
MEMORANDUM

RE: Special Session 2022 A Report
FROM: Nick G. Matthews, Senior Government Relations Consultant
DATE: December 15, 2022

Special Session 2022A

On Monday, December 12th, 2022, the Florida Legislature convened for 2022 Special Session A, with the goal of providing much needed disaster relief, addressing Florida's fragile homeowners' insurance environment and toll relief for traveling public. The Special Session lasted three days and concluded Wednesday afternoon. This was the third Special Session of 2022. Three pieces of legislation ultimately passed and were sent to the Governor. A summary of the three bills is found below:

[SB 2A - Property Insurance by Sen. Boyd \(R-D.20\)](#)

Senate Bill 2-A is a comprehensive bill intended to ensure policyholders have access to quality and affordable private market property insurance. The bill makes several changes to state law regulating property insurance, including:

- Establishing an optional hurricane reinsurance program that insurers can purchase at "reasonable" rates called the Florida Optional Reinsurance Assistance (FORA) Program. The bill appropriates up to \$1 billion to create the FORA.
- Prohibiting the assignment, in whole or in part, of any post-loss insurance benefit under any residential property insurance policy or under any commercial property insurance policy issued on or after January 1, 2023.
- Reducing the deadline for policyholders to report a claim under the policy from 2 years to 1 year for a new or reopened claim, and from 3 years to 18 months for a supplemental claim.
- Providing that one-way attorney fee provisions are not available in a suit arising under a residential or commercial property insurance policy.

- Authorizing the Office of Insurance Regulation (OIR) to subject any insurer to a market conduct examination after a hurricane based on the handling of related property insurance claims.
- Authorizing OIR to suspend or revoke an insurer's certificate of authority or issue administrative fines and restitution if the insurer abuses the appraisal process.
- Amending the prompt pay laws to encourage the prompt payments of claims, as follows:
 - Reducing the time for insurers to pay or deny the claim from 90 to 60 days.
 - Allowing OIR to extend the 60 day period up to 30 additional days if a state of emergency, cyberattack, or computer systems failure prevents the insurer from meeting the time frames of the prompt-pay law.
 - Reducing the time for insurers to review and acknowledge a claim communication from 14 days to 7 days.
 - Reducing the time for insurer to begin an investigation from 14 days to 7 days.
 - Reducing the time for insurer to conduct a physical inspection from 45 days to 30 days and applies this requirement to hurricane claims.
 - Specifying insurers may use electronic methods to investigate the loss and allows policyholders to participate in the use of such methods.
 - Amending the Unfair Insurance Trade Practices Act to conform to changes made to the prompt pay laws by reducing the requirement to pay undisputed amounts of benefits from 90 days to 60 days.
- Making changes to the Citizens Property Insurance Corporation (Citizens) program by:
 - Increasing the eligibility threshold for Citizens renewal personal lines policyholders and new commercial residential coverage. Under the bill, policyholders are ineligible for Citizens coverage upon receiving an offer of coverage for a premium that is not more than 20 percent greater than the Citizens renewal premium.
 - Increasing the potential rates charged for coverage on risks that are not primary residences.
 - Repealing language allowing policyholders to return to Citizens at renewal if the take-out carrier increases their rates above the Citizens' glidepath.
 - Requiring Citizens personal lines residential policyholders to secure flood insurance.
- Providing conditions whereby a property insurer may include mandatory binding arbitration in its policies.

SB 4A - Disaster Relief by Sen. Hutson (R-D.7)

SB 4-A provides for several disaster relief efforts in the wake of the catastrophic 2022 Hurricane Season. The bill provides the following provisions to further supplement hurricane relief efforts across the state by:

- Extending the due dates for property taxes levied in 2022 for property owners whose property was destroyed or rendered uninhabitable by Hurricanes Ian or Nicole.
- Authorizing property tax refunds for residential properties that were made uninhabitable for at least 30 days by either hurricane for the portion of the year that the residence was unusable.
 - It is important to note, that the bill does not appropriate funding to reimburse local governments for the refunds.
- Appropriating \$350 million from the General Revenue Fund to the Division of Emergency Management (DEM) to provide the full match requirement for FEMA Public Assistance grants to local governments affected by the two hurricanes.
- Appropriating \$150 million to the Florida Housing Finance Corporation for:
 - Local governments to assist with the repair/replacement of housing, relocation costs, housing reentry, and insurance deductibles (\$60 million)
 - The Rental Recovery Loan Program to promote development and rehabilitation of affordable housing (\$90 million)
- Appropriating \$251.5 million to the Department of Environmental Protection (DEP) for:
 - Beach erosion projects (\$100 million)
 - The bill also authorizes DEP to waive any local match requirements for beach restoration projects associated with storm damage.
 - Hurricane Reimbursement Grant Program (\$50 million)
 - Hurricane Stormwater and Wastewater Assistance Grant Program (\$100 million)
 - This is a new program available to counties, municipalities, and special taxing districts that operate a stormwater or wastewater management system impacted by Hurricanes Ian or Nicole.

SB 6A Toll Relief – by Sen. DiCeglie (R-D.18)

SB 6-A directs the Florida Turnpike Enterprise (FTE) to establish a toll relief program, effective from January 1, 2023, through December 31, 2023, for all Florida toll facilities that use a prepaid electronic transponder toll system (SunPass). The bill provides SunPass users that record 35 or more transactions per month are eligible for an account credit equal to 50 percent of the amount paid for the qualifying transactions. The bill appropriates \$500 million to account for the credits.