

Recommendations from the Department of Financial Services My Safe Florida Home program

CFO Vision for the My Safe Florida Home Program

CFO strongly supports this program to harden homes against wind damage, protect families and lower insurance premiums through mitigation discounts and credits.

Based on a review of the department's core mission, the CFO believes that the MSFH program should be managed by an agency that has significant grant management experience.

If the Legislature determines the program should remain with DFS, the agency will need adequate staff and resources to properly oversee the program. DFS would also seek legislative authority to contract portions of the program to a third party (while keeping close oversight over state funds).

Overall: Support clearly defined and realistic performance outcomes

Inspections

DFS supports any improvements, including statutory changes, that enhance homeowners' ability to obtain inspections, reduce the administrative burden and maintain accountability to taxpayers.

Support: Clear goal established by the Legislature on number of or funding of inspections.

Support: Committee's recommendation to allow homeowners to directly contact wind inspection firms to schedule an inspection and to get answers regarding questions about their inspection report.

Support: Eliminating requirement to provide free home inspections and matching grants to multi-family structures of up to four units. Those multi-family structures built after the 2002 Building Code should be able to realize discounts at a faster rate.

Support: Identifying private efforts, including devising an incentive program for insurance companies, to facilitate wind inspections for Floridians.

DFS supports efforts to expand the inspection workforce to perform the greatest number of inspections within the quickest timeframe and without sacrificing quality.

Support: Exempting the following licensed professionals: contractors, engineers, architects, and building officials – from background checks/drug testing to be a wind mitigation inspector.

Support: Continued and expand training to certify wind mitigation inspectors.

Support: Establish online inspector training coursework while maintaining in-person testing.

Support: Continued background checks, drug testing and training of all inspectors working for wind inspection firms chosen in our bid process.

Grants

DFS supports any improvements, including statutory changes, that help prioritize and maximize grant dollars to meet the goal of reducing the state's exposure to hurricane losses, reduce the administrative burden and maintain accountability to taxpayers.

Support: Streamlining the grants process to ensure grant dollars help homeowners move forward more quickly in making improvements.

Support: Continued ability to earmark grant funds so public dollars are managed and accounted for in a transparent manner.

Grants (continued)

Support: Prioritizing grants funds in a way that best meets the state's goals – homes built before 2002, homes in hurricane-vulnerable areas and, to avoid post-disaster assessments of all homeowners, homes insured by the state's insurer of last resort.

Support: More aggressive efforts to target grant dollars to low-income homeowners.

Support: Eliminating the statutory requirement that the Department of Financial Services maintain a registry of participating contractors that homeowners must select from to receive grant funds.

Support: Private sector efforts to involve licensed contractors in mitigation work, including using existing models such as the Disaster Contractors Network, to connect homeowners interested in mitigating their homes with interested contractors.

Premium Discounts

DFS supports any improvements, including statutory changes, that will help homeowners access the mitigation discounts/credits for which they are eligible, whether based on the current structure of their homes or once improvements are completed.

Support: More effective ways to help homeowners obtain proper mitigation discounts/credits from their insurance companies, including a simplified process and form, engaging professionals in direct contact with homeowners and public education.

Support: Ongoing monitoring and compliance of insurance companies by the Office of Insurance Regulation to ensure discounts and credits are being realized by homeowners.

Educating and Engaging the Public

DFS supports a more aggressive and coordinated effort to educate homeowners and business owners on the personal, economic and social benefits of mitigation.

Support: Financial incentives that encourage homeowners to actively pursue hardening their homes, such as a sales tax exemption on certain mitigation products and federal tax credits for homeowners who invest in hardening their home.

Support: Clear communication on the importance of a home's hurricane rating that is characterized in a way that is easy for homeowners to understand.

Support: More coordinated, comprehensive approach among public and private agencies to educate the public on mitigation. Moreover, support the Legislature specifying the amount of My Safe Florida Home program funds that should be dedicated to public education and awareness.

Support: Including mitigation training in the general coursework provided to licensed professionals such as architects, engineers, builders, contractors and others as part of the state's long-term strategy to ensure mitigation is part of our mindset.

Administrative

DFS will seek statutory guidance to more effectively define what constitutes an administrative cost with respect to the 1 percent cap on the My Safe Florida Home program.

Administrative Expense

1. DFS recommends the Legislature define what constitutes an administrative cost for the 1% cap on the My Safe Florida Home program or increase the cap to 5%.

Local government

1. DFS recommends the Legislature clearly define the administrative cap local government partners are held to.

Non-profit organizations

1. DFS recommends the Legislature clearly define the administrative cap non-profit organizations are held to.

Education and Consumer Awareness

1. DFS recommends the Legislature specify an amount of the \$250 million that should be dedicated to education and consumer awareness of mitigation.