

1 **Section 1. Section 215.5586, Florida Statutes, is repealed.**

2 **Section 2. Chapter 557 is added to Title XXXIII (Regulation of Trade, Commerce,**
3 **Investments and Solicitations), Florida Statutes, and will read:**

4
5 Chapter 557 – Florida Comprehensive Windstorm Damage Mitigation Program

6
7 Part I – The Florida Mitigation Commission

8
9 557.01 Short Title. – This Part shall be known, and may be cited, as “The Florida Mitigation
10 Commission.”

11
12 557.02 Definitions. – As used in this Part, the term:

13 (1) “Agency” or “Agencies” means any entity of the State, including any department, division,
14 commission, office, bureau, quasi governmental not for profit organization and the like, or other political
15 subdivisions.

16 (2) “Chairperson” means the person designated as such in s. 557.03(1)(a), Florida Statutes.

17 (3) “Commission” means “The Florida Mitigation Commission” created by this Part.

18 (4) “Department” means the “Department of Community Affairs.”

19 (5) “Program” means the Commission’s program of work as generally described in s. 557.04(2),
20 Florida Statutes, and as it further evolves pursuant to this Part.

21
22 557.03 Creation and Membership

23 (1) The Florida Mitigation Commission is hereby created, shall be located within the
24 Department of Community Affairs for administrative purposes, and shall be composed of nine members,
25 appointed as follows:

26 a. Three members shall be appointed by the Governor (one of which shall be designated
27 by the Governor as Chairperson);

28 b. Two members shall be appointed by the Chief Financial Officer;

29 c. Two members shall be appointed by the President of the Senate; and

30 d. Two members shall appointed by the Speaker of the House of Representatives.

31 2. All appointees shall be subject to confirmation by the Senate and shall serve for four years,
32 except:

33 a. The Chairperson, who shall serve at the pleasure of the Governor; and

1 b. For the initial appointments, the two members appointed by each the Governor and
2 Chief Financial Officer shall serve for one and four year terms as designated with their appointment, and
3 the two members appointed by each the President of the Senate and the Speaker of the House of
4 Representatives shall serve for two and three year terms as designated with their appointment.

5 (3) There is created an advisory council to the Commission to provide advice and assistance,
6 and to facilitate coordination and cooperation among the Commission and the Agencies in furtherance of
7 the Program. The advisory council shall consist of the Agency head (or a senior management person
8 from that Agency designated by the Agency head) from each of the following Agencies (plus such
9 others as the Governor might from time to time designate):

- 10 (a) The Department of Financial Services;
- 11 (b) The Department of Community Affairs;
- 12 (c) The Division of Emergency Management;
- 13 (d) The Department of Revenue;
- 14 (e) The Florida Building Commission;
- 15 (f) The Office of Insurance Regulation;
- 16 (g) The Citizens Property Insurance Corporation;
- 17 (h) Florida Housing Finance Corporation; and
- 18 (i) Volunteer Florida Foundation, Inc.

19 (4) Members of the Commission shall serve without compensation, but shall be entitled to
20 reimbursement for all necessary expenses incurred in performing their duties, including per diem and
21 travel expenses as provided by s. 112.061, Florida Statute.

22 557.04 Intent and Purpose

23 (1) The Florida Comprehensive Windstorm Damage Mitigation program is created to provide
24 incentives to owners of structures in this State to make such properties less vulnerable to windstorm
25 damage. The State, local governments and property owners must undertake a comprehensive approach
26 to increasing the storm-resistant characteristics of structures as a direct and essential component of State
27 initiatives to enhance public safety, foster the well being of her residents, stabilize the property
28 insurance market, maintain its affordable housing stock, and accelerate recovery from windstorm
29 disasters. It is the intent of the Legislature to provide incentives to promote market response to
30 strengthening structures.

31 (2) At present, vital components of windstorm damage mitigation reside with, for good and
32 substantial reasons, diverse Agencies. However, it is incumbent upon the State to develop, implement
33 and continually evaluate a comprehensive and coordinated approach to windstorm damage mitigation.

1 Accordingly, it is the intent in providing for, and the purpose of, the Commission to constitute the
2 State's windstorm damage mitigation authority to, among other things, develop, implement and
3 continually evaluate a comprehensive program to address windstorm damage mitigation; to coordinate
4 the activities of the diverse Agencies pertaining to their respective windstorm damage mitigation
5 components in furtherance thereof; align and develop thought leadership in the windstorm damage
6 mitigation arena; and, where the Commission finds an advisable component of such comprehensive and
7 coordinated windstorm damage mitigation program missing or inadequate, to coordinate and/or facilitate
8 the development and implementation of same by an Agency and/or to do so itself.

9 (3) Neither the Commission's development and implementation of the Program, any activities
10 associated therewith nor anything contained in this chapter, shall create either an entitlement for
11 property owners (or anyone) or obligate the State in any way to fund any activity (including inspections,
12 forgivable loans, grants or any other incentives) under this chapter. Continuation of the Program and the
13 Commission are subject to annual Legislative appropriation.

14 (4) It is the intent of the Legislature that this section shall be liberally construed to effectuate its
15 intent and purposes.

16
17 557.05 Powers

18 (1) General. The Commission is authorized to do all things necessary or appropriate in
19 connection with the Program, including, but not limited to, the following:

20 (a) Adopting and promoting a strategic plan relating to all new and existing structures in
21 the State (including residential, commercial and infrastructure, both privately and publicly owned),
22 including provisions for coordination of component activities among the Agencies and itself;

23 (b) Continually monitor and coordinate with the Agencies refinement and implementation
24 of component Agency activities in furtherance of the Program;

25 (c) Develop, implement and evaluate appropriate educational and public awareness
26 initiatives intended to foster a cultural shift to more warmly embrace windstorm damage mitigation
27 strategies;

28 (d) Develop, implement (and/or recommend to the Legislature and/or Governor as
29 appropriate) and/or coordinate, and continually evaluate appropriate incentives to accelerate acceptance
30 of windstorm damage mitigation strategies including, but not limited to, the following:

31 1. Economic incentives in the nature of grants; loans (forgivable and otherwise);
32 tax savings; insurance savings; utility savings; and the like; and

1 2. Marketplace incentives, such as appropriate methodologies to identify,
2 evaluate, imprint and/or disclose the likely windstorm damage capability or vulnerability of a particular
3 structure;

4 (e) Cultivate opportunities for effective and efficient local government and private sector
5 involvement with the Program;

6 (f) Monitor and coordinate effective and efficient delivery of appropriate construction
7 and product availability to meet the needs of the Program;

8 (g) Cultivate, seek and obtain program funding from Federal, State and local
9 governmental sources, as well as private sources, program activities and the like to supplement any
10 funding which might from time to time be provided by the Legislature; and

11 (h) Coordinate with the appropriate Agencies development of mitigation strategies in
12 advance of a windstorm event which might be suitably employed immediately following same and
13 thereafter throughout the rebuilding effort.

14 (2) Specific. In addition to the general powers and authority set forth in s. 557.05(1), Florida
15 Statutes, the Commission may:

16 (a) Adopt rules pursuant to ss. 120.536(1) and 120.54, Florida Statutes, to implement the
17 provision of this Part;

18 (b) Issue memoranda of procedures for its internal management;

19 (c) Enter into contracts and do such things as may be necessary and incidental to the
20 discharge of its responsibilities under this Part;

21 (d) Hire an Executive Director; and

22 (e) The Chairperson, subject to the Commission's concurrence, may appoint such experts,
23 consultants, technical advisors and advisory committees for assistance and recommendations relating to
24 the Program.

25
26 557.06 Meetings and Administrative Matters

27 (1) The Commission shall meet at the call of its Chairperson, at the request of a majority of its
28 membership, or at such times as may be prescribed by its procedures. The Commission may conduct its
29 meetings through teleconferences or other similar means. The members shall be notified in advance of
30 the time and place of regular and special meetings. A majority of members of the Commission shall
31 constitute a quorum.

32 (2) The Department (and the advisory council Agencies, as relates to their respective windstorm
33 damage mitigation component functions) shall be responsible for the provision of administrative and

1 staff support services relating to the functions of the Commission. With respect to matters within the
2 jurisdiction of the Commission, the Department shall assist the Commission with the implementation
3 and discharge of all decisions of the Commission made pursuant to its authority under the provisions of
4 this Part.

5 (3) Annually the Commission shall report its progress with the Program to the Governor and
6 Legislature and shall make recommendations to both concerning legislation, funding and other matters.

7
8 Part II – Windstorm Damage Mitigation Incentives

9
10 557.10 (OIR/Inspections – To be developed)

11
12 557.11 Florida Windstorm Damage Housing Mitigation Financing

13 (1) Program. Florida Housing Finance Corporation shall implement, through “eligible entities”
14 (defined below), a local windstorm damage housing mitigation financing program that shall provide for
15 grants and forgivable loans as described in this section.

16 (2)Eligibility. To be eligible for a forgivable loan, a residential property must:

17 (a) Have been granted a homestead exemption under Chapter 196, Florida Statutes;

18 (b) Have an assessed value of improvements for ad valorem tax purposes of not more
19 than \$400,000 with an assessed value of land for ad valorem taxes of not more than \$200,000;

20 (c) Have a current home rating system report (as referred to s. 557.10, Florida Statutes);

21 and

22 (d) Be a single family detached, site built residence which is not constructed pursuant to
23 the 2002 (or more current versions) of the Florida Building Code.

24 (3) Forgivable loans. Homeowners of eligible residential property may be entitled to forgivable
25 loans through "eligible entities" (defined below) as follows:

26 (a) Amount.

27 1. If the eligible residential property has an assessed value of improvements for ad
28 valorem tax purposes of not more than \$150,000, and the assessed value of land for ad valorem tax
29 purposes of not more than \$100,000, then the homeowner may receive a forgivable loan for the
30 mitigation improvement uses described below in an amount equal to 100% of the costs of such
31 mitigation improvements, but not to exceed \$5,000 in total.

32 2. If the eligible residential property has an assessed value of improvements for ad
33 valorem tax purposes of not more than \$250,000, and the assessed value of land for ad valorem tax

1 purposes of not more than \$150,000, then the homeowner may receive a forgivable loan for the
2 mitigation improvement uses described below in an amount equal to 50% of the costs of such mitigation
3 improvements, but not to exceed \$5,000 in total.

4 3. If the eligible residential property has an assessed value of improvements for ad
5 valorem tax purposes of not more than \$400,000, and the assessed value of land for ad valorem tax
6 purposes of not more than \$200,000, then the homeowner may receive a forgivable loan for the
7 mitigation improvement uses described below in an amount equal to 25% of the costs of such mitigation
8 improvements, but not to exceed \$2,500 in total.

9 (b) Forgivable Loan Terms. The forgivable loans provided for herein shall be non-
10 amortizing, non-interest bearing and shall be forgiven within five years from closing, where the
11 conditions of the loan have been meet. Subject to rules and regulations promulgated by Florida Housing
12 Finance Corporation, the "eligible entity" (defined below) shall determine other conditions of the loan
13 but such conditions shall include, at a minimum, a due on sale clause and a covenant to carry windstorm
14 insurance coverage throughout the life of the loan. Forgivable loans for mitigation improvements
15 completed prior to commitment of the forgivable loan are not available.

16 (4) Mitigation Improvement Uses. The forgivable loan shall be used for mitigation
17 improvements which make the home less vulnerable to windstorm damage, including the following:

18 (a) Roof deck attachment;

19 (b) Secondary water barrier;

20 (c) Roof covering;

21 (d) Brace gable ends;

22 (e) Reinforce roof-to-wall connections;

23 (f) Opening protection;

24 (g) Exterior doors, including garage doors; and

25 (h) Incidental repairs limited to those necessary to properly accommodate the mitigation
26 improvements.

27 (5) Matching Grants. "Eligible entities" (defined below), other local governments, quasi
28 governmental and not for profit organizations with expertise and or experience in windstorm damage
29 housing mitigation (sometimes herein collectively referred to as "windstorm mitigation entities") are
30 encouraged to seek "other sources of funding" for use in connection with local programs which mirror
31 this programs requirements or which are "substantially similar mitigation programs." "Other sources of
32 funding" shall include, but not be limited to, other State funding sources (such as the State Housing
33 Initiatives Partnership Program pursuant to Chapter 420, Florida Statutes) and non State funding sources

1 from, for example, the private sector; volunteer labor and services; local governments; and Federal funds
2 (e.g. the Pre Disaster Mitigation Program and the Hazard Mitigation Grant Program (42 U.S.C. §§
3 5170c&_____)). "Substantially similar mitigation programs" shall include any approved Federal funded
4 Hazard Mitigation Grant Program for residential windstorm mitigation, and other windstorm damage
5 housing mitigation programs which substantially comply with the objectives of this program. In
6 determining whether a program is a "substantially similar mitigation program," Florida Housing Finance
7 Corporation shall liberally construe these requirements in favor of availing the State of the opportunity
8 to leverage this program's funding with "other sources of funding" in order to advance the State's
9 overall objective of mitigating its housing stock against potential windstorm damage.

10 Consistent with the foregoing, where a "windstorm mitigation entity" obtains funding or
11 commitments from "other sources of funding" for "substantially similar mitigation programs," Florida
12 Housing Finance Corporation may directly commit and provide program funds on a dollar for dollar
13 basis and otherwise pursuant to such rules and regulations as if might from time to time promulgate for
14 these purposes. Notwithstanding the dollar for dollar objectives in the preceding sentence, in those
15 situations where "windstorm mitigation entities" are significantly dependent upon volunteer labor and
16 services for their "other sources of funding," Florida Housing Finance Corporation is authorized to
17 increase this programs grant funds to 65% (in lieu of the 50% share implied in the preceding sentence),
18 provided so doing does not divert program funds from other more highly leveraged (that is, where this
19 program share would be a lesser percentage) opportunities.

20 Florida Housing Finance Corporation is authorized to contract with another state agency or
21 appropriate not for profit to assist in advising or administering this matching grant program.

22 (6) Group Mitigation Plans. Florida Housing Finance Corporation has the authority to establish
23 temporary priorities, temporary set asides and like incentives with respect to forgivable loans and
24 matching grants which might help incentivise employers, membership organizations and other to
25 encourage employees, members and other residence of the state to make windstorm mitigation
26 improvements to their home.

27 (7) Eligible Entities. "Eligible entities" are the States 67 counties and the eligible municipalities
28 defined in s. 420.9071(9), Florida Statutes. It is not necessarily contemplated that all eligible entities
29 will receive funding under this program. Florida Housing Finance Corporation shall promulgate rules
30 and regulations establishing priorities for eligible entity funding under this program based upon
31 directions accompanying any appropriations, and, taking into account, in addition to other appropriate
32 considerations, the eligible entities record of efficiency and performance; the state's priority needs for
33 windstorm damage housing mitigation improvements in windborne debris regions equal to 120 miles per

1 hour and above (as such are defined in s. 1609.2, International Building Code (2006)); the desirability of
2 taking advantage of appropriate opportunities to leverage state funding with other resources; and
3 whether the residence is insured by Citizens Property Insurance Company.

4 (8) Administration.

5 (a) Florida Housing Finance Corporation shall administer the program and distribute
6 funds appropriated for this purpose to each approved eligible entity as authorized by this section.
7 Except as provided otherwise in this section, this program shall be administered generally consistent
8 with the State Housing Initiatives Partnership Program, pursuant to Ch. 420, Pt. VII, Florida Statutes.

9 (b) Eligible entities receiving funding through this program shall be allowed to use up to
10 10 percent of their respective allocations for costs to administer their strategies. Eligible entities may
11 subcontract a portion of their administrative funds to governmental, quasi governmental or not for profit
12 organizations to assist in implementing this program.

13 (c) Eligible entities receiving funding through this program shall have two years to
14 encumber funds for their intended use, and an additional one year to fully expend the funds. If an
15 eligible entity is unable to fully expend the funds after that period, then the unspent funds shall be
16 returned to Florida Housing Finance Corporation for reallocation to other eligible entities for this same
17 program.

18 (d) Florida Housing Finance Corporation may receive not more than one-quarter of one
19 percent of the amount appropriated for the expenses of administration and compliance monitoring.
20 Beginning on September 15, 2007, and for every year in which these funds are expended, as determined
21 by the Florida Housing Finance Corporation, each eligible entity that receives any program allocation
22 shall submit to the corporation a report of its windstorm damage housing mitigation financing program
23 and accomplishments through the immediately preceding June 30. This report may be filed as an
24 addendum to the SHIP annual report pursuant to s. 420.9075(10).

25 (e) For accounting purposes, each eligible entity that receives program funds shall
26 maintain funds received under this section and any repayments, recoveries, or program income in a
27 segregated fund established solely for those program funds. The eligible entity may use any such
28 repayments, recoveries or program income to further fund this program, regardless of when such money
29 is received.

30 (9) Miscellany.

31 (a) To implement the provisions of this section, Florida Housing Finance Corporation
32 may adopt emergency rules pursuant to s. 120.54. The Legislature finds that such emergency rulemaking
33 power is necessary for the preservation of the rights and welfare of the people in order to rapidly provide

1 funding for windstorm damage mitigation efforts. Therefore, in adopting such emergency rules, Florida
2 Housing Finance Corporation need not make the findings required by s. 120.54(4)(a). Emergency rules
3 adopted under this section are exempt from s. 120.54(4)(c) and shall remain in effect until replaced by
4 other emergency rules or by rules adopted pursuant to ss. 120.536 and 120.54.

5 (b) Contractors will be paid from the program under a payment schedule established by
6 each eligible entity. Each eligible entity may publish a list of participating contractors.

7 (c) All mitigation projects must comply with all licensing, permitting and inspection
8 requirements.

9 (d) To ensure compliance with the provisions of this section, projects are subject to
10 random re-inspection and an appropriate quality assurance program.

11 (e) The provisions set forth in this section shall apply only to this program and no other
12 program of Florida Housing Finance Corporation.

13
14 557.12 Sales Tax Exemption – to be developed.

15
16 557.13 Ad-Valorem Tax Exemption/Abatement – to be developed

17
18 **Section 3. (1) The Office of Insurance Regulation shall study and develop a program**
19 **that will provide an objective rating system that will allow commercial property owners to**
20 **evaluate the relative ability of Florida properties to withstand the wind load from a sustained**
21 **severe windstorm event.**

22 **(2) The rating system must be designed in a manner that is easy for the commercial**
23 **property owner to understand, based on proven readily verifiable mitigation techniques and**
24 **devices, and able to be implemented based on a visual inspection program.**

25 **(3) The Office of Insurance Regulation may contract with an appropriate vendor to**
26 **develop the rating system required in this section.**

27 **(4) The Office of Insurance Regulation shall provide a report to the Governor, the**
28 **President of the Senate, and the Speaker of the House of Representatives by December 31, 2007,**
29 **detailing the nature and construction of the rating scale and, in consultation with the Florida**
30 **Mitigation Commission, recommending an operational plan for statewide implementation of the**
31 **rating scale.**

1 **(5) The sum of \$ _____ in nonrecurring funds is appropriated from the Insurance**
2 **Regulatory Trust Fund in the Department of Financial Services to the Office of Insurance**
3 **Regulation for the purpose of implementing this section.**

4
5 **Section 4. The Office of Insurance Regulation shall require all property insurers to make a**
6 **rate adjustment filing to be effective no later than September 30, 2007, taking into account the**
7 **Florida Building Code changes made by [HB-1A, 2007].**

8
9 **Section 5. The Florida Division of Emergency Management shall modify its "Hazard**
10 **Mitigation Grant Program" regulations (9G-22.001, et seq., F.A.C.) to incorporate the following:**

11 **1. 50% of available HMGP funds allocated to the counties following a disaster**
12 **declaration shall, consistent with existing eligibility requirements, be used for "people projects"**
13 **(e.g. windstorm mitigation house hardening retrofit improvements, residential safe rooms, etc.)**
14 **that mitigate single family detached, site built, residential structures..**

15 **2. Any HMGP fund allocation remaining after all eligible projects in a declared**
16 **county are funded shall be reallocated as follows:**

17 **- 50% as presently provided for in 9G-22.006, F.A.C.; and**

18 **- 50% to Florida Housing Finance Corporation for use in connection with the**
19 **"My Safe Florida Home" program (both the regular program and the "SHIP version" which they**
20 **administer.**

21 **3. If funds remain after the reallocation in part 2 above, then they shall again be**
22 **reallocated 100% to Florida Housing Finance Corporation for the "My Safe Florida Home"**
23 **program (both the normal program and "SHIP version") which they administer.**

24
25 **The Division shall fulfill this obligation by August 1, 2007, and these revised provisions shall apply**
26 **to all HMGP funds allocated pursuant to disaster declarations issued after this bill becoming law.**