

MEMORANDUM

Agenda Item No. 11(A)(10)

TO: Honorable Chairman Jose "Pepe" Diaz
and Members, Board of County Commissioners


DATE: March 16, 2021

FROM: Geri Bonzon-Keenan
County Attorney

SUBJECT: Resolution urging Florida Chief
Financial Officer Jimmy Patronis
and the Office of Insurance
Regulation to disapprove the
recent proposal by Citizens
Property Insurance Corporation
to increase property insurance
rates in the wake of Coronavirus
Disease 2019 (COVID-19) and
the resulting economic impacts;
urging the Florida Legislature
and Governor to find solutions to
control rate increases by Citizens
Property Insurance

Resolution No. R-223-21

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



Geri Bonzon-Keenan
County Attorney


GBK/jp



MEMORANDUM
(Revised)

TO: Honorable Chairman Jose "Pepe" Diaz
and Members, Board of County Commissioners

DATE: March 16, 2021

FROM: 
Gen. Bonzon-Keenan
County Attorney

SUBJECT: Agenda Item No. 11(A)(10)

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
Veto _____
Override _____

Agenda Item No. 11(A)(10)
3-16-21

RESOLUTION NO. R-223-21

RESOLUTION URGING FLORIDA CHIEF FINANCIAL OFFICER JIMMY PATRONIS AND THE OFFICE OF INSURANCE REGULATION TO DISAPPROVE THE RECENT PROPOSAL BY CITIZENS PROPERTY INSURANCE CORPORATION TO INCREASE PROPERTY INSURANCE RATES IN THE WAKE OF CORONAVIRUS DISEASE 2019 (COVID-19) AND THE RESULTING ECONOMIC IMPACTS; 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, these orders were subsequently extended; 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 February 11, 2021, the total number of confirmed cases of COVID-19 worldwide is over 107 million, with more than 27.3 million of those in the United States; and

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

WHEREAS, in response to the COVID-19 pandemic, public health officials and the Center for Disease Control and Prevention (CDC) encouraged “social distancing” to reduce the spread of the virus; and

WHEREAS, to enforce social distancing, Governor DeSantis and Mayor Gimenez issued executive and emergency orders restricting businesses’ and residents’ activities in order to prevent the spread of COVID-19; and

WHEREAS, as a result of these declarations of emergency and mandatory closures of non-essential businesses in Miami-Dade County, thousands of workers in Miami-Dade County and throughout this State have been laid off, furloughed, or left with severely reduced work hours; and

WHEREAS, about 65 million Americans have filed for unemployment since mid-March 2020; and

WHEREAS, data from the United States Bureau of Labor Statistics reveals that several cities in Florida, including the Cities of Hialeah, Miami, Orlando, and Port St. Lucie, are among those in the United States that have seen the biggest spikes in unemployment due to the COVID-19 pandemic; and

WHEREAS, despite many of Florida’s property owners struggling financially as a result of the negative economic impacts caused by COVID-19, Citizens Property Insurance Corporation (“Citizens”) recently approved a proposal to increase rates averaging 7.2 percent statewide for its residential customers while also lifting the 10 percent annual cap rate for new customers; and

WHEREAS, if approved by the Florida Office of Insurance Regulation, the proposal will take effect on August 1, 2021; 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, over the past several years, the 10 percent cap rate has made Citizens a more affordable option for homeowners in high-cost regions, such as South Florida and the Orlando and Tampa metro regions; 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 it 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 rate increases are inappropriate at this time when more than a million Floridians have lost their jobs and are suffering from COVID-19; and

WHEREAS, this Board believes that 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 disapprove the recent proposal by Citizens Property Insurance Corporation to increase property insurance rates while also removing the 10 percent annual rate cap for new customers.

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

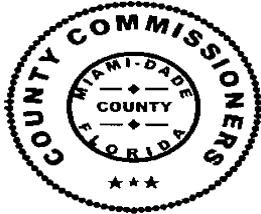
Section 3. Directs the Clerk of the Board to transmit a certified copy of this resolution to the Governor, Senate President, House Speaker, the Chair and Members of the Miami-Dade Legislative Delegation, Florida Chief Financial Officer Jimmy Patronis, and Florida Insurance Commissioner David Altmaier.

Section 4. Directs the County’s state lobbyists to advocate for the actions set forth in sections 1 and 2 above, and authorizes and directs the Office of Intergovernmental Affairs to amend the 2021 State Legislative Package to include this item.

The Prime Sponsor of the foregoing resolution is Commissioner Rebeca Sosa. It was offered by Commissioner **Rebeca Sosa**, who moved its adoption. The motion was seconded by Commissioner **Sally A. Heyman** and upon being put to a vote, the vote was as follows:

	Jose “Pepe” Diaz, Chairman	aye	
	Oliver G. Gilbert, III, Vice-Chairman	aye	
Sen. René García	aye	Keon Hardemon	aye
Sally A. Heyman	aye	Danielle Cohen Higgins	aye
Eileen Higgins	aye	Joe A. Martinez	aye
Kionne L. McGhee	aye	Jean Monestime	aye
Raquel A. Regalado	aye	Rebeca Sosa	aye
Sen. Javier D. Souto	aye		

The Chairperson thereupon declared this resolution duly passed and adopted this 16th day of March, 2021. 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

Melissa Adames

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

RC

Ryan Carlin