

MEMORANDUM

Amended
Agenda Item No. 11(A)(5)

TO: Honorable Chairwoman Audrey M. Edmonson
and Members, Board of County Commissioners

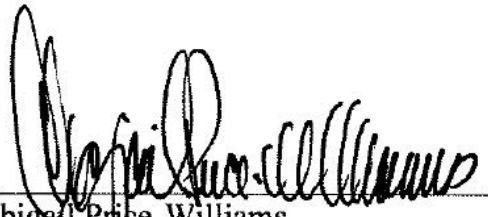
DATE: June 2, 2020

FROM: Abigail Price-Williams
County Attorney

SUBJECT: Resolution urging Florida Chief Financial Officer Jimmy Patronis and the Office of Insurance Regulation to intervene and halt any salary increases for Citizens Property Insurance Corporation in the wake of coronavirus disease 2019 (COVID-19) and resulting economic impacts; urging Citizens Property Insurance Corporation to rescind recent salary increases given to its executives while many Floridians are unemployed as a result of COVID-19; urging the Florida Legislature and Governor to find solutions to control rate increases by Citizens Property Insurance

Resolution No. R-560-20

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Esteban L. Bovo, Jr., and Co-Sponsors Commissioner Sally A. Heyman, Commissioner Dennis C. Moss and Vice Chairwoman Rebeca Sosa.


Abigail Price-Williams
County Attorney

APW/smm



MEMORANDUM

(Revised)

TO: Honorable Chairwoman Audrey M. Edmonson
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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 present ____, 2/3 membership ____, 3/5's ____, unanimous ____, CDMP 7 vote requirement per 2-116.1(3)(h) or (4)(c) ____, CDMP 2/3 vote requirement per 2-116.1(3)(h) or (4)(c) ____, or CDMP 9 vote requirement per 2-116.1(4)(c)(2) ____ to approve
- ☐ Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved	_____	Mayor	Amended
Veto	_____		Agenda Item No. 11(A)(5)
Override	_____		6-2-20

RESOLUTION NO. R-560-20

RESOLUTION URGING FLORIDA CHIEF FINANCIAL OFFICER JIMMY PATRONIS AND THE OFFICE OF INSURANCE REGULATION TO INTERVENE AND HALT ANY SALARY INCREASES FOR CITIZENS PROPERTY INSURANCE CORPORATION IN THE WAKE OF CORONAVIRUS DISEASE 2019 (COVID-19) AND RESULTING ECONOMIC IMPACTS; URGING CITIZENS PROPERTY INSURANCE CORPORATION TO RESCIND RECENT SALARY INCREASES GIVEN TO ITS EXECUTIVES WHILE MANY FLORIDIANS ARE UNEMPLOYED AS A RESULT OF COVID-19; URGING THE FLORIDA LEGISLATURE AND GOVERNOR TO FIND SOLUTIONS TO CONTROL RATE INCREASES BY CITIZENS PROPERTY INSURANCE

WHEREAS, coronavirus disease 2019 (COVID-19) is an infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2), a novel coronavirus that was first identified in December 2019; and

WHEREAS, on March 9, 2020, Governor Ron DeSantis issued Executive Order No. 20-52 declaring a state of emergency for the entire State of Florida as a result of COVID-19; and

WHEREAS, on March 11, 2020, Mayor Carlos A. Gimenez declared a state of emergency for Miami-Dade County as a result of COVID-19; and

WHEREAS, the disease has since spread globally, and on March 11, 2020, the World Health Organization officially declared COVID-19 a pandemic; and

WHEREAS, as of May 26, 2020, the total number of confirmed cases of COVID-19 worldwide is over 5.5 million, with more than 1.7 million of those in the United States; and

WHEREAS, the effects of this pandemic, including business closures, have resulted in a massive and rapid increase in the number of individuals who are seeking unemployment assistance; and

WHEREAS, overall, this pandemic has resulted in the worst economic downturn since the Great Depression; and

WHEREAS, specifically, the unemployment rate in the United States soared to 14.7 percent in April 2020, according to the United States Department of Labor; and

WHEREAS, according to data revealed by the Florida Department of Economic Opportunity, the unemployment rate in Florida went from 4.4 percent in March 2020 to 12.9 percent in April 2020; and

WHEREAS, this data further revealed that as of May 28, 2020, 1.9 million unique claims for unemployment have been received, which represents 21.6 percent of the workforce in Florida; and

WHEREAS, despite the extremely high unemployment rate and staggering amount of unemployment claims that have been made in Florida as a result of COVID-19, Citizens Property Insurance Corporation (“Citizens”) just approved \$159,000 in significant pay raises to certain executives of Citizens; and

WHEREAS, Citizens was created by the Florida Legislature as a non-profit, tax-exempt, government entity charged with providing insurance protection to Floridians who are unable to find property insurance coverage in the private market; and

WHEREAS, operated by a board of political appointees, its only source of revenue is from the insurance premiums policyholders pay; 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, 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, this Board is concerned about the impact the COVID-19 emergency has had and is continuing to have on unemployment in Miami-Dade County and Florida; and

WHEREAS, this Board is also concerned about anticipated future property insurance rate increases by Citizens, and believes that it is necessary to limit such rate increases in light of the economic hardship caused by COVID-19; and

WHEREAS, this Board believes that the salary increases given to executives of Citizens and future rate increases by Citizens are inappropriate at this time when more than a million Floridians just lost their jobs and are suffering from COVID-19; and

WHEREAS, this Board believes that such salary increases and any future property insurance rate increases need to be limited while the severe economic impacts of COVID-19 persist,

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

Section 1. Urges Florida Chief Financial Officer Jimmy Patronis and the Office of Insurance Regulation to intervene and halt any salary increases given to executives and staffers of Citizens Property Insurance Corporation in the wake of coronavirus disease 2019 (COVID-19) and the resulting economic impacts.

Section 2. Urges Citizens Property Insurance Corporation to rescind the recent salary increases given to its executives.

Section 3. Urges the Florida Legislature and Governor to find solutions to control rate increases by Citizens Property Insurance.

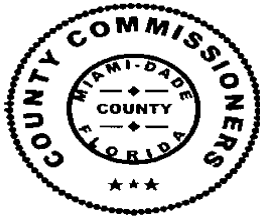
Section 4. Directs the Clerk of the Board to transmit a certified copy of this resolution to the Governor, Senate President, House Speaker, Florida Chief Financial Officer Jimmy Patronis, the Chair and Members of the Miami-Dade Legislative Delegation, the Florida Office of Insurance Regulation, and Citizens Property Insurance Corporation.

Section 5. Directs the County’s lobbyist to advocate for the legislative action set forth in sections 1, 2, and 3 above, and authorizes and directs the Office of Intergovernmental Affairs to amend the 2020 State Legislative Package to include this item.

The Prime Sponsor of the foregoing resolution is Commissioner Esteban L. Bovo, Jr., and the Co-Sponsors are Commissioner Sally A. Heyman, Commissioner Dennis C. Moss and Vice Chairwoman Rebeca Sosa. It was offered by Commissioner **Esteban L. Bovo, Jr.** , who moved its adoption. The motion was seconded by Commissioner **Rebeca Sosa** and upon being put to a vote, the vote was as follows:

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

The Chairperson thereupon declared this resolution duly passed and adopted this 2nd day of June, 2020. 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: **Melissa Adames**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

RC

Ryan Carlin