

Tab 1 **SB 282 by Truenow;** Similar to H 00367 Home and Service Warranty Association Financial Requirements

402930	A	S	RCS	BI, Truenow	Delete L.146 - 174:	03/03 03:17 PM
633904	T	S	RCS	BI, Truenow	In title, delete L.2 -	03/03 03:17 PM

Tab 2 **SB 480 by DiCeglie;** Similar to H 00497 Nonprofit Agricultural Organization Health Coverage

Tab 3 **SB 592 by Leek;** Identical to H 00393 My Safe Florida Condominium Pilot Program

489992	A	S	RCS	BI, Leek	Delete L.117 - 144:	03/03 03:17 PM
179466	A	S	RCS	BI, Leek	btw L.150 - 151:	03/03 03:17 PM

Tab 4 **SPB 7008 by BI;** OGSR/Financial Technology Sandbox

Tab 5 **SPB 7010 by BI;** OGSR/Department of Financial Services

The Florida Senate
COMMITTEE MEETING EXPANDED AGENDA

BANKING AND INSURANCE
Senator Ingoglia, Chair
Senator Sharief, Vice Chair

MEETING DATE: Monday, March 3, 2025
TIME: 1:00—3:00 p.m.
PLACE: Pat Thomas Committee Room, 412 Knott Building

MEMBERS: Senator Ingoglia, Chair; Senator Sharief, Vice Chair; Senators Boyd, Burton, Hooper, Martin, Osgood, Passidomo, Pizzo, and Truenow

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
1	SB 282 Truenow (Similar H 367)	Home and Service Warranty Association Financial Requirements; Revising the circumstances under which certain service warranty associations are not required to establish unearned premium reserves or to maintain contractual liability insurance and are authorized to allow their premiums to exceed specified ratios, etc. BI 03/03/2025 Fav/CS CM RC	Fav/CS Yeas 10 Nays 0
2	SB 480 DiCeglie (Similar H 497)	Nonprofit Agricultural Organization Health Coverage; Citing this act as the "Nonprofit Agricultural Organization Health Coverage Act of 2025"; authorizing nonprofit agricultural organizations to provide health coverage; specifying that such coverage is not insurance for purposes of the Florida Insurance Code, etc. BI 03/03/2025 Temporarily Postponed CM RC	Temporarily Postponed
3	SB 592 Leek (Identical H 393)	My Safe Florida Condominium Pilot Program; Limiting participation in the My Safe Florida Condominium Pilot Program to certain condominiums; revising the approval requirements to receive a mitigation grant; deleting the amount of grant funding designated for certain projects, etc. BI 03/03/2025 Fav/CS RI FP	Fav/CS Yeas 10 Nays 0
Consideration of proposed bill:			
4	SPB 7008	OGSR/Financial Technology Sandbox; Amending a provision which provides for an exemption from public records requirements for certain records provided to and held by the Office of Financial Regulation relating to the Financial Technology Sandbox; deleting the scheduled repeal of the exemption, etc.	Submitted and Reported Favorably as Committee Bill Yeas 10 Nays 0

COMMITTEE MEETING EXPANDED AGENDA

Banking and Insurance

Monday, March 3, 2025, 1:00—3:00 p.m.

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
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Consideration of proposed bill:

5	SPB 7010	OGSR/Department of Financial Services; Amending a provision which provides exemptions from public records requirements for records made or received by the Department of Financial Services when the department is acting as a receiver; deleting the scheduled repeal of the exemption, etc.	Submitted and Reported Favorably as Committee Bill Yeas 10 Nays 0
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Other Related Meeting Documents

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Banking and Insurance

BILL: SB 282

INTRODUCER: Senator Truenow

SUBJECT: Home and Service Warranty Association Financial Requirements

DATE: February 28, 2025

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Johnson	Knudson	BI	Pre-meeting
2.			CM	
3.			RC	

I. Summary:

SB 282 clarifies that home warranty associations and service warranty associations may use multiple contractual liability insurance policies from multiple insurers, rather than a single policy from a single insurer, to cover 100 percent of their claim exposure as an alternative to establishing an unearned premium reserve.

Current law allows a service warranty association licensed under Part III of ch. 634, F.S., but holding no other license under ch. 634, F.S., to forego securing contractual liability insurance, establishing unearned premium reserves, and complying with premium writing ratios if the service warranty association has a net worth of at least \$100 million and provides the Office of Insurance Regulation (OIR) specified audited financial statements *and* specified filings made with the Securities and Exchange Commission or other documents which must be filed with a recognized exchange. Under the bill, such a service warranty association may qualify for the exemption if it provides specified audited financial statements *or* provides specified filings made with the Securities and Exchange Commission or other documents which must be filed with a recognized exchange. The effect of this change is to allow a service warranty association that is not publicly traded to be eligible for the exemption because it can qualify by only providing the audited financial statements.

The bill takes effect July 1, 2025.

The bill has no fiscal impact on state or local governments.

II. Present Situation:

Regulation of Warranty Associations

The Office of Insurance Regulation (OIR)¹ is responsible for the regulation of all activities of insurers and other risk-bearing entities, including the regulation of warranty associations pursuant to ch. 634, F.S. The scope of the regulation under ch. 634, F.S.,² includes motor vehicle service agreement companies,³ home warranty associations,⁴ and service warranties.⁵ Motor vehicle service agreements provide vehicle owners with protection when the manufacturer's warranty expires. Home warranty associations indemnify warranty holders against the cost of repairs or replacement of any structural component or appliance in a home. Service warranty contracts for consumer electronics and appliances allow consumers to extend the product protection beyond the manufacturer's warranty terms.

While a warranty is not considered a traditional insurance product, it is intended to protect purchasers from future risks and associated costs. The OIR's regulatory authority of warranty associations includes approval of forms, investigation of complaints, and monitoring of reserve requirements, among other duties. However, the OIR does not approve rates for warranty association products.

Home Warranty Associations

A home warranty association is licensed by OIR to sell such warranties. For a home warranty association to be licensed, it must be a solvent corporation, provide evidence to OIR of competent and trustworthy management, and comply with the requirements of s. 634.305, F.S. relating to required deposits or bonds.⁶ A home warranty association must follow the financial requirements established in s. 634.3077, F.S., which include:

- Maintaining a funded, unearned premium reserve account, consisting of unencumbered assets, equal to a minimum of 25 percent of the gross written premiums received from all warranty contracts in force in Florida. Assets must be held in the form of cash or securities and in a separate account that can be audited.
- Maintaining a minimum of net assets equal to one-sixth of the written premiums for any warranty in force. Net assets may be less than one-sixth of the premiums written, provided the association has net assets of not less than \$500,000 and maintains a funded, unearned premium reserve account with unencumbered assets of at least 40 percent of the gross written premiums from all warranty contracts in force in Florida. Assets must be held in the form of cash or securities and in a separate account that can be audited.

¹ The OIR is an office under the Financial Services Commission (commission), which is composed of the Governor, the Attorney General, the Chief Financial Officer, and the Commissioner of Agriculture. The commission is not subject to control, supervision, or direction by the Department of Financial Services in any manner, including purchasing, transactions involving real or personal property, personnel, or budgetary matters. Section 20.121(3), F.S.

² The Department of Financial Services regulates sales representative pursuant to s. 634.402, F.S.

³ Part I, ch. 634, F.S.

⁴ Part II, ch. 634, F.S.

⁵ Part III, ch. 634, F.S.

⁶ Section 634.304, F.S.

A home warranty association is not required to set up an unearned premium reserve if it has purchased contractual liability insurance policy covering 100 percent of its claim exposure with specified policy provisions. A home warranty association cannot utilize both the unearned premium reserve and contractual liability policy coverage simultaneously.

A home warranty association is not required to establish unearned premium reserves or maintain a contractual liability policy if the association or its parent corporation maintains at least \$100 million in net worth and provides proof to OIR in the form of either:

- Audited financial statements of the association or consolidated audited financial statements of the parent corporation, if applicable, demonstrating such net worth, or
- Documents filed with the Securities and Exchange Commission or a recognized stock exchange.

If the net worth of the parent corporation is used to satisfy the net worth requirements, the parent corporation must maintain net assets of at least \$750,000, and must guarantee all service warranty obligations of the association. Further, the parent corporation must provide written notice to the OIR at least 90 days before the effective date of the cancellation, termination, or modification of the guarantees. Otherwise, such a change is not effective. Further, the home warranty association must demonstrate to OIR compliance with all applicable provisions of Part II of ch. 634, F.S., including whether the association will meet the financial requirements of s. 634.3077, F.S., by the purchase of contractual liability insurance, establishment of reserves or other methods allowed under this section. If the parent corporation or the home warranty association does not demonstrate compliance with all the applicable provisions of Part II, the association or parent corporation must cease writing new and renewal business upon the effective date of the cancellation, termination, or modification.

Service Warranty Associations

Generally, service warranty associations (associations) must be licensed by OIR⁷ and comply with certain financial requirements⁸ and other provisions⁹ to conduct warranty business in Florida. An association licensed under Part III, ch. 634, F.S., must maintain a funded, unearned premium reserve account, consisting of unencumbered assets equal to a minimum of 25 percent of the gross written premiums received on all warranty contracts in force in Florida with exceptions.¹⁰ Such reserve account must be a separate account, which can be audited, for contracts in force in Florida. An association using an unearned premium reserve must deposit with the Department of Financial Services a reserve deposit equal to 10 percent of the gross written premium received on all warranty contracts-in-force in Florida.¹¹

Pursuant to s. 634.406(3), F.S., an association licensed under Part III is not required to establish an unearned premium reserve if the association secures contractual liability insurance from an authorized insurer that demonstrates to OIR that it provides coverage for 100 percent of claim exposure is covered by such policy.

⁷ Section 634.403, F.S.

⁸ Section 634.406, F.S.

⁹ Section 634.404, F.S.

¹⁰ Section 634.406(1), F.S.

¹¹ Section 634.406(2), F.S.

In addition, Florida law requires a service warranty associations that holds a license under Part III to maintain a writing ratio of gross written premiums to net assets of seven-to-one, meaning for every one dollar of net assets held by the association, the association can write seven dollars of premium.¹² A service warranty association can avoid this minimum writing ratio requirement by meeting the following criteria:

- Maintains net assets of at least \$750,000; and
- Secures a contractual liability insurance policy from an authorized insurer that reimburses the association for 100 percent of its claim liability. The insurer must maintain a minimum policyholder surplus of at least \$100 million and an “A” or higher credit rating.¹³ As an alternative, a service warranty association can comply with s. 634.406(3), F.S., secure contractual liability insurance through an authorized insurer with an “A” or higher rating, and maintains policyholder surplus of at least \$200 million, and provides quarterly and annual reports to OIR documenting compliance with these provisions.¹⁴

An association that is licensed under Part III and does not hold a license under Parts I or II, of ch. 634, F.S., is not required to establish an unearned premium reserve or maintain contractual liability insurance and may allow its premiums to exceed the ratio to net assets limitation if the association, or its parent corporation, has and maintains a minimum net worth of at least \$100 million and provides OIR with the following:¹⁵

- The annual audited financial statements of the association or the annual audited consolidated financial statements of the association’s parent corporation, if applicable, demonstrating compliance with the net worth requirements and provides the OIR with quarterly written certification regarding compliance with the net worth requirement; and
- The association’s or its parent corporation’s Form 10K, Form 10-Q, or Form 20-F filings made with the Securities and Exchange Commission or such other documents that are required to be filed with the applicable stock exchange.¹⁶

If the net worth of a parent corporation is used to satisfy the net worth provisions described above, the following requirements must be met:¹⁷

- The parent corporation must guarantee all service warranty obligations of the association, wherever written, on a form approved in advance by OIR. No cancellation, termination, or modification of the guarantee is effective unless the parent corporation provides 90 days prior written notice to the OIR. Further, the association must demonstrate to OIR compliance with all applicable provisions of Part III including whether the association will meet the financial requirements of s. 634.406, F.S., by the purchase of contractual liability insurance,

¹² Section 634.406 (4) and (6), F.S.

¹³ Section 634.406(6), F.S. The credit rating is provided by A.M. Best Company or another national rating service acceptable to OIR.

¹⁴ *Id.*

¹⁵ Section 634.406 (7), F.S. If the net worth of a parent corporation is used to satisfy the net worth requirements of the association, additional requirements must be met, as provided in s. 634.406(7)(b), F.S.

¹⁶ These reporting requirements apply to public companies, which has public reporting obligations. Companies are subject to public reporting requirements if they sell securities in a public offering, allow their investor base to reach a certain size, which triggers public reporting obligations, or voluntarily register with the Securities and Exchange Commission. [Public Companies | Investor.gov](#) (last visited Feb. 13, 2025).

¹⁷ Section 634.406(7)(b), F.S.

establishment of reserves or other methods allowed under this section. If the parent corporation or association does not demonstrate compliance with all the applicable provisions of Part III, the association or parent corporation must cease writing new and renewal business upon the effective date of the cancellation, termination, or modification.

- The association must maintain net assets of at least \$750,000.

III. Effect of Proposed Changes:

Section 1 amends s. 634.3077, F.S., relating to home warranty associations, to clarify that a home warranty association may secure contractual liability coverage through one or more policies from one or more insurers.

Section 2 amends s. 634.406, F.S., relating to service warranty associations, to clarify that a service warranty association may secure contractual liability coverage through one or more policies from one or more insurers.

The bill revises the financial requirements for an applicant or licensee. The bill exempts a service warranty association (association) licensed under Part III of ch. 634, F.S., and that holds no other license under ch. 634, F.S., from securing contractual liability insurance, establishing unearned premium reserves, and complying with premium writing ratios if the association or, if the association is a direct or indirect wholly owned subsidiary of a parent corporation, its parent corporation has, and maintains, a minimum net worth of at least \$100 million and provides OIR with *one* of the following:

- Submits to the Office of Insurance Regulation (OIR) the association's annual audited financial statements or the parent corporation's annual consolidated audited financial statements, if applicable, demonstrating compliance with the net worth requirement. The association or the parent company must also submit a quarterly written certification of compliance with the net worth requirement; *or*
- Submits to OIR the association's or its parent corporation's Form 10K, Form 10-Q, or Form 20-F filings made with the Securities and Exchange Commission or such other documents that are required to be filed with the applicable stock exchange.

Section 3 provides the bill takes effect July 1, 2025.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

The title of the bill is “an act relating to home and service warranty association financial requirements.” Article III, Section 6 of the State Constitution requires every law to “embrace but one subject and matter properly connected therewith.” To avoid potential single subject issues, the title could be amended to be “an act relating to warranty association financial requirements.”

The bill contains a drafting error on line 146, inserting “one of” on that line, which has the effect of not applying requirements in s. 634.406(7)(b), F.S., that must be met when a service warranty association uses the net worth of a parent corporation to satisfy the \$100 million net worth requirement to qualify for an exemption from the minimum ratio to net assets limits of the section and the requirement to establish an unearned premium reserve or maintain contractual liability insurance.

VII. Related Issues:

Sections 1 and 2 of SB 282 provide that a warranty association may secure contractual liability coverage through an insurer or insurers for a policy or policies from one or more insurers. Section 1.01(1), F.S., provides that the singular (e.g., policy or insurer) includes the plural (policies or insurers) and vice versa. To the extent that the OIR is interpreting current references to policy and insurer in the statutes to mean only a single policy, or a single insurer, presumably the OIR has determined that context in which these terms are used does not allow for the application of the plural.

VIII. Statutes Affected:

This bill substantially amends sections 634.3077 and 634.406 of the Florida Statutes.

IX. Additional Information:

- A. **Committee Substitute – Statement of Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

- B. **Amendments:**

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.



402930

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/03/2025	.	
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	.	
	.	

The Committee on Banking and Insurance (Truenow) recommended the following:

Senate Amendment (with title amendment)

Delete lines 146 - 174

and insert:

association complies with the following:

(a) The association or, if the association is a direct or indirect wholly owned subsidiary of a parent corporation, its parent corporation has, and maintains at all times, a minimum net worth of at least \$100 million and provides the office with one of the following:



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11 1. A copy of the association's annual audited financial
12 statements or the audited consolidated financial statements of
13 the association's parent corporation, prepared by an independent
14 certified public accountant in accordance with generally
15 accepted accounting principles, which clearly demonstrate the
16 net worth of the association or its parent corporation to be
17 \$100 million and a quarterly written certification to the office
18 that such entity continues to maintain the net worth required
19 under this paragraph.

20 2. The association's, or its parent corporation's, Form 10-
21 K, Form 10-Q, or Form 20-F as filed with the United States
22 Securities and Exchange Commission or such other documents
23 required to be filed with a recognized stock exchange, which
24 shall be provided on a quarterly and annual basis within 10 days
25 after the last date each such report must be filed with the
26 Securities and Exchange Commission, the National Association of
27 Security Dealers Automated Quotation system, or other recognized
28 stock exchange.

29
30 Failure to timely file the documents required under this
31 paragraph may, at the discretion of the office, subject the
32 association to suspension or revocation of its license under
33 this part.

34 Section 3. Subsection (5) is added to section 634.414,
35 Florida Statutes, to read:

36 634.414 Forms; required provisions.—

37 (5) All contracts that include coverage for accidental
38 damage from handling must be covered by the contractual
39 liability policy specified in s. 634.406(3), unless such



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40 coverage is issued by an association not required to establish
41 an unearned premium reserve or maintain contractual liability
42 insurance under s. 634.406(7).

43
44 ===== T I T L E A M E N D M E N T =====

45 And the title is amended as follows:

46 Between lines 9 and 10

47 insert:

48 amending s. 634.414, F.S.; requiring that contracts
49 that include coverage for accidental damage from
50 handling be covered by a specified policy; providing
51 an exception;



633904

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/03/2025	.	
	.	
	.	
	.	

The Committee on Banking and Insurance (Truenow) recommended the following:

Senate Amendment

In title, delete lines 2 - 3
and insert:

An act relating to warranty associations; amending s.

By Senator Truenow

13-00738-25

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A bill to be entitled

An act relating to home and service warranty association financial requirements; amending s. 634.3077, F.S.; making technical changes; amending s. 634.406, F.S.; revising the circumstances under which certain service warranty associations are not required to establish unearned premium reserves or to maintain contractual liability insurance and are authorized to allow their premiums to exceed specified ratios; providing an effective date.

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

Section 1. Subsection (3) of section 634.3077, Florida Statutes, is amended to read:

634.3077 Financial requirements.—

(3) An association may not be required to set up an unearned premium reserve if it has purchased contractual liability insurance which demonstrates to the satisfaction of the office that 100 percent of its claim exposure is covered by such insurance. Such contractual liability insurance must shall be obtained from an insurer or insurers that hold a certificate of authority to do business within this the state or from an insurer or insurers approved by the office as financially capable of meeting the obligations incurred pursuant to the policy or policies. For purposes of this subsection, the contractual liability policy or policies must shall contain the following provisions:

(a) In the event that the home warranty association is

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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unable to fulfill its obligation under its contracts issued in this state for any reason, including insolvency, bankruptcy, or dissolution, the contractual liability insurer or insurers will pay losses and unearned premiums under such plans directly to persons making claims under such contracts.

(b) The insurer or insurers issuing the policy or policies shall assume full responsibility for the administration of claims in the event of the inability of the association to do so.

(c) The policy or policies may not be canceled or not renewed by the insurer or insurers or the association unless 60 days' written notice thereof has been given to the office by the insurer or insurers before the date of such cancellation or nonrenewal.

(d) The contractual liability insurance policy or policies must shall insure all home warranty contracts that were issued while the policy or policies were was in effect regardless of whether ~~or not~~ the premium has been remitted to the insurer or insurers.

Section 2. Subsections (3) and (4), paragraphs (b) and (c) of subsection (6), and paragraph (a) of subsection (7) of section 634.406, Florida Statutes, are amended to read:

634.406 Financial requirements.—

(3) An association will not be required to establish an unearned premium reserve if it has purchased contractual liability insurance which demonstrates to the satisfaction of the office that 100 percent of its claim exposure is covered by such policy or policies. The contractual liability insurance must shall be obtained from an insurer or insurers that hold

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59 ~~holds~~ a certificate of authority to do business within the
60 state. For the purposes of this subsection, the contractual
61 liability policy or policies must ~~shall~~ contain the following
62 provisions:

63 (a) In the event that the service warranty association does
64 not fulfill its obligation under contracts issued in this state
65 for any reason, including insolvency, bankruptcy, or
66 dissolution, the contractual liability insurer or insurers will
67 pay losses and unearned premium refunds under such plans
68 directly to the person making a claim under the contract.

69 (b) The insurer or insurers issuing the contractual
70 liability policy or policies shall assume full responsibility
71 for the administration of claims in the event of the inability
72 of the association to do so.

73 (c) The policy or policies may not be canceled or not
74 renewed by either the insurer or insurers or the association
75 unless 60 days' written notice thereof has been given to the
76 office by the insurer or insurers before the date of such
77 cancellation or nonrenewal.

78 (d) The contractual liability insurance policy or policies
79 must shall insure all service warranty contracts which were
80 issued while the policy or policies were ~~was~~ in effect
81 regardless of whether ~~or not~~ the premium has been remitted to
82 the insurer or insurers.

83 (e) In the event the issuer or issuers of the contractual
84 liability policy or policies are ~~is~~ fulfilling the service
85 warranty covered by policy or policies and in the event the
86 service warranty holder cancels the service warranty, it is the
87 responsibility of the contractual liability policy issuer or

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88 issuers to effectuate a full refund of unearned premium to the
89 consumer. This refund ~~is shall be~~ subject to the cancellation
90 fee provisions of s. 634.414. The salesperson or agent shall
91 refund to the contractual liability policy issuer or issuers the
92 unearned pro rata commission.

93 (f) An association may not use utilize both the unearned
94 premium reserve and contractual liability insurance
95 simultaneously. However, an association ~~is shall be~~ allowed to
96 have contractual liability coverage on service warranties
97 previously sold and sell new service warranties covered by the
98 unearned premium reserve, and the converse of this ~~is shall~~ also
99 ~~be~~ allowed. An association must be able to distinguish how each
100 individual service warranty is covered.

101 (4) No warrantor may allow its gross written premiums in
102 force to exceed a 7-to-1 ratio to net assets; however, a company
103 may exceed this requirement if:

104 (a) The company:

105 1.(a) ~~1.(a)~~ Holds licenses issued pursuant to the provisions of
106 part I and this part; ~~and~~

107 2.(b) ~~2.(b)~~ Maintains net assets of at least \$2.5 million; ~~and~~

108 3.(c) ~~3.(c)~~ Uses Utilizes contractual liability insurance which
109 reimburses the service warranty association for 100 percent of
110 its paid claims; ~~and~~

111 (b)(d) ~~(b)(d)~~ The insurer or insurers issuing the contractual
112 liability insurance policy or policies maintain ~~maintains~~ a
113 policyholder surplus of at least \$100 million and are ~~is~~ rated
114 "A" or higher by A.M. Best Company.

115 (6) An association that holds a license under this part may
116 allow its premiums for service warranties written under this

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117 part to exceed the ratio to net assets limitations of this
118 section if the association meets all of the following:

119 (b) Uses a contractual liability insurance policy or
120 policies approved by the office that:

121 1. ~~Reimburse~~ Reimburses the service warranty association
122 for 100 percent of their ~~its~~ claims liability and are ~~is~~ issued
123 by an insurer or insurers that maintain ~~maintains~~ a policyholder
124 surplus of at least \$100 million; or

125 2. Comply ~~Complies~~ with subsection (3) and are ~~is~~ issued by
126 an insurer or insurers that maintain ~~maintains~~ a policyholder
127 surplus of at least \$200 million.

128 (c) The insurer or insurers issuing the contractual
129 liability insurance policy or policies:

130 1. Are ~~Is~~ rated "A" or higher by A.M. Best Company or an
131 equivalent rating by another national rating service acceptable
132 to the office.

133 2. In conjunction with the warranty association's filing of
134 the quarterly and annual reports, provide ~~provides~~, on a form
135 prescribed by the commission, a statement certifying the gross
136 written premiums in force reported by the warranty association
137 and a statement that all of the warranty association's gross
138 written premium in force is covered under the contractual
139 liability policy or policies, regardless of whether it has been
140 reported.

141 (7) An association licensed under this part and holding no
142 other license under part I or part II of this chapter is not
143 required to establish an unearned premium reserve or maintain
144 contractual liability insurance and may allow its premiums to
145 exceed the ratio to net assets limitation of this section if the

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146 association complies with one of the following:

147 (a) The association or, if the association is a direct or
148 indirect wholly owned subsidiary of a parent corporation, its
149 parent corporation has, and maintains at all times, a minimum
150 net worth of at least \$100 million and provides the office with
151 one of the following:

152 1. A copy of the association's annual audited financial
153 statements or the audited consolidated financial statements of
154 the association's parent corporation, prepared by an independent
155 certified public accountant in accordance with generally
156 accepted accounting principles, which clearly demonstrate the
157 net worth of the association or its parent corporation to be
158 \$100 million and a quarterly written certification to the office
159 that such entity continues to maintain the net worth required
160 under this paragraph.

161 2. The association's, or its parent corporation's, Form 10-
162 K, Form 10-Q, or Form 20-F as filed with the United States
163 Securities and Exchange Commission or such other documents
164 required to be filed with a recognized stock exchange, which
165 shall be provided on a quarterly and annual basis within 10 days
166 after the last date each such report must be filed with the
167 Securities and Exchange Commission, the National Association of
168 Security Dealers Automated Quotation system, or other recognized
169 stock exchange.

170
171 Failure to timely file the documents required under this
172 paragraph may, at the discretion of the office, subject the
173 association to suspension or revocation of its license under
174 this part.

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175

Section 3. This act shall take effect July 1, 2025.



THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

COMMITTEES:

Agriculture, *Chair*
Appropriations Committee on Agriculture, Environment,
and General Government
Appropriations Committee on Transportation,
Tourism, and Economic Development
Banking and Insurance
Fiscal Policy
Military and Veterans Affairs, Space, and
Domestic Security
Transportation

SENATOR KEITH TRUENOW

13th District

January 31, 2025

Chairman Senator Blaise Ingoglia
306 Senate Office Building
404 South Monroe Street
Tallahassee, FL 32399

Dear Chairman Ingoglia,

I am requesting SB 282 Home and Service Warranty Association Financial Requirements be placed on your next Banking and Insurance Committee agenda.

This good bill revises the circumstances under which certain service warranty associations are not required to establish unearned premium reserves or to maintain contractual liability insurance and are authorized to allow their premiums to exceed specified ratios.

I appreciate your favorable consideration.

Sincerely,

A handwritten signature in blue ink that reads "Keith Truenow".

Senator Keith Truenow
Senate District 13

KT/dd

CC: James Knudson, Staff Director
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REPLY TO:

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BEN ALBRITTON
President of the Senate

JASON BRODEUR
President Pro Tempore

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to Senate professional staff conducting the meeting

March 3
Meeting Date

282
Bill Number or Topic

Bi-T
Committee

402930
Amendment Barcode (if applicable)

Name Tim Meenan

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Tallahassee FL 32312
City State Zip

Speaking: For Against Information OR Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

Florida Service Agreement Association + Domestic & General

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022JointRules.pdf \(flsenate.gov\)](#)

The Florida Senate
COMMITTEE VOTE RECORD

COMMITTEE: Banking and Insurance
ITEM: SB 282
FINAL ACTION: Favorable with Committee Substitute
MEETING DATE: Monday, March 3, 2025
TIME: 1:00—3:00 p.m.
PLACE: 412 Knott Building

FINAL VOTE		SENATORS	3/03/2025 ¹ Adopted without objection		3/03/2025 ² Adopted without objection		Yea	Nay
			Truenow	Truenow	Yea	Nay		
Yea	Nay		Yea	Nay	Yea	Nay	Yea	Nay
X		Boyd						
X		Burton						
X		Hooper						
X		Martin						
X		Osgood						
X		Passidomo						
VA		Pizzo						
X		Truenow						
X		Sharief, VICE CHAIR						
X		Ingoglia, CHAIR						
10	0	TOTALS	RCS	-	RCS	-		
Yea	Nay		Yea	Nay	Yea	Nay	Yea	Nay

CODES: FAV=Favorable UNF=Unfavorable -R=Reconsidered	RCS=Replaced by Committee Substitute RE=Replaced by Engrossed Amendment RS=Replaced by Substitute Amendment	TP=Temporarily Postponed VA=Vote After Roll Call VC=Vote Change After Roll Call	WD=Withdrawn OO=Out of Order AV=Abstain from Voting
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The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Banking and Insurance

BILL: SB 480

INTRODUCER: Senator DiCeglie

SUBJECT: Nonprofit Agricultural Organization Health Coverage

DATE: February 28, 2025

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Johnson	Knudson	BI	Pre-meeting
2.			CM	
3.			RC	

I. Summary:

SB 480 allows nonprofit agricultural organizations to offer health coverage and specifies that such coverage is not insurance for purposes of the Florida Insurance Code (code). The exemption of these plans from the code will provide individuals and families with access to another option for securing coverage of health benefits through membership in a nonprofit agricultural organization. Many rural communities have limited access to plan choices, medical providers, and affordable coverage plans.¹ The nonprofit agricultural organization health coverage provided pursuant to the bill will be exempt from insurance regulation and consumer protections that apply to health insurance under the code.

The bill takes effect July 1, 2025.

The bill may have an indeterminate negative fiscal impact on state government premium tax revenues to the extent that purchasers of health insurance shift their business from health insurance to the exempt health plans offered by nonprofit agricultural organizations.

II. Present Situation:

The Patient Protection and Affordable Care Act (PPACA)²

On March 23, 2010, PPACA was signed into law. Among its sweeping changes to the U.S. health insurance system are requirements for health insurers to make coverage available to all

¹ Brownfield, State Farm Bureaus work to join successful health care coverage program (Mar. 22, 2024), <https://www.brownfieldagnews.com/news/state-farm-bureaus-work-to-join-successful-health-care-coverage-program/> (last visited Feb. 25, 2025).

² P.L. 111-148, 124 Stat. 119-1945 (2010). PPACA was amended by P.L. 111-152, the Health Care and Education Reconciliation Act of 2010.

individuals and employers,³ without exclusions, for preexisting medical conditions⁴ and without basing premiums on any health-related factors. PPACA imposes many insurance requirements, such as coverage of essential health benefits,⁵ prohibition on lifetime dollar limits⁶ on essential health benefits, rating and underwriting standards, reporting of medical loss ratios and payment of rebates,⁷ internal and external appeals of adverse benefit determinations, and other requirements.⁸ PPACA preempts any state law that prevents the application of a PPACA.

Some health insurance products that consumers may purchase are not required to comply with all the federal health insurance requirements. For example, short-term limited duration insurance⁹ and excepted benefits¹⁰ are not required to comply with PPACA requirements. The short-term plans generally have substantially lower premiums than PPACA plans. However, they exclude individuals with pre-existing conditions and offer more limited benefits than PPACA plans.¹¹

Regulation of Insurance in Florida

Florida's Office of Insurance Regulation (OIR)¹² is responsible for the regulation of all activities of insurers and other risk-bearing entities, including licensure, rates,¹³ policy forms, market conduct, claims, solvency, administrative supervision, as provided under the Florida Insurance Code (code).¹⁴ Insurance is classified into the following kinds of insurance: life, health, property, casualty, surety, marine, and title.¹⁵ The code defines "insurance" as a contract whereby one undertakes to indemnify another or pay or allow a specified amount or a determinable benefit upon determinable contingencies.¹⁶ Health insurance is insurance of human beings against bodily

³ PPACA s. 1201; PHSa s. 2702 (42 U.S.C. s. 300gg-1).

⁴ 42 U.S.C. s. 300gg-3.

⁵ Department of Financial Services, Division of Consumer Services, Health Care Reform and You (Sept. 2021), https://myfloridacfo.com/docs-sf/consumer-services-libraries/consumerservices-documents/understanding-coverage/consumer-guides/health-care-reform_english-web_fl.pdf?sfvrsn=97e2ae45_1 (last visited Feb. 24, 2025).

⁶ PPACA s. 1001; PHSa s. 2711 (42 U.S.C. s. 300gg-11).

⁷ 42 USC 300gg-1. PPACA requires health insurers to report to the HHS information concerning the percent of premium revenue spent on claims for clinical services and activities (medical loss ratio or MLR). Insurers must provide a rebate to consumers if the MLR is less than 85 percent in the large group market and 80 percent in the small group and individual markets.

⁸ The federal Tax Cut and Jobs Act of 2017 eliminated the individual coverage mandate tax penalty, effective 2019. Public Law No. 115-97.

⁹ Centers for Medicare and Medicaid Services, Short-term, limited-duration insurance and independent, coordinated excepted benefits coverage (Mar. 28, 2024), <https://www.cms.gov/newsroom/fact-sheets/short-term-limited-duration-insurance-and-independent-noncoordinated-excepted-benefits-coverage-cms> (last visited Feb. 25, 2025).

¹⁰ 45 CFR s. 148.220. Excepted benefits include coverage only for accident, disability income insurance, liability insurance, workers' compensation insurance, automobile medical payments insurance, and other specified coverage.

¹¹ Kaiser Family Foundation, Why Do Short-Term Health Insurance Plans Have Lower Premiums Than Plans That Comply with the ACA? (Oct. 31, 2018), <https://www.kff.org/affordable-care-act/issue-brief/why-do-short-term-health-insurance-plans-have-lower-premiums-than-plans-that-comply-with-the-aca/> (last visited Feb. 25, 2025).

¹² The OIR is an office under the Financial Services Commission (commission), which is composed of the Governor, the Attorney General, the Chief Financial Officer, and the Commissioner of Agriculture. The commission is not subject to control, supervision, or direction by the Department of Financial Services in any manner, including purchasing, transactions involving real or personal property, personnel, or budgetary matters. Section 20.121(3), F.S.

¹³ Pursuant to s. 627.062(1), F.S., rates may not be excessive, inadequate, or unfairly discriminatory.

¹⁴ Section 20.121(3)(a)1., F.S.

¹⁵ Section 624.6011, F.S.

¹⁶ Section 624.402, F.S.

injury, disablement, or death by accident or accidental means, or the expense thereof, or against disablement or expense resulting from sickness, and every insurance pertaining to it.¹⁷ Health insurance does not include workers' compensation coverage, except as provided in s. 624.406, F.S.¹⁸

The OIR monitors the solvency of insurers, and takes administrative action, if necessary. If an insurer is found to be insolvent and is ordered to be liquidated by a court, a receiver takes over the insurer under court supervision and processes the assets and liabilities through liquidation. Generally, once an insurance company is liquidated, an insurance guaranty association becomes liable for the policy or contract obligations of the liquidated insurance company. In Florida, the Florida Life and Health Insurance Guaranty Association (association) is the guaranty association for most insurance companies that write life, health insurance or annuities in Florida.¹⁹ Insurance guaranty funds are designed to protect policyholders of liquidated insurers from financial losses and delays in claim payments, up to limits provided by law.²⁰ The association services covered policies and contracts, collects premiums, and pays valid claims.²¹ All insurers authorized to write life insurance policies, health insurance policies, supplemental contracts, and annuity contracts (with exceptions) in Florida are required, as a condition of doing business in this state, to be member insurers of the association.²²

Health Coverage or Services Exempt from Florida's Insurance Code

Currently the code exempts nonprofit religious organizations,²³ commonly known as a health care sharing ministry, from the regulatory requirements and consumer protections if the nonprofit religious organization meets the following requirements:

- Qualifies under Title 26, s. 501 of the Internal Revenue Code of 1986, as amended.
- Limits its participants to those members who share a common set of ethical or religious beliefs.
- Acts as a facilitator among participants who have financial, physical, or medical needs to assist those with financial, physical, or medical needs in accordance with criteria established by the nonprofit religious organization.
- Provides for the financial or medical needs of a participant through contributions from other participants, or through payments directly from one participant to another participant.
- Provides amounts that participants may contribute, with no assumption of risk and no promise to pay among the participants or by the nonprofit religious organization to the participants.

¹⁷ Section 624.403, F.S.

¹⁸ *Id.*

¹⁹ Part III of ch. 631, F.S.

²⁰ Section 631.712, F.S.

²¹ See the association's website available at <https://www.flahiga.org/About> (last viewed Feb. 24, 2025). The maximum amount of protection provided by the association for major medical health insurance is \$500,000 per insured life. [Florida Life & Health Insurance Guaranty Association - Frequently Asked Questions](#) (last visited Feb. 25, 2025).

²² Sections 631.713 and 631.715, F.S.

²³ Section 624.1265, F.S., refers to health care sharing ministries as "nonprofit religious organizations." A health care sharing ministry is an organization that facilitates the sharing of health care expenses among individuals with similar and sincerely held beliefs. These organizations resemble insurance in that members generally pay monthly membership fees and submit claims when they incur medical bills.

- Provides a monthly accounting to the participants of the total dollar amount of qualified needs shared in the previous month in accordance with criteria established by the nonprofit religious organization.
- Conducts an annual financial audit that is performed by an independent certified public accountant in accordance with generally accepted accounting principles and that is made available to the public by providing a copy upon request or by posting on the nonprofit religious organization's website.
- Does not market or sell health plans through insurance agents licensed by the Department of Financial Services under ch. 626, F.S.

The nonprofit religious organization must provide a written disclaimer on or accompanying all applications and guideline materials distributed by or on behalf of the nonprofit religious organization. The disclaimer must read in substance:

“Notice: The organization facilitating the sharing of medical expenses is not an insurance company, and neither its guidelines nor its plan of operation is an insurance policy. Membership is not offered through an insurance company, and the organization is not subject to the regulatory requirements or consumer protections of the Florida Insurance Code. Whether anyone chooses to assist you with your medical bills will be totally voluntary because no other participant is compelled by law to contribute toward your medical bills. As such, participation in the organization or a subscription to any of its documents should never be considered to be insurance. Regardless of whether you receive any payments for medical expenses or whether this organization continues to operate, you are always personally responsible for the payment of your own medical bills.”

However, the provisions of s. 624.1265, F.S. do not prevent:

- A participant from limiting the financial or medical needs that may be eligible for payment; or
- The nonprofit religious organization from canceling the membership of a participant when such participant indicates his or her unwillingness to participate by failing to meet the conditions of membership for a period greater than 60 days.

Approximately 30 states have exempted health care sharing ministries (HCSM) explicitly from insurance regulation.²⁴ A member of a health care sharing ministry (HCSM) will typically contribute a monthly payment to cover the qualifying medical expenses of other members. The HCSMs will match paying members who need the health care funds or pool all the monthly shares and administer payments to members directly. Some people may enroll in HCSMs because of their typically lower upfront costs, compared to PPACA-compliant plans. HCSMs are not insurance and cannot guarantee payment of claims, i.e., while they may share funds with members who have health needs, they are not legally required to do so. Further, the HCSMs do not have to comply with state or federal insurance regulations and consumer protections.

²⁴ National Association of Insurance Commissioners, What you should know about health care sharing ministries, discount plans, and risk sharing plans, (Dec. 13, 2023), <https://content.naic.org/article/what-you-should-know-about-health-care-sharing-ministries-discount-plans-and-risk-sharing-plans> (last visited Feb. 25, 2025).

Nonprofit Agricultural Organizations that Offer Health Plans Exempted Insurance Regulation in Other States

The American Farm Bureau Federation is a national organization that was established in 1919 to advocate for the interests of farmers, ranchers, and other persons associated with agriculture. There are state farm bureau offices in all 50 states and in Puerto Rico.²⁵ Membership in a local farm bureau is open to anyone who pays the membership fee. Each state farm bureau provides member benefits, which may include offering health care benefits to its members.²⁶

Several states have exempted nonprofit agricultural organizations or cooperatives, which offer and sell health plans, from state insurance regulations and consumer protections. State Farm Bureaus offer health plans in several states²⁷ an alternative to health insurance coverage that aims to offer lower costs for individual coverage to members and their families, self-employed farmers, and others.²⁸ The Farm Bureau Health Plans in Tennessee, a member service company of the Tennessee Farm Bureau Federation, has been offering health plans since 1947 and currently provides health plans for more than 200,000 residents.²⁹ The vast majority of farmers and farm workers who lack health coverage have incomes below 400 percent of the federal poverty level, which is the income cut-off for federal subsidies on policies offered on the Health Insurance Marketplace³⁰ that help pay for premiums in the individual health insurance market.³¹ In addition to individual and family plans, Medicare, dental and vision, and small employer plans are offered to members.³²

In regard to pre-existing condition waiting periods, benefits will not be provided until a member has completed a waiting period of at least six months for all contracts and nine months for maternity on family contracts.³³ These plans require medical underwriting,³⁴ which may affect

²⁵ <https://www.fb.org/about/who-we-are>

²⁶ Congressional Research Service, Applicability of Federal Requirements to Selected Coverage Arrangements: An Overview (Nov. 13, 2019), <https://crsreports.congress.gov/product/pdf/IF/IF11359/3> (last visited Feb. 24, 2025).

²⁷ Arkansas (2023 SB 324), Indiana (IN Code s. 27-1-2.2-4), Iowa (IA s. 505.20), Kansas (KS Stat s.40-2222), Nebraska (NE Code s. 44-7,119), North Dakota (2023 SB 2349), South Dakota (2021 SB 87), Tennessee (TN Code s. 56-2-121), Texas (TX Ins Code s. 1682.005).

²⁸ Insurance Newsnet, Farm bureau launches new health plan that is everything but 'insurance' (Oct. 12, 2024), <https://insurancenewsnet.com/oarticle/farm-bureau-launches-new-health-plan-that-is-everything-but-insurance> (last visited Feb. 24, 2025).

²⁹ Farm Bureau Health Plans Tennessee, [Why Choose Farm Bureau Health Plans? | Farm Bureau Health Plans](#) (last visited Feb. 27, 2025).

³⁰ HealthCare.gov, Welcome to the Health Insurance Marketplace, [Welcome to the Health Insurance Marketplace@ | HealthCare.gov](#) (last visited Feb. 25, 2025). The website provides individuals with access to obtaining PPACA-compliant health insurance coverage during open enrollment and special enrollment periods. Individuals may qualify for subsidies or Medicaid, contingent on their income.

³¹ Center on Budget and Policy Priorities, Expanding Skimpy Health Plans Is the Wrong Solution for Uninsured Farmers and Farm Workers (Jul. 17, 2018), <https://www.cbpp.org/research/health/expanding-skimpy-health-plans-is-the-wrong-solution-for-uninsured-farmers-and-farm-workers> (last visited Feb. 25, 2025).

³² Farm Bureau Health Plans Tennessee, [Frequently Asked Questions | Farm Bureau Health Plans](#) (last visited Feb. 25, 2025).

³³ Farm Bureau Health Plans Tennessee, [Individual and Family Plans | Core Choice | Farm Bureau Health Plans](#) (last visited Feb. 25, 2025).

³⁴ Medical underwriting is a process used by insurers to determine the health status of an applicant for insurance coverage, and to determine whether to offer an applicant coverage, at what price, and with what exclusions or limits. See <https://www.healthcare.gov/glossary/medical-underwriting/> (last visited Feb. 26, 2025).

eligibility and rates.³⁵ The plans are not compliant with PPACA, which means they can medically underwrite covered individuals, impose waiting periods for preexisting conditions, and are not required to provide essential health benefits, etc. These plans are only available to Farm Bureau members, though an individual does not necessarily need to be affiliated with the agricultural industry to become a member.⁹

In 2017, Minnesota³⁶ enacted legislation that allows for the formation of agricultural cooperatives to operate self-funded health plans. Plan membership is restricted to farmers or other people in the agriculture industry.³⁷ The plans accept all who apply but are underwritten such that people with prior health conditions can be charged higher premiums.³⁸

III. Effect of Proposed Changes:

Section 1 directs the Division of Law Revision to:

- Revise the title of chapter 632, F.S., to read “Fraternal Benefit Societies and Nonprofit Agricultural Organizations.”
- Create part I of chapter 632, Florida Statutes, consisting of ss. 632.601-632.638, F.S., to be entitled “Fraternal Benefit Societies;” and
- Create part II of chapter 632, F.S., consisting of s. 632.701, F.S., to be entitled “Nonprofit Agricultural Organizations.”

Section 2 provides this act may be cited as the “Nonprofit Agricultural Organization Health Coverage Act of 2025.”

Section 3 creates s. 632.701, F.S., relating to nonprofit agricultural organization health coverage, to authorize nonprofit agricultural organizations to offer health coverage options to their members. The term, “nonprofit agricultural organization” means an organization that meets the following criteria:

- Is domiciled in Florida.
- Is exempt from federal income tax under s. 501(c)(3) of the Internal Revenue Code.
- Was created primarily to promote programs for the development of rural communities and the economic stability and sustainability of farmers in Florida.
- Exists to serve its members beyond only offering health coverage.
- Collects annual dues from its members.
- Was in existence before 1945.
- Is composed of members who, collectively, are residents of the majority of counties in this state.

The bill provides that, notwithstanding any law to the contrary, a nonprofit agricultural organization may offer health coverage and that such coverage is not insurance for the purposes

³⁵ Farm Bureau Health Plans Tennessee, [Home](#) (last visited Jan. 25, 2025).

³⁶ State Health Access Data Assistance Center, Alternatives to ACA Compliant Plans in the Individual Market (Nov. 15, 2019), <https://www.shadac.org/news/alternatives-aca-compliant-plans-individual-market> (last visited Feb. 25, 2025).

³⁷ The Minnesota Star Tribune, Farmer cooperative health plans may rattle individual market in Minnesota (Nov. 14, 2017), <https://www.startribune.com/farmer-cooperative-health-plans-may-rattle-individual-market-in-minnesota/457321193> (last visited Feb. 25, 2025).

³⁸ *Id.*

of the Florida Insurance Code. Because such coverage is not insurance, various state statutes relating to regulation of forms and rates, financial regulations, consumer protections, and mandated benefits will not apply to nonprofit agricultural organization health coverage.

Section 4 provides this act takes effect July 1, 2025.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Individuals, families, or small businesses who are ineligible for subsidies through the Health Insurance Marketplace may be able to obtain a lower cost alternative to health insurance through plans offered by nonprofit agricultural organizations.

If the nonprofit agricultural organization is unable to pay claims or becomes insolvent, there is no state guaranty fund to pay claims.

C. Government Sector Impact:

Insurance premium tax revenues may be reduced to the extent that purchasers of health plans shift their business from health insurance to the exempt health plans proposed by the bill.

VI. Technical Deficiencies:

Currently, entities that are exempt from the Florida Insurance Code are codified in ch. 624, F.S. The bill creates a new part in ch. 632, F.S.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill creates section 632.701 of the Florida Statutes.

IX. Additional Information:**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

By Senator DiCeglie

18-00843-25

2025480__

1 A bill to be entitled
 2 An act relating to nonprofit agricultural organization
 3 health coverage; providing directives to the Division
 4 of Law Revision; providing a short title; creating s.
 5 632.701, F.S.; providing legislative purpose; defining
 6 the term "nonprofit agricultural organization";
 7 authorizing nonprofit agricultural organizations to
 8 provide health coverage; specifying that such coverage
 9 is not insurance for purposes of the Florida Insurance
 10 Code; providing an effective date.

11

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

13

14 Section 1. The Division of Law Revision is directed to:
 15 (1) Revise the title of chapter 632, Florida Statutes, to
 16 read "Fraternal Benefit Societies and Nonprofit Agricultural
 17 Organizations";
 18 (2) Create part I of chapter 632, Florida Statutes,
 19 consisting of ss. 632.601-632.638, Florida Statutes, to be
 20 entitled "Fraternal Benefit Societies"; and
 21 (3) Create part II of chapter 632, Florida Statutes,
 22 consisting of s. 632.701, Florida Statutes, to be entitled
 23 "Nonprofit Agricultural Organizations."

24 Section 2. This act may be cited as the "Nonprofit
 25 Agricultural Organization Health Coverage Act of 2025."

26 Section 3. Section 632.701, Florida Statutes, is created to
 27 read:
 28 632.701 Nonprofit agricultural organization health
 29 coverage.—

Page 1 of 2

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

18-00843-25

2025480__

30 (1) The purpose of this section is to authorize nonprofit
 31 agricultural organizations to offer health coverage options to
 32 their members.
 33 (2) For purposes of this section, the term "nonprofit
 34 agricultural organization" means an organization that meets all
 35 of the following criteria:
 36 (a) Is domiciled in this state.
 37 (b) Is exempt from federal income tax under s. 501(c)(3) of
 38 the Internal Revenue Code.
 39 (c) Was created primarily to promote programs for the
 40 development of rural communities and the economic stability and
 41 sustainability of farmers in this state.
 42 (d) Exists to serve its members beyond only offering health
 43 coverage.
 44 (e) Collects annual dues from its members.
 45 (f) Was in existence before 1945.
 46 (g) Is composed of members who, collectively, are residents
 47 of the majority of counties in this state.
 48 (3) Notwithstanding any law to the contrary, a nonprofit
 49 agricultural organization may offer health coverage. Such
 50 coverage is not insurance for purposes of the Florida Insurance
 51 Code.
 52 Section 4. This act shall take effect July 1, 2025.

Page 2 of 2

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Banking and Insurance

BILL: SB 592

INTRODUCER: Senator Leek

SUBJECT: My Safe Florida Condominium Pilot Program

DATE: February 28, 2025

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Thomas	Knudson	BI	Pre-meeting
2.			RI	
3.			FP	

I. Summary:

SB 592 revises provisions of the My Safe Florida Condominium Pilot Program (Program) within the Department of Financial Services (DFS) to:

- Revise the definition of “condominium” to exclude detached units on individual parcels of land.
- Limit participation in the Program to condominiums that are three stories or more in height and require the structure or building that is the subject of the mitigation grant to include at least one residential unit within such structure or building.
- Require approval of at least 75 percent of all unit owners who reside within the structure or building that is the subject of the mitigation grant, rather than a unanimous vote of all unit owners.
- Eliminate the restrictions that limit grant contributions to:
 - For a roof-related project, \$11 per square foot multiplied by the roof’s square footage, not to exceed \$1,000 per unit, with a maximum grant award of 50 per cent of the project’s cost.
 - On an opening protection-related project, a maximum grant award of \$750 per window or door, not to exceed \$1,500 per unit, with a maximum grant award of 50 percent of the project’s cost. and opening protection-related projects to \$750 per replacement window.
- Specify the roof mitigation techniques that may receive a grant award for buildings with a pitched roof or a flat roof, respectively.

While the Program is subject to annual appropriations, this bill has no fiscal impact on state or local government.

The bill provides an effective date of July 1, 2025.

II. Present Situation:

The Legislature created the My Safe Florida Condominium Pilot Program (Program) within the Department of Financial Services (DFS), in 2024.¹ The Program received a nonrecurring appropriation of \$30 million from the General Revenue Fund.² The Program provides a condominium association (association) a program similar to that of the My Safe Florida Home Program for single-family, detached residential properties and townhomes.³ Implementation of the Program is subject to annual legislative appropriations. The Program supports eligible condominium associations by providing free inspections and grant funding for wind mitigation improvements, which may have the added benefit of lowering wind insurance premiums.

The Program is limited to associations located in the “service area,” which is the area of the state within 15 miles inward of a coastline as defined in s. 376.031, F.S.⁴ The terms “association,”⁵ “board of administration,”⁶ “condominium,”⁷ “condominium parcel,”⁸ “unit,”⁹ “unit owner”¹⁰ and “voting interest”¹¹ have the same meaning as those terms are defined in s. 718.103, F.S.

The DFS issued its first report on the Program with the following findings:

- Tidal Basin selected to run the Program on August 1, 2024.
- The International Association of Certified Home Inspectors selected on November 12, 2024, as the inspection company to conduct the inspections.
- The Program is launched on November 14, 2024.
- The online application portal opened on November 14, 2024, and closed on November 19, 2024, due to the sufficiency of applications.
- 174 requests for inspections received; 165 requests approved.

¹ Chapter 2024-108, L.O.F.

² Line 2375 of the General Appropriations Act, ch. 2024-231, L.O.F. (\$27,636,000 for grants; \$600,000 for inspections; and \$1,764,000 for operations and administration).

³ See s. 215.5586, F.S.

⁴ “Coastline” means the line of mean low water along the portion of the coast that is in direct contact with the open sea and the line marking the seaward limit of inland waters, as determined under the Convention on Territorial Seas and the Contiguous Zone, 15 U.S.T. (Pt. 2) 1606. Section 376.031(4), F.S.

⁵ “Association” means, in addition to any entity responsible for the operation of common elements owned in undivided shares by unit owners, any entity which operates or maintains other real property in which unit owners have use rights, where membership in the entity is composed exclusively of unit owners or their elected or appointed representatives and is a required condition of unit ownership. Section 718.103(3), F.S.

⁶ “Board of administration” or “board” means the board of directors or other representative body which is responsible for administration of the association. Section 718.103(5), F.S.

⁷ “Condominium” means that form of ownership of real property created pursuant to ch. 718, F.S., which is comprised entirely of units that may be owned by one or more persons, and in which there is, appurtenant to each unit, an undivided share in common elements. Section 718.103(12), F.S.

⁸ “Condominium parcel” means a unit, together with the undivided share in the common elements appurtenant to a unit. Section 718.103(13), F.S.

⁹ “Unit” means a part of the condominium property which is subject to exclusive ownership. A unit may be in improvements, land, or land and improvements together, as specified in the declaration. Section 718.103(31), F.S.

¹⁰ “Unit owner” or “owner of a unit” means a record owner of legal title to a condominium parcel. Section 718.103(32), F.S.

¹¹ “Voting interest” means the voting rights distributed to the association members pursuant to s. 718.104(4), F.S. In a multicondominium association, the voting interests of the association are the voting rights distributed to the unit owners in all condominiums operated by the association. On matters related to a specific condominium in a multicondominium association, the voting interests of the condominium are the voting rights distributed to the unit owners in that condominium. Section 718.103(34), F.S.

- The approval of grant awards is waiting for the completion of inspections.¹²

Condominium Associations and Unit Owners

To apply for an inspection of condominium parcels under the Program, the association must receive approval by a majority vote of the board of administration or a majority vote of the total voting interests of the association.¹³ In order to apply for a grant, the association must receive both of the following:

- Approval by a majority vote of the board of administration or a majority vote of the total voting interests of the association to participate in a mitigation grant; and
- A unanimous vote of all unit owners within the structure or building that is the subject of the mitigation grant.¹⁴

Associations may vote on participation in the Program at either an annual meeting or a unit owner meeting called for the purpose of taking a vote on such participation.¹⁵ The association must provide unit owners with clear disclosure of the Program prior to a vote taking place.¹⁶ The president and treasurer of the board of administration are required to sign the disclosure form indicating a copy of the disclosure form was provided to each unit owner.¹⁷ The association must maintain the signed disclosure form and the minutes from the meeting at which the unit owners voted to participate in the Program as part of the official records of the association.¹⁸ Within 14 days after an affirmative vote to participate in the Program, the association must provide written notice as required under s. 718.112(2)(d), F.S., to all unit owners of the decision to participate in the Program.¹⁹

Hurricane Mitigation Inspectors

Only licensed inspectors may perform inspections of the property to determine the mitigation measures that are needed, the insurance premium discounts that may be available, and which identify recommended improvements the association may take to mitigate hurricane damage.²⁰ The DFS must contract with wind certification entities to provide the inspections.²¹ Eligible wind certification entities must, at a minimum:

- Use inspectors who are licensed or certified as:
 - A building inspector under s. 468.607, F.S.;
 - A general, building, or residential contractor under s. 489.111, F.S.;
 - A professional engineer under s. 471.015, F.S.;
 - A professional architect under s. 481.213, F.S.; or
 - A home inspector under s. 468.8314, F.S., who has completed at least three hours of hurricane mitigation training approved by the Construction Industry Licensing Board,

¹² *My Safe Florida Condominium Pilot Report*, February 1, 2025 (on file with the Senate Committee on Banking and Insurance).

¹³ Section 215.55871(2)(a), F.S.

¹⁴ Section 215.55871(2)(b), F.S.

¹⁵ Section 215.55871(2)(d), F.S.

¹⁶ *Id.*

¹⁷ *Id.*

¹⁸ *Id.*

¹⁹ *Id.*

²⁰ Section 215.55871(3)(a), F.S.

²¹ Section 215.55871(3)(b), F.S.

which must include hurricane mitigation techniques, compliance with the uniform mitigation verification form, and completion of a proficiency exam;

- Use inspectors who have undergone drug testing and a background screening that includes submission and processing of fingerprints; and
- Provide a quality assurance program, including a reinspection component.²²

Hurricane Mitigation Inspections

Hurricane mitigation inspections provided to an association, must, at a minimum, include:

- An inspection of the property, and a report that summarizes the results and identifies recommended improvements the association may take to mitigate hurricane damage;
- A range of cost estimates regarding the recommended mitigation improvements; and
- Information regarding estimated insurance premium discounts, correlated to the current mitigation features and the recommended mitigation improvements identified by the inspection.²³

An application for an inspection must contain a signed or electronically verified statement made under penalty of perjury by the president of the board of administration that the association has submitted only a single application for each property that the association operates or maintains.²⁴ An association may apply for and receive an inspection without also applying for a grant.²⁵

Mitigation Grants

Grants must be used by associations to make improvements recommended by an inspection which increases the condominium parcel's resistance to hurricane damage.²⁶ An application for a grant must:

- Contain a signed or electronically verified statement made under penalty of perjury by the president of the board of administration that the association has submitted only a single application for each property that the association operates or maintains;
- Include a notarized statement from the president of the board of administration containing the name and license number of the contractor it intends to use for the mitigation project; and
- Include a notarized statement from the president of the board of administration which commits to the DFS that the association will complete the mitigation improvements. If the grant will be used to improve units, the application must also include an acknowledged statement from each unit owner who is required to provide approval for a grant.²⁷

An association may select its own contractor for the mitigation project so long as the contractor meets all qualification, certification, or licensing requirements in general law.²⁸ A mitigation project must be performed by a properly licensed contractor who has secured all required local

²² *Id.*

²³ Section 215.55871(4)(a), F.S.

²⁴ Section 215.55871(4)(b), F.S.

²⁵ Section 215.55871(4)(c), F.S.

²⁶ Section 215.55871(5), F.S.

²⁷ Section 215.55871(5)(a), F.S.

²⁸ Section 215.55871(5)(b), F.S.

permits necessary for the project.²⁹ The DFS must electronically verify that the contractor's state license number is accurate and up to date before approving a grant application.³⁰

All grants must be matched on the basis of one dollar provided by the association for two dollars provided by the state.³¹ An association may receive grant funds for both roof-related and opening protection-related projects, but the total grant award may not exceed \$175,000 per association.³² The maximum grant contribution for:

- Roof-related projects is \$11 per square foot multiplied by the square footage of the replacement roof, not to exceed \$1,000 per unit, with a maximum grant award of 50 percent of the cost of the project.
- Opening protection-related projects is \$750 per replacement window or door, not to exceed \$1,500 per unit, with a maximum grant award of 50 percent of the cost of the project.³³

An association awarded a grant must complete the entire mitigation project in order to receive the final grant award and must agree to make the property available for a final inspection once the mitigation project is finished.³⁴ The mitigation project must be completed in a manner consistent with the intent of the Program and must meet or exceed applicable Florida Building Code requirements.³⁵ The association must submit a request to the DFS for a final inspection, or request an extension of time, within one year after receiving grant approval; otherwise the application is deemed abandoned and the grant money reverts back to the DFS.³⁶

When recommended by a hurricane mitigation inspection report, grants may be used for the following improvements:

- Opening protection, including exterior doors, garage doors, windows, and skylights;
- Reinforcing roof-to-wall connections;
- Improving the strength of roof-deck attachments; and
- Secondary water barrier for roof.³⁷

If improvements to protect the property that complied with the current applicable building code at the time have been previously installed, the association must use a mitigation grant to install improvements that do both of the following:

- Comply with or exceed the applicable building code in effect at the time the association applied for the grant; and
- Provide more protection than the improvements that the association previously installed.³⁸

The association may not use a mitigation grant to:

- Install the same type of improvements that were previously installed; or

²⁹ *Id.*

³⁰ *Id.*

³¹ Section 215.55871(5)(d)1., F.S.

³² Section 215.55871(5)(d)4., F.S.

³³ Section 215.55871(5)(d)2.-3., F.S.

³⁴ Section 215.55871(5)(c), F.S.

³⁵ *Id.*

³⁶ *Id.*

³⁷ Section 215.55871(5)(e), F.S.

³⁸ Section 215.55871(5)(g)1., F.S.

- Pay a deductible for a pending insurance claim for damage that is part of the property for which grant funds are being received.³⁹

Contract Management

The DFS is charged with developing a process that ensures the most efficient means to collect and verify grant applications to determine eligibility and may direct hurricane mitigation inspectors to collect and verify grant application information or use the Internet or other electronic means to collect information and determine eligibility.⁴⁰ The DFS may contract with third parties for grant management, inspection services, contractor services, information technology, educational outreach, and auditing services.⁴¹ Such contracts are considered direct costs of the Program and are not subject to administrative cost limits.⁴² Such contracts must be with providers that have a demonstrated record of successful business operations in areas directly related to the services to be provided and must ensure the highest accountability for use of state funds.⁴³

The DFS is required to implement a quality assurance and reinspection program that determines whether initial inspections and mitigation improvements are completed in a manner consistent with the intent of the Program.⁴⁴ The DFS may use a valid random sampling in order to perform the quality assurance portion of the Program.⁴⁵

Reports

By February 1 of each year, the DFS must submit a report to the President of the Senate and the Speaker of the House of Representatives on the activities of the Program and the use of state funds.⁴⁶ The report must include:

- The number of inspections requested;
- The number of inspections performed;
- The number of grant applications received;
- The number of grants approved and the monetary value of each grant;
- The estimated average annual amount of insurance premium discounts each association received and the total estimated annual amount of insurance premium discounts received by all associations participating in the Program; and
- The estimated average annual amount of insurance premium discounts each unit owner received as a result of the improvements to the building or structure.⁴⁷

³⁹ Section 215.55871(5)(g)2., F.S.

⁴⁰ Section 215.55871(5)(h), F.S.

⁴¹ Section 215.55871(6)(a), F.S.

⁴² *Id.*

⁴³ *Id.*

⁴⁴ Section 215.55871(6)(b), F.S.

⁴⁵ *Id.*

⁴⁶ Section 215.55871(7), F.S.

⁴⁷ *Id.*

Requests for Information

During the application process, the DFS may request an applicant provide additional information.⁴⁸ If the DFS does not receive a response for additional information from the applicant within 60 days after the applicant is notified of the error or omission, the application is deemed withdrawn by the applicant.⁴⁹

Rulemaking Authority

The DFS is authorized to adopt rules pursuant to ss. 120.536(1) and 120.54, F.S., to implement the Program.⁵⁰

III. Effect of Proposed Changes:

The bill amends s. 215.55871, F.S., to:

- Revise the definition of “condominium” to exclude detached units on individual parcels of land.
- Limit participation in the Program to condominiums that are three stories or more in height and require the structure or building that is the subject of the mitigation grant to include at least one residential unit within such structure or building.
- Require approval of at least 75 percent of all unit owners who reside within the structure or building that is the subject of the mitigation grant, rather than a unanimous vote of all unit owners.
- Eliminate the restrictions that limit grant contributions to:
 - For a roof-related project, \$11 per square foot multiplied by the roof’s square footage, not to exceed \$1,000 per unit, with a maximum grant award of 50 percent of the project’s cost.
 - On an opening protection-related project, a maximum grant award of \$750 per window or door, not to exceed \$1,500 per unit, with a maximum grant award of 50 percent of the project’s cost. and opening protection-related projects to \$750 per replacement window.
- Specify that grants may be used for the following roof-related improvements to a pitched roof:
 - Reinforcing roof-to-wall connections.
 - Improving the strength of roof-deck attachments.
 - Providing secondary water resistance for the roof.
 - Replacing the roof covering, if necessary, to perform such mitigation improvements.
- Specify that for buildings with a flat roof, if improvements to protect the property that complied with the current applicable building code at the time have been previously installed, the association must use the mitigation grant to install improvements that both:
 - Comply with or exceed the applicable building code in effect when the association applied for the grant; and
 - Provide more hurricane protection than the improvements the association previously installed.

⁴⁸ Section 215.55871(8), F.S.

⁴⁹ *Id.*

⁵⁰ Section 215.55871(9), F.S.

- Repeal language stating that grants may be used for a previously inspected existing structure on the property. The language could be interpreted to allow grant applications to circumvent the Program's requirement that inspections be provided by the Program using only certain hurricane mitigation inspections.

The bill provides an effective date of July 1, 2025.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The bill limits which associations may participate in the Program but makes it more flexible for those associations that do participate.

C. Government Sector Impact:

While the Program is subject to annual appropriations, this bill has no fiscal impact on state or local government. The Program was funded in fiscal year 2024-25 through a nonrecurring appropriation of \$30 million from the General Revenue Fund.⁵¹ (\$27,636,000 for grants; \$600,000 for inspections; and \$1,764,000 for operations and administration).

⁵¹ Line 2375 of the General Appropriations Act, ch. 2024-231, L.O.F.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following section of the Florida Statutes: 215.55871

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.



489992

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/03/2025	.	
	.	
	.	
	.	

The Committee on Banking and Insurance (Leek) recommended the following:

Senate Amendment (with title amendment)

Delete lines 117 - 144

and insert:

1. Opening protection improvements, including all of the following:

a. Exterior doors.~~7~~

b. Garage doors.~~7~~

c. Windows.~~7~~ and

d. Skylights.



489992

11 2. Roof-related improvements, including all of the
12 following:
13 ~~a.2.~~ Reinforcing roof-to-wall connections.
14 ~~b.3.~~ Improving the strength of roof-deck attachments.
15 ~~c.4.~~ Installing secondary water resistance for roof.
16 d. Replacing the roof covering.
17 (f) Improvements must be verified during the final
18 hurricane mitigation inspection to qualify for grant funds
19 ~~Grants may be used for a previously inspected existing structure~~
20 ~~on the property.~~

21 ~~(g)1.~~ If improvements to protect the property which
22 complied with the current applicable building code at the time
23 have been previously installed, the association must use a
24 mitigation grant to install improvements that do both of the
25 following:

26 ~~1.a.~~ Comply with or exceed the applicable building code in
27 effect at the time the association applied for the grant.

28 ~~2.b.~~ Provide more hurricane protection than the
29 improvements that the association previously installed.

30 ~~(h)2.~~ The association may not use a mitigation grant to:

31 ~~1.a.~~ Install the same type of improvements that were
32 previously installed; or

33 ~~2.b.~~ Pay a deductible for a pending insurance claim for
34 damage that is part of the property for which grant funds are
35 being received.

36 ~~(i)h)~~ The department shall develop a process that ensures
37

38 ===== T I T L E A M E N D M E N T =====

39 And the title is amended as follows:



489992

40 Delete line 10
41 and insert:
42 may be used; requiring that improvements be verified
43 during the final hurricane mitigation inspection to
44 qualify for grant funds; providing an effective date.



179466

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/03/2025	.	
	.	
	.	
	.	

The Committee on Banking and Insurance (Leek) recommended the following:

Senate Amendment (with title amendment)

Between lines 150 and 151

insert:

(h) Grant funds may be awarded only for each mitigation improvement that, when applied to the structure or building, will result in a mitigation credit, discount, or other rate differential. If necessary for the building or structure to qualify for a mitigation credit, discount, or other rate differential, the department must require that improvements be



179466

11 made to all openings, including exterior doors, garage doors,
12 windows, and skylights, as a condition of reimbursing a
13 condominium association approved for a grant.

14
15 ===== T I T L E A M E N D M E N T =====

16 And the title is amended as follows:

17 Delete line 10

18 and insert:

19 may be used; specifying that mitigation grants may be
20 awarded only for mitigation improvements that will
21 result in a mitigation credit, discount, or other rate
22 differential; requiring the Department of Financial
23 Services to require that certain improvements be made
24 under certain circumstances; providing an effective
25 date.

By Senator Leek

7-01039-25

2025592__

1 A bill to be entitled
 2 An act relating to the My Safe Florida Condominium
 3 Pilot Program; amending s. 215.55871, F.S.; revising
 4 the definition of the term "condominium"; limiting
 5 participation in the My Safe Florida Condominium Pilot
 6 Program to certain condominiums; revising the approval
 7 requirements to receive a mitigation grant; deleting
 8 the amount of grant funding designated for certain
 9 projects; revising the improvements for which a grant
 10 may be used; providing an effective date.

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

14 Section 1. Present paragraphs (a) through (d) of subsection
 15 (2) of section 215.55871, Florida Statutes, are redesignated as
 16 paragraphs (b) through (e), respectively, a new paragraph (a) is
 17 added to that subsection, and paragraph (d) of subsection (1),
 18 present paragraph (b) of subsection (2), and subsection (5) of
 19 that section are amended, to read:

20 215.55871 My Safe Florida Condominium Pilot Program.—There
 21 is established within the Department of Financial Services the
 22 My Safe Florida Condominium Pilot Program to be implemented
 23 pursuant to appropriations. The department shall provide fiscal
 24 accountability, contract management, and strategic leadership
 25 for the pilot program, consistent with this section. This
 26 section does not create an entitlement for associations or unit
 27 owners or obligate the state in any way to fund the inspection
 28 or retrofitting of condominiums in the state. Implementation of
 29 this pilot program is subject to annual legislative

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

7-01039-25

2025592__

30 appropriations. It is the intent of the Legislature that the My
 31 Safe Florida Condominium Pilot Program provide licensed
 32 inspectors to perform inspections for and grants to eligible
 33 associations as funding allows.

34 (1) DEFINITIONS.—As used in this section, the term:

35 (d) "Condominium" has the same meaning as in s. 718.103.

36 For purposes of this section, the term does not include detached
 37 units on individual parcels of land.

38 (2) PARTICIPATION.—

39 (a) Participation in the pilot program is limited to
 40 condominiums that are three stories or more in height, and the
 41 structure or building that is the subject of the mitigation
 42 grant must include at least one residential unit within such
 43 structure or building.

44 ~~(c)(b)~~ In order to apply for a grant under subsection (5)
 45 which improves one or more units within a condominium, an
 46 association must receive both of the following:

47 1. Approval by a majority vote of the board of
 48 administration or a majority vote of the total voting interests
 49 of the association to participate in a mitigation inspection.

50 2. Approval by at least 75 percent ~~A unanimous vote~~ of all
 51 unit owners who reside within the structure or building that is
 52 the subject of the mitigation grant.

53 (5) MITIGATION GRANTS.—Financial grants may be used by
 54 associations to make improvements recommended in a hurricane
 55 mitigation inspection report which increase the condominium's
 56 resistance to hurricane damage.

57 (a) An application for a mitigation grant must:

58 1. Contain a signed or electronically verified statement

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59 made under penalty of perjury by the president of the board of
60 administration that the association has submitted only a single
61 application for each property that the association operates or
62 maintains.

63 2. Include a notarized statement from the president of the
64 board of administration containing the name and license number
65 of each contractor the association intends to use for the
66 mitigation project.

67 3. Include a notarized statement from the president of the
68 board of administration which commits to the department that the
69 association will complete the mitigation improvements. If the
70 grant will be used to improve units, the application must also
71 include an acknowledged statement from each unit owner who is
72 required to provide approval for a grant under paragraph (2) (c)
73 ~~(2) (b)~~.

74 (b) An association may select its own contractors for the
75 mitigation project as long as each contractor meets all
76 qualification, certification, or licensing requirements in
77 general law. A mitigation project must be performed by a
78 properly licensed contractor who has secured all required local
79 permits necessary for the project. The department must
80 electronically verify that the contractor's state license number
81 is accurate and up to date before approving a grant application.

82 (c) An association awarded a grant must complete the entire
83 mitigation project in order to receive the final grant award and
84 must agree to make the property available for a final inspection
85 once the mitigation project is finished to ensure the mitigation
86 improvements are completed in a manner consistent with the
87 intent of the pilot program and meet or exceed the applicable

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88 Florida Building Code requirements. Construction must be
89 completed and the association must submit a request to the
90 department for a final inspection, or request an extension of
91 time, within 1 year after receiving grant approval. If the
92 association fails to comply with this paragraph, the application
93 is deemed abandoned and the grant money reverts back to the
94 department.

95 (d) Grant projects shall be funded as follows:

96 1. All grants must be matched on the basis of \$1 provided
97 by the association for \$2 provided by the state toward the
98 actual cost of the project.

99 ~~2. For roof-related projects, the grant contribution is \$11~~
100 ~~per square foot multiplied by the square footage of the~~
101 ~~replacement roof, not to exceed \$1,000 per unit, with a maximum~~
102 ~~grant award of 50 percent of the cost of the project.~~

103 ~~3. For opening protection-related projects, the grant~~
104 ~~contribution is a maximum of \$750 per replacement window or~~
105 ~~door, not to exceed \$1,500 per unit, with a maximum grant award~~
106 ~~of 50 percent of the cost of the project.~~

107 2.4. An association may receive grant funds for both roof-
108 related and opening protection-related projects, but the maximum
109 total grant award may not exceed \$175,000 per association.

110 ~~3.5.~~ The department may not accept grant applications or
111 maintain a waiting list for grants after the cumulative value of
112 the grants awarded have fully obligated the appropriation,
113 unless otherwise expressly authorized by the Legislature.

114 (e) When recommended by a hurricane mitigation inspection
115 report, grants for eligible associations may be used for the
116 following improvements:

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117 1. Opening protection, including exterior doors, garage
 118 doors, windows, and skylights.

119 2. Roof-related improvements, as follows:

120 a. For buildings with a pitched roof:

121 (I)2- Reinforcing roof-to-wall connections.

122 (II)3- Improving the strength of roof-deck attachments.

123 (III)4- Providing secondary water resistance for the roof.

124 (IV) Replacing the roof covering, if necessary, for any of
 125 the improvements listed in sub-sub-subparagraphs (I)-(III).

126 b. For buildings with a flat roof,

127 ~~(f) Grants may be used for a previously inspected existing~~
 128 ~~structure on the property.~~

129 ~~(g)1-~~ if improvements to protect the property that which
 130 complied with the current applicable building code at the time
 131 have been previously installed, the association must use a
 132 mitigation grant to install improvements that do both of the
 133 following:

134 (I)a- Comply with or exceed the applicable building code in
 135 effect at the time the association applied for the grant.

136 (II)b- Provide more hurricane protection than the
 137 improvements that the association previously installed.

138 (f)2- The association may not use a mitigation grant to:

139 1.a- Install the same type of improvements that were
 140 previously installed; or

141 2.b- Pay a deductible for a pending insurance claim for
 142 damage that is part of the property for which grant funds are
 143 being received.

144 (g)(h) The department shall develop a process that ensures
 145 the most efficient means to collect and verify inspection and

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146 grant applications to determine eligibility. The department may
 147 direct hurricane mitigation inspectors to collect and verify
 148 inspection and grant application information or use the Internet
 149 or other electronic means to collect information and determine
 150 eligibility.

151 Section 2. This act shall take effect July 1, 2025.



CHIEF FINANCIAL OFFICER
JIMMY PATRONIS
STATE OF FLORIDA

January 30, 2025

Honorable Ben Albritton
President
Florida Senate
409 The Capitol
404 S. Monroe Street
Tallahassee, Florida 32399-1100

Honorable Daniel Perez
Speaker
Florida House of Representatives
420 The Capitol
402 S. Monroe Street
Tallahassee, Florida 32399-1300

Re: Annual My Safe Florida Condominium Pilot Activities Report

Gentlemen:

Attached please find the first Annual My Safe Florida Condominium Pilot Activities Report for 2024, sent to you pursuant to Fla. Stat. 215.55871(7). It should be noted that since the program launched on November 14, 2024, there were no grants awarded during the 2024 calendar year, therefore this report is limited to administrative activities and inspection data only.

Sincerely,

A handwritten signature in blue ink, appearing to read "S. Fielder".

Steven Fielder
Chief Business Officer

Project Team:	<i>DFS staff, Tidal Basin, and International Association of Certified Home Inspectors.</i>
Period:	<i>July 1, 2024 – December 31, 2024</i>
Submission Date:	<i>February 1, 2025</i>

1 – MY SAFE FLORIDA CONDOMINIUM PILOT REPORT

A. Purpose

Pursuant to section 215.55871(7), Florida Statutes, the Department of Financial Services is to submit an annual report on activities of the My Safe Florida Home Condominium Pilot Program that account for the use of state funds. The report must also include statistical information for the number of home inspections requested, number of home inspections performed, the number of grant applications received, the number and value of grants approved, the average annual amount of insurance premium discounts and the total annual amount of insurance premium discounts homeowners received from insurers as a result of mitigation funded through the program.

B. Summary of Administrative Activities – April 2024 through Dec 31, 2024

- April/May of 2024 – DFS created a “Statement of Work” document to solicit responses to a Request for Quote (RFQ). The RFQ is to solicit responses from vendors on the state term contract for Management and Consultant Services to run the pilot program.
- May 2nd – DFS launched an information page only for the Condo Pilot on the MSFH page. This page allows interested parties to sign up via email to receive updates on program launch.
- May 17, 2024 - RFQ was posted in Ariba System.
- June 7, 2024 – Questions due back to DFS from respondents.
- June 21, 2024 – Answers to questions posted.
- July 10, 2024 – Final proposals due from respondents.
- August 1, 2024 – Purchase order issued to Tidal Basin to run the pilot program.
- September – DFS and Tidal Basin created and edited Request for Proposal for posting on the state Vendor Bid System.
- October 7 - DFS posted Request for Proposal (RFP) to solicit inspection companies to conduct inspections on condominium buildings.
- October thru November – Tidal Basin and DFS Office of General Council worked on program rules and forms to prepare for go-live.
- October 18th – Questions due from respondents to the RFP
- October 23rd – DFS Posted responses to questions on the RFP on the Vendor Bid System as well as an addendum to the RFP itself.
- November 5th – Responses due to the RFP and public opening of bids occurred.
- November 12th – Intent to award was posted on the vendor bid system. Intended awardee is International Association of Certified Home Inspectors
- November 13th – Tidal Basin sends email notifications to anyone who requested to be notified when the program was launching.

C. Summary of Inspection Activities – Nov 14 through Dec 31, 2022

- November 14th – Tidal Basin launches online portal and allows associations to begin completing applications for inspections only but not grants.
- November 14 thru 20 – Tidal Basin reviews inspection applications, requests additional information from applicants as needed and begins to approve requests for inspections.

- November 19th – Online application portal is closed as there are enough applications to utilize all available grant funding.
- Inspections requested – 174
- Inspections approved - 165
- Inspections performed – None – (Condo inspections did not commence until 2025.)

D. Summary of Grant Activities – Nov 14 through Dec 31, 2024

- The Program did not accept any grant applications in 2024 as none of the associations had a complete inspection prior to the end of the year. A completed initial inspection is required prior to completing the grant application.

E. Summary of Premium Discounts – Nov 14 through Dec 31, 2024

- Average annual amount of insurance premium discounts: N/A
- Total annual amount of insurance premium discounts: N/A



The Florida Senate

Committee Agenda Request

To: Senator Blaise Ingoglia, Chair
Committee on Banking and Insurance

Subject: Committee Agenda Request

Date: February 21, 2025

I respectfully request that **Senate Bill #592**, relating to My Safe Florida Home Condominium Program, be placed on the:

- committee agenda at your earliest possible convenience.
- next committee agenda.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tom Leek", written over a horizontal line.

Sen. Tom Leek
Florida Senator, District 7

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to Senate professional staff conducting the meeting

03/03/2025

Meeting Date

SB 592

Bill Number or Topic

Banking & Insurance

Committee

Amendment Barcode (if applicable)

Name Jennifer Ashton

Phone 941-773-2112

Address

Email Jennifer @ Ashton - Advocacy .com

Street

City

State

Zip

Speaking: For Against Information

OR

Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

International Association of Certified Home Inspectors - InterNACHI

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

This form is part of the public record for this meeting.

March 3

Meeting Date

The Florida Senate
APPEARANCE RECORD

SB 0592

Bill Number or Topic

Banking and Insurance

Committee

Deliver both copies of this form to
Senate professional staff conducting the meeting

Amendment Barcode (if applicable)

Name Chante Jones

Phone 850-272-0551

Address 215 South Monroe St 603

Email Cejones@aarp.org

Tallahassee FL 32301

City

State

Zip

Speaking: For Against Information **OR** Waive Speaking: In Support Against

PLEASE CHECK ONE OF THE FOLLOWING:

I am appearing without compensation or sponsorship.

I am a registered lobbyist, representing:

AARP Florida

I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](https://www.flsenate.gov/2020-2022-JointRules.pdf)

This form is part of the public record for this meeting.

The Florida Senate COMMITTEE VOTE RECORD

COMMITTEE: Banking and Insurance
ITEM: SB 592
FINAL ACTION: Favorable with Committee Substitute
MEETING DATE: Monday, March 3, 2025
TIME: 1:00—3:00 p.m.
PLACE: 412 Knott Building

FINAL VOTE		SENATORS	3/03/2025 ¹ Adopted without objection		3/03/2025 ² Adopted without objection			
			Leek	Leek				
Yea	Nay		Yea	Nay	Yea	Nay	Yea	Nay
X		Boyd						
X		Burton						
X		Hooper						
X		Martin						
X		Osgood						
X		Passidomo						
X		Pizzo						
X		Truenow						
X		Sharief, VICE CHAIR						
X		Ingoglia, CHAIR						
10	0	TOTALS	RCS	-	RCS	-		
Yea	Nay		Yea	Nay	Yea	Nay	Yea	Nay

CODES: FAV=Favorable RCS=Replaced by Committee Substitute TP=Temporarily Postponed WD=Withdrawn
UNF=Unfavorable RE=Replaced by Engrossed Amendment VA=Vote After Roll Call OO=Out of Order
-R=Reconsidered RS=Replaced by Substitute Amendment VC=Vote Change After Roll Call AV=Abstain from Voting

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Rules

BILL: SPB 7008

INTRODUCER: Banking and Insurance Committee

SUBJECT: Public Records/Records of Insurers/Financial Technology Sandbox

DATE: February 28, 2025 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Moody	Knudson	BI	Pre-Meeting
2.				

I. Summary:

SPB 7008 saves from repeal the current public records exemption for certain information held by the Office of Financial Regulation (OFR) for certain records containing proprietary business information related to the Financial Technology Sandbox, which offers financial technology innovators a more flexible regulatory framework to operate in Florida for a limited time. Specifically, the bill makes confidential and exempt from public disclosure the following records:

- The reasons why the general law or rule requirements for which an exception or waiver is sought prevent the innovative financial product or service from being made available to consumers;
- Certain information submitted to the OFR to consider in deciding whether to approve an application for the Financial Technology Sandbox; and
- Information provided for evaluation of whether the applicant has a sufficient plan to test, monitor, and assess the innovative financial product or service.

The Open Government Sunset Review Act requires the Legislature to review each public record exemption 5 years after enactment. The affected exemption stands repealed on October 2, 2025, unless reenacted by the Legislature. This bill removes the scheduled repeal of the exemptions, thereby continuing the exempt status of the information.

Government agencies will incur costs related to the redaction of records in responding to public records requests.

The bill takes effect October 1, 2025.

II. Present Situation:

Access to Public Records – Generally

The Florida Constitution provides that the public has the right to inspect or copy records made or received in connection with official governmental business.¹ The right to inspect or copy applies to the official business of any public body, officer, or employee of the state, including all three branches of state government, local governmental entities, and any person acting on behalf of the government.²

Additional requirements and exemptions related to public records are found in various statutes and rules, depending on the branch of government involved. For instance, s. 11.0431, F.S., provides public access requirements for legislative records. Relevant exemptions are codified in s. 11.0431(2)-(3), F.S., and the statutory provisions are adopted in the rules of each house of the Legislature.³ Florida Rule of Judicial Administration 2.420 governs public access to judicial branch records.⁴ Lastly, chapter 119, F.S., provides requirements for public records held by executive agencies.

Executive Agency Records – The Public Records Act

Chapter 119, F.S., known as the Public Records Act, provides that all state, county, and municipal records are open for personal inspection and copying by any person, and that providing access to public records is a duty of each agency.⁵

A public record includes virtually any document or recording, regardless of its physical form or how it may be transmitted.⁶ The Florida Supreme Court has interpreted the statutory definition of “public record” to include “material prepared in connection with official agency business which is intended to perpetuate, communicate, or formalize knowledge of some type.”⁷

The Florida Statutes specify conditions under which public access to public records must be provided. The Public Records Act guarantees every person’s right to inspect and copy any public record at any reasonable time, under reasonable conditions, and under supervision by the

¹ FLA. CONST., art. I, s. 24(a).

² *Id.*

³ See Rule 1.48, *Rules and Manual of the Florida Senate* (2024-2026), and Rule 14.1, *Rules of the Florida House of Representatives* (2024-2026).

⁴ *State v. Wooten*, 260 So. 3d 1060 (Fla. 4th DCA 2018).

⁵ Section 119.01(1), F.S. Section 119.011(2), F.S., defines “agency” as “any state, county, district, authority, or municipal officer, department, division, board, bureau, commission, or other separate unit of government created or established by law including, for the purposes of this chapter, the Commission on Ethics, the Public Service Commission, and the Office of Public Counsel, and any other public or private agency, person, partnership, corporation, or business entity acting on behalf of any public agency.”

⁶ Section 119.011(12), F.S., defines “public record” to mean “all documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the physical form, characteristics, or means of transmission, made or received pursuant to law or ordinance or in connection with the transaction of official business by any agency.”

⁷ *Shevin v. Byron, Harless, Schaffer, Reid and Assoc., Inc.*, 379 So. 2d 633, 640 (Fla. 1980).

custodian of the public record.⁸ A violation of the Public Records Act may result in civil or criminal liability.⁹

The Legislature may exempt public records from public access requirements by passing a general law by a two-thirds vote of both the House and the Senate.¹⁰ The exemption must state with specificity the public necessity justifying the exemption and must be no broader than necessary to accomplish the stated purpose of the exemption.¹¹

General exemptions from the public records requirements are contained in the Public Records Act.¹² Specific exemptions often are placed in the substantive statutes relating to a particular agency or program.¹³

When creating a public records exemption, the Legislature may provide that a record is “exempt” or “confidential and exempt.” Custodians of records designated as “exempt” are not prohibited from disclosing the record; rather, the exemption means that the custodian cannot be compelled to disclose the record.¹⁴ Custodians of records designated as “confidential and exempt” may not disclose the record except under circumstances specifically defined by the Legislature.¹⁵

Open Government Sunset Review Act

The Open Government Sunset Review Act¹⁶ (the Act) prescribes a legislative review process for newly created or substantially amended¹⁷ public records or open meetings exemptions, with specified exceptions.¹⁸ It requires the automatic repeal of such exemption on October 2 of the fifth year after creation or substantial amendment, unless the Legislature reenacts the exemption.¹⁹

The Act provides that a public records or open meetings exemption may be created or maintained only if it serves an identifiable public purpose and is no broader than is necessary.²⁰

⁸ Section 119.07(1)(a), F.S.

⁹ Section 119.10, F.S. Public records laws are found throughout the Florida Statutes, as are the penalties for violating those laws.

¹⁰ FLA. CONST., art. I, s. 24(c).

¹¹ *Id. See, e.g., Halifax Hosp. Medical Center v. News-Journal Corp.*, 724 So. 2d 567 (Fla. 1999) (holding that a public meetings exemption was unconstitutional because the statement of public necessity did not define important terms and did not justify the breadth of the exemption); *Baker County Press, Inc. v. Baker County Medical Services, Inc.*, 870 So. 2d 189 (Fla. 1st DCA 2004) (holding that a statutory provision written to bring another party within an existing public records exemption is unconstitutional without a public necessity statement).

¹² *See, e.g., s. 119.071(1)(a), F.S.* (exempting from public disclosure examination questions and answer sheets of examinations administered by a governmental agency for the purpose of licensure).

¹³ *See, e.g., s. 213.053(2)(a), F.S.* (exempting from public disclosure information contained in tax returns received by the Department of Revenue).

¹⁴ *See Williams v. City of Minneola*, 575 So. 2d 683, 687 (Fla. 5th DCA 1991).

¹⁵ *WFTV, Inc. v. The School Board of Seminole*, 874 So. 2d 48 (Fla. 5th DCA 2004).

¹⁶ Section 119.15, F.S.

¹⁷ An exemption is considered to be substantially amended if it is expanded to include more records or information or to include meetings as well as records. Section 119.15(4)(b), F.S.

¹⁸ Section 119.15(2)(a) and (b), F.S., provide that exemptions that are required by federal law or are applicable solely to the Legislature or the State Court System are not subject to the Open Government Sunset Review Act.

¹⁹ Section 119.15(3), F.S.

²⁰ Section 119.15(6)(b), F.S.

An exemption serves an identifiable public purpose if it meets one of the following purposes *and* the Legislature finds that the purpose of the exemption outweighs open government policy and cannot be accomplished without the exemption:

- It allows the state or its political subdivisions to effectively and efficiently administer a governmental program, which administration would be significantly impaired without the exemption;²¹
- It protects sensitive, personal information, the release of which would be defamatory, cause unwarranted damage to the good name or reputation of the individual, or would jeopardize the individual's safety. If this public purpose is cited as the basis of an exemption, however, only personal identifying information is exempt;²² or
- It protects information of a confidential nature concerning entities, such as trade or business secrets.²³

The Act also requires specified questions to be considered during the review process.²⁴ In examining an exemption, the Act directs the Legislature to carefully question the purpose and necessity of reenacting the exemption.

If the exemption is continued and expanded, then a public necessity statement and a two-thirds vote for passage are required.²⁵ If the exemption is continued without substantive changes or if the exemption is continued and narrowed, then a public necessity statement and a two-thirds vote for passage are *not* required. If the Legislature allows an exemption to sunset, the previously exempt records will remain exempt unless provided for by law.²⁶

Public Record Exemption Related to Financial Technology Sandbox

The Financial Technology Sandbox is intended to allow financial technology innovators to test innovative financial products or services in a supervised, flexible regulatory sandbox, using waivers of specified general law and corresponding rule requirements under defined conditions.²⁷

The Financial Technology Sandbox makes confidential and exempt from public inspection and copying the following records relating to the Financial Technology Sandbox applications because they contain proprietary business information:²⁸

²¹ Section 119.15(6)(b)1., F.S.

²² Section 119.15(6)(b)2., F.S.

²³ Section 119.15(6)(b)3., F.S.

²⁴ Section 119.15(6)(a), F.S. The specified questions are:

- What specific records or meetings are affected by the exemption?
- Whom does the exemption uniquely affect, as opposed to the general public?
- What is the identifiable public purpose or goal of the exemption?
- Can the information contained in the records or discussed in the meeting be readily obtained by alternative means? If so, how?
- Is the record or meeting protected by another exemption?
- Are there multiple exemptions for the same type of record or meeting that it would be appropriate to merge?

²⁵ FLA. CONST. art. I, s. 24(c). *See generally* s. 119.15, F.S.

²⁶ Section 119.15(7), F.S.

²⁷ Section 559.952, F.S.

²⁸ Section 559.952(5)(h)1., F.S.

- The reasons why any of the following general law or rule requirements for which a waiver is sought prevent the innovative financial product or service from being made available to consumers, including requirements regarding:
 - An application for consumer finance lender license,²⁹ except specified requirements such as certain fees and the OFR's authority to investigate the applicant's background.³⁰
 - A license for consumer finance lender,³¹ except that the OFR must investigate the applicant's background.³²
 - An examination or investigation of a money services business³³ only to the extent that the OFR is required to examine a licensee once every 5 years.³⁴
 - Reports by a money services business.³⁵
 - A license to engage in the business of a money transmitter or payment instrument seller during the sandbox period.³⁶
 - Providing each customer with contact information for the money services business and displaying a license at specified locations.³⁷
 - Certain license application provisions for a money services business.³⁸
 - A license renewal for a money services business³⁹ except that the OFR may prorate renewal fees in certain circumstances.⁴⁰
 - Fees for a money services business⁴¹ only to the extent that they are prorated for renewal fees as provided above.⁴²
 - A license for a payment instrument seller or money transmitter⁴³ only to the extent that the requirement prohibits a licensee from engaging in, or advertising that it engages in, the activity of a payment instrument seller or money transmitter during the sandbox period.⁴⁴
 - A license provision providing a sample form of payment instrument, if applicable.⁴⁵
 - The authority for a money transmitter to charge a different price for a money transmitter service based on the mode of transmission provided the price charged for using a credit card is not more than the price charged when the service is paid with currency or other similar means accepted within the same mode of transmission.⁴⁶

²⁹ Section 516.03(1), F.S.

³⁰ Section 559.952(5)(h)1.a., F.S.

³¹ Section 516.05(1) and (2), F.S.

³² Section 559.952(5)(h)1.a., F.S.

³³ Section 560.109, F.S.

³⁴ Section 559.952(5)(h)1.a., F.S.

³⁵ Sections 559.952(5)(h)1.a. and 560.118, F.S.

³⁶ Sections 559.952(5)(h)1.a. and 560.125(1), F.S.

³⁷ Sections 559.952(5)(h)1.a. and 560.128, F.S.

³⁸ Sections 559.952(5)(h)1.a. and 560.141, F.S.

³⁹ Section 560.142(1) and (2), F.S.

⁴⁰ Section 559.952(5)(h)1.a., F.S.

⁴¹ Section 560.143(2), F.S.

⁴² Section 559.952(5)(h)1.a., F.S.

⁴³ Section 560.204, F.S.

⁴⁴ Section 559.952(5)(h)1.a., F.S.

⁴⁵ Section 559.952(5)(h)1.a. and 560.205(2), F.S.

⁴⁶ Sections 559.952(5)(h)1.a. and 560.208(2), F.S.

- A licensed payment instrument seller and money transmitter to have a specified net worth, provide a corporate surety bond, or maintain collateral deposit in lieu of bond⁴⁷ to the extent that the OFR may lower such amounts to be commensurate with certain factors⁴⁸ and the maximum number of consumers authorized to receive the financial product or service.⁴⁹
- Specified information that the OFR must consider in deciding whether to approve or deny an application for the Financial Technology Sandbox⁵⁰ regarding the nature of the innovative financial product or service and the applicant's business plan;⁵¹ and
- Information provided for evaluation of whether the applicant has a sufficient plan to test, monitor, and assess the innovative financial product or service.⁵²

This information may be released to appropriate state and federal agencies for the purposes of investigation.⁵³

III. Effect of Proposed Changes:

Section 1 amends s. 559.952(5)(h)1., F.S., to remove the scheduled repeal date of the public record exemption for records held by the OFR that receives information related to a Financial Technology Sandbox application.

The OFR reports that 14 Financial Technology Sandbox applications have been received but none of them have been approved. The OFR states "Applicants either withdrew their application or the application was abandoned for failing to respond to requests for information."⁵⁴

Section 2 provides that the bill is effective October 1, 2025.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

Not applicable. The bill does not require counties or municipalities to take an action requiring the expenditure of funds, reduce the authority that counties or municipalities have to raise revenue in the aggregate, nor reduce the percentage of state tax shared with counties or municipalities.

⁴⁷ Section 560.209, F.S.

⁴⁸ Section 559.952(5)(c), F.S. (providing certain factors that the OFR must consider when deciding whether to approve or deny an application, such as the nature of the innovative financial product, the potential risk to consumers and methods that will be used to protect them, the business plan, and whether the applicant has the necessary personnel with adequate expertise).

⁴⁹ Section 559.952(5)(h)1.a., F.S.

⁵⁰ Section 559.952(5)(h)1.b., F.S.

⁵¹ Section 559.952(5)(c)1. and 3., F.S.

⁵² Section 559.952(5)(c)4. and (h)1.c., F.S.

⁵³ *Id.*

⁵⁴ The OFR, *OGSR Questionnaire*, p. 2 (July 26, 2024) (on file with the Senate Committee on Banking and Insurance).

B. Public Records/Open Meetings Issues:**Vote Requirement**

Article I, s. 24(c) of the State Constitution requires a two-thirds vote of the members present and voting for final passage of a bill creating or expanding an exemption to the public records requirements. This bill continues a current public records exemption beyond its current date of repeal. The bill does not create or expand an exemption. Thus, the bill does not require an extraordinary vote for enactment.

Public Necessity Statement

Article I, s. 24(c) of the State Constitution requires a bill creating or expanding an exemption to the public records requirements to state with specificity the public necessity justifying the exemption. This bill continues a current public records and public meetings exemption without expansion. Thus, a statement of public necessity is not required.

Breadth of Exemption

Article I, s. 24(c) of the State Constitution requires an exemption to the public records requirements to be no broader than necessary to accomplish the stated purpose of the law. The exemption in the bill does not appear to be broader than necessary to accomplish the purpose of the law. The bill provides the specific information that would be made exempt to prevent the unintentional release of information that may injure the subject financial technology innovator applying for a license under the Financial Technology Sandbox by providing competitors with confidential business information.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

The private sector will continue to be subject to the cost associated with an agency's review and redactions of exempt records in response to a public records request.

C. Government Sector Impact:

The government sector will continue to incur costs related to the review and redaction of exempt records associated with responding to public records requests.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill amends the following section of the Florida Statutes: 559.952.

IX. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

B. Amendments:

None.

FOR CONSIDERATION By the Committee on Banking and Insurance

597-02017-25

20257008pb

A bill to be entitled

An act relating to a review under the Open Government Sunset Review Act; amending s. 559.952, F.S., which provides for an exemption from public records requirements for certain records provided to and held by the Office of Financial Regulation relating to the Financial Technology Sandbox; deleting the scheduled repeal of the exemption; providing an effective date.

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

Section 1. Paragraph (h) of subsection (5) of section 559.952, Florida Statutes, is amended to read:

559.952 Financial Technology Sandbox.—

(5) FINANCIAL TECHNOLOGY SANDBOX APPLICATION; STANDARDS FOR APPROVAL.—

(h)~~4~~ The following information provided to and held by the office in a Financial Technology Sandbox application under this subsection is confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution:

1.a~~1~~ The reasons why a general law enumerated in paragraph (4)(a) prevents the innovative financial product or service from being made available to consumers.

2.b~~2~~ The information provided for evaluation of the factors specified in subparagraphs (c)1. and 3.

3.e~~3~~ The information provided for evaluation of whether the applicant has a sufficient plan to test, monitor, and assess the innovative financial product or service, under subparagraph (c)4.

Page 1 of 2

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

597-02017-25

20257008pb

However, the confidential and exempt information may be released to appropriate state and federal agencies for the purposes of investigation. Nothing in this paragraph shall be construed to prevent the office from disclosing a summary of the innovative financial product or service.

~~2. This paragraph is subject to the Open Government Sunset Review Act in accordance with s. 119.15 and shall stand repealed on October 2, 2025, unless reviewed and saved from repeal through reenactment by the Legislature.~~

Section 2. This act shall take effect October 1, 2025.

Page 2 of 2

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

The Florida Senate

COMMITTEE VOTE RECORD

COMMITTEE: Banking and Insurance
ITEM: SPB 7008
FINAL ACTION: Submitted and Reported Favorably as Committee Bill
MEETING DATE: Monday, March 3, 2025
TIME: 1:00—3:00 p.m.
PLACE: 412 Knott Building

FINAL VOTE		SENATORS						
Yea	Nay		Yea	Nay	Yea	Nay	Yea	Nay
X		Boyd						
X		Burton						
X		Hooper						
X		Martin						
X		Osgood						
X		Passidomo						
X		Pizzo						
X		Truenow						
X		Sharief, VICE CHAIR						
X		Ingoglia, CHAIR						
10	0	TOTALS						
Yea	Nay		Yea	Nay	Yea	Nay	Yea	Nay

CODES: FAV=Favorable RCS=Replaced by Committee Substitute TP=Temporarily Postponed WD=Withdrawn
 UNF=Unfavorable RE=Replaced by Engrossed Amendment VA=Vote After Roll Call OO=Out of Order
 -R=Reconsidered RS=Replaced by Substitute Amendment VC=Vote Change After Roll Call AV=Abstain from Voting

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Banking and Insurance

BILL: SPB 7010

INTRODUCER: For consideration by the Banking and Insurance Committee

SUBJECT: OGSR/Department of Financial Services

DATE: February 28, 2025 REVISED: _____

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Thomas	Knudson		Pre-meeting

I. Summary:

SPB 7010 reenacts and saves from repeal the current public records exemption for certain information held by the Department of Financial Services acting as receiver for an insolvent insurer. This information includes records relating to the personal financial and health information of insurance consumers; underwriting, personnel, payroll, and consumer claim information; Own-Risk and Solvency Assessment summary reports; corporate governance annual disclosures; and information received from the National Association of Insurance Commissioners and other governmental entities.

The Open Government Sunset Review Act requires the Legislature to review each public record and public meeting exemption 5 years after enactment. The affected exemptions are scheduled for repeal on October 2, 2025. The bill removes the scheduled repeal date to continue the exempt status.

The bill is not expected to impact state and local revenues and expenditures.

The bill takes effect October 1, 2025.

II. Present Situation:

Public Records Law

The Florida Constitution provides that the public has the right to inspect or copy records made or received in connection with official governmental business.¹ This applies to the official business of any public body, officer, or employee of the state, including all three branches of state government, local governmental entities, and any person who acts on behalf of the government.²

¹ FLA. CONST., art. I, s. 24(a).

² *Id.*

In addition to the Florida Constitution, the Florida Statutes provide that the public may access legislative and executive branch records.³ Chapter 119, F.S., constitutes the main body of public records laws, and is known as the Public Records Act.⁴ The Public Records Act states that:

It is the policy of this state that all state, county and municipal records are open for personal inspection and copying by any person. Providing access to public records is a duty of each agency.⁵

According to the Public Records Act, a public record includes virtually any document or recording, regardless of its physical form or how it may be transmitted. Section 119.011(12), F.S., defines “public records” to include:

all documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the physical form, characteristics, or means of transmission, made or received pursuant to law or ordinance or in connection with the transaction of official business by any agency.⁶

The Florida Supreme Court has interpreted this definition to encompass all materials made or received by an agency in connection with official business which are used to “perpetuate, communicate, or formalize knowledge of some type.”⁷

The Florida Statutes specify conditions under which public access to governmental records must be provided. The Public Records Act guarantees every person’s right to inspect and copy any government public record at any reasonable time, under reasonable conditions, and under supervision by the custodian of the public record.⁸ A violation of the Public Records Act may result in civil or criminal liability.⁹

The Public Records Act contains general exemptions that apply across agencies. Agency or program-specific exemptions often are placed in the substantive statutes relating to that particular agency or program. Only the Legislature may create an exemption to public records requirements.¹⁰ An exemption must be created by general law and must specifically state the public necessity which justifies the exemption.¹¹ Further, the exemption must be no broader than necessary to accomplish the stated purpose of the law. A bill that enacts an exemption may not

³ The Public Records Act does not apply to legislative or judicial records. *Locke v. Hawkes*, 595 So. 2d 32 (Fla. 1992). Also see *Times Pub. Co. v. Ake*, 660 So. 2d 255 (Fla. 1995). The Legislature’s records are public pursuant to s. 11.0431, F.S. Public records exemptions for the Legislature are primarily located in s. 11.0431(2)-(3), F.S.

⁴ Public records laws are found throughout the Florida Statutes.

⁵ Section 119.01(1), F.S.

⁶ Section 119.011(2), F.S., defines “agency” as “any state, county, district, authority, or municipal officer, department, division, board, bureau, commission, or other separate unit of government created or established by law including, for the purposes of this chapter, the Commission on Ethics, the Public Service Commission, and the Office of Public Counsel, and any other public or private agency, person, partnership, corporation, or business entity acting on behalf of any public agency.”

⁷ *Shevin v. Byron, Harless, Schaffer, Reid and Assoc. Inc.*, 379 So. 2d 633, 640 (Fla. 1980).

⁸ Section 119.07(1)(a), F.S.

⁹ Section 119.10, F.S. Public records laws are found throughout the Florida Statutes, as are the penalties for violating those laws.

¹⁰ FLA. CONST., art. I, s. 24(c).

¹¹ *Id.*

contain other substantive provisions¹² and must pass by a two-thirds vote of the members present and voting in each house of the Legislature.¹³

When creating a public records exemption, the Legislature may provide that a record is “exempt” or “confidential and exempt.” There is a difference between records the Legislature has determined to be exempt from the Public Records Act and those which the Legislature has determined to be exempt from the Public Records Act *and confidential*.¹⁴ Records designated as “confidential and exempt” are not subject to inspection by the public and may only be released under the circumstances defined by statute.¹⁵ Records designated as “exempt” may be released at the discretion of the records custodian under certain circumstances.¹⁶

Open Government Sunset Review Act

The provisions of s. 119.15, F.S., known as the Open Government Sunset Review Act (the Act), prescribe a legislative review process for newly created or substantially amended public records or open meetings exemptions,¹⁷ with specified exceptions.¹⁸ The Act requires the repeal of such exemption on October 2nd of the fifth year after creation or substantial amendment; in order to save an exemption from repeal, the Legislature must reenact the exemption or repeal the sunset date.¹⁹ In practice, many exemptions are continued by repealing the sunset date, rather than reenacting the exemption.

The Act provides that a public records or open meetings exemption may be created or maintained only if it serves an identifiable public purpose and is no broader than is necessary.²⁰ An exemption serves an identifiable purpose if the Legislature finds that the purpose of the exemption outweighs open government policy and cannot be accomplished without the exemption, and it meets one of the following purposes:

- It allows the state or its political subdivisions to effectively and efficiently administer a governmental program, which administration would be significantly impaired without the exemption;²¹
- It protects sensitive, personal information, the release of which would be defamatory, cause unwarranted damage to the good name or reputation of the individual, or would jeopardize the individual’s safety. If this public purpose is cited as the basis of an exemption, however, only personal identifying information is exempt;²² or

¹² The bill may, however, contain multiple exemptions that relate to one subject.

¹³ FLA. CONST., art. I, s. 24(c).

¹⁴ *WFTV, Inc. v. The Sch. Bd. of Seminole County*, 874 So. 2d 48, 53 (Fla. 5th DCA 2004).

¹⁵ *Id.*

¹⁶ *Williams v. City of Minneola*, 575 So. 2d 683 (Fla. 5th DCA 1991).

¹⁷ An exemption is considered to be substantially amended if it is expanded to include more records or information or to include meetings as well as records. Section 119.15(4)(b), F.S.

¹⁸ Section 119.15(2)(a) and (b), F.S., provides that exemptions required by federal law or applicable solely to the Legislature or the State Court System are not subject to the Open Government Sunset Review Act.

¹⁹ Section 119.15(3), F.S.

²⁰ Section 119.15(6)(b), F.S.

²¹ Section 119.15(6)(b)1., F.S.

²² Section 119.15(6)(b)2., F.S.

- It protects information of a confidential nature concerning entities, such as trade or business secrets.²³

The Act requires specified questions to be considered during the review process.²⁴ In examining an exemption, the Act directs the Legislature to question the purpose and necessity of reenacting the exemption. If, in reenacting an exemption or repealing the sunset date, the exemption is expanded, then a public necessity statement and a two-thirds vote for passage are required.²⁵ If the exemption is reenacted or saved from repeal without substantive changes or if the exemption is narrowed, then a public necessity statement and a two-thirds vote for passage are *not* required. If the Legislature allows an exemption to expire, the previously exempt records will remain exempt unless otherwise provided by law.²⁶

Public Record Exemption Related to Records of Insolvent Insurers

Along with the Department of Financial Services (DFS), the Office of Insurance Regulation (OIR) is tasked with enforcing the provisions of the Florida Insurance Code, chs. 624-632, 634-636, 641-642, 648 and 651, F.S.²⁷ OIR is responsible for examining the affairs, transactions, accounts, records, and assets of each authorized insurer.²⁸ In the event that the OIR determines that one or more grounds²⁹ for the initiation of delinquency proceedings against an insurer exist, such as insolvency,³⁰ the Insurers Rehabilitation and Liquidation Act³¹ requires the Director of the OIR to notify the DFS of that determination, and to provide the DFS with all necessary

²³ Section 119.15(6)(b)3., F.S.

²⁴ Section 119.15(6)(a), F.S. The specific questions are:

- What specific records or meetings are affected by the exemption?
- Whom does the exemption uniquely affect, as opposed to the general public?
- What is the identifiable public purpose or goal of the exemption?
- Can the information contained in the records or discussed in the meeting be readily obtained by alternative means? If so, how?
- Is the record or meeting protected by another exemption?
- Are there multiple exemptions for the same type of record or meeting that it would be appropriate to merge?

²⁵ FLA. CONST. art. I, s. 24(c).

²⁶ Section 119.15(7), F.S.

²⁷ See Sections 624.307(1) and 624.01, F.S.

²⁸ Section 624.316(1)(a), F.S.

²⁹ Grounds for rehabilitation generally include, but are not limited to, impairment, insolvency, failure to comply with OIR orders or to submit records for examination, and other violations of law. See Section 631.051, F.S. Grounds for liquidation include imminent or actual insolvency, an attempt or actual commencement of voluntary liquidation or dissolution, and a failure to timely complete organization and obtain a certificate of authority. Section 631.061, F.S. The DFS may also apply to the circuit court for an order appointing it as ancillary receiver of, and directing it to liquidate the business and assets of, a foreign insurer which has assets, business, or claims in this state upon the appointment in the domiciliary state of such insurer of a receiver, liquidator, conservator, rehabilitator, or other officer by whatever name called for the purpose of liquidating the business of such insurer. Section 631.091, F.S. Grounds for conservation of foreign insurers include the same as those for rehabilitation and liquidation, or when the insurer's property has been sequestered in its domiciliary sovereignty or in any other sovereignty. Section 631.071, F.S. Grounds for the conservation of alien insurers are the same but additionally include an insurer's failures to timely comply with an OIR order to make good an impairment of trusteed funds. Section 631.081, F.S.

³⁰ "Insolvency" means that all the assets of the insurer, if made immediately available, would not be sufficient to discharge all its liabilities or that the insurer is unable to pay its debts as they become due in the usual course of business. Section 631.011(14), F.S. Depending on the context, insolvency also includes and is defined as "impairment of surplus" and "impairment of capital" as defined in s. 631.011(13) and (12), F.S., respectively.

³¹ Part I of Chapter 631, F.S.

documentation and evidence, thereby enabling the DFS to initiate the delinquency proceeding.³² This documentation and evidence may include confidential and sensitive information. Upon such notice, the DFS is tasked with initiating delinquency proceedings pursuant to ch. 631, F.S., which constitute the sole and exclusive method of liquidating, rehabilitating, reorganizing, or conserving an insurer.³³

The nature of the DFS's statutory duties regarding delinquency proceedings require the DFS to assume custodianship of insurer records. When the DFS is appointed as receiver of an insurer during the course of a delinquency proceeding, Florida Statutes expressly vest the DFS with the title to all of the property of the insurer, including all of the books and records, wherever located.³⁴ Similarly, orders to rehabilitate or liquidate a domestic insurer must direct the DFS to take possession of the property of the insurer.³⁵ Orders to liquidate the business of a United States branch of an alien insurer having trusteed assets in this state shall be on the same terms as those prescribed for domestic insurers, but the DFS only takes possession of the assets within that branch.³⁶ Orders to conserve the assets of a foreign or alien insurer likewise must require the DFS to take possession of the property of the insurer within this state.³⁷

Section 631.195(2), F.S., provides that the following records of an insurer which are made or received by the DFS, acting as receiver for an insolvent insurer, are confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution:

- All personal financial and health information of a consumer.
- Underwriting files of a type customarily maintained by an insurer transacting lines of insurance similar to those lines transacted by the insurer.
- Personnel and payroll records of the insurer.
- Consumer claim files.
- An own-risk and solvency assessment (ORSA) summary report, a substantially similar ORSA summary report, and supporting documents submitted to the OIR pursuant to s. 628.8015, F.S.
- A corporate governance annual disclosure and supporting documents submitted to the OIR pursuant to s. 628.8015, F.S.
- Information received from the National Association of Insurance Commissioners (NAIC), a governmental entity in this or another state, the Federal Government, or a government of another nation which is confidential or exempt if held by that entity and which is held by the DFS for use in the performance of its duties relating to insurer solvency.

There are limited circumstances under which the DFS may disclose this confidential and exempt information, including:

- To any state or federal agency, upon written request, if disclosure is necessary for the receiving entity to perform its duties and responsibilities.

³² Section 631.031(1), F.S.

³³ Section 631.021(3), F.S.

³⁴ See s. 631.141(1)-(2), F.S.

³⁵ See ss. 631.101 and 631.111, F.S., respectively.

³⁶ Section 631.121, F.S.

³⁷ Section 631.131(1), F.S.

- To comply with a properly authorized civil, criminal, or regulatory investigation or a subpoena or summons by a federal, state, or local authority.
- To the NAIC and its affiliates and subsidiaries, if the recipient agrees in writing to maintain the confidential and exempt status of the records.
- To the guaranty associations and funds of the various states which are receiving, adjudicating, and paying claims of the insolvent insurer subject to delinquency proceedings pursuant to this chapter.
- Upon written request, to persons identified as designated employees as described in s. 626.989(4)(d), whose responsibilities include the investigation and disposition of claims relating to suspected fraudulent insurance acts
- In the case of personal financial and health information of a consumer, upon written request of the consumer or the consumer's legally authorized representative.³⁸

Consumer Personal Financial and Health Information

Insurance companies routinely possess records of policyholders and claimants during the normal course of business which include personal, private financial and medical information. Such information held by solvent insurers is not freely available to any person or entity. If such records are made available, it is usually through confidentiality agreements or court orders, and with reference to certain state and federal privileges and confidentiality laws and regulations. The Legislature often enacts public records exemptions to restrict disclosure of private financial and medical information, an example of which is found in s. 624.23, F.S., which makes confidential and exempt the personal financial and health information held by the DFS or the OIR relating to a consumer's complaint or inquiry regarding a matter or activity regulated under the Florida Insurance Code or s. 440.191, F.S.

ORSA Summary Reports and Corporate Governance Annual Disclosures

Section 624.4212(3)(a)-(b), F.S., provides that, except for information obtained by the OIR that would otherwise be available for public inspection, the following information held by the OIR is confidential and exempt from the disclosure requirements of s. 119.07(1), F.S. and s. 24(a), Art. I of the State Constitution:

- *ORSA Reports.* Own-Risk and Solvency Assessments (ORSA) are internal assessments conducted by insurers and insurance groups of the material and relevant risks associated with their business plan and the sufficiency of their capital resources to support those risks.³⁹ An ORSA Summary Report is a high-level ORSA summary of an insurer or insurance group, consisting of a single report or combination of reports.⁴⁰ Insurers are required to conduct an ORSA at least annually.⁴¹ Unless an insurer or insurance group is exempted from this requirement or compliance is otherwise waived, insurers must submit an ORSA summary report to the OIR once every calendar year.⁴²

³⁸ Section 631.195(4)(a)-(f), F.S.

³⁹ Section 628.8015(1)(d), F.S.

⁴⁰ Section 628.8015(1)(f), F.S.

⁴¹ Section 628.8015(2)(b), F.S.

⁴² Section 628.8015(2)(c)1.a.(I), F.S. See Section 628.8015(2)(d), F.S., for exemptions, and s. 628.8015(2)(e), F.S., for waiver requirements.

- *Corporate Governance Annual Disclosures.* Corporate governance annual disclosures are reports filed with the OIR by insurers and insurance groups which describe the corporate governance framework and structure of the insurer or insurance group, the policies and practices for directing senior management and of the most senior governing entity and its significant committees, and the processes by which the board, its committees, and senior management ensure the appropriate amount of oversight to critical risk areas that impact the insurer's business activities.⁴³ Insurers, or insurer members of an insurance group of which the OIR is the lead state regulator, must submit corporate governance annual disclosure to the OIR annually.⁴⁴

III. Effect of Proposed Changes:

The Open Government Sunset Review Act requires the Legislature to review each public record and public meeting exemption 5 years after enactment. The affected exemptions are scheduled for repeal on October 2, 2025. The bill removes the scheduled repeal to continue the exempt status.

Section 1 amends s. 631.195(5), F.S., to save from repeal the current public records exemption for certain information held by the Department of Financial Services acting as receiver for an insolvent insurer. This information includes records relating to the personal financial and health information of insurance consumers; underwriting, personnel, payroll, and consumer claim information; Own-Risk and Solvency Assessment summary reports; corporate governance annual disclosures; and information received from the National Association of Insurance Commissioners and other governmental entities, which, if not exempted from the public records disclosure requirements of s. 119.07(1), F.S., and s. 24(a), Art. I of the Florida Constitution, may result in public disclosure of traditionally private financial and health information and thereby create the opportunity for theft and fraud, jeopardizing the financial security of the subject person(s), as well as, information of a confidential nature concerning entities, such as trade or business secrets.

Section 2 provides that the bill is effective October 1, 2025.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

Not applicable. The bill does not require counties or municipalities to take an action requiring the expenditure of funds, reduce the authority that counties or municipalities have to raise revenue in the aggregate, nor reduce the percentage of state tax shared with counties or municipalities.

B. Public Records/Open Meetings Issues:

Vote Requirement

⁴³ Section 628.8015(1)(a) and (3)(c)4.a.-d., F.S.

⁴⁴ Section 628.8015(3)(b)1.a.-c., F.S.

Article I, s. 24(c) of the State Constitution requires a two-thirds vote of the members present and voting for final passage of a bill creating or expanding an exemption to the public records requirements. This bill continues a current public records and public meetings exemption beyond its current date of repeal. The bill does not create or expand an exemption. Thus, the bill does not require an extraordinary vote for enactment.

Public Necessity Statement

Article I, s. 24(c) of the State Constitution requires a bill creating or expanding an exemption to the public records requirements to state with specificity the public necessity justifying the exemption. This bill continues a current public records and public meetings exemption without expansion. Thus, a statement of public necessity is not required.

Breadth of Exemption

Article I, s. 24(c) of the State Constitution requires an exemption to the public records requirements to be no broader than necessary to accomplish the stated purpose of the law. The exemption in the bill does not appear to be broader than necessary to accomplish the purpose of the law. The bill provides the specific information that would be made exempt to prevent the unintentional release of information that may subject persons to identity theft, financial harm, or other adverse impacts, as well as, information of a confidential nature concerning entities, such as trade or business secrets.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The private sector will continue to be subject to the cost associated with an agency's review and redactions of exempt records in response to a public records request.

C. Government Sector Impact:

The government sector will continue to incur costs related to the review and redaction of exempt records associated with responding to public records requests.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following section of the Florida Statutes: 631.195.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

FOR CONSIDERATION By the Committee on Banking and Insurance

597-02016-25

20257010pb

1 A bill to be entitled
2 An act relating to a review under the Open Government
3 Sunset Review Act; amending s. 631.195, F.S., which
4 provides exemptions from public records requirements
5 for records made or received by the Department of
6 Financial Services when the department is acting as a
7 receiver; deleting the scheduled repeal of the
8 exemption; providing an effective date.

9
10 Be It Enacted by the Legislature of the State of Florida:

11
12 Section 1. Subsection (5) of section 631.195, Florida
13 Statutes, is amended to read:

14 631.195 Records of insurers; public records exemptions.-

15 ~~(5) This section is subject to the Open Government Sunset~~
16 ~~Review Act in accordance with s. 119.15 and shall stand repealed~~
17 ~~on October 2, 2025, unless reviewed and saved from repeal~~
18 ~~through reenactment by the Legislature.~~

19 Section 2. This act shall take effect October 1, 2025.

The Florida Senate
COMMITTEE VOTE RECORD

COMMITTEE: Banking and Insurance
ITEM: SPB 7010
FINAL ACTION: Submitted and Reported Favorably as Committee Bill
MEETING DATE: Monday, March 3, 2025
TIME: 1:00—3:00 p.m.
PLACE: 412 Knott Building

FINAL VOTE		SENATORS						
Yea	Nay		Yea	Nay	Yea	Nay	Yea	Nay
X		Boyd						
X		Burton						
X		Hooper						
X		Martin						
X		Osgood						
X		Passidomo						
X		Pizzo						
X		Truenow						
X		Sharief, VICE CHAIR						
X		Ingoglia, CHAIR						
10	0	TOTALS						
Yea	Nay		Yea	Nay	Yea	Nay	Yea	Nay

CODES: FAV=Favorable RCS=Replaced by Committee Substitute TP=Temporarily Postponed WD=Withdrawn
UNF=Unfavorable RE=Replaced by Engrossed Amendment VA=Vote After Roll Call OO=Out of Order
-R=Reconsidered RS=Replaced by Substitute Amendment VC=Vote Change After Roll Call AV=Abstain from Voting

CourtSmart Tag Report

Room: KB 412 Case No.: -
Caption: Senate Banking & Insurance Committee

Type:
Judge:

Started: 3/3/2025 1:00:59 PM
Ends: 3/3/2025 1:22:06 PM Length: 00:21:08

1:01:19 PM Roll call
1:01:23 PM quorum is present
1:01:39 PM SB 480 by Sen. DiCeglie is TP'd
1:01:57 PM SB 282 by Sen. Truenow
1:03:26 PM no questions
1:03:30 PM amendment 402930 explained
1:04:08 PM amendment adopted
1:04:13 PM amendment 633904 explained
1:04:29 PM amendment adopted
1:04:35 PM back on the bill as amended
1:04:46 PM Tim Meenan representing the Fla. Service Agreement Ass'n. waives in support
1:05:04 PM Sen. Truenow waives close
1:05:11 PM SB 282 is recorded favorably
1:05:34 PM SPB 7008 explained by Vice Chair Sharief
1:06:25 PM question by Sen. Osgood
1:07:03 PM question answered by staff
1:07:38 PM no further questions, no debate
1:07:52 PM SPB 7008 reported favorably as a committee bill
1:08:43 PM SPB 7010 explained by Vice Chair Sharief
1:09:53 PM question by Sen. Osgood
1:11:12 PM answered by staff
1:11:19 PM Sen. Osgood follows-up
1:11:50 PM Sen. Pizzo has a question
1:12:05 PM question answered by staff
1:13:00 PM Pizzo has a follow-up question
1:13:47 PM SPB 7010 reported favorably as a committee bill
1:14:21 PM SB 592 by Sen. Leek explained
1:15:35 PM amendment 489992 explained by sponsor
1:16:11 PM amendment adopted
1:16:23 PM
1:16:26 PM amendment 179466 explained
1:16:49 PM Sen. Pizzo has question to amendment
1:17:42 PM Jennifer Ashton w/ Int'l Ass'n. of Certified Home Inspectors waives in support
1:17:51 PM Chante Jones w/ the AARP waives in support
1:18:19 PM Sen. Boyd has comments
1:18:27 PM Sen. Pizzo has comments on the bill as amended
1:19:17 PM Vice Chair Sharief offers comments
1:19:37 PM Sen. Leek waives close
1:19:44 PM SB 592 reported favorably
1:20:09 PM Sen. Pizzo shows a "yeah" vote for SB 282
1:20:40 PM Sen. Martin moves to adjourn
1:20:42 PM
1:21:02 PM