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ORIGINAL

YEAR

1                                   A bill to be entitled  
 2           An act relating to the property mitigation; amending s.  
 3           215.5586, F.S.; requiring that wind certification entities  
 4           meet certain minimum criteria to qualify for selection by  
 5           the Department of Financial Services; deleting a provision  
 6           requiring hurricane mitigation inspectors participating in  
 7           the program to meet the requirements for a criminal record  
 8           check by a specified date; authorizing the department to  
 9           require that improvements be made to all openings of a  
 10          structure, including exterior doors and garage doors, as a  
 11          condition of reimbursing a homeowner for a grant;  
 12          providing the department shall develop a no-interest loan  
 13          program by a certain date; authorizing the department to  
 14          contract with third parties for contractor services and  
 15          technology; amending s. 627.062; requiring insurers to  
 16          account for certain local ordinances and local amendments  
 17          to the Florida Building Code in their rate filings;  
 18          amending s. 627.711, F.S.; requiring insurers to accept as  
 19          valid certain uniform inspection forms; providing an  
 20          effective date.

21  
 22 Be It Enacted by the Legislature of the State of Florida:

23  
 24           Section 1. Subsection (1), paragraphs (e) and (j) of  
 25           subsection (2), subsection (8) and subsection (10) of section  
 26           215.5586, Florida Statutes, are amended to read:

27           215.5586 My Safe Florida Home Program.--There is  
 28           established within the Department of Financial Services the My

BILL

ORIGINAL

YEAR

29 Safe Florida Home Program. The department shall provide fiscal  
 30 accountability, contract management, and strategic leadership  
 31 for the program, consistent with this section. This section does  
 32 not create an entitlement for property owners or obligate the  
 33 state in any way to fund the inspection or retrofitting of  
 34 residential property in this state. Implementation of this  
 35 program is subject to annual legislative appropriations. It is  
 36 the intent of the Legislature that the My Safe Florida Home  
 37 Program provide inspections for at least 400,000 site-built,  
 38 single-family, residential properties and provide grants to at  
 39 least 35,000 applicants before June 30, 2009. The program shall  
 40 develop and implement a comprehensive and coordinated approach  
 41 for hurricane damage mitigation that shall include the  
 42 following:

43 (1) HURRICANE MITIGATION INSPECTIONS.--

44 (a) Free home-retrofit inspections of site-built, single-  
 45 family, residential property shall be offered throughout the  
 46 state to determine what mitigation measures are needed, what  
 47 insurance premium discounts may be available, and what  
 48 improvements to existing residential properties are needed to  
 49 reduce the property's vulnerability to hurricane damage. The  
 50 Department of Financial Services shall contract with wind  
 51 certification entities to provide free hurricane mitigation  
 52 inspections. The inspections provided to homeowners, at a  
 53 minimum, must include:

- 54 1. A home inspection and report that summarizes the
- 55 results and identifies recommended improvements a homeowner may
- 56 take to mitigate hurricane damage.

BILL

ORIGINAL

YEAR

57 | 2. A range of cost estimates regarding the recommended  
58 | mitigation improvements.

59 | 3. Insurer-specific information regarding premium  
60 | discounts correlated to the current mitigation features and the  
61 | recommended mitigation improvements identified by the  
62 | inspection.

63 | 4. A hurricane resistance rating scale specifying the  
64 | home's current as well as projected wind resistance  
65 | capabilities. As soon as practical, the rating scale must be the  
66 | uniform home grading scale adopted by the Financial Services  
67 | Commission pursuant to s. 215.55865.

68 | (b) To qualify for selection by the department as a wind  
69 | certification entity to provide hurricane mitigation  
70 | inspections, the entity shall, at a minimum, meet the following  
71 | requirements:

72 | 1. Use hurricane mitigation inspectors who:

73 | a. Are certified as a building inspector under s. 468.607;

74 | b. Are licensed as a general or residential contractor  
75 | under s. 489.111;

76 | c. Are licensed as a professional engineer under s.  
77 | 471.015 and who have passed the appropriate equivalency test of  
78 | the Building Code Training Program as required by s. 553.841;

79 | d. Are licensed as a professional architect under s.  
80 | 481.213; or

81 | ~~e.a.~~ Have at least 2 years ~~prior~~ experience in residential  
82 | construction or residential building inspection and have  
83 | received specialized training in hurricane mitigation  
84 | procedures. Such training may be provided by a class offered

BILL

ORIGINAL

YEAR

85 | online or in person.

86 |       2. Use hurricane mitigation inspectors who also:

87 |       ~~a.b.~~ Have undergone drug testing and level 2 background  
 88 | checks pursuant to s. 435.04. The department may ~~is authorized~~  
 89 | ~~to~~ conduct criminal record checks of inspectors used by wind  
 90 | certification entities. Inspectors must submit a set of the  
 91 | fingerprints to the department for state and national criminal  
 92 | history checks and must pay the fingerprint processing fee set  
 93 | forth in s. 624.501. The fingerprints shall be sent by the  
 94 | department to the Department of Law Enforcement and forwarded to  
 95 | the Federal Bureau of Investigation for processing. The results  
 96 | shall be returned to the department for screening. The  
 97 | fingerprints shall be taken by a law enforcement agency,  
 98 | designated examination center, or other department-approved  
 99 | entity; and. ~~Hurricane mitigation inspectors participating in~~  
 100 | ~~the program on January 25, 2007, shall have until June 1, 2007,~~  
 101 | ~~to meet the requirements for a criminal record check.~~

102 |       ~~b.e.~~ Have been certified, in a manner satisfactory to the  
 103 | department, to conduct the inspections.

104 |       ~~3.2.~~ Provide a quality assurance program including a  
 105 | reinspection component.

106 |       (c) The department shall implement a quality assurance  
 107 | program that includes a statistically valid number of  
 108 | reinspections.

109 |       (d)~~(e)~~ An application for an inspection must contain a  
 110 | signed or electronically verified statement made under penalty  
 111 | of perjury that the applicant has submitted only a single  
 112 | application for that home.

BILL

ORIGINAL

YEAR

113        ~~(d)~~ (e) The owner of a site-built, single-family,  
 114 residential property may apply for and receive an inspection  
 115 without also applying for a grant pursuant to subsection (2) and  
 116 without meeting the requirements of paragraph (2)(a).

117        (2) MITIGATION GRANTS.--Financial grants shall be used to  
 118 encourage single-family, site-built, owner-occupied, residential  
 119 property owners to retrofit their properties to make them less  
 120 vulnerable to hurricane damage.

121        (e) When recommended by a hurricane mitigation inspection,  
 122 grants may be used for the following improvements only:

- 123            1. Opening protection.
- 124            2. Exterior doors, including garage doors.
- 125            3. Brace gable ends.

126  
 127 The department may require that improvements be made to all  
 128 openings, including exterior doors and garage doors, as a  
 129 condition of reimbursing a homeowner approved ~~approving an~~  
 130 ~~application~~ for a grant ~~if the department determines that~~  
 131 ~~improvements to less than all openings would not substantially~~  
 132 ~~improve the structure's ability to withstand hurricane damage.~~

133        (j) The department shall transfer the amount of \$40  
 134 million from funds appropriated to the program, including up to  
 135 5 percent for administrative costs, to Volunteer Florida  
 136 Foundation, Inc., or other not-for-profit entity for provision  
 137 of inspections and grants to low-income homeowners, as defined  
 138 in s. 420.0004(10), consistent with this section. Volunteer  
 139 Florida Foundation, Inc., or other not-for-profit entity shall

BILL

ORIGINAL

YEAR

140 be responsible for inspections and grants management for low-  
 141 income homeowners and shall report its activities and account  
 142 for state funds on a quarterly and annual basis to the Chief  
 143 Financial Officer, the President of the Senate, and the Speaker  
 144 of the House of Representatives.

145 (8) NO-INTEREST LOANS. The department shall ~~may~~ develop a  
 146 no-interest loan program by August 31, 2008 ~~December 31, 2007~~,  
 147 to encourage the private sector to provide loans to owners of  
 148 site-built, single-family, residential property to pay for  
 149 mitigation measures listed in subsection (2). A loan eligible  
 150 for interest payments pursuant to this subsection may be for a  
 151 term of up to 3 years and cover up to \$5,000 in mitigation  
 152 measures. The department shall pay the creditor the market rate  
 153 of interest using funds appropriated for the My Safe Florida  
 154 Home Program. In no case shall the department pay more than the  
 155 interest rate set by s. 687.03. To be eligible for a loan, a  
 156 loan applicant must first obtain a home inspection and report  
 157 that specifies what improvements are needed to reduce the  
 158 property's vulnerability to windstorm damage pursuant to this  
 159 section and meet loan underwriting requirements set by the  
 160 lender. The department may set aside up to \$10 million from  
 161 funds appropriated for the My Safe Florida Home Program to  
 162 implement this subsection. The department shall adopt rules  
 163 pursuant to ss. 120.536(1) and 120.54 to implement this  
 164 subsection which may include eligibility criteria.

165 (10) CONTRACT MANAGEMENT.--The department may contract  
 166 with third parties for grants management, inspection services,

BILL

ORIGINAL

YEAR

167 contractor services for low-income homeowners, information  
 168 technology, educational outreach, and auditing services. Such  
 169 contracts shall be considered direct costs of the program and  
 170 shall not be subject to administrative cost limits, but  
 171 contracts valued at \$500,000 or more shall be subject to review  
 172 and approval by the Legislative Budget Commission. The  
 173 department shall contract with providers that have a  
 174 demonstrated record of successful business operations in areas  
 175 directly related to the services to be provided and shall ensure  
 176 the highest accountability for use of state funds, consistent  
 177 with this section.

178  
179

180 Section 2. Paragraph (k) is added to subsection (2) of  
 181 section 627.062, Florida Statutes, to read:

182 627.062 Rate standards.--

183 (2) As to all such classes of insurance:

184 (k) With respect to residential property insurance rate  
 185 filings, the rate filing must account for county ordinances and  
 186 local amendments to the Florida Building Code that effectuate  
 187 the reduction or elimination of geologic hazards and ordinances  
 188 geared toward reducing insurer risk from geologic hazards.

189

190 The provisions of this subsection shall not apply to workers'  
 191 compensation and employer's liability insurance and to motor  
 192 vehicle insurance.

193

BILL

ORIGINAL

YEAR

194 Section 3. Subsection (2) of section 627.711, Florida  
 195 Statutes, is amended to read:

196 627.711 Notice of premium discounts for hurricane loss  
 197 mitigation; uniform mitigation verification inspection form.--

198 (2) By July 1, 2007, the Financial Services Commission  
 199 shall develop by rule a uniform mitigation verification  
 200 inspection form that shall be used by all insurers when  
 201 factoring discounts for wind insurance. In developing the form,  
 202 the commission shall seek input from insurance, construction,  
 203 and building code representatives. Further, the commission shall  
 204 provide guidance as to the length of time the inspection results  
 205 are valid. An insurer shall accept as valid a uniform mitigation  
 206 verification form certified by the Department of Financial  
 207 Services or signed by:

208 a. an approved My Safe Florida Home wind inspector;

209 b. a certified building inspector under s. 468.607;

210 c. a licensed general or residential contractor under s.  
 211 489.111;

212 d. a licensed professional engineer under s. 471.015 and  
 213 who have passed the appropriate equivalency test of the Building  
 214 Code Training Program as required by s. 553.841; or

215 e. a licensed professional architect under s. 481.213.

216 Section 4. This act shall take effect July 1, 2008.