

MEMORANDUM

Agenda Item No. 11(A)(13)

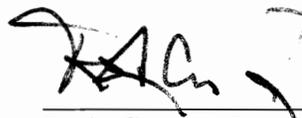
TO: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

DATE: March 4, 2008

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Resolution urging
Governor Charlie Crist,
Florida Legislature and the
Commissioner of the Office
of Insurance Regulation to
ensure that insurance
companies comply with HB
1-A and pass savings on to
policyholders

The accompanying resolution was prepared and placed on the agenda at the request of Commissioner Dennis C. Moss, Commissioner Jose "Pepe" Diaz, Commissioner Carlos A. Gimenez, Commissioner Joe A. Martinez, Commissioner Katy Sorenson, Commissioner Rebeca Sosa and Senator Javier D. Souto.



R. A. Cuevas, Jr.
County Attorney

RAC/cp



MEMORANDUM

(Revised)

TO: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

DATE: March 4, 2008

FROM: 
R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 11(A)(13)

Please note any items checked.

- "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Bid waiver requiring County Manager's written recommendation
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- Housekeeping item (no policy decision required)
- No committee review

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 11(A) (13)
03-04-08

RESOLUTION NO. _____

RESOLUTION URGING GOVERNOR CHARLIE CRIST, THE FLORIDA LEGISLATURE AND THE COMMISSIONER OF THE OFFICE OF INSURANCE REGULATION TO TAKE ALL STEPS NECESSARY TO ENSURE THAT INSURANCE COMPANIES WRITING PROPERTY INSURANCE POLICIES IN FLORIDA COMPLY WITH HB 1-A AND PASS SAVINGS ON TO POLICYHOLDERS

WHEREAS, in January, 2007, the Florida Legislature convened Special Session A to reduce current property insurance premiums; reduce the future rate of growth in property insurance premiums, and improve the availability and stability of property insurance; and

WHEREAS, during the special session, the Legislature passed two pieces of legislation, House Bill 1-A, which was a comprehensive property insurance reform bill, and House Memorial 11-A, which urged the U.S. Congress to support a National Catastrophe Insurance Program, whereby the risk of catastrophes would be addressed through a public-private partnership; and

WHEREAS, HB 1-A expanded the Florida Hurricane Catastrophe Fund (FHCF), a reinsurance coverage fund backed by the State of Florida from which insurance companies could purchase reinsurance; and

WHEREAS, the FHCF offered insurance companies reinsurance coverage significantly lower in price than coverage that was available through private reinsurance companies; and

WHEREAS, HB 1-A required insurance companies to pass savings they realized by purchasing reinsurance through the expanded FHCF on to policyholders; and

WHEREAS, in exchange for an increased risk carried by the people of Florida through the state-backed FHCF, HB 1-A promised to reduce insurance premiums; and

WHEREAS, in the year since Special Session A and despite the mandates included in HB 1-A, property insurance premiums have not declined in many cases and in some cases, have continued to increase; and

WHEREAS, the Governor, Chief Financial Officer and Insurance Commissioner have taken a number of steps to require insurance companies to comply with HB 1-A, including issuing subpoenas to various Allstate subsidiaries to testify before the Office of Insurance Regulation about the companies' reinsurance program and why premiums have not been reduced; and eventually stopping Allstate subsidiaries from issuing new homeowners and automobile insurance policies in Florida, although the latter action currently is in litigation; and

WHEREAS, the Florida Legislature has held hearings and meetings and have subpoenaed insurance company executives to explain why insurance premiums have not been reduced despite HB 1-A and the expanded FHCF; and

WHEREAS, more action is needed to bring property insurance premiums under control,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board:

Section 1. Urges Governor Charlie Crist, the Florida Legislature and the Commissioner of the Office of Insurance Regulation to take all steps necessary to ensure that insurance companies writing property insurance policies in Florida comply with HB 1-A and pass savings on to policyholders.

Section 2. Directs the Clerk of the Board to transmit certified copies of the resolution to the Governor, Senate President, House Speaker, the Chair and Members of the Miami-Dade State Legislative Delegation, and the Commissioner of the Office of Insurance Regulation.

Section 3. Directs the County’s state lobbyists to advocate for the issue identified in Section 1 above, and directs the Office of Intergovernmental Affairs to include this item in the 2008 state legislative package

The foregoing resolution was sponsored by Commissioner Dennis C. Moss, Commissioner Jose “Pepe” Diaz, Commissioner Carlos A. Gimenez, Commissioner Joe A. Martinez, Commissioner Katy Sorenson , Commissioner Rebeca Sosa and Senator Javier D. Souto and offered by Commissioner , who moved its adoption. The motion was seconded by Commissioner and upon being put to a vote, the vote was as follows:

- | | |
|------------------------------------|--------------------|
| Bruno A. Barreiro, Chairman | |
| Barbara J. Jordan, Vice-Chairwoman | |
| Jose "Pepe" Diaz | Audrey M. Edmonson |
| Carlos A. Gimenez | Sally A. Heyman |
| Joe A. Martinez | Dennis C. Moss |
| Dorin D. Rolle | Natacha Seijas |
| Katy Sorenson | Rebeca Sosa |
| Sen. Javier D. Souto | |

The Chairperson thereupon declared the resolution duly passed and adopted this 4th day of March 2008. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.



Jess M. McCarty