

# CitizensAdvisor



## Public records bills critical to IT security, Clearinghouse success

TALLAHASSEE, FL – With the 2018 Legislative Session now into its final half, Citizens Property Insurance Corporation is tracking a handful of public records bills that will bolster IT security and ensure success of Citizens Policyholder Clearinghouse.

### HB 1127/SB 1880

House Bill 1127, sponsored by Rep. Larry Lee (D-Fort Pierce) and Senate Bill 1880 sponsored by Sen. Doug Broxson (R-Pensacola) protect Citizens IT security processes and practices by exempting from public records information technology security incidents, such as investigations into security breaches, security technologies, processes and practices as well as security risk assessments are subject to Florida open record laws.

Public disclosure of this information may present a significant security risk and raising the potential for exploitation. The bills also exempt from public meeting requirements those portions of a meeting that would reveal data or information that is made confidential and exempt.

The bills provide the same public records exemption for Citizens that is already in place for state agencies and state universities. Specifically, the following records would be confidential and exempt from public record requirements:

- Records that identify detection, investigation, or response practices for suspected or confirmed information technology security incidents, including suspected or confirmed breaches, if the disclosure of such records would facilitate unauthorized access to or unauthorized modification, disclosure, or destruction of data or information or information technology resources.
- Those portions of risk assessments, evaluations, external and internal audits, and other reports of Citizens information technology security program for its data, information, and information technology resources, if the disclosure of such records would facilitate unauthorized access to or unauthorized modification, disclosure, or destruction of data or information or information technology resources.

### SB 7012/HB 459

Senate Bill 7012, sponsored by Sen. Anitere Flores (R-Miami) and its companion, House Bill 459 by Rep. Ralph Massullo (R-Beverly Hills) reenact the public records exemption for proprietary business information provided by participating insurers to the Property Insurance Clearinghouse program, which was created by the Legislature in 2013.

February 12, 2018

### Events

April 11 @ 9 a.m.

[Citizens Board of Governors](#)  
Sheraton Orlando North

### Spotlight



**Karen Holt**

Senior Director of Product Development

### Policies in Force

**439,739**

as of February 2, 2018

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Such information is shared with the clearinghouse to facilitate placing risks with participating private market insurers instead of Citizens when applicants or current Citizens policyholders seek new or renewal coverage from Citizens. Participating companies use their own proprietary business information in the identification and selection of risks within the program before an offer of coverage is made.

This exemption will stand repealed on October 2, 2018, unless reenacted by the Legislature. Without the reenactment of this public records exemption, the clearinghouse program will be severely hindered and adversely impact the success of the program.

If you have any questions regarding these bills, please do not hesitate to contact [Christine Ashburn](#) or [Candace Bunker](#) for assistance.

## Insurance Agency Was Vital to Citizens' Efforts in the Keys After Irma



Rob Morgan, principal of the Morgan Insurance Group, allowed Citizens to set up a temporary workspace last September at his Big Pine Key office, assisting Citizens with its response to Hurricane Irma.

BIG PINE KEY, FL – As Hurricane Irma loomed large as a Category 5 storm in the Caribbean, Citizens' catastrophe responders searched urgently for places to work in the Florida Keys – which seemed destined for storm destruction.

"I said, 'Of course, we'd like to try to help,'" Rob Morgan, principal of the Morgan Insurance Group in the Florida Keys, told a Citizens agency liaison. "I wasn't sure what would happen to us. But, I said, if we're here, we'd be happy to let you work in our office."

A slightly weakened Irma did indeed slam the Keys as a Category 4 storm, its eye passing a few miles within Morgan's satellite office in Big Pine Key. The storm cut off power and destroyed many buildings on the island.

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Luckily, Morgan's office stood, largely intact, as did Morgan's promise. There was no electricity, no phone service, no air conditioning and no internet. Yet, the second-generation insurance agent called his staff, who secured generators, got their hands on fuel and opened Morgan's office for Citizens' storm-responding catastrophe volunteers.

All of it happened within a few days of Irma striking and amid the storm's ruin and chaos.

"He really went above and beyond," said Marsha Watson, Citizens' Manager of Agency Outreach, who had been working with Morgan for more than a week to ensure Citizens would be able to respond effectively. "I'm not sure we could have done what we did in the Keys without him."

Irma became the second-largest claims-generating catastrophe in Citizens' history after it ripped a destructive path up the Florida peninsula September 10-11, producing approximately 65,000 claims and more than \$500 million in indemnity for Citizens.

The office for Citizens' workers opened within days of Irma's arrival in the Keys, where tens of thousands of Citizens' policyholders sustained damage, including thousands whose homes were total losses. Morgan said 1,900 of his customers with Citizens policies sustained damage, including about 500 policyholders whose homes were destroyed.

"I'm not sure there's anything you can say to someone who's suffered that kind of loss. Policyholders are shell shocked," Morgan said. "But Citizens was here; they were here early; they got adjusters out; they wrote [emergency living expense] checks; and they did what they could."

Many Citizens policyholders still are suffering as those whose homes are total losses wait while the claims process continues and their homes are rebuilt or relocated.

As of February 1, however, Citizens has closed 55,000 of the Irma claims, and Morgan said many customers and industry observers are giving Citizens good marks for its response.

"I'd give them an 'A,'" he said.

## News Links

[Insurance claims reform bill stirs Senate debate](#)

Sun Sentinel

[Suits against Citizens Insurance declined 23 percent in 2017. Will lower rates follow?](#)

Sun Sentinel

[Commentary: 60% spike in Florida home insurance rates without benefit-assignment reform](#)

Orlando Sentinel

[Florida's post-Irma credit rating still strong, Moody's says](#)

Tampa Bay Times

[Losses mount at property insurers in wake of busy hurricane season](#)

Sarasota Herald-Tribune

[2017's three monster hurricanes — Harvey, Irma and Maria — among five costliest ever](#)

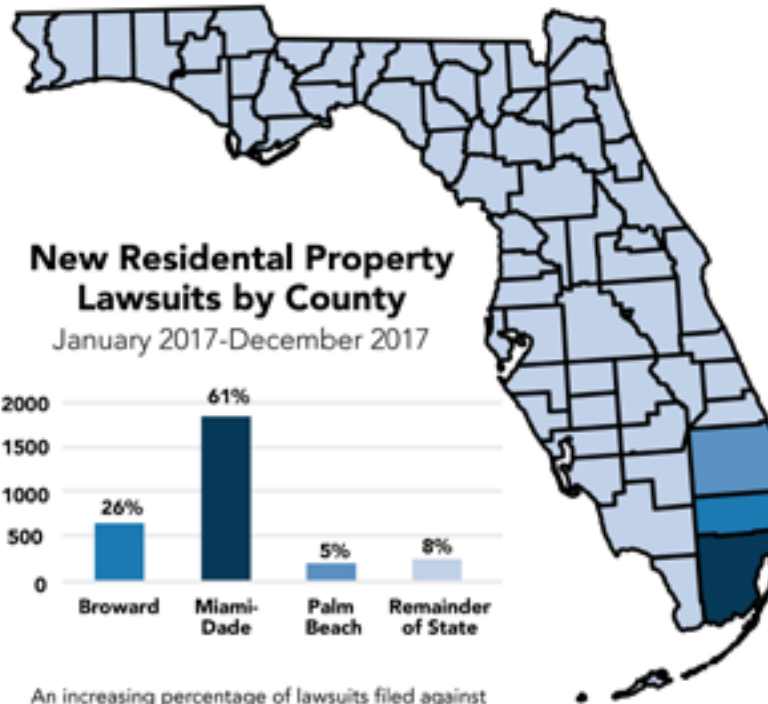
USA Today

[Florida policies cost most in US: Should insurers keep tax savings?](#)

Palm Beach Post

# Lawsuits Served to Citizens: Origins and AOB

From January 2017 through December 2017, Citizens was served with 7,471 lawsuits regarding residential property losses – averaging 623 new lawsuits per month.



An increasing percentage of lawsuits filed against Citizens – now up to about 38 percent – involve assignment of benefits (AOB) contracts.

## Percentage of New Property Lawsuits Involving AOB

