



Citizens Offers Sinkhole Settlement

TALLAHASSEE –In an effort to encourage swift sinkhole repairs, Citizens Property Insurance Corporation has agreed to abide by a neutral evaluator’s recommendations when engineers disagree over the best method of sinkhole repair.

The proposed settlement offer, sent to 1,300 policyholders in December, is a common sense approach to encourage homeowners to protect their families and make their neighborhoods safer by providing further assurance that repairs will be done correctly and completely.

Chris Gardner, chairman of Citizens’ Board of Governors, said Citizens is committed to repairing sinkhole damage by ensuring that payments made to policyholders are spent on getting the problem fixed.

“While holes can be filled and homes rebuilt, lives and lifelong personal treasures cannot be replaced,” Gardner told the Tampa Times. “As the state’s insurer of last resort, Citizens Property Insurance Corporation is trying to do its part to minimize the chance of such tragedy.”

Florida law requires Citizens to pay for sinkhole repairs following an investigation by a qualified engineer sent to evaluate the damage. The law was put in place following concerns that many homeowners were receiving claims checks but not fully repairing the sinkhole damage.

While most cases are resolved, some policyholders hire attorneys who bring in another engineer whose recommendations differ from the original engineer’s findings. Some of those cases go to a neutral evaluator, whose recommendations are nonbinding.

Under the proposed settlement, Citizens will abide by the evaluator’s ruling and pay for additional repairs sometimes necessary following stabilization efforts. Policyholders who agree to the settlement proposal will not lose their ability to seek additional legal remedies if the repairs are unsatisfactory.

“Citizens will not return to the days when it simply wrote a check and walked away,” Gardner said. “We owe it to our policyholders, their neighbors, and the people of Florida to ensure that lives are not lost and neighborhoods degraded because repairs are not made.”

Property Appraisers in counties most affected by sinkhole activity have testified that unrepaired sinkholes are stripping their local governments of millions in local tax revenue while putting future homebuyers at risk. In Pasco County, the loss in property value due to non-repair is \$67 million.

“What’s being offered will allow for much needed repairs to happen quickly and put an end to costly litigation,” said Sen. Wilton Simpson, R-Trilby. “I would encourage each of my constituents to take a very close look at the proposal that’s being offered.”

January 6, 2014

Events

January 8, @ 4 p.m.
[Senate Banking and Insurance Committee Meeting](#)

January 14, @ 2 p.m.
[Senate Banking and Insurance Committee Meeting](#)

January 15, @ 8 a.m.
[House Insurance and Banking Subcommittee Meeting](#)

January 29, @ 9 a.m.
[Citizens Board of Governors Meeting](#)

Spotlight



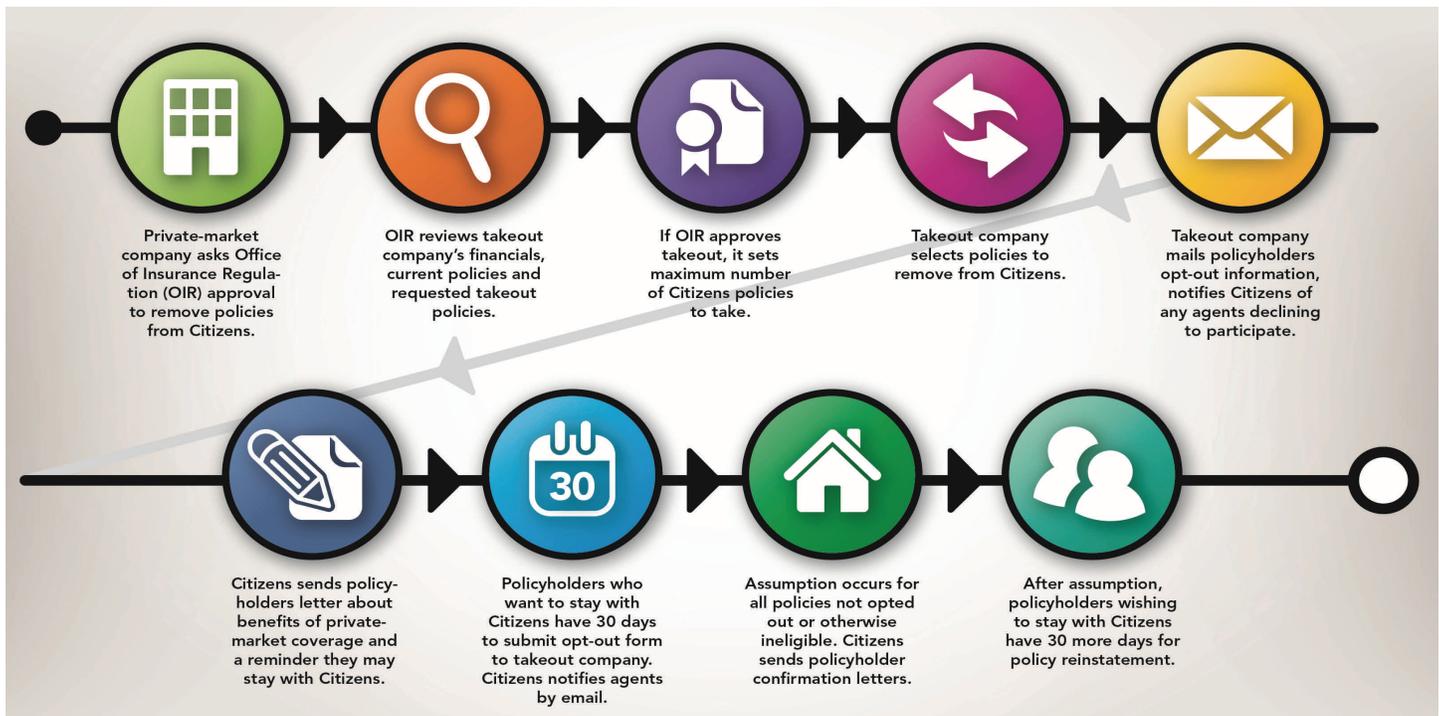
Citizens BOG member:
Tom Lynch
Palm Beach County

Appointed to board by Senate President Mike Haridopolos:
July 19, 2011
Term Expires: July 31, 2014

[View Board members](#)

Did You Know...

How Citizens Policies are Selected for Takeout?



News Links

[Chris Gardner Op-ed: No Blank Checks: Sinkholes will be repaired](#) Tampa Bay Times

[Citizens hopes Clearinghouse Helps Insurance Shoppers](#) Sun-Sentinel

[Scientists Creating Map to Determine Likelihood of Sinkholes](#) Tampa Tribune

[Shrinking Citizens sees further retreat in policy count, return to capital markets for reinsurance](#) SNL Financial

Policies in Force

1,022,359

as of January 3, 2014,
including policies taken out
but still serviced

[Details](#) as of November 30, 2013

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