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Citizens Presents 2023 Rate Recommendations to OIR

TALLAHASSEE, Fla - Citizens Property Insurance Corporation presented a 2023 rate proposal to the Office of Insurance Regulation (OIR) on Thursday that reflects the impacts of reinsurance costs, litigation and recent legislative reforms.

Citizens is requesting recommended rates for 2023 that call for a statewide average increase of 13.1% for all Personal Lines multiperil policies – homeowners, condominium units, dwelling and renters. Homeowner multiperil (HO-3) policy rates would increase by an average of 12.6% statewide. Condominium owners (HO-6) would see an average 10.8% increase.

If approved by OIR, the 2023 rates would go into effect for new and renewal personal residential policies beginning November 1.

“Being able to charge actuarially sound rates is critical to market recovery and promoting depopulation,” said Tim Cerio, Citizens’ President/CEO and Executive Director. “Citizens’ rates are artificially low, which throws off the private market and distorts competition.

“A residual insurer should never compete with the private market,” Cerio added. “That is fundamentally unfair to policyholders in the private market.”

Citizens is required by law to recommend actuarially sound rates while complying with a legislative glide path that caps individual rate increases at 12% in 2023 and 13% in 2024 for primary residences, excluding coverage changes and surcharges. Individual premiums may be higher due to increased replacement costs caused by inflation in the labor and building materials markets.

The 2023 recommendations also consider legislative reforms passed in December 2022, including provisions to eliminate “one-way” attorney fees and allow increases of up to 50% for nonprimary residences. Considering recent reforms, Citizens’ rates, on average, are still 58.6% below actuarially sound levels, but the inadequacy would have been 88.3% without these reforms.

“Today’s rate request reflects the need for Citizens to continue efforts to charge adequate rates while taking into account recent legislative reforms that have already reduced projected costs by \$900 million and will stabilize the market over time,” Cerio said.

Citizens has prepared a [2023 rate kit](#) with information about its 2023 rate filing, including [county-by-county estimates](#) for specific policy types and frequently asked questions.

In 2002, the Florida Legislature created Citizens Property Insurance Corporation (Citizens), a not-for-profit alternative insurer, whose public purpose is to provide insurance to, and serve the needs of, property owners who cannot find coverage in the private insurance market.

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