



David Christian: Reforming Citizens will help protect our interests

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Did you know there are more than 4 million non-Citizens policyholders throughout Florida? These homeowners live in the Panhandle, Jacksonville, Orlando, Tampa, Ft. Myers and even South Florida. They represent more than 70 percent of insured homeowners. Are you part of the majority?

I ask this question because, in addition to paying 100 percent of their own insurance premium, it is the majority of Floridians who are required by law to help subsidize Citizens policyholders. Just like the more than 4 million Floridians, all businesses, charities, religious institutions, renters, automobile policyholders, local governments and school boards are also subsidizing Citizens Property Insurance Corp.

The headlines of many media reports continually misrepresent the real issue by incorporating phrases about unpopular rate hikes and the need for rate caps to protect Floridians. While a handful of Florida's elected leaders may feel the need to defend their constituents because Citizens is currently the only viable insurance option in their neighborhood, it is time for the majority of the Florida Legislature to realize that the current structure of Citizens as well as the Florida Hurricane Catastrophe Fund is not what works best for all Floridians.

Last month, Sen. David Simmons (R-Maitland), chair of the Senate Banking and Insurance Committee, requested in writing meaningful property solutions for the state from businesses and concerned citizens. Various ideas were submitted, and today the Senate Banking and Insurance Committee is working to develop legislation to address the consequences the majority of Floridians including all businesses, charities, religious institutions, renters, automobile policyholders, local governments and school boards will potentially face in the wake of the next major storm. It is bad enough the majority are still paying hurricane tax subsidies to Citizens from the storms of 2004 and 2005. There is no question legislation must be put in place to better protect our interests this upcoming storm season.

If you are part of the majority, we encourage you to reach out to your locally elected leaders and voice your support for changes to the government-run Citizens and Cat Fund. Recent Florida Chamber of Commerce polling data shows that 73 percent of Citizens policyholders would be willing to pay 3 percent more for their policy in order to reduce their maximum assessment to 15 percent in the case of a major catastrophe. Since the majority of Citizens policyholders are amenable to changes, the Florida Legislature should create and pass legislation that reflects this willingness.

From reducing the risk associated with hurricane taxes to returning Citizens back to its intended role as insurer of last resort to developing effective mitigation policy, we have options and the

ability to correct the state's ongoing property insurance debate. To secure Florida's future and make Florida more competitive, the Florida Chamber of Commerce believes the time to reinvigorate the private market and better protect the majority of Floridians is now.

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