

House Bill No. 7103

An act relating to the My Safe Florida Home Program; amending s. 215.5586, F.S.; requiring that wind certification entities meet certain minimum criteria to qualify for selection by the Department of Financial Services; deleting a provision requiring hurricane mitigation inspectors participating in the program to meet the requirements for a criminal record check by a specified date; authorizing the department to require that improvements be made to all openings of a structure, including exterior doors and garage doors, as a condition of reimbursing a homeowner for a grant; deleting a provision authorizing the department to transfer certain funds to Volunteer Florida Foundation, Inc., for certain purposes; deleting a requirement that Volunteer Florida, Inc., undertake certain activities; requiring the department to implement a no-interest loan program by a certain date; providing program requirements; requiring the department to set aside certain moneys for certain purposes; authorizing the department to adopt rules; authorizing the department to contract with third parties for contractor services and technology; amending s. 627.711, F.S.; requiring insurers to accept as valid uniform mitigation verification forms certified by the department or signed by certain professionals; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Subsection (1), paragraphs (e) and (j) of subsection (2), and subsections (8) and (10) of section 215.5586, Florida Statutes, are amended to read:

215.5586 My Safe Florida Home Program.—There is established within the Department of Financial Services the My Safe Florida Home Program. The department shall provide fiscal accountability, contract management, and strategic leadership for the program, consistent with this section. This section does not create an entitlement for property owners or obligate the state in any way to fund the inspection or retrofitting of residential property in this state. Implementation of this program is subject to annual legislative appropriations. It is the intent of the Legislature that the My Safe Florida Home Program provide inspections for at least 400,000 site-built, single-family, residential properties and provide grants to at least 35,000 applicants before June 30, 2009. The program shall develop and implement a comprehensive and coordinated approach for hurricane damage mitigation that shall include the following:

(1) HURRICANE MITIGATION INSPECTIONS.—

(a) Free home-retrofit inspections of site-built, single-family, residential property shall be offered throughout the state to determine what mitigation measures are needed, what insurance premium discounts may be available, and what improvements to existing residential properties are needed to reduce the property's vulnerability to hurricane damage. The Department

of Financial Services shall contract with wind certification entities to provide free hurricane mitigation inspections. The inspections provided to homeowners, at a minimum, must include:

1. A home inspection and report that summarizes the results and identifies recommended improvements a homeowner may take to mitigate hurricane damage.

2. A range of cost estimates regarding the recommended mitigation improvements.

3. Insurer-specific information regarding premium discounts correlated to the current mitigation features and the recommended mitigation improvements identified by the inspection.

4. A hurricane resistance rating scale specifying the home's current as well as projected wind resistance capabilities. As soon as practical, the rating scale must be the uniform home grading scale adopted by the Financial Services Commission pursuant to s. 215.55865.

(b) To qualify for selection by the department as a wind certification entity to provide hurricane mitigation inspections, the entity shall, at a minimum, meet the following requirements:

1. Use hurricane mitigation inspectors who:

a. Are certified as a building inspector under s. 468.607;

b. Are licensed as a general or residential contractor under s. 489.111;

c. Are licensed as a professional engineer under s. 471.015 and who have passed the appropriate equivalency test of the Building Code Training Program as required by s. 553.841;

d. Are licensed as a professional architect under s. 481.213; or

e.a. Have at least 2 years of prior experience in residential construction or residential building inspection and have received specialized training in hurricane mitigation procedures. Such training may be provided by a class offered online or in person.

2. Use hurricane mitigation inspectors who also:

a.b. Have undergone drug testing and level 2 background checks pursuant to s. 435.04. The department ~~may is authorized to~~ conduct criminal record checks of inspectors used by wind certification entities. Inspectors must submit a set of the fingerprints to the department for state and national criminal history checks and must pay the fingerprint processing fee set forth in s. 624.501. The fingerprints shall be sent by the department to the Department of Law Enforcement and forwarded to the Federal Bureau of Investigation for processing. The results shall be returned to the department for screening. The fingerprints shall be taken by a law enforcement agency, designated examination center, or other department-approved entity; ~~and. Hurricane mitigation inspectors participating in the program on~~

January 25, 2007, shall have until June 1, 2007, to meet the requirements for a criminal record check.

b.e. Have been certified, in a manner satisfactory to the department, to conduct the inspections.

3.2- Provide a quality assurance program including a reinspection component.

(c) The department shall implement a quality assurance program that includes a statistically valid number of reinspections.

(d)(e) An application for an inspection must contain a signed or electronically verified statement made under penalty of perjury that the applicant has submitted only a single application for that home.

(e)(d) The owner of a site-built, single-family, residential property may apply for and receive an inspection without also applying for a grant pursuant to subsection (2) and without meeting the requirements of paragraph (2)(a).

(2) MITIGATION GRANTS.—Financial grants shall be used to encourage single-family, site-built, owner-occupied, residential property owners to retrofit their properties to make them less vulnerable to hurricane damage.

(e) When recommended by a hurricane mitigation inspection, grants may be used for the following improvements only:

1. Opening protection.
2. Exterior doors, including garage doors.
3. Brace gable ends.

The department may require that improvements be made to all openings, including exterior doors and garage doors, as a condition of reimbursing a homeowner approved approving an application for a grant if the department determines that improvements to less than all openings would not substantially improve the structure's ability to withstand hurricane damage.

~~(j) The department shall transfer the amount of \$40 million from funds appropriated to the program, including up to 5 percent for administrative costs, to Volunteer Florida Foundation, Inc., for provision of inspections and grants to low-income homeowners, as defined in s. 420.0004(10), consistent with this section. Volunteer Florida Foundation, Inc., shall be responsible for inspections and grants management for low-income homeowners and shall report its activities and account for state funds on a quarterly and annual basis to the Chief Financial Officer, the President of the Senate, and the Speaker of the House of Representatives.~~

(8) NO-INTEREST LOANS.—The department shall implement ~~may develop~~ a no-interest loan program by October 1, 2008, contingent upon the selection of a qualified vendor and execution of a contract acceptable to the

department and the vendor. The department shall enter into partnerships ~~with December 31, 2007, to encourage~~ the private sector to provide loans to owners of site-built, single-family, residential property to pay for mitigation measures listed in subsection (2). A loan eligible for interest payments pursuant to this subsection may be for a term of up to 3 years and cover up to \$5,000 in mitigation measures. The department shall pay the creditor the market rate of interest using funds appropriated for the My Safe Florida Home Program. In no case shall the department pay more than the interest rate set by s. 687.03. To be eligible for a loan, a loan applicant must first obtain a home inspection and report that specifies what improvements are needed to reduce the property's vulnerability to windstorm damage pursuant to this section and meet loan underwriting requirements set by the lender. The department ~~shall~~ may set aside ~~up to~~ \$10 million from funds appropriated for the My Safe Florida Home Program to implement this subsection. The department ~~may~~ shall adopt rules pursuant to ss. 120.536(1) and 120.54 to implement this subsection which may include eligibility criteria.

(10) CONTRACT MANAGEMENT.—The department may contract with third parties for grants management, inspection services, contractor services for low-income homeowners, information technology, educational outreach, and auditing services. Such contracts shall be considered direct costs of the program and shall not be subject to administrative cost limits, but contracts valued at \$500,000 or more shall be subject to review and approval by the Legislative Budget Commission. The department shall contract with providers that have a demonstrated record of successful business operations in areas directly related to the services to be provided and shall ensure the highest accountability for use of state funds, consistent with this section.

Section 2. Subsection (2) of section 627.711, Florida Statutes, is amended to read:

627.711 Notice of premium discounts for hurricane loss mitigation; uniform mitigation verification inspection form.—

(2) By July 1, 2007, the Financial Services Commission shall develop by rule a uniform mitigation verification inspection form that shall be used by all insurers when submitted by policyholders for the purpose of factoring discounts for wind insurance. In developing the form, the commission shall seek input from insurance, construction, and building code representatives. Further, the commission shall provide guidance as to the length of time the inspection results are valid. An insurer shall accept as valid a uniform mitigation verification form certified by the Department of Financial Services or signed by:

(a) A hurricane mitigation inspector employed by an approved My Safe Florida Home wind certification entity;

(b) A building code inspector certified under s. 468.607;

(c) A general or residential contractor licensed under s. 489.111;

(d) A professional engineer licensed under s. 471.015 who has passed the appropriate equivalency test of the Building Code training program as required by s. 553.841; or

(e) A professional architect licensed under s. 481.213.

Section 3. This act shall take effect July 1, 2008.

Approved by the Governor June 30, 2008.

Filed in Office Secretary of State June 30, 2008.