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September 23, 2011

Mike Milnes
Deputy Director
Bureau of Product Review
Office of Insurance Regulation
200 E. Gaines
Tallahassee, FL 32399-0350

Re: September 20, 2011 Hearing on Form OIR-B1-1802

Dear Mr. Milnes:

Mike

The Office of Insurance Regulation's ("OIR") recent distribution of the DRAFT OIR-B1-1802 (Rev. 09/11) ("Form 1802") reflects the hard work of the OIR and numerous interested parties. The productive Hearing on September 20, 2011, should also contribute to finalizing the Form 1802. It looks like we are finally approaching a point where the Legislature's efforts will be recognized in Form 1802 and we are certainly appreciative of your leadership through this odyssey.

A review of the Form 1802 concludes that many of the positive changes and compromises discussed over the course of the last several months have been adopted. At least one very significant concern remains, however, and that is the change at the bottom of each page effectively rendering the Form 1802 valid for five years, irrespective of certain other circumstances. In the Workshop in September of 2010, the proposed change in the Form's duration was discussed at some length. Many participants raised objections then to the proposed five-year duration of the Form.

In my letters to you dated July 5, 2011 and July 8, 2011, I reiterated concern with the change at the bottom of each page where the Form's duration was rigidly set at five years. Nick Iarossi's e-mail to you date July 7, 2011, expressed this same concern.

During the most recent Hearing, I again testified in opposition to changing the duration of the Form 1802 and questioned why it was being proposed. Other than some anecdotal and hypothetical situations, no one was able to offer an explanation that was predicated on any empirical study or data that the duration of the current Form 1802 was causing a problem for

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consumers or insurers.

For the most part, all changes to the Form 1802 over the years have been a function of studies and legislation. I submit that it would be imprudent to deviate from that safe course based on intuition or unsubstantiated and/or anecdotal information. If it's not broken, we shouldn't fix it. A change to the Form 1802 that is based on anything other than professional and objective data and/or a change in the governing statutes, should be avoided in order to maintain the integrity of the Form and the process surrounding its development.

Policyholders should be allowed to secure a current inspection at anytime, and, absent questions about the inspection's accuracy or the qualifications of the inspector, compel the insurer to accept it. The language establishing that the Form is valid for five years could allow some insurers to decline to accept the results of a more current inspection presented by a consumer. It is clear that this is unintended. Likewise, the rigid term of the Form's validity could force an insurer to continue to provide discounts when a more contemporary inspection concludes certain wind mitigation features or attributes did not exist. Funding for unwarranted discounts essentially comes from an insurer's surplus.

I think we all realize that when a Form is deemed or thought to be fraudulent, that an insurer can take the appropriate measures to protect itself and its policyholders from providing discounts that are unfounded. But this is not the only time that an insured or an insurer should be allowed to secure an inspection and have the associated credits applied accordingly. The scenarios are numerous, but let me offer a few:

- Insureds and insurers should be able to use or demand a revised version of a Form 1802 when a prior version is superseded, irrespective of whether not an insured remains with one insurer or moves to a different one. The cost of the inspection should be born by the party desiring use of the updated Form 1802. The duration memorialized in the currently approved Form 1802 facilitates this flexibility.
- When an insured leaves Insurer A and goes to Insurer B, Insurer B should have the option of performing an inspection of the property, notwithstanding the fact that the Form 1802 that was accepted by Insurer A is presumably valid for five years. In this situation, assuming no change in the version of the Form 1802, it seems only reasonable that Insurer B should have the opportunity to re-inspect the structure, at its own expense, to validate the conclusions of the previous inspection. There is considerable concern that the proposed language at the bottom of the Form 1802 would allow insureds to deny or at a minimum frustrate insurer's efforts to inspect the structures receiving the mitigation discounts.

During the recent Hearing, the expert and practical testimony with respect to FBC windload-rated garage doors was virtually universal in opposition to including this feature on the Form 1802. I will not repeat all of the testimony here, but suffice to say that we all acknowledge there is no correlating credit on the Form 1699, and this particular mitigation technique was not a substantive part of the 2002 ARA Study. Interestingly, when at least two other people offering testimony at the recent Hearing proposed adding their respective products or techniques to the Form 1802, OIR noted that the absence of those products/techniques in the 2002 ARA Study and the lack of a corresponding credit on the Form 1699, would render those particular

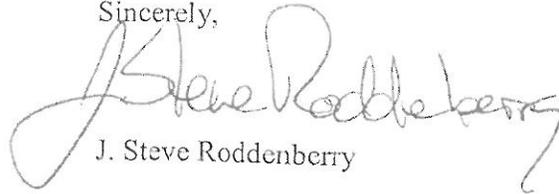
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products/techniques inappropriate for inclusion on the Form 1802. I think it remains a prudent course to restrict the components of the Form 1802 to those that correlate to the Form 1699 credits and the 2002 ARA Study. There would be little value in adding an element to the Form 1802 with no corresponding credit. The two people testifying at the recent Hearing seeking inclusion of their respective products or techniques demonstrate that an unfortunate precedent would be set if the Form 1802 was allowed to be populated by products and techniques that were not based on the 2002 ARA Study and had no associated credit.

In summary, we are supportive of the Form 1802 most recently proposed by OIR, provided the duration remains unchanged from the currently approved Form 1802. We believe that the inclusion of the windload-rated garage doors lends itself to confusion of consumers and inspectors and may set a precedent where purveyors of other wind mitigating products and techniques will expect the next version of the Form 1802 to reflect their respective products and techniques, notwithstanding the absence of a correlating credit.

As always, thank you for your continued role in moving this process forward. We remain hopeful that a conclusion to this version of the Form 1802 is imminent.

Sincerely,

A handwritten signature in cursive script that reads "J. Steve Roddenberry". The signature is written in dark ink and is positioned above the printed name.

J. Steve Roddenberry

JSR:rsr