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FLORIDA NONPROFIT AND BUSINESS GROUPS SPEAK OUT FOLLOWING SENATE AND HOUSE SUBCOMMITTEE HEARINGS

Tallahassee, Fla. – Leaders from Florida nonprofits and business groups statewide continue to voice their support for reform of Citizens Property Insurance Corp. and the Florida Hurricane Catastrophe Fund following today's Senate Banking and Insurance and House Insurance and Banking subcommittee hearings.

Thomas C. Feeney, III, President & Chief Executive Officer, Associated Industries of Florida

"With the current structure of Citizens Property Insurance Corp. and the Florida Hurricane Catastrophe Fund, every Florida business, and a large majority of Florida homeowners, continues to run the risk of potentially crippling hurricane taxes to pay the claims of a minority of homeowners as well as out of state investors. It is unfair to continue to require 77 percent of Florida homeowners to subsidize Citizens policies, in addition to 100 percent of businesses, charities, religious institutions, renters, automobile policyholders, local governments and school boards. Reform of these government-run entities is not a choice, but an absolute necessity."

Bill Newton, Executive Director, Florida Consumer Action Network

"With Florida's economy still just starting to recover and consumers worrying about costs including insurance, any insurance reform must be crafted to be fair to households who may be struggling. FCAN urges the House and Senate Insurance Committees to consider ways to mitigate risk and spread the risk. Too much risk is concentrated in Florida with the Cat Fund and Citizens. There are responsible ways to 'spread the risk' beyond our borders that would have only a minimal impact on rates. FCAN believes that Florida is not doing enough to reduce costs through mitigation. Mitigation should focus on hardening our housing stock but should also include protecting our coasts through building codes and development rules."

Jay Liles, Policy Consultant, Florida Wildlife Federation

"Florida's property insurance market is in need of a complete overhaul. The 2013 state legislative session provides our elected officials with another opportunity to reform both Citizens Property Insurance Corp. and the Florida Hurricane Catastrophe Fund, while ending unnecessary state subsidies for high-risk coastal development. The Florida Legislature needs to implement thoughtful legislation that will protect Floridians as well as our state's wildlife and coastal habitats. It's time to address the situation and support reform that has been embraced by environmental, business, consumer and nonprofit groups as well as many Floridians."

Charles Lee, Director of Advocacy, Audubon of Florida

“In good conscience, the Florida Legislature cannot continue to require all Florida insurance policyholders, including homeowners, businesses, renters, churches and charities, to help pay claim obligations beyond what Citizens Property Insurance Corp. and the Florida Hurricane Catastrophe Fund can cover. The Senate Banking and Insurance and House Insurance and Banking subcommittees hearing testimony on the state-run insurer is a positive step in the right direction – a direction that includes reform. Reducing the risk associated with Citizens and the Cat Fund will undoubtedly benefit our state from a financial and environmental standpoint.”

Abigail F. MacIver, Director of Policy & External Affairs, Americans for Prosperity - Florida

“With the start of the 2013 session just weeks away, we are encouraged the Senate Banking and Insurance subcommittee and House Insurance and Banking subcommittee are hearing testimony on Florida’s property insurance market. It is our hope that the members of these committees and the Florida Legislature as a whole will work to reform both Citizens Property Insurance Corp. as well as the Florida Hurricane Catastrophe Fund. Doing so will encourage more private investment in our property insurance market, while decreasing the hurricane tax risk all Floridians currently face.”

Christian R. Cámara, State Director, Florida, The R Street Institute

“The Florida Hurricane Catastrophe Fund and Citizens Property Insurance Corporation pose enormous threats to Florida’s economy. The post-hurricane assessments imposed on virtually every resident and business in the state following a sufficiently bad hurricane season could bring Florida’s job recovery to a halt—or worse, leave entire storm-ravaged areas without claims fully paid due to a Cat Fund shortfall. The 2013 Regular Session might very well be the last chance the Legislature has to enact meaningful, market-freeing reforms to minimize the possibility of these scenarios before our unprecedented run of hurricane-free summers expires.”

Steve Pociask, President, The American Consumer Institute Center for Citizen Research

“In order to better protect Florida consumers and taxpayers, it is up to the Florida Legislature to take the appropriate steps to correct the ongoing issues related to Florida’s property insurance market. The manipulation of insurance prices by regulation has led to a dysfunctional insurance market in Florida. Fixing this issue requires necessary and immediate reform of Citizens Property Insurance Corp. and the Florida Hurricane Catastrophe Fund so that prices are commensurate with risks.”

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