half of 1 percent or more alcohol by volume. The percentage of alcohol by volume shall be determined by measuring the volume of the standard ethyl alcohol in the beverage and comparing it with the volume of the remainder of the ingredients as though said remainder ingredients were distilled water."

the division under the beverage law, if at the time the alcoholic beverage was sold, given, served, or permitted to be served:

- The person falsely evidenced that he or she was of legal age to purchase or consume the alcoholic beverage;
- The appearance of the person was such that an ordinarily prudent person would believe him or her to be of legal age to purchase or consume the alcoholic beverage;
- The licensee carefully checked one of the person's identification cards;
- The licensee acted in good faith and in reliance upon the representation and the appearance of the person in the belief that he or she was of legal age to purchase or consume the alcoholic beverage.

Effect of Proposed Changes

The bill amends current law and provides a first degree misdemeanor³ penalty for a subsequent violation of s. 562.11(1)(a)1., F.S., within a year of a prior conviction. This is similar to the penalty that presently exists for distributing tobacco products to minors (under the age of 18 years).⁴

The bill provides a complete defense for any person charged with a violation of 562.11(1)(a)1., F.S. The complete defense described in the bill is identical to the defense to any civil action provided in s. 562.11(1)(c), F.S. relating to licensees.⁵

The bill provides an effective date of July 1, 2010.

B. SECTION DIRECTORY:

Section 1. Amends s. 562.11, F.S., to make a second or subsequent violation of s. 562.11(1)(a)1., F.S., a first degree misdemeanor if committed within a year of a prior conviction and creates criteria for a complete defense for any person who violates s. 562.11(1)(a), F.S.

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

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

There may be insignificant revenues derived from the increase in penalties under this bill.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

The bill creates a first degree misdemeanor penalty. A first degree misdemeanor carries a potential jail sentence of not more than one year. Persons serving a jail sentence of one year or less are housed in county jails, not state prisons. Thus, this bill may have an impact on county jails.

³ Section 775.082 and 775.083, F.S. provide that a first-degree misdemeanor carries a jail sentence not exceeding one year as well as a fine not exceeding \$1,000.

⁴ Section 569.101, F.S. provides a first degree misdemeanor for the second violation of distribution of tobacco products to minors.

⁵ The complete defense created by HB 33 mirrors the complete defense offered in s. 569.101, F.S., an act relating to selling, delivering, bartering, furnishing, or giving tobacco products to persons under 18 years of age.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

Underage drinking in Florida was estimated to result in costs of nearly \$3.073 billion in 2007.⁶ Nearly 10% of 6th graders and more than 48% of 12th graders reported using alcohol in the past month with approximately one out of six Florida students (16.4%) reported binge drinking within the past two weeks.⁷ Violent crime accounted for 49% of the total cost of underage drinking in Florida, followed by motor vehicle crashes at 21%.⁸ Additionally, 10.2% of all alcohol-related crashes and 10.6% of fatal alcohol-related crashes involved a driver less than 21 years of age.⁹ Specifically, underage drinking impose costs on the public through insurance rates, noninsured costs to employers, noninsured losses (medical & property), and Medicaid and other public programs, as well as pain and suffering for family members and victims.¹⁰

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

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

2. Other:

None.

B. RULE-MAKING AUTHORITY:

NA

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES

On January 12, 2010, the Public Safety & Domestic Security Policy Committee adopted an amendment that applies the first degree misdemeanor penalty for a second or subsequent violation if that violation occurs within one year after a prior conviction rather than "a violation" as was referenced in the bill as originally filed. The bill was passed out of committee unanimously as a CS.

⁶ Popovici, I., Davalos, M.E., McColliser, K.E., and French, M.T. (2009) Economic Costs of Underage Drinking in Florida.

⁷ Id.

⁸ Id.

⁹ Id.

¹⁰ Miller, Ted R., David T. Levy, Rebecca S. Spicer, and Dexter M. Taylor. Societal Costs of Underage Drinking. Journal of Studies on Alcohol, 67(4) 519-528, 2006.

1 A bill to be entitled
 2 An act relating to selling, giving, or serving alcoholic
 3 beverages to persons under 21 years of age; amending s.
 4 562.11, F.S.; increasing the penalty imposed for a second
 5 or subsequent offense of selling, giving, or serving
 6 alcoholic beverages to a person under 21 years of age
 7 within a specified period following the prior offense;
 8 providing a defense; providing an effective date.

9
 10 Be It Enacted by the Legislature of the State of Florida:

11
 12 Section 1. Paragraph (a) of subsection (1) of section
 13 562.11, Florida Statutes, is amended, and paragraph (d) is added
 14 to that subsection, to read:

15 562.11 Selling, giving, or serving alcoholic beverages to
 16 person under age 21; providing a proper name; misrepresenting or
 17 misstating age or age of another to induce licensee to serve
 18 alcoholic beverages to person under 21; penalties.-

19 (1)(a)1. It is unlawful for any person to sell, give,
 20 serve, or permit to be served alcoholic beverages to a person
 21 under 21 years of age or to permit a person under 21 years of
 22 age to consume such beverages on the licensed premises. A person
 23 who violates this subparagraph commits a misdemeanor of the
 24 second degree, punishable as provided in s. 775.082 or s.
 25 775.083. A person who violates this subparagraph a second or
 26 subsequent time within 1 year after a prior conviction commits a
 27 misdemeanor of the first degree, punishable as provided in s.
 28 775.082 or s. 775.083.

29 2. In addition to any other penalty imposed for a
 30 violation of subparagraph 1., the court may order the Department
 31 of Highway Safety and Motor Vehicles to withhold the issuance
 32 of, or suspend or revoke, the driver's license or driving
 33 privilege, as provided in s. 322.057, of any person who violates
 34 subparagraph 1. This subparagraph does not apply to a licensee,
 35 as defined in s. 561.01, who violates subparagraph 1. while
 36 acting within the scope of his or her license or an employee or
 37 agent of a licensee, as defined in s. 561.01, who violates
 38 subparagraph 1. while engaged within the scope of his or her
 39 employment or agency.

40 (d) Any person charged with a violation of paragraph (a)
 41 has a complete defense if, at the time the alcoholic beverage
 42 was sold, given, served, or permitted to be served:

43 1. The buyer or recipient falsely evidenced that he or she
 44 was 21 years of age or older;

45 2. The appearance of the buyer or recipient was such that
 46 a prudent person would believe the buyer or recipient to be 21
 47 years of age or older; and

48 3. Such person carefully checked a driver's license or an
 49 identification card issued by this state or another state of the
 50 United States, a passport, or a United States Uniformed Services
 51 identification card presented by the buyer or recipient and
 52 acted in good faith and in reliance upon the representation and
 53 appearance of the buyer or recipient in the belief that the
 54 buyer or recipient was 21 years of age or older.

55 Section 2. This act shall take effect July 1, 2010.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 375



Regulation of Hoisting Equipment Used in Construction, Demolition, or

Excavation Work

SPONSOR(S): Evers

TIED BILLS:

IDEN./SIM. BILLS: SB 1174

	REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1)	Insurance, Business & Financial Affairs Policy Committee		 Livingston	Cooper 
2)	Military & Local Affairs Policy Committee			
3)	Policy Council			
4)	General Government Policy Council			
5)				

SUMMARY ANALYSIS

Construction contracting is regulated under part I of chapter 489, F.S. With certain statutory exemptions from licensure, construction contractors are regulated by the Construction Industries Licensing Board (CILB) within the Department of Business and Professional Regulation (DBPR). Contractors must either be certified (i.e., licensed by the state to contract statewide), or registered (i.e., licensed by a local jurisdiction and registered by the state to contract work within the geographic confines of the local jurisdiction only). The CILB is statutorily divided into two divisions. Division I has jurisdiction over the regulation of general contractors, building contractors, and residential contractors. Division II has jurisdiction over the remaining contractors under the CILB, such as, roofing, plumbing, air-conditioning, etc.

The operation of tower cranes and crane operators on construction projects are not currently regulated or licensed by the state.

The bill requires licensed contractors applying for building permits that involve the use of tower or mobile cranes to provide a site plan and compliance documentation to the local building official. The site plan must identify the location of the crane, power-line clearances, building locations, and the structural foundation of the crane. The compliance documentation must demonstrate compliance with the requirements of all governmental authorities related to the operation of the crane at the work site.

The bill provides that when a tower or mobile crane is located on a jobsite, a hurricane or high-wind event preparedness plan for the crane must be available for inspection at the site. The bill also provides for the securing of equipment in preparation for a hurricane or high-wind event.

The bill provides for the discipline of any person licensed as a construction contractor for an intentional violation of the provisions of the bill.

The bill specifies that the requirements of this section preempt the regulation of hoisting equipment by a county, municipality, or other local political subdivision.

The bill is not anticipated to have a fiscal impact on state or local governments.

The effective date of the bill is upon becoming a law.

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:

Present situation

Construction contracting is regulated under part I of chapter 489, F.S. With certain statutory exemptions from licensure, construction contractors are regulated by the Construction Industries Licensing Board (CILB) within the Department of Business and Professional Regulation (DBPR). Contractors must either be certified (i.e., licensed by the state to contract statewide), or registered (i.e., licensed by a local jurisdiction and registered by the state to contract work within the geographic confines of the local jurisdiction only).

The CILB is statutorily divided into two divisions. Division I has jurisdiction over the regulation of general contractors, building contractors, and residential contractors. Division II has jurisdiction over the remaining contractors, often referred to as subcontractors, under the CILB, including roofing, plumbing, mechanical, sheet metal, air-conditioning, pool and spa, solar, pollutant storage systems, and underground utility contractors.

The "scope of work" for which licensure is required is specified in statute by definition. Each definition of the various professions is known as the "practice act" for that profession and establishes the guidelines for the individual practitioners.

Currently, s. 455.227, F.S., specifies grounds for disciplinary action by a board or the DBPR. These provisions include, among others, violating any provision of this chapter, the applicable professional practice act, a rule of the DBPR or a board, etc. Section 489.129, F.S., further specifies disciplinary guidelines for construction licensees.

The operation of tower cranes and crane operators on construction projects are not currently regulated or licensed by the state.

Effect of proposed changes

The bill defines "hoisting equipment" to mean "power-operated cranes, derricks, hoists, elevators, and conveyors used in construction, demolition, or excavation work that are regulated by the Occupational Safety and Health Administration" (OSHA). The bill specifically exempts "elevators" that are regulated under chapter 399, F.S., the Florida Elevator Safety Act.

The bill defines "mobile crane" to mean a type of hoisting equipment incorporating a cable-suspended latticed boom or hydraulic telescoping boom designed to be moved between operating locations by transport over a roadway.

The bill also defines "tower crane" to mean a type of hoisting equipment using a vertical mast or tower to support a working boom in an elevated position, where the working boom can rotate to move loads laterally either by rotating at the top of the mast or tower or by the rotation of the mast or tower itself.

The bill creates s. 489.1138, F.S., and requires licensed contractors applying for building permits that involve the use of tower or mobile cranes to provide a site plan and compliance documentation to the local building official. The site plan must identify the location of the crane, power-line clearances, building locations, and the structural foundation of the crane. The compliance documentation must demonstrate compliance with the requirements of all governmental authorities related to the operation of the crane at the work site, including the lighting requirements of the Federal Aviation Administration.

The bill requires that two or more tower or mobile cranes operating within the same swing radius must maintain a clear, independent, and operable channel of radio communication open at all times between the operators.

The bill provides that when a tower or mobile crane is located on a jobsite, a hurricane or high-wind event preparedness plan for the crane must be available for inspection at the site. The bill also provides for the securing of equipment in preparation for a hurricane or high-wind event, including the securing of hoisting equipment, laying down of fixed booms, setting tower cranes in the weathervane position, removing rigging from hoist blocks, and disconnecting the power at the base of the crane.

The bill provides for discipline by the DBPR of any person licensed under part I of chapter 489, F.S.(construction contractor), for an intentional violation of the crane guidelines specified in the newly created s.489.1138, F.S.

The bill specifies that the requirements of this section preempt the regulation of hoisting equipment by a county, municipality, or other local political subdivision.

B. SECTION DIRECTORY:

Section 1. Creates s. 489.1138, F.S., to specify guidelines for the operation of hoisting equipment that preempts local regulation.

Section 2. Effective date – upon becoming a law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

Not anticipated to be significant.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Contractors will have to provide additional compliance documentation when applying for permits.¹

D. FISCAL COMMENTS:

The DBPR will incur costs associated with investigation and prosecution of licensed contractors who violate provisions of the bill. However, these tasks can be accomplished with existing staff.²

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not appear to require counties or municipalities to take an action requiring the expenditure of funds, does not appear to reduce the authority that counties or municipalities have to raise revenue in the aggregate, and does not appear to reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES

¹ DBPR Office of Legislative Affairs, 2009 Legislative Analysis Form, HB 923 (identical to HB 375, 2010), on file with the Insurance, Business, & Financial Affairs Committee.

² Id.

1 A bill to be entitled
 2 An act relating to regulation of hoisting equipment used
 3 in construction, demolition, or excavation work; creating
 4 s. 489.1138, F.S.; defining the terms "hoisting
 5 equipment," "mobile crane," and "tower crane"; requiring
 6 an applicant for a building permit to submit certain
 7 information to a local building official; requiring radio
 8 communications between certain crane operators; requiring
 9 certain preparations for a hurricane or high-wind event;
 10 requiring a preparedness plan for certain cranes;
 11 requiring that hoisting equipment be secured in a
 12 specified manner under certain circumstances; providing
 13 penalties for violation of the act by certain licensed
 14 contractors; preempting regulation of hoisting equipment
 15 and persons operating the equipment to the state;
 16 providing that the act does not apply to the regulation of
 17 elevators; providing an effective date.

18
 19 WHEREAS, cranes, derricks, hoists, elevators, and conveyors
 20 used in construction, demolition, or excavation work are
 21 currently regulated under federal rules adopted by the
 22 Occupational Safety and Health Administration in 29 C.F.R. parts
 23 1910 and 1926, and

24 WHEREAS, the Occupational Safety and Health Administration
 25 has conducted a thorough and exhaustive review of these rules in
 26 an effort to better protect against the hazards presented by
 27 these types of hoisting equipment, and

28 WHEREAS, the review conducted by the Occupational Safety
 29 and Health Administration was undertaken in consultation with
 30 many of the most knowledgeable engineering, construction, and
 31 safety experts in the nation and in the world, and

32 WHEREAS, this review has culminated in the production of
 33 proposed rules setting forth comprehensive and detailed new
 34 regulations applicable to cranes, derricks, hoists, elevators,
 35 and conveyors, and to the operators of these types of hoisting
 36 equipment, as published in the Federal Register on October 9,
 37 2008, and

38 WHEREAS, the Occupational Safety and Health Administration
 39 should be commended and supported in these efforts, and

40 WHEREAS, cranes, derricks, hoists, elevators, and conveyors
 41 are routinely transported across city, county, and state lines,
 42 making uniform federal regulation of these types of hoisting
 43 equipment and their operators essential to commerce, to
 44 Florida's economic competitiveness, and to minimizing
 45 construction costs in our state, and

46 WHEREAS, the Occupational Safety and Health Administration
 47 has recently entered into a strategic alliance with the
 48 Associated Builders and Contractors of Florida, the South
 49 Florida Chapter of the Associated General Contractors of
 50 America, the Construction Association of South Florida, and the
 51 Florida Crane Owners Council to improve crane safety, NOW,
 52 THEREFORE,

53

54 Be It Enacted by the Legislature of the State of Florida:

55

56 Section 1. Section 489.1138, Florida Statutes, is created
 57 to read:

58 489.1138 Regulation of hoisting equipment used in
 59 construction, demolition, or excavation work.-

60 (1) As used in this section, the term:

61 (a) "Hoisting equipment" means power-operated cranes,
 62 derricks, hoists, elevators, and conveyors used in construction,
 63 demolition, or excavation work that are regulated by the
 64 Occupational Safety and Health Administration under 29 C.F.R.
 65 parts 1910 and 1926.

66 (b) "Mobile crane" means a type of hoisting equipment
 67 incorporating a cable-suspended latticed boom or hydraulic
 68 telescoping boom designed to be moved between operating
 69 locations by transport over a roadway. The term does not include
 70 a mobile crane with a boom length of less than 25 feet or a
 71 maximum rated load capacity of less than 15,000 pounds.

72 (c) "Tower crane" means a type of hoisting equipment using
 73 a vertical mast or tower to support a working boom in an
 74 elevated position, where the working boom can rotate to move
 75 loads laterally either by rotating at the top of the mast or
 76 tower or by the rotation of the mast or tower itself, whether
 77 the mast or tower base is fixed in one location or ballasted and
 78 moveable between locations.

79 (2) An applicant for a building permit for construction,
 80 demolition, or excavation work involving the use of a tower
 81 crane or mobile crane must submit to the local building official
 82 of the appropriate county, municipality, or other political
 83 subdivision:

84 (a) A site plan accurately identifying the location of the
 85 crane, clearances from above-ground power lines, the location of
 86 adjacent buildings, and the structural foundation of the crane.

87 (b) Documentation of compliance with the requirements of
 88 all governmental authorities related to operation of the crane
 89 on the work site, including compliance with the lighting
 90 requirements of the Federal Aviation Administration.

91 (3) When two or more tower cranes or mobile cranes are
 92 operating within the same swing radius, there must be at all
 93 times a clear, independent, and operable channel of radio
 94 communications between the persons operating the cranes.

95 (4) (a) When a tower crane or mobile crane is located on a
 96 work site, a hurricane and high-wind event preparedness plan for
 97 the crane must be available for inspection at the site.

98 (b) In preparation for a hurricane or high-wind event,
 99 hoisting equipment must be secured in the following manner:

100 1. All hoisting equipment must be secured in compliance
 101 with manufacturer recommendations relating to hurricane and
 102 high-wind events, including any recommendations relating to the
 103 placement, use, and removal of advertising banners and rigging.

104 2. Tower crane turntables must be lubricated before the
 105 event.

106 3. Fixed booms on mobile cranes must be laid down whenever
 107 feasible.

108 4. Booms on hydraulic cranes must be retracted and stored.

109 5. The counterweights of any hoists must be locked below
 110 the top tie-in.

111 6. Tower cranes must be set in the weathervane position.

112 7. All rigging must be removed from hoist blocks.

113 8. All power at the base of tower cranes must be
 114 disconnected.

115 (5) A person licensed under this part who intentionally
 116 violates this section is subject to discipline under ss. 455.227
 117 and 489.129.

118 (6) This section preempts any local act, law, ordinance,
 119 or regulation, including, but not limited to, a local building
 120 code or building permit requirement, of a county, municipality,
 121 or other political subdivision that pertains to the regulation
 122 of hoisting equipment and persons operating the equipment in the
 123 state.

124 (7) This section does not apply to the regulation of
 125 elevators under chapter 399.

126 Section 2. This act shall take effect upon becoming a law.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 545 Residential Property Sales

SPONSOR(S): Patterson

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

	REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1)	Insurance, Business & Financial Affairs Policy Committee		Callaway <i>KDC</i>	Cooper <i>PC</i>
2)	Policy Council			
3)	General Government Policy Council			
4)				
5)				

SUMMARY ANALYSIS

Pursuant to current law, in November 2007 the Financial Services Commission adopted a uniform home grading scale to grade the ability of a home to withstand the wind load from a tropical storm or hurricane. The rating system scores homes on a scale of 1 to 100.

Starting January 1, 2011, s. 689.262, F.S., requires sellers of homes located in the state's wind borne debris region to disclose the home's windstorm mitigation rating based on the home grading scale to purchasers of the home. No laws currently exist requiring home sellers in other locations in Florida to disclose a home's mitigation rating upon sale. However, a law enacted in 2008 requiring sellers of homes insured by Citizens Property Insurance Corporation located in the wind-borne debris region with an insured value of \$500,000 or more to disclose the home's mitigation rating calculated by the home grading scale to home purchasers was repealed in the 2009 legislative session before it became effective. This bill repeals s. 689.262, F.S. producing a similar result.

The bill has no fiscal impact on state or local governments. The bill will save sellers of homes located in the state's wind borne debris region the cost of a windstorm mitigation inspection.

The bill is effective upon becoming a law.

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:

Pursuant to current law, in November 2007 the Financial Services Commission adopted a uniform home grading scale to grade the ability of a home to withstand the wind load from a tropical storm or hurricane.¹ The rating system scores homes on a scale of 1 to 100. The primary factors used to calculate the home rating score include roof shape, secondary water resistance, roof cover, roof deck attachment, roof-to-wall connection, opening protection, number of stories, and roof covering type. General geographic features of wind zone location and local terrain are also used to calculate a home's score.

Although a home grading scale is in place, Florida homes are not presently required by law to be graded. The grading scale is also not currently used to calculate mitigation discounts² though will be used for discount calculations in the future.³ Today's mitigation discount amounts are based on wind loss relativities developed in a study adopted by the Office of Insurance Regulation (OIR) in 2002 and are not linked to a home's mitigation rating given by the grading scale.

Starting January 1, 2011, s. 689.262, F.S., requires sellers of homes located in the state's wind borne debris region⁴ to disclose the home's windstorm mitigation rating based on the home grading scale to purchasers of the home. No laws currently exist requiring home sellers in other locations in Florida to disclose a home's mitigation rating upon sale. However, a law enacted in 2008 requiring sellers of homes insured by Citizens Property Insurance Corporation located in the wind-borne debris region with an insured value of \$500,000 or more to disclose the home's mitigation rating calculated by the home grading scale to home purchasers was repealed in the 2009 legislative session before it became effective.⁵ This bill repeals s. 689.262, F.S. producing a similar result.

¹ Rule 690-167.015, F.A.C.

² Current law requires insurance companies to give homeowners mitigation discounts for mitigation features installed in their home. Mitigation discounts are advantageous for homeowners as they reduce the home's wind premium.

³ Section 627.0629(1)(b), F.S., requires the OIR to develop a method by February 1, 2011 for insurance companies to establish mitigation discounts that correlate to the home's rating calculated by the home grading scale. Insurance companies then have until October 1, 2011 to make rate filings to revise their mitigation discounts to new ones that correlate to the home's rating. Homeowners then have two years to obtain their home's rating in order to continue to receive mitigation discounts. Thus, by October 1, 2013, all Florida homeowners will have to have their home rated pursuant to the home grading scale or forfeit receipt of mitigation discounts. The most likely way a homeowner will have their home rated is by having a windstorm mitigation inspection that will delineate the home's mitigation features and provide a mitigation rating based on the grading scale.

⁴ The wind borne debris region applicable in s. 689.262, F.S., is the one defined in s. 1609.2 of the 2006 International Building Code. A map is available of the region at http://www.dca.state.fl.us/fbc/maps/Wind_borne_MAP_081208.pdf.

⁵ Section 10, Ch. 2009-87, L.O.F.

B. SECTION DIRECTORY:

Section 1: Repeals s. 689.262, F.S., relating to the disclosure of a home's windstorm mitigation rating upon sale.

Section 2: Provides an effective date of "upon becoming a law."

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Sellers of homes located in the specified wind-borne debris region will no longer have to obtain a wind inspection for their home in order to obtain the home's windstorm mitigation rating. Thus, these homeowners will save the cost of the inspection which typically costs \$150 - \$250 per inspection.

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:

Current law does not outline a framework for a home to be inspected and rated under the grading scale. Consequently, if s. 689.262, F.S., is not repealed, to ensure an accurate and reliable inspection and rating, it may be necessary to consider the following issues: eligibility and qualifications for who performs mitigation inspections resulting in a home's mitigation rating, quality control to make certain inspections are accurate and reliable, and punishment and enforcement for errant inspectors and/or inspections.

IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES

None.

HB 545

2010

1 A bill to be entitled
2 An act relating to residential property sales; repealing
3 s. 689.262, F.S., relating to sales of residential
4 property in wind-borne debris regions and required
5 disclosures of windstorm mitigation ratings to purchasers;
6 providing an effective date.

7
8 Be It Enacted by the Legislature of the State of Florida:

9
10 Section 1. Section 689.262, Florida Statutes, is repealed.
11 Section 2. This act shall take effect upon becoming a law.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB IBFA 10-01 SAFE Public Records Exemption
SPONSOR(S): Insurance, Business & Financial Affairs Policy Committee
TIED BILLS: IDEN./SIM. BILLS:

	REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
Orig. Comm.:	Insurance, Business & Financial Affairs Policy Committee		Barnum <i>SB</i>	Cooper <i>PK</i>
1)				
2)				
3)				
4)				
5)				

SUMMARY ANALYSIS

PCB IBFA 10-01 makes changes to the confidentiality provisions of Part I, ch. 494, F.S. which regulates mortgage brokerage and mortgage lending.

This bill creates a new exemption from public-records law for credit history information and credit scores held by the Office of Financial Regulation (OFR) for licensure purposes under ch. 494, F.S. pursuant to the federal Secure and Fair Enforcement for Mortgage Licensing Act of 2008.

The bill provides that the confidentiality provisions of Part I, ch. 494, F.S. are contained within a single section by moving the existing public records exemption for "all audited financial statements" currently found s. 494.0021, F.S. into s. 494.00125, F.S.

Article I, s. 24(c) of the State Constitution, requires a two-thirds vote of the members present and voting for passage of a newly created public records or public meetings exemption. Thus, this bill requires a two-thirds vote for passage.

The bill provides for a July 1, 2010 effective date.

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:

Background on Florida's Public Records Laws

Florida has a long history of providing public access to government records. The Legislature enacted the first public records law in 1892.¹ More comprehensive legislation was adopted in 1967 with the enactment of ch. 119, F.S.

In 1992, Floridians adopted an amendment to the State Constitution that raised the statutory right of access to public records to a constitutional level.² Article I, s. 24 of the State Constitution provides that:

Every person³ has the right to inspect or copy any public record made or received in connection with the official business of any public body, officer, or employee of the state, or persons acting on their behalf, except with respect to records exempted pursuant to this section or specifically made confidential by this Constitution...

The Public Records Act⁴ specifies conditions under which access must be provided to agency⁵ records.

Unless specifically exempted, all agency records are available for public inspection. The term "public record" is broadly defined to mean:

...all documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the physical form, characteristics, or means of transmission, made or received

¹ Section 1390, 1391 F.S. (Rev. 1892).

² Article I, s. 24 of the State Constitution.

³ Section 1.01(3) F.S., defines "person" to include individuals, children, firms, associations, joint adventures, partnerships, estates, trusts, business trusts, syndicates, fiduciaries, corporations, and all other groups or combinations.

⁴ Chapter 119, F.S.

⁵ The word "agency" is defined in s. 119.011(2), to mean "...any state, county, district authority, or municipal officer, department, division, board, bureau, commission, or other separate unit of government created or established by law, including, for the purposes of this chapter, the Commission on Ethics, the Public Service Commission, and the Office of Public Counsel, and any other public or private agency, person, partnership, corporation, or business entity acting on behalf of any public agency."

pursuant to law or ordinance or in connection with the transaction of official business by any agency.⁶

The Florida Supreme Court has interpreted this definition to encompass all materials prepared in connection with official agency business which are intended to perpetuate, communicate, or formalize knowledge.⁷ Such materials, regardless of whether they are in final form, are open for public inspection unless specifically exempted.⁸

Only the Legislature is authorized to create exemptions.⁹ An exemption must be created in general law, must state the public necessity justifying it, and must not be broader than necessary to meet that public necessity.¹⁰

The Open Government Sunset Review Act¹¹ provides for the systematic review, through a 5-year cycle ending October 2 of the fifth year following enactment, of exemptions. By June 1, the Division of Statutory Revision of the Office of Legislative Services must certify to the President of the Senate and the Speaker of the House of Representatives the language and statutory citation of each exemption scheduled for repeal the following year.

Under the Public Records Act, an exemption may be created, revised, or maintained only if it serves an identifiable public purpose and if the exemption is no broader than necessary to meet the public purpose it serves. An identifiable public purpose is served if the exemption meets one of three specified criteria and if the Legislature finds that the purpose is sufficiently compelling to override the strong public policy of open government and cannot be accomplished without the exemption. The three statutory criteria are:

1. If the exemption allows the state or its political subdivisions to effectively and efficiently administer a governmental program, which administration would be significantly impaired without the exemption;
2. If the exemption protects information of a sensitive personal nature concerning individuals, the release of which would be defamatory or cause unwarranted damage to the good name or reputation of such individuals or would jeopardize their safety; or
3. If the exemption protects information of a confidential nature concerning entities, including, but not limited to, a formula, pattern, device, combination of devices, or compilation of information that is used to protect or further a business advantage over those who do not know or use it, the disclosure of which would injure the affected entity in the marketplace.¹²

Current Situation:

The Housing and Economic Recovery Act of 2008¹³ was enacted on July 30, 2008. Title V of this act is titled the "Secure and Fair Enforcement for Mortgage Licensing Act of 2008" or "S.A.F.E. Mortgage Licensing Act of 2008". (S.A.F.E.) The intent of S.A.F.E. is to provide greater accountability and regulation of loan originators, defined to include mortgage brokers and lenders, and enhance consumer protections by:

- Providing uniform license applications and reporting requirements for State-licensed loan originators.

⁶ Section 119.011(12), F.S.

⁷ *Shevin v. Byron, Harless, Schaffer, Reid and Associates, Inc.*, 379 So.2d 633, 640 (Fla. 1980).

⁸ *Wait v. Florida Power & Light Company*, 372 So.2d 420 (Fla. 1979).

⁹ Article I, s. 24(c) of the State Constitution.

¹⁰ *Memorial Hospital-West Volusia v. News-Journal Corporation*, 729 So. 2d 373, 380 (Fla. 1999); *Halifax Hospital Medical Center v. News-Journal Corporation*, 724 So. 2d 567 (Fla. 1999).

¹¹ Section 119.15, F.S.

¹² Section 119.15(6)(b), F.S.

¹³ H.R. 3221, Public Law 110-289

- Providing a comprehensive licensing and supervisory database.
- Aggregating and improving the flow of information to and between regulators.
- Providing increased accountability and tracking of loan originators.
- Streamlining the licensing process and reduces the regulatory burden.
- Enhancing consumer protections and supporting anti-fraud measures.
- Providing consumers with easily accessible information, offered at no charge, regarding the employment history of, and publicly adjudicated disciplinary and enforcement actions against, loan originators.
- Establishing a means by which residential mortgage loan originators would, to the greatest extent possible, be required to act in the best interests of the consumer.
- Facilitating responsible behavior in the subprime mortgage market place and provides comprehensive training and examination requirements related to subprime mortgage lending.
- Facilitating the collection and disbursement of consumer complaints on behalf of State and Federal mortgage regulators.¹⁴

The act creates national minimum standards for the licensure and regulation of loan originators and requires states to bring their policies and procedures into compliance. The S.A.F.E. Act imposes the following requirements, among others, for licensure of loan originators:

- Loan originators must:
 - undergo state licensure and annual renewal.
 - provide fingerprints to the regulator for submission to any state or national entity authorized to conduct a criminal background check.
 - allow the regulator to obtain a credit report.
- Loan originators must never have had their license revoked, nor been convicted of a felony in the previous seven years.

The National Mortgage Licensing System and Registry (Registry) is a national registration system created under the S.A.F.E. Act containing information on loan originators.¹⁵ The purpose of the registry is to:

- Create a common information pool on loan originators among federal and state regulators;
- Make public the employment history of loan originators; and,
- Make public the history of disciplinary and enforcement actions against loan originators.

Given the Registry creates a common pool of information, the federal act creates common confidentiality standards for the federal and state regulators who participate in the Registry. Except as otherwise provided, any requirement under federal or state law bestowing privacy or confidentiality on any information or material provided to the Registry still applies once that information or material is placed in the Registry. This information and material may be shared with all state and federal regulatory officials with mortgage industry oversight authority without the loss of privilege or the original confidentiality protection under federal or state law that conferred it. Any state law in conflict with this standard is superseded to the extent it provides less confidentiality or privilege.¹⁶ These requirements do not apply to whatever material or information is in the Registry regarding a loan originator's employment history, or the loan originator's publicly adjudicated disciplinary and enforcement history.¹⁷

In 2009, the Legislature enacted and the Governor approved legislation¹⁸ bringing the state into compliance with the S.A.F.E. Mortgage Licensing Act of 2008. Commencing October 1, 2010, the OFR will begin accepting and processing loan originator license applications. This process includes a review of the applicant's credit report and credit information which may be contained within the Registry. If the OFR notes specific items of concern, the applicant is notified, in writing, and provided an opportunity to

¹⁴ H.R. 3221, Public Law 110-289, Title V, sec. 1502

¹⁵ Id.

¹⁶ H.R. 3221, Public Law 110-289, Title V, sec. 1512(a)-(c)

¹⁷ H.R. 3221, Public Law 110-289, Title V, sec. 1512(d)

¹⁸ Chapter 2009-241, Laws of Florida

explain the circumstances surrounding the item and provide any information that the applicant believes is relevant.

Effect of Bill:

PCB IBFA 10-01 makes technical and clarifying changes to subsection (1) of s. 494.00125, F.S. which contains the public records exemption for information relative to an investigation or examination by the OFR pursuant to ch. 494, F.S.(Mortgage Brokerage and Mortgage Lending).

It moves the existing language in s. 494.0021, F.S., which creates a public records exemption for "all audited financial statements" and places that language in the newly created s. 494.00125(2), F.S.

The bill creates a new public records exemption for credit history information and credit scores held by the OFR for licensing purposes pursuant to ch. 494, F.S. This would include, but not be limited to:

- Credit reports.
- Credit scores.
- Correspondence seeking, providing, or clarifying credit history information.
- Documentation regarding credit history information.
- Information and material placed in the Registry pursuant to the requirements of other state or federal law, and not under the requirements of chapter 494, F.S., which is privileged or confidential under other state or federal law.

The bill provides for compliance with the confidentiality requirements of the S.A.F.E. Mortgage Licensing Act of 2008 by ensuring that other state or federal laws governing confidentiality are not compromised. In addition, it provides for maintaining the confidentiality of a Florida applicant's information provided to or placed in the Registry.

This exemption does not prevent the OFR from sharing the information and materials with those federal entities or entities of other states that possess relevant oversight, regulatory, or law enforcement authority. Likewise this exemption does not extend to information or material relating to the employment history of loan originators in the registry, or publicly adjudicated disciplinary and enforcement actions against them.

The bill provides for future review and repeal of the exemptions on October 2, 2015, pursuant to the Open Government Sunset Review Act of 1995. These exemptions are automatically repealed on October 2, 2015 in accordance with s. 119.15, F.S., unless the Legislature renews them by that time.

The bill provides a statement of public necessity. It provides that the Legislature finds it is a public necessity that credit history information and credit scores held by the OFR and related to the licensing provisions of chapter 494, F.S., be made confidential and exempt from public-records requirements. The reason given being that credit history information and credit scores contain sensitive financial information, and thus their disclosure would make those persons vulnerable to identity theft and other crimes.

B. SECTION DIRECTORY:

- Section 1. Amends s. 494.00125, F.S., by clarifying confidential and exempt provisions, and incorporating language previously found in s. 494.0021, F.S.
- Section 2. Provides a statement of public necessity.
- Section 3. Provides for a July 1, 2010 effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

Indeterminate. The bill could create a fiscal impact on OFR because OFR staff would have to be trained with regards to the categories of information made confidential and exempt from public disclosure versus records that are available for public inspection and copying. OFR could also incur costs associated with redacting confidential and exempt information prior to releasing a record.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

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:

Article I, s. 24(c) of the State Constitution, requires a two-thirds vote of the members present and voting for passage of a newly created public records or public meetings exemption. Thus, this bill requires a two-thirds vote for passage.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES

BILL_PCB IBFA 10-01

ORIGINAL

YEAR

1 A bill to be entitled
 2 An act relating to public records; amending s. 494.00125,
 3 F.S., and transferring, renumbering, and amending s.
 4 494.0021, F.S.; creating an exemption from public records
 5 requirements for credit history information and credit
 6 scores held by the Office of Financial Regulation within
 7 the Department of Financial Services for purposes of
 8 licensing mortgage brokers and mortgage lenders; providing
 9 an exception to the exemption for other governmental
 10 entities having oversight, regulatory, or law enforcement
 11 authority; providing for future legislative review and
 12 repeal of the exemption; reorganizing provisions;
 13 transferring to the section the exemption from public
 14 records requirements for audited financial statements
 15 submitted pursuant to parts I, II, and III of ch. 494,
 16 F.S.; making editorial changes and removing superfluous
 17 language; providing a statement of public necessity;
 18 providing an effective date.

19
 20 Be It Enacted by the Legislature of the State of Florida:

21
 22 Section 1. Section 494.00125, Florida Statutes, is
 23 amended, and section 494.0021, Florida Statutes, is transferred
 24 and renumbered as subsection (2) of that section, and amended,
 25 to read:

26 494.00125 Public record exemptions ~~Confidentiality of~~
 27 ~~information relating to investigations and examinations.-~~

28 (1) INVESTIGATIONS OR EXAMINATIONS.-

BILL_PCB IBFA 10-01

ORIGINAL

YEAR

29 (a) Except as otherwise provided by this subsection
 30 ~~section~~, information relative to an investigation or examination
 31 by the office pursuant to this chapter, including any consumer
 32 complaint received by the office or the Department of Financial
 33 Services, is confidential and exempt from s. 119.07(1) until the
 34 investigation or examination is completed or ceases to be
 35 active. ~~The information compiled by the office in such an~~
 36 ~~investigation or examination shall remain confidential and~~
 37 ~~exempt from s. 119.07(1) after the office's investigation or~~
 38 ~~examination is completed or ceases to be active if the office~~
 39 ~~submits the information to any law enforcement or administrative~~
 40 ~~agency for further investigation. Such information shall remain~~
 41 ~~confidential and exempt from s. 119.07(1) until that agency's~~
 42 ~~investigation is completed or ceases to be active. For purposes~~
 43 of this subsection ~~section~~, an investigation or examination is
 44 ~~shall be considered "active" if so long as~~ the office or any law
 45 enforcement or administrative agency is proceeding with
 46 reasonable dispatch and has a reasonable good faith belief that
 47 the investigation or examination may lead to the filing of an
 48 administrative, civil, or criminal proceeding or to the denial
 49 or conditional grant of a license.

50 (b) This subsection does ~~section shall not be construed to~~
 51 prohibit the disclosure of information that ~~which~~ is required by
 52 ~~law to be~~ filed with the office as a normal condition of
 53 licensure and which, but for the investigation or examination,
 54 would be subject to s. 119.07(1).

55 (c) ~~(b)~~ Except as necessary for the office to enforce the
 56 provisions of this chapter, a consumer complaint and other

BILL_PCB IBFA 10-01

ORIGINAL

YEAR

57 information relative to an investigation or examination shall
 58 remain confidential and exempt from s. 119.07(1) after the
 59 investigation or examination is completed or ceases to be active
 60 to the extent disclosure would:

61 1. Jeopardize the integrity of another active
 62 investigation or examination.

63 2. Reveal the name, address, telephone number, social
 64 security number, or any other identifying number or information
 65 of any complainant, customer, or account holder.

66 3. Disclose the identity of a confidential source.

67 4. Disclose investigative techniques or procedures.

68 5. Reveal a trade secret as defined in s. 688.002.

69 ~~(d)-(e)~~ If ~~In the event that~~ office personnel are or have
 70 been involved in an investigation or examination of such nature
 71 as to endanger their lives or physical safety or that of their
 72 families, ~~then~~ the home addresses, telephone numbers, places of
 73 employment, and photographs of such personnel, together with the
 74 home addresses, telephone numbers, photographs, and places of
 75 employment of spouses and children of such personnel and the
 76 names and locations of schools and day care facilities attended
 77 by the children of such personnel are confidential and exempt
 78 from s. 119.07(1).

79 ~~(e)-(d)~~ Nothing in This subsection does not section shall
 80 ~~be construed to~~ prohibit the office from providing confidential
 81 and exempt information to any law enforcement or administrative
 82 agency. Any law enforcement or administrative agency receiving
 83 confidential and exempt information in connection with its
 84 official duties shall maintain the confidentiality of the

BILL_PCB IBFA 10-01

ORIGINAL

YEAR

85 information ~~if so long as~~ it would otherwise be confidential.

86 (f)~~(e)~~ All information obtained by the office from any
 87 person which is only made available to the office on a
 88 confidential or similarly restricted basis shall be confidential
 89 and exempt from s. 119.07(1). ~~This exemption shall not be
 90 construed to prohibit disclosure of information which is
 91 required by law to be filed with the office or which is
 92 otherwise subject to s. 119.07(1).~~

93 (g)~~(2)~~ If information subject to this subsection ~~(1)~~ is
 94 offered in evidence in any administrative, civil, or criminal
 95 proceeding, the presiding officer may, ~~in her or his discretion,~~
 96 prevent the disclosure of information that ~~which~~ would be
 97 confidential pursuant to paragraph (c) ~~(1)(b)~~.

98 (h)~~(3)~~ A privilege against civil liability is granted to a
 99 person who furnishes information or evidence to the office,
 100 unless such person acts in bad faith or with malice in providing
 101 such information or evidence.

102 (2) FINANCIAL STATEMENTS 494.0021 ~~Public records.~~ All
 103 audited financial statements submitted pursuant to ss. 494.001-
 104 494.0077 are confidential and exempt from the requirements of s.
 105 119.07(1), except that office employees may have access to such
 106 information in the administration and enforcement of ss.
 107 494.001-494.0077 and such information may be used by office
 108 personnel in the prosecution of violations under ss. 494.001-
 109 494.0077.

110 (3) CREDIT INFORMATION.

111 (a) Credit history information and credit scores held by
 112 the office and related to licensing under ss. 494.001-494.0077

BILL_PCB IBFA 10-01

ORIGINAL

YEAR

113 are confidential and exempt from s. 119.07(1) and s. 24(a), Art.
 114 I of the State Constitution.

115 (b) Credit history information and credit scores made
 116 confidential and exempt pursuant to paragraph (a) may be
 117 provided by the office to another governmental entity having
 118 oversight or regulatory or law enforcement authority.

119 (c) This subsection does not apply to information that is
 120 otherwise publicly available.

121 (d) This subsection is subject to the Open Government
 122 Sunset Review Act in accordance with s. 119.15 and shall stand
 123 repealed on October 2, 2015, unless reviewed and saved from
 124 repeal through reenactment by the Legislature.

125 Section 2. The Legislature finds that it is a public
 126 necessity that credit history information and credit scores held
 127 by the Office of Financial Regulation and related to the
 128 licensing of mortgage brokers and mortgage lenders under ss.
 129 494.001-494.0077, Florida Statutes, be made confidential and
 130 exempt from s. 119.07(1) and s. 24(a), Art. I of the State
 131 Constitution. Credit history information and credit scores are
 132 sensitive and personal information. Disclosure of such
 133 information and scores could cause harm to the person who is the
 134 subject of the information. Such information could be defamatory
 135 and could cause unwarranted damage to the name or reputation of
 136 the person who is the subject of the information, especially if
 137 such information is inaccurate. Furthermore, access to such
 138 information could jeopardize the financial safety of the
 139 individual who is the subject of that information by placing the
 140 person at risk of becoming the object of identity theft. For

BILL_PCB IBFA 10-01

ORIGINAL



YEAR

141 | these reasons it is the finding of the Legislature that credit
142 | history information and credit scores held by the Office of
143 | Financial Regulation and related to the licensing of mortgage
144 | brokers and mortgage lenders should be made confidential and
145 | exempt from public records requirements.

146 | Section 3. This act shall take effect July 1, 2010.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB IBFA 10-02 SAFE Trust Fund
SPONSOR(S): Insurance, Business & Financial Affairs Policy Committee
TIED BILLS: **IDEN./SIM. BILLS:**

	REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
Orig. Comm.:	Insurance, Business & Financial Affairs Policy Committee		Barnum 	Cooper 
1)				
2)				
3)				
4)				
5)				

SUMMARY ANALYSIS

PCB IBFA 10-02 creates the Mortgage Guaranty Trust Fund within the Office of Financial Regulation (OFR). The OFR is the administrator of the trust fund.

Funds credited to the trust fund must be used to pay claims against loan originators, mortgage brokers, and mortgage lenders pursuant to s. 494.00172, F.S.

The trust fund's assets consist of an annual fee imposed on Florida-licensed loan originators, mortgage brokers, and mortgage lenders.

Any balance in the trust fund at the end of fiscal year shall remain in the trust fund and be available for the payment of claims.

Article III, s. 19(f)(1) of the State Constitution specifies that a trust fund of the State of Florida or other public body may only be created or re-created by law in a separate bill. The bill creating or re-creating the trust fund must pass with a three-fifths vote of the membership of each house of the legislature. Thus, this bill requires a three-fifths vote for passage.

The trust fund shall be terminated on July 1, 2014 pursuant to s. 19(f)(2), Article III of the Florida Constitution. Prior to its termination, the trust fund must be reviewed pursuant to s. 215.3206(1) and (2), F.S.

The bill provides for a July 1, 2010 effective date.

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:

Background:

Generally mortgage brokers and mortgage lenders must comply with federal as well as state laws regulating the industry, unless they are exempt from such laws. In Florida, the Office of Financial Regulation (OFR) is responsible for regulation of mortgage brokers, mortgage lenders, and other specified financial entities. Florida requires licensure of individual mortgage brokers, mortgage broker businesses, mortgage broker schools, and non-depository mortgage lenders. Currently, loan originators employed by licensed lenders are exempt from licensure requirements; however, licensure will be required as of January 1, 2011. State and federally chartered depository institutions and other entities are exempt from state licensure as a mortgage broker and as a mortgage lender under ch. 494, F.S.

The Housing and Economic Recovery Act of 2008¹ was enacted on July 30, 2008. Title V of this act is titled the "Secure and Fair Enforcement for Mortgage Licensing Act of 2008" or "S.A.F.E. Mortgage Licensing Act of 2008". (S.A.F.E.) The intent of S.A.F.E. is to provide greater accountability and regulation of loan originators, defined to include mortgage brokers and lenders, and enhance consumer protections by:

- Providing uniform license applications and reporting requirements for State-licensed loan originators.
- Providing increased accountability and tracking of loan originators.
- Enhancing consumer protections and supporting anti-fraud measures.
- Establishing a means by which residential mortgage loan originators would, to the greatest extent possible, be required to act in the best interests of the consumer.
- Facilitating responsible behavior in the subprime mortgage market place and provides comprehensive training and examination requirements related to subprime mortgage lending.
- Facilitating the collection and disbursement of consumer complaints on behalf of State and Federal mortgage regulators.²

S.A.F.E. requires loan originators, which include mortgage brokers and lenders, to meet minimum net worth, surety bond, or applicable guaranty fund requirements to establish financial responsibility for

¹ H.R. 3221, Public Law 110-289

² H.R. 3221, Public Law 110-289, Title V, sec. 1502

licensees and provide some level of compensation for consumers defrauded by mortgage brokers and mortgage lenders.

Pursuant to section 19(f)(1), Article III of the Florida Constitution a trust fund of the State of Florida or other public body may only be created or re-created by law in a separate bill. The bill creating or re-creating the trust fund must pass with a three-fifths vote of the membership of each house of the legislature. A state trust fund generally terminates not more than four years after the effective date of the act authorizing the initial creation of the trust fund.

Current Situation:

Florida licenses three types of mortgage lender businesses: mortgage lender,³ correspondent mortgage lender,⁴ and saving clause mortgage lender⁵. Currently, there is no net worth or surety bond requirement for an individual mortgage broker or mortgage broker business, while licensed mortgage lenders are required to maintain a \$250,000 net worth and a \$10,000 surety bond.

In 2009, the Legislature enacted and the Governor approved legislation⁶ bringing the state into compliance with the S.A.F.E. Mortgage Licensing Act of 2008. The statutory provisions include a guaranty fund requirement to establish financial responsibility for licensees and provide some level of compensation for consumers defrauded by mortgage brokers and mortgage lenders. Effective October 1, 2010, Florida Statutes provide for a recovery fund paid into by the loan originators and requires a loan originator to pay into a state guaranty fund.⁷ Commencing October 1, 2010, the OFR will begin accepting and processing loan originator license applications. Nonrefundable fees to be deposited into the fund will accompany those applications.

The Mortgage Guaranty Trust Fund is established for the purpose of compensating persons who have suffered monetary damages because of a violation of ch. 494, F.S., by a licensed individual or business. The fund allows for payments of up to \$50,000 per borrower, with a maximum aggregate recovery of \$250,000 against a licensee. Funding will be provided by fees which will be paid upon initial licensure and upon annual renewal at the rate of \$20 per licensed individual or \$100 per licensed business until the Mortgage Guaranty Trust Fund balance exceeds \$5 million. At that point, those fees will be discontinued until such time as the Fund balance falls below \$1 million. When the balance falls below \$1 million, fees will again be instituted until the Fund balance again exceeds \$5 million.

Effect of Bill:

PCB IBFA 10-02 creates the Mortgage Guaranty Trust Fund within the Office of Financial Regulation (OFR). Funds credited to the trust fund must be used to pay claims against loan originators, mortgage brokers, and mortgage lenders pursuant to s. 494.00172, F.S. The trust fund's assets consist of an annual fee imposed on Florida-licensed loan originators, mortgage brokers, and mortgage lenders. Any balance in the trust fund at the end of fiscal year shall remain in the trust fund and be available for paying claims, notwithstanding the provisions of s. 216.301, F.S., and pursuant to s. 216.351, F.S. The trust fund shall be terminated on July 1, 2014 pursuant to s. 19(f)(2), Article III of the Florida Constitution. Prior to its

³ A mortgage lender business closes a mortgage loan in its name or advance funds to an applicant for a mortgage and may also service mortgage loans for another without limitation and sell the loan to a non-institutional lender.

⁴ A correspondent mortgage lender may perform the same function; however, it may only service a loan for a maximum of four months after closing.

⁵ The saving clause mortgage lender category was created in 1991 because of statutory changes which required a mortgage lender to apply for the new mortgage lender license which required a surety bond of \$25,000 and a net worth of \$250,000. Existing mortgage broker businesses that were acting as a lender were allowed to be "grandfathered" under the old licensure requirements. They were exempt from the surety bond requirement and subject to a net worth requirement of \$25,000 rather than \$250,000.

⁶ Chapter 2009-241, Laws of Florida

⁷ s. 494.00172, F.S.

termination, the trust fund shall be reviewed pursuant to s. 215.3206(1) and (2), F.S. The OFR is charged with administering the trust fund.

B. SECTION DIRECTORY:

- Section 1. Creates the Mortgage Guaranty Trust Fund within the Office of Financial Regulation.
- Section 2. Provides for a July 1, 2010 effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:⁸

	(FY 10-11)	(FY 11-12)	(FY 12-13)
	Amount	Amount	Amount
Recurring – Mortgage Guaranty Trust Fund*			
Individuals \$20 x 40,000	\$ 800,000	\$ 608,000	\$ 462,080
Firms \$100 x 7,000	\$ 700,000	\$ 579,000	\$ 480,570
Total Revenue – Mortgage Guaranty Trust Fund	\$ 1,500,000	\$ 1,187,000	\$ 942,650

* Fees will be paid until the Fund balance exceeds \$5 million, at which point those fees will be discontinued until such time as the Mortgage Guaranty Trust Fund balance falls below \$1 million. When the balance falls below \$1 million, fees will again be instituted until the Fund balance again exceeds \$5 million.

2. Expenditures:

The Office of Financial Regulation anticipates the costs of administering the fund will be nominal and the cost of paying claims minimal.⁹

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

⁸ Office of Financial Regulation Fiscal Impact Statement dated January 25, 2010 on file with the Insurance, Business and Financial Affairs Policy Committee.

⁹ Id.

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:

Creates a trust fund pursuant to Article III, s. 19(f) of the Florida Constitution.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES

BILL PCB IBFA-02

ORIGINAL

YEAR

1 A bill to be entitled
 2 An act relating to trust funds; creating s. 494.00173,
 3 F.S.; creating the Mortgage Guaranty Trust Fund within the
 4 Office of Financial Regulation of the Department of
 5 Financial Services; providing for sources of funds and
 6 purposes; providing for annual carryforward of funds;
 7 providing for future review and termination or re-creation
 8 of the trust fund; providing an effective date.

9
 10 Be It Enacted by the Legislature of the State of Florida:

11
 12 Section 1. Section 494.00173, Florida Statutes, is created
 13 to read:

14 494.00173 Mortgage Guaranty Trust Fund; creation.-

15 (1) The Mortgage Guaranty Trust Fund is created within,
 16 and shall be administered by, the Office of Financial
 17 Regulation.

18 (2) Funds to be credited to the trust fund shall consist
 19 of the fee imposed pursuant to s. 494.00172 on loan originators,
 20 mortgage brokers, and mortgage lenders licensed under this
 21 chapter. Moneys in the trust fund shall be used to pay claims
 22 against loan originators, mortgage brokers, and mortgage lenders
 23 pursuant to s. 494.00172.

24 (3) Notwithstanding s. 216.301 and pursuant to s. 216.351,
 25 any balance in the trust fund at the end of any fiscal year
 26 shall remain in the trust fund at the end of the year and shall
 27 be available for carrying out the purposes of the trust fund.

28 (4) In accordance with s. 19(f)(2), Art. III of the State

BILL PCB IBFA-02

ORIGINAL

YEAR

29 Constitution, the Mortgage Guaranty Trust Fund shall, unless
30 terminated sooner, be terminated on July 1, 2014. Before its
31 scheduled termination, the trust fund shall be reviewed as
32 provided in s. 215.3206(1) and (2).

33 Section 2. This act shall take effect July 1, 2010.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB IBFA 10-03 Repeal of Outdated or Obsolete Insurance Provisions
SPONSOR(S): Insurance, Business & Financial Affairs Policy Committee
TIED BILLS: IDEN./SIM. BILLS:

	REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
Orig. Comm.:	Insurance, Business & Financial Affairs Policy Committee		Callaway <i>[Signature]</i>	Cooper <i>[Signature]</i>
1)				
2)				
3)				
4)				
5)				

SUMMARY ANALYSIS

This bill deletes outdated or obsolete language relating to the following insurance topics:

- the Florida Automobile Joint Underwriting Association pre-suit notice,
- a report on private insurers issuing and servicing wind-only policies of Citizens Property Insurance Corporation,
- a form filing for catastrophic ground cover collapse coverage,
- a report on the sinkhole database,
- a Florida Sinkhole Insurance Facility study, and
- the effective date for the exclusion of windstorm and contents coverage in property insurance policies.

The effect of this bill is of a technical, non-substantive nature.

The bill has no fiscal impact and 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:

The effect of this bill is of a technical, non-substantive nature. This bill deletes outdated or obsolete language relating to various insurance topics as follows:

Florida Automobile Joint Underwriting Association Pre-Suit Notice

Section 627.311(3), F.S., allows the Office of Insurance Regulation to approve a joint underwriting plan for purposes of equitable apportionment or sharing among insurers of automobile liability insurance and other motor vehicle insurance. The Florida Automobile Joint Underwriting Association (FAJUA) is created under the plan. Requirements of the plan are contained in s. 627.311(3), F.S. Section 627.311(3)(k)2., F.S., specifies that before a legal action may be brought against the FAJUA for certain violations by the FAJUA, the Department of Financial Services and the FAJUA must be given 90 days' written notice of the violation giving rise to the lawsuit.¹ Typically, a 60 day pre-suit notice, rather than a 90 day pre-suit notice, is required for actions taken against insurance companies for certain violations.² In the 2004 Session, however, the pre-suit notice requirement that applies to the FAJUA was lengthened from 60 days to 90 days to give the FAJUA more time to investigate alleged violations.

By statute, the 90 day pre-suit notice period for the FAJUA expired on October 1, 2007 unless it was reenacted by the Legislature. The statute was not reenacted by the Legislature before the October 1, 2007 deadline. Thus, this bill repeals the 90 day pre-suit notice period as it is obsolete due to the expiration of the October 1, 2007 deadline.

Report On Private Insurers Issuing and Servicing Wind-Only Policies of Citizens Property Insurance Corporation

Section 627.351(6)(cc), F.S., requires Citizens Property Insurance Corporation (Citizens) to submit a report to the Legislature on the feasibility of requiring insurance companies providing non-wind property coverage to issue and service Citizens' wind-only property insurance policies which are located only in the high risk account of Citizens. The report was due by February 1, 2007 and was submitted on this

¹ Section 624.155, F.S., specifies the insurer violations which require pre-suit notice to DFS and to the insurer. These violations include: unfair claim settlement practices, illegal dealings in premiums, refusal to insure, favored agent or insurer, illegal dealings for life or disability insurance, life or disability insurance discrimination based on policyholder having the sickle cell trait, return of auto insurance premium upon cancellation of the policy by the policyholder, not settling claims in good faith, claims payments made to policyholders without an accompanying statement relating to the coverage, and failure to settle a claim under one portion of an insurance policy in order to influence settlement under other portions of the policy.

² s. 624.155(3)(a), F.S.

date. The bill repeals s. 627.351(6)(cc), F.S., because the deadline date for the report submission has passed.

Form Filing for Catastrophic Ground Cover Collapse Coverage

Under current law, every property insurance company must cover "catastrophic ground cover collapse" in the property insurance policy. Property insurance coverage for catastrophic ground cover collapse was made mandatory and added to the law in the 2007 Special Session. Catastrophic ground cover collapse coverage pays the homeowner for property damage caused from the abrupt collapse of the ground cover with a visible ground cover depression resulting in structural damage to the home to the extent that the home is condemned and ordered to be vacated. Structural damage to a home due to settling or cracking of a foundation is not catastrophic ground cover collapse and is not paid for under catastrophic ground cover collapse coverage. Damage of this type, however, may be covered under "sinkhole coverage" which can be purchased for an additional premium. All property insurers must make sinkhole coverage available for homeowners to purchase.

When coverage for catastrophic ground cover collapse was added to the law in 2007 as a mandatory coverage, insurers were required to make a form filing with the Office of Insurance Regulation (OIR) by June 1, 2007 to implement this coverage requirement. This bill repeals s. 627.706(3), F.S., the statutory provision added in 2007 requiring insurers to make the catastrophic ground cover collapse form filing by June 1, 2007 because the filing deadline has passed.

Report on the Sinkhole Database

Section 627.7065(5), F.S., requires the Department of Environmental Protection, in consultation with the Department of Financial Services, to submit a report of activities by December 31, 2005 to the Governor, the Chief Financial Officer, and the Legislative presiding officers about the sinkhole database implemented by the Department of Financial Services. The report was submitted on March 10, 2006. The bill repeals s. 627.7065(5), F.S., because the deadline for the report submission has passed.

Florida Sinkhole Insurance Facility Study

Section 627.7077, F.S., requires the Florida State University College of Business Department of Risk Management and Insurance to conduct a feasibility and cost-benefit study of a potential Florida Sinkhole Insurance Facility and of other matters related to the affordability and availability of sinkhole insurance. A preliminary report was due to the presiding officers of the Legislature and the Financial Services Commission by February 1, 2005 with a final report due April 1, 2005. The final report was submitted in April 2005 by FSU. The bill repeals s. 627.7077, F.S., because the deadline for the report on the sinkhole study has passed.

Effective Date for the Exclusion of Windstorm and Contents Coverage In Property Insurance Policies

Section 627.712, F.S., requires property insurers to provide windstorm coverage in residential property insurance policies but allows a policyholder to exclude windstorm coverage if specified requirements are met. The statute also allows a policyholder to exclude contents coverage if specified requirements are met. The statute was first enacted in the 2007 Special Session. Section 627.712(7), F.S., provides an effective date of June 1, 2007 for the statute but allows the OIR to extend the effective date until October 1, 2007 at the latest with approval of the Financial Services Commission. The bill repeals s. 627.712(7), F.S., which provides the effective date of the statute as the deadlines of June 1, 2007 and October 1, 2007 contained in the statute have passed.

B. SECTION DIRECTORY:

Section 1: Amends s. 627.311, F.S., relating to the Florida Automobile Joint Underwriting Association.

Section 2: Deletes s. 627.351(6)(cc), F.S., relating to a report by Citizens Property Insurance Corporation.

Section 3: Deletes s. 627.706(3), F.S., relating to a property insurance filing for catastrophic ground cover collapse coverage.

Section 4: Deletes s. 627.7065(5), F.S., relating to a report of activities relating to the sinkhole database.

Section 5: Repeals s. 627.7077, F.S., relating to a Florida Sinkhole Insurance Facility Study.

Section 6: Deletes s. 627.712(7), F.S., relating to the effective date of the statute relating to the exclusion of windstorm and contents coverage in property insurance policies.

Section 7: 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.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

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.

BILL PCB IBFA-03

ORIGINAL

YEAR

1 A bill to be entitled
 2 An act relating to the repeal of outdated, obsolete, or
 3 antiquated insurance provisions; amending s. 627.311,
 4 F.S.; deleting the presuit notice for the Florida
 5 Automobile Joint Underwriting Association; amending s.
 6 627.351, F.S.; deleting the report required from Citizens
 7 Property Insurance Corporation relating to the feasibility
 8 of requiring authorized insurers to issue and service
 9 specified policies issued by the corporation; amending s.
 10 627.706, F.S.; deleting a form filing deadline for
 11 sinkhole coverage; amending s. 627.7065, F.S.; deleting a
 12 report of activities relating to the sinkhole database;
 13 repealing s. 627.7077, F.S.; deleting a feasibility and
 14 cost-benefit study of a potential Florida Sinkhole
 15 Insurance Facility and other matters relating to sinkhole
 16 insurance; amending s. 627.712, F.S.; deleting the
 17 effective date for the exclusion of windstorm and contents
 18 coverage; providing an effective date.

19
 20 Be It Enacted by the Legislature of the State of Florida:

21
 22 Section 1. Paragraph (k) of subsection (3) of section
 23 627.311, Florida Statutes, is amended to read:

24 627.311 Joint underwriters and joint reinsurers; public
 25 records and public meetings exemptions.—

26 (3) The office may, after consultation with insurers
 27 licensed to write automobile insurance in this state, approve a
 28 joint underwriting plan for purposes of equitable apportionment

BILL PCB IBFA-03

ORIGINAL

YEAR

29 or sharing among insurers of automobile liability insurance and
 30 other motor vehicle insurance, as an alternate to the plan
 31 required in s. 627.351(1). All insurers authorized to write
 32 automobile insurance in this state shall subscribe to the plan
 33 and participate therein. The plan shall be subject to continuous
 34 review by the office which may at any time disapprove the entire
 35 plan or any part thereof if it determines that conditions have
 36 changed since prior approval and that in view of the purposes of
 37 the plan changes are warranted. Any disapproval by the office
 38 shall be subject to the provisions of chapter 120. The Florida
 39 Automobile Joint Underwriting Association is created under the
 40 plan. The plan and the association:

41 (k)1. Shall have no liability, and no cause of action of
 42 any nature shall arise against any member insurer or its agents
 43 or employees, agents or employees of the association, members of
 44 the board of governors of the association, the Chief Financial
 45 Officer, or the office or its representatives for any action
 46 taken by them in the performance of their duties or
 47 responsibilities under this subsection. Such immunity does not
 48 apply to actions for or arising out of breach of any contract or
 49 agreement pertaining to insurance, or any willful tort.

50 ~~2. Notwithstanding the requirements of s. 624.155(3)(a),~~
 51 ~~as a condition precedent to bringing an action against the plan~~
 52 ~~under s. 624.155, the department and the plan must have been~~
 53 ~~given 90 days' written notice of the violation. If the~~
 54 ~~department returns a notice for lack of specificity, the 90-day~~
 55 ~~time period shall not begin until a proper notice is filed. This~~
 56 ~~notice must comply with the information requirements of s.~~

BILL PCB IBFA-03

ORIGINAL

YEAR

57 ~~624.155(3)(b). Effective October 1, 2007, this subparagraph~~
 58 ~~shall expire unless reenacted by the Legislature prior to that~~
 59 ~~date.~~

60 Section 2. Paragraph (cc) of subsection (6) of section
 61 627.351, Florida Statutes, is amended to read:

62 627.351 Insurance risk apportionment plans.—

63 (6) CITIZENS PROPERTY INSURANCE CORPORATION.—

64 ~~—— (cc) By February 1, 2007, the corporation shall submit a~~
 65 ~~report to the President of the Senate, the Speaker of the House~~
 66 ~~of Representatives, the minority party leaders of the Senate and~~
 67 ~~the House of Representatives, and the chairs of the standing~~
 68 ~~committees of the Senate and the House of Representatives having~~
 69 ~~jurisdiction over matters relating to property and casualty~~
 70 ~~insurance. In preparing the report, the corporation shall~~
 71 ~~consult with the Office of Insurance Regulation, the Department~~
 72 ~~of Financial Services, and any other party the corporation~~
 73 ~~determines appropriate. The report must include all findings and~~
 74 ~~recommendations on the feasibility of requiring authorized~~
 75 ~~insurers that issue and service personal and commercial~~
 76 ~~residential policies and commercial nonresidential policies that~~
 77 ~~provide coverage for basic property perils except for the peril~~
 78 ~~of wind to issue and service for a fee personal and commercial~~
 79 ~~residential policies and commercial nonresidential policies~~
 80 ~~providing coverage for the peril of wind issued by the~~
 81 ~~corporation. The report must include:~~

82 ~~—— 1. The expense savings to the corporation of issuing and~~
 83 ~~servicing such policies as determined by a cost-benefit~~
 84 ~~analysis.~~

BILL PCB IBFA-03

ORIGINAL

YEAR

85 ~~2. The expenses and liability to authorized insurers~~
 86 ~~associated with issuing and servicing such policies.~~

87 ~~3. The effect on service to policyholders of the~~
 88 ~~corporation relating to issuing and servicing such policies.~~

89 ~~4. The effect on the producing agent of the corporation of~~
 90 ~~issuing and servicing such policies.~~

91 ~~5. Recommendations as to the amount of the fee which~~
 92 ~~should be paid to authorized insurers for issuing and servicing~~
 93 ~~such policies.~~

94 ~~6. The effect that issuing and servicing such policies~~
 95 ~~will have on the corporation's number of policies, total insured~~
 96 ~~value, and probable maximum loss.~~

97 Section 3. Subsection (3) of section 627.706, Florida
 98 Statutes, is amended to read:

99 627.706 Sinkhole insurance; catastrophic ground cover
 100 collapse; definitions.—

101 ~~(3) On or before June 1, 2007, every insurer authorized to~~
 102 ~~transact property insurance in this state shall make a proper~~
 103 ~~filing with the office for the purpose of extending the~~
 104 ~~appropriate forms of property insurance to include coverage for~~
 105 ~~catastrophic ground cover collapse or for sinkhole losses.~~
 106 ~~Coverage for catastrophic ground cover collapse may not go into~~
 107 ~~effect until the effective date provided for in the filing~~
 108 ~~approved by the office.~~

109 Section 4. Subsection (5) of section 627.7065, Florida
 110 Statutes, is amended to read:

111 627.7065 Database of information relating to sinkholes;
 112 the Department of Financial Services and the Department of

BILL PCB IBFA-03

ORIGINAL

YEAR

113 Environmental Protection.-

114 ~~—— (5) The Department of Environmental Protection, in~~
 115 ~~consultation with the Department of Financial Services, shall~~
 116 ~~present a report of activities relating to the sinkhole~~
 117 ~~database, including recommendations regarding the database and~~
 118 ~~similar matters, to the Governor, the Speaker of the House of~~
 119 ~~Representatives, the President of the Senate, and the Chief~~
 120 ~~Financial Officer by December 31, 2005. The report may consider~~
 121 ~~the need for the Legislature to create an entity to study the~~
 122 ~~increase in sinkhole activity in the state and other similar~~
 123 ~~issues relating to sinkhole damage, including recommendations~~
 124 ~~and costs for staffing the entity. The report may include other~~
 125 ~~information, as appropriate.~~

126 Section 5. Section 627.7077, Florida Statutes, is
 127 repealed.

128 Section 6. Subsection (7) of section 627.712, Florida
 129 Statutes, is amended to read:

130 627.712 Residential windstorm coverage required;
 131 availability of exclusions for windstorm or contents.-

132 ~~—— (7) This section is effective July 1, 2007, but the office~~
 133 ~~may delay application of this section until a date no later than~~
 134 ~~October 1, 2007, upon approval by the Financial Services~~
 135 ~~Commission.~~

136 Section 7. This act shall take effect July 1, 2010.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB IBFA 10-04 Repeal of Mitigation Grant Program
SPONSOR(S): Insurance, Business & Financial Affairs Policy Committee
TIED BILLS: **IDEN./SIM. BILLS:**

	REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
Orig. Comm.:	Insurance, Business & Financial Affairs Policy Committee		Callaway <i>[Signature]</i>	Cooper <i>[Signature]</i>
1)				
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.

BILL PCB IBFA-04

ORIGINAL

YEAR

1 A bill to be entitled
 2 An act relating to the repeal of a mitigation grant
 3 program; amending s. 627.069, F.S.; deleting a mitigation
 4 grant program for certain policyholders of Citizens
 5 Property Insurance Corporation; providing an effective
 6 date.

7
 8 Be It Enacted by the Legislature of the State of Florida:

9
 10 Section 1. Subsection (8) of section 627.0629, Florida
 11 Statutes, is amended to read:

12 627.0629 Residential property insurance; rate filings.—
 13 ~~(8) EVALUATION OF RESIDENTIAL PROPERTY STRUCTURAL~~
 14 ~~SOUNDNESS.—~~

15 ~~(a) It is the intent of the Legislature to provide a~~
 16 ~~program whereby homeowners may obtain an evaluation of the wind~~
 17 ~~resistance of their homes with respect to preventing damage from~~
 18 ~~hurricanes, together with a recommendation of reasonable steps~~
 19 ~~that may be taken to upgrade their homes to better withstand~~
 20 ~~hurricane force winds.~~

21 ~~—— (b) To the extent that funds are provided for this purpose~~
 22 ~~in the General Appropriations Act, the Legislature hereby~~
 23 ~~authorizes the establishment of a program to be administered by~~
 24 ~~the Citizens Property Insurance Corporation for homeowners~~
 25 ~~insured in the high-risk account.~~

26 ~~—— (c) The program shall provide grants to homeowners, for~~
 27 ~~the purpose of providing homeowner applicants with funds to~~
 28 ~~conduct an evaluation of the integrity of their homes with~~

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29 ~~respect to withstanding hurricane force winds, recommendations~~
 30 ~~to retrofit the homes to better withstand damage from such~~
 31 ~~winds, and the estimated cost to make the recommended retrofits.~~

32 ~~—— (d) The Department of Community Affairs shall establish by~~
 33 ~~rule standards to govern the quality of the evaluation, the~~
 34 ~~quality of the recommendations for retrofitting, the eligibility~~
 35 ~~of the persons conducting the evaluation, and the selection of~~
 36 ~~applicants under the program. In establishing the rule, the~~
 37 ~~Department of Community Affairs shall consult with the advisory~~
 38 ~~committee to minimize the possibility of fraud or abuse in the~~
 39 ~~evaluation and retrofitting process, and to ensure that funds~~
 40 ~~spent by homeowners acting on the recommendations achieve~~
 41 ~~positive results.~~

42 ~~—— (e) The Citizens Property Insurance Corporation shall~~
 43 ~~identify areas of this state with the greatest wind risk to~~
 44 ~~residential properties and recommend annually to the Department~~
 45 ~~of Community Affairs priority target areas for such evaluations~~
 46 ~~and inclusion with the associated residential construction~~
 47 ~~mitigation program.~~

48 Section 2. This act shall take effect July 1, 2010.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB IBFA 10-05 Repeal of Use of Funds by Citizens Property Insurance

Corporation

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

TIED BILLS: IDEN./SIM. BILLS:

	REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
Orig. Comm.:	Insurance, Business & Financial Affairs Policy Committee		Callaway <i>[Signature]</i>	Cooper <i>[Signature]</i>
1)				
2)				
3)				
4)				
5)				

SUMMARY ANALYSIS

In 2006, the Legislature created the Insurance Capital Build-Up Incentive Program (Capital Build Up Program or program) within the State Board of Administration (SBA) to provide insurance companies a low-cost source of capital to write additional residential property insurance. The program's goal was to increase the availability of residential property insurance covering the risk of hurricanes and to ease residential property insurance premium increases. To accomplish its goal, the program loaned state funds in the form of surplus notes to new or existing authorized residential property insurers under specified conditions. The insurers, in turn, agreed to write additional residential property insurance in Florida and to contribute new capital to their company.

The Legislature appropriated \$250 million non-recurring funds from the General Revenue Fund to fund the program at its inception in 2006. Any unexpended balance reverted back to the General Revenue Fund on June 30, 2007.

As of June 28, 2007, the program issued \$247,500,000 in funds to thirteen qualifying insurers. Administrative expenses for the program totaled \$2,500,000. Thus, the entire 2006 legislative appropriation for the program was utilized (\$247.5 million in loans and \$2.5 million in administrative costs).

CS/CS/SB 2860, enacted in 2008, required the Citizens Property Insurance Corporation (Citizens) to transfer \$250 million to the General Revenue Fund for transfer to the SBA for additional funding for the Capital Build-Up Program. This funding was in addition to the \$250 million appropriated to the program from the General Revenue Fund at the program's inception in 2006. However, the \$250 million transfer from Citizens for use in the Capital Build Up Program was vetoed by the Governor.

Another provision in CS/CS/SB 2860 enacted in 2008 (s. 215.55951, F.S.) precluded Citizens from increasing rates or assessments due to the \$250 million transfer from Citizens to the Capital Build Up Program. This provision was not vetoed by the Governor.

The bill repeals s. 215.55951, F.S., which precludes Citizens from increasing rates or assessments due to the \$250 million transfer of funds to the Capital Build Up Program. The transfer of funds from Citizens to the SBA for use in the Program never happened due to the Governor's veto of the transfer language in CS/CS/SB 2860 and in CS/HB 5057. Thus, the bill repeals obsolete language from the statute.

The bill has no fiscal impact on state or local government.

The bill takes effect 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:

Insurance Capital Build-Up Incentive Program

In 2006, the Legislature created the Insurance Capital Build-Up Incentive Program (Capital Build Up Program or program) within the State Board of Administration (SBA) to provide insurance companies a low-cost source of capital to write additional residential property insurance. The program's goal was to increase the availability of residential property insurance covering the risk of hurricanes and to ease residential property insurance premium increases.

To accomplish its goal, the program loaned state funds in the form of surplus notes to new or existing authorized residential property insurers under specified conditions. The insurers, in turn, agreed to write additional residential property insurance in Florida and to contribute new capital to their company. The maximum dollar amount of a surplus note was \$25 million. The surplus note was repayable to the state, with a 20 year term, at the 10-year Treasury Bond interest rate (with interest only payments the first three years). The Legislature appropriated \$250 million non-recurring funds from the General Revenue Fund to fund the program at its inception in 2006. Any unexpended balance reverted back to the General Revenue Fund on June 30, 2007.

As of June 28, 2007, the program issued \$247,500,000 in funds to thirteen qualifying insurers. Administrative expenses for the program totaled \$2,500,000. Thus, the entire 2006 legislative appropriation for the program was utilized (\$247.5 million in loans, and \$2.5 million in administrative costs).¹

2008 Appropriation from Citizens Property Insurance Corporation for Capital Build-Up Program

CS/CS/SB 2860, enacted in 2008, required the Citizens Property Insurance Corporation (Citizens) to transfer \$250 million to the General Revenue Fund for transfer to the State Board of Administration (SBA) for additional funding for the Capital Build-Up Program. This funding was in addition to the \$250 million appropriated to the program from the General Revenue Fund at the program's inception in 2006. The Citizens' funds were to be transferred from the personal lines account and the commercial lines account of Citizens on December 15, 2008, unless one or more hurricanes resulted in total losses in those accounts in excess of \$750 million. CS/CS/SB 2860 limited the costs of administration by the SBA to 1 percent of the amounts appropriated (\$2.5 million). The unexpended balance in the program

¹ Information obtained from the Final Report of the Insurance Capital Build-Up Incentive Program available at <http://www.sbafla.com/fsb/LinkClick.aspx?fileticket=4pFJtyJjK2U%3d&tabid=413&mid=1236> (last viewed October 30, 2009).

reverted to the General Revenue Fund on June 30, 2009. The bill also required the SBA to refund to Citizens uncommitted funds, interest and principal payments for surplus notes that were funded by appropriations from Citizens.

The \$250 million transfer from Citizens for use in the Capital Build Up Program was vetoed by the Governor.² In his veto message Governor Crist stated: “[w]hile I believe the program is well intended and has had the net effect of removing nearly 200,000 policies from the Citizens Property Insurance Corporation and has kept an additional estimated 480,000 policies out of Citizens, the funding source is inappropriate. The original funding for the program came from the General Revenue Fund during the 05/06 fiscal year; however, the additional funding for the program provided in this legislation comes from policyholders’ premiums paid to Citizens, which is used to pay claims in the event of a catastrophic hurricane. ... Taking \$250 million away from Citizens’ ability to pay claims will substantially increase the likelihood of assessments for Floridians across the state.”³

Another provision in CS/CS/SB 2860 enacted in 2008 (s. 215.55951, F.S.) precluded Citizens from increasing rates or assessments due to the \$250 million transfer from Citizens to the Capital Build Up Program. This provision was not vetoed by the Governor.

Effect of Bill

The bill repeals s. 215.55951, F.S., which precludes Citizens from increasing rates or assessments due to the \$250 million transfer of funds to the Capital Build Up Program. The transfer of funds from Citizens to the SBA for use in the Program never happened due to the Governor’s veto of the transfer language in CS/CS/SB 2860 and in CS/HB 5057. Thus, the bill repeals obsolete language from the statute.

B. SECTION DIRECTORY:

Section 1: Repeals s. 215.55951, F.S., relating to the ability of Citizens to increase rates or assessments due to a transfer of funds from Citizens to the Capital Build Up Program.

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.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

² Section 16 of CS/CS/SB 2860 which required the \$250 million transfer from Citizens to the General Revenue Fund for use in the Capital Build Up Program was vetoed on May 28, 2008. CS/HB 5057 also required the \$250 million transfer and this bill was vetoed on June 10, 2008. (http://www.flgov.com/2008_legislative_actions)

³ http://www.flgov.com/leg_actions/2008/2008_sb2860.pdf

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

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.

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A bill to be entitled
An act relating to repeal of a use of funds; repealing s.
215.55951, F.S.; deleting a use of specified funds by the
Citizens Property Insurance Corporation; providing an
effective date.

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

Section 1. Section 215.55951, Florida Statutes, is
repealed.

Section 2. This act shall take effect July 1, 2010.

