

MEMORANDUM

Agenda Item No. 11(A)(15)

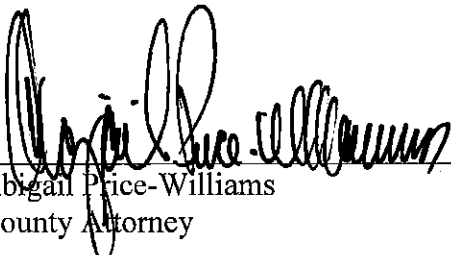
TO: Honorable Chairman Esteban L. Bovo, Jr.
and Members, Board of County Commissioners

DATE: October 2, 2018

FROM: Abigail Price-Williams
County Attorney

SUBJECT: Resolution opposing recent consideration of an increase in property insurance rates proposed by Citizens Property Insurance Corporations; urging the Governor and Florida Legislature to find solutions to control rate increases by Citizens Property Insurance Corporation

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Rebeca Sosa.


Abigail Price-Williams
County Attorney

APW/uw

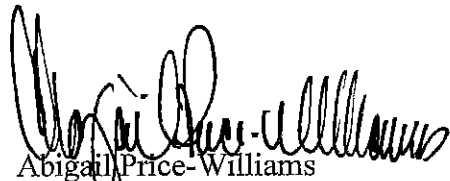


MEMORANDUM

(Revised)

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and Members, Board of County Commissioners

DATE: October 2, 2018

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Please note any items checked.

- "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
- Statement of social equity required
- Ordinance creating a new board requires detailed County Mayor's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous ____) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 11(A)(15)
10-2-18

RESOLUTION NO. _____

RESOLUTION OPPOSING RECENT CONSIDERATION OF AN INCREASE IN PROPERTY INSURANCE RATES PROPOSED BY CITIZENS PROPERTY INSURANCE CORPORATIONS; URGING THE GOVERNOR AND FLORIDA LEGISLATURE TO FIND SOLUTIONS TO CONTROL RATE INCREASES BY CITIZENS PROPERTY INSURANCE CORPORATION

WHEREAS, the Florida Legislature created Citizens Property Insurance Corporation (“Citizens”) as a non-profit, tax-exempt home insurance provider because private insurers were unwilling or unable to provide affordable property insurance coverage to Florida homeowners; and

WHEREAS, Citizens currently insures approximately one out of every five homes in Florida, and often functions as an insurer of last resort to many Floridians; and

WHEREAS, section 627.351(6), Florida Statutes, states that the purpose of Citizens is to increase the availability of affordable property insurance in Florida, while achieving efficiencies and economies of scale; and

WHEREAS, in recent years, many South Florida residents have seen their property insurance premiums steadily—and sometimes sharply—increase; and

WHEREAS, in Resolution No. R-167-16, this Board supported the Miami-Dade County Legislative Delegation’s long-term goal of achieving parity between Miami-Dade County’s property insurance market and similarly situated property insurance markets by ensuring that private and public wind storm loss models treat policyholders in Miami-Dade County fairly rather than burden them with relatively higher prices and lower coverage; and

WHEREAS, in June 2016, Citizens proposed a rate increase for 2017 that was just short of the 10 percent maximum increase allowed under state law; and

WHEREAS, the Florida Office of Insurance Regulation subsequently approved that rate increase in September 2016; and

WHEREAS, in its press release announcing the rate increase, Citizens acknowledged that “[w]ithout significant reform, Citizens policyholders must brace themselves for continued rate hikes”; and

WHEREAS, true to form, Citizens has proposed another rate increase for 2019; and

WHEREAS, the Board of Governors voted unanimously to defer action on Citizen’s proposed 7.9 percent statewide increase for personal lines policyholders – homeowners, condominium unit owners and renters – which would have taken effect on Feb. 1, 2019; and

WHEREAS, under the proposed rates, inland homeowners with multiperil policies would see an average increase of 8.3 percent, while homeowners along the coast would see rates climb by an average of 9.5 percent; and

WHEREAS, the 2019 proposed rates called for increases in homeowners multiperil premiums in 60 of 67 counties, including Miami-Dade County,

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

Section 1. Opposes the recent consideration of property insurance rate increases proposed by Citizens Property Insurance.

Section 2. Urges the Florida Legislature and Governor to find solutions to control rate increases by Citizens Property Insurance Corporation.

Section 3. Directs the Clerk of the Board to transmit a certified copy of this resolution to the Governor, Senate President, House Speaker, and the Chair and the Members of the Miami-Dade County State Legislative Delegation.

Section 4. Directs the County's state lobbyists to oppose the matter set forth in Section 1 above and advocate for the matter set forth in Section 2 above, and authorizes and directs the Office of Intergovernmental Affairs to include this item in the 2019 State Legislative Package when it is presented to the Board.

The Prime Sponsor of the foregoing resolution is Commissioner Rebeca Sosa. It was 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:

Esteban L. Bovo, Jr., Chairman	
Audrey M. Edmonson, Vice Chairwoman	
Daniella Levine Cava	Jose "Pepe" Diaz
Sally A. Heyman	Eileen Higgins
Barbara J. Jordan	Joe A. Martinez
Jean Monestime	Dennis C. Moss
Rebeca Sosa	Sen. Javier D. Souto
Xavier L. Suarez	

The Chairperson thereupon declared this resolution duly passed and adopted this 2nd day of October, 2018. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this resolution and the filing of this approval with the Clerk of the 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.

APP

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