



Week Two – January 20-24, 2020

Citizens Property Insurance Corporation President CEO/Executive Director met last week with the chairman of the House Insurance and Banking Subcommittee to discuss the current property insurance market as the Legislature enters the second week of the 2020 session.

President/CEO/Executive Director Gilway was joined by Florida Insurance Commissioner David Altmaier and State Board of Administration Executive Director Ash Williams for a meeting with [Chairman Byron Donalds \(R-Naples\)](#). The chairman had requested a briefing on current property insurance market conditions and potential for downgrades by Demotech in the coming weeks and months.

The meeting capped off an abbreviated week for the Florida Legislature that include committee action on a handful of insurance issues moving through the chambers.

On Tuesday, the [Senate Banking and Insurance Committee](#) took up [SB 914](#) by [Senator Jeff Brandes \(R-St. Petersburg\)](#). The bill would allow attorneys in property insurance cases to attach fee “multipliers” only in “rare and exceptional” circumstances. Otherwise, fees would be based on a “lodestar” amount, a calculation developed to determine “sufficient and reasonable” attorney fees based on the complexity of the case. Candace Bunker, Director of Legislative and Cabinet Affairs, waived time in support of the bill. The measure passed on a 5-3 vote and now heads to the [Senate Judiciary Committee](#).

The committee also took up [SB 1376](#) by [Chairman Doug Broxson \(R-Pensacola\)](#) to provide insurers with credit for reinsurance and eliminate additional collateral requirements for reinsurers who meet specified standards. Backers including OIR say the bill would provide US domestic insurers with greater access to global reinsurance and improve diversifying of risk. The bill passed unanimously and now goes to the Senate Judiciary Committee.

On January 16, the [House State Affairs Committee](#) heard [PCB SAC1](#) by [Representative Anthony Rodriguez \(R-Miami\)](#). The bill abolishes several advisory boards including the My Safe Florida Home Advisory Council which the Executive Director of Citizens has a seat on. The bill passed unanimously and now goes to the [House Education Committee](#).

Looking ahead

The [Senate Environment and Natural Resources](#) meets Monday to consider [SB 1618](#) by [Senator Manny Diaz \(R-Miami\)](#). The bill creates a pilot program to monitor and report the effects of limestone mining blasting activity on residences in Miami Dade County.

The [Senate Commerce and Tourism Committee](#) meets Tuesday to hear [SB 1492](#) by [Senator Tom Wright \(R-Port Orange\)](#). The consumer protection measure is being spearheaded by Department of Financial Services Consumer Advocate Tasha Carter. Also Tuesday, [House Insurance and Banking Subcommittee](#) hears an identical companion, [HB 1137](#) by [Representative Chuck Clemons \(R-Jonesville\)](#).

The Senate Banking and Insurance Committee on Tuesday considers [SB 924](#) by Senator Brandes (R-St. Petersburg) dealing with third party bad faith issues. The bill places the burden of proof on claimants in bad faith cases against insurers and allows for the consideration of a policyholder’s actions or inactions that may have affected damage.

During its Tuesday meeting, the House Insurance and Banking Subcommittee will take up the omnibus insurance bill, [HB 895](#) by [Representative David Santiago \(R-Deltona\)](#). One provision allows the value of the lender’s force-placed collateral protection insurance to be reimbursed as a covered policy in some cases. Finally, the committee will hear [HB 1211](#) by [Representative Shevrin Jones \(D-West Park\)](#) the companion to SB 1376 regarding reinsurance.