

# Florida Office of Insurance Regulation



## 2006 Legislative Summary

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**OFFICE OF INSURANCE REGULATION 2006 LEGISLATIVE SUMMARY**  
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## **LEGISLATIVE PRIORITIES OF THE OFFICE OF INSURANCE REGULATION**

### **HB 299 - TRAVEL-LIMITED LIFE INSURANCE BY SOBEL/ARONBERG**

Prohibits life insurance companies from unfairly discriminating against individuals who have traveled or plan to travel, unless the insurer can provide actuarial justification. Provides protection from unfair discrimination to consumers who plan to travel for legitimate and, frequently, for religious purposes. Grants the Financial Services Commission with authority to provide for exceptions by rule. Requires the Office of Insurance Regulation (Office) to review all applications that are denied based on travel with each market conduct examination. Trebles normal fines for a violation. Requires the Office to annually report to the Legislature by March 1st the number of applications that companies denied.

*Approved by Governor; Chapter No. 2006-27. EFFECTIVE DATE: 07/01/2006.*

### **HB 541 - NATIONAL CATASTROPHE INSURANCE BY ROSS/GARCIA**

Memorializes the Florida Legislature's support of the creation of a comprehensive National Catastrophe Plan.

Supports a plan that aims to provide consumers with private insurance programs with all-perils protection; promote personal responsibility through mitigation; enhance local and state government role in catastrophe preparedness, emergency management and response; and engage federal government assistance in risk management and financing of mega-catastrophes.

Promotes a proposal that allows private insurers to develop reserves against future catastrophic losses on a tax deferred basis; allows property owners to accumulate savings in a personal disaster account on a tax deferred basis (similar to a Health Savings Account); creates disaster funds similar to the Florida Hurricane Catastrophe Fund on a state-by-state or regional basis to assume the risk of a higher layer of loss through reinsurance. The funds could be used to enforce building codes and mitigation as a requirement to obtain reinsurance and creates a national mega-catastrophe fund covering natural and man-made catastrophes and requires states to participate in a state or regional fund to gain access to the national catastrophe fund.

### **HB 947 – Long-Term Care Insurance by Legg/Farkas/Peaden/Fasano**

Requires policies in force prior to the changes made during the 2003 Legislative Session to include an option for a contingent benefit upon lapse in the event of a significant rate increase. The benefit options include: a reduction in benefits received, a paid-up policy equal to the premiums paid, or to pay the rate increase and keep the current policy. Eliminates the minimum nursing home coverage benefit of 24 months. Caps the rates charged to existing policyholders from exceeding the premiums paid by new policyholders. Requires the pooling of affiliated carriers in the determination of rates charged to closed blocks of business.

Creates a contestability period of two years to allow insurers to perform all underwriting. After a long-term care policy has been in force for a period of two years, it becomes incontestable except for nonpayment of premiums, which is identical to the current law relating to life insurance policies.

Establishes the Long-Term Care Partnership Program with Medicaid to be administered by AHCA in consultation with the Office. Shields seniors' personal assets in an amount equal to the benefits provided by their policy from Medicaid spend-down requirements.

*Approved by Governor; Chapter No. 2006-254. EFFECTIVE DATE: Upon becoming law.*

### **SB 1980 - PROPERTY & CASUALTY INSURANCE BY GARCIA/ROSS**

#### **Florida Hurricane Catastrophe Fund (FHCF)**

Modifies definition of losses to exclude rent or rental income loss. Requires a 25 percent rapid cash build-up factor in the premiums paid by insurers for coverage from the FHCF. Allows limited apportionment companies (i.e., \$25 mil. in surplus or less) to buy a \$10 million layer of coverage (for each of two hurricanes) above a retention of 30 percent of company's surplus, at a rate of 50 percent of the coverage selected (for one year only). Allows Citizens Property Insurance Corporation and the State Board of Administration (SBA) (Gov., Atty. Gen., and CFO) to determine method of providing Cat Fund coverage for policies assumed by Citizens of insolvent insurers (for one year only). Does not extend the exemption of medical malpractice premiums from assessments.

#### **Insurance Capital Build-Up Incentive Program**

Provide funding in the form of "surplus notes" to new or existing authorized residential property insurers, under specified conditions. Limits the amount of the surplus to \$25 million or 20 percent of total funds available for the program. Requires that the insurer must contribute new capital to its surplus at least equal to the surplus note and must apply to the SBA by July 1, 2006 or, if the insurer applies after 7/1/06, but before 6/1/07, the surplus note is limited to one-half of the new capital contributed by the insurer. Requires that the surplus note be repayable to the state, with a 20-year term, at the ten-year Treasury Bond interest rate (interest only for first three years). Insurance Commissioner must approve payments unless the Commissioner determines the payment would substantially impair the financial condition of the insurer. Insurer must commit to meeting a minimum writing ratio of net written premium to surplus of at least 2:1 for the term of the surplus note. The writings must be residential property insurance in Florida, covering the peril of wind. The SBA may approve issuing the surplus note, unless the SBA determines the financial condition of the insurer and its business plan place an unreasonably high level of financial risk to the state of nonpayment in full of the interest and principal. The SBA shall consult with the Office and may contract with independent financial and insurance consultants. State is a preferred creditor if insurer becomes insolvent. Appropriates \$250 million from General Revenue (G.R.) to the SBA. Non-recurring; unexpended balance reverts June, 30, 2007.

### **Hurricane Loss Mitigation**

Establishes the Florida Comprehensive Hurricane Damage Mitigation Program within the Department of Financial Services (DFS). Provides for free inspections of site-built, residential property, to determine what mitigation measures are needed to reduce vulnerability of hurricane damage. Requires that home inspections include a rating scale specifying the current and projected wind resistance rating, and insurer-specific information on insurance credits and discounts. Provides for 50 percent matching grants to encourage single-family, site-built homes to retrofit. Home must have insured value of \$500,000 or less. Grants limited to \$5,000 (for \$10,000 project), with up to 100 percent grants (\$5,000) for low-income homeowners. Advisory Council must be appointed for the program. Appropriates \$250 million from G.R. to DFS for this program. Non-recurring; unexpended balance reverts after three years (June 30, 2009).

### **Creates Manufactured Housing and Mobile Home Mitigation and Enhancement Program**

Provides grants for manufactured home communities and mobile home parks, administered by Tallahassee Community College. Appropriates \$7.5 million.

### **Insurance Rates: Requirements and Exceptions for Approval by the Office**

Requires the Office to approve a rating factor that provides an insurer a reasonable rate of return that is commensurate with the risk of covering hurricane losses, for that portion of the rate for which the insurer has exposed its capital and surplus and has not purchased reinsurance.

Places the burden on the Office to establish that a rate is excessive for personal lines residential coverage with insured value at \$1 million or more. Insurer must provide the Office with loss and expense information, upon request.

Requires the Office to reevaluate the discounts for homes built to meet the Florida Building Code and to determine the full actuarial value of such discounts. This reevaluation must be completed by July 1, 2007.

Effective July 1, 2007, for residential property insurance in any areas for which the Office determines that a reasonable degree of competition exists, an insurer may, once during a 12-month period, increase or decrease rates by up to five percent statewide average, or ten percent for any territory without being subject to a determination by the Office that the rate is excessive or unfairly discriminatory (except for unfairly discriminatory rating factors prohibited by law).

### **Insurance Rates: Use of Hurricane Loss Projection Models**

Requires the public hurricane loss model to be submitted for review by the Florida Commission on Hurricane Loss Projection Methodology (Commission) by March 1, 2007. Allows the Office to continue to use the public model in reviewing rate filings until the Commission determines it is not accurate or reliable.

Allows the hearing officer, judge, or arbitration panel in a rate hearing to determine whether the Office and the consumer advocate were provided with access to all of the assumptions and factors used in developing the model and rule on the admissibility of the findings and factors.

**Citizens Property Insurance Corporation (Citizens)**

Appropriates \$715 million appropriation to Citizens to offset the 2005 deficit.

Requires rates of the High-Risk Account (HRA) of Citizens to be set at the 70-year probable maximum loss (PML) for policies issued after March 1, 2007, 85-year PML for 2008 and 100-year PML for 2009. Requires Citizens' rates in the Personal Lines Account and Commercial Lines Account to be sufficient to provide for the procurement of reinsurance, including the FHCF, to pay all claims resulting from a 100-year PML. Applies to policies issued or renewed after March 1, 2007.

Provides that Citizens rate filings for the HRA must be approved or disapproved by the Office within 90 days. Requires use of the public hurricane model as the minimum benchmark for determining windstorm rates for Citizens. Makes the current "top 20" requirement that Citizens' rates not be competitive with authorized insurers inapplicable in a county or area for which the Office determines that no authorized insurer is offering coverage. Requires that deficit assessments against insurers (and recouped from their policyholders) be reduced by amounts to be collected from surcharges on Citizens' policyholders (previously called the "market equalization surcharge," but be collected in addition to the full assessment on the voluntary market).

Provides definition of homestead for purposes of eligibility: lease of at least seven months for a renter; Florida resident owner of mobile or manufactured home or if not owned, then occupant certifies is principle place of residence; commercial lines residential property; or any not for profit hospital or Continuing Care Retirement Community (CCRC). Requires Citizens to track non-homestead properties - policy counts, premiums charged and losses and requires reporting to the Office and Legislature for future reviews.

Requires an assessment of up to ten percent on non-homestead property if a deficit occurs in any Citizens account, with the funds used to offset the deficit. If this assessment is insufficient to eliminate the deficit, the Citizens board shall levy an additional assessment of up to ten percent on all Citizens policyholders to be collected at the time of issuance or renewal of a policy, with funds used to further offset the deficit. The remaining deficit would be covered through a statewide Citizens assessment under current procedures.

Effective July 1, 2008, a personal lines residential structure or a single condominium unit that has a combined dwelling and content replacement cost of \$1 million or more would not be eligible for coverage by the HRA. This property may reapply to the HRA as non-homestead property with a sworn statement that the risk was declined by one admitted

carrier and three surplus lines carriers. This new coverage would be available for only three years.

Effective March 1, 2007, non-homestead property would not be eligible for coverage by the HRA. This property may reapply to the HRA with a sworn statement that the risk was declined by one admitted carrier and three surplus lines carriers.

Requires the Financial Services Commission (FSC) (Governor and Cabinet), rather than the Office, to approve Citizens' plan of operation. Requires the Executive Director of Citizens to be confirmed by the Senate. Requires Citizens to have an internal auditor. Requires the Office to perform a market conduct examination of Citizens every two years. Requires the Auditor General to conduct an operational audit of Citizens every three years. Requires competitive bidding on contracts and board approval of contracts of \$100,000 or more. Requires the Office to perform background checks on applicants for senior management positions. Subjects board members and senior managers to the code of ethics and financial disclosure requirements applicable to public officials. Prohibits board members and employees from accepting any gift from any person or entity under contract with Citizens or under consideration for a contract. Prohibits Citizens from retaining lobbyists, but allows employees to register as lobbyists. Prohibits senior managers from representing any person or entity before Citizens for two years following termination of employment from Citizens.

Requires a ten-day waiting period for new applications. If an authorized insurer offers coverage during this period, the applicant is not eligible for coverage in Citizens regardless of whether the insurer appoints the agent who submitted the application. Requires limited apportionment companies to pay the full amount of a regular assessment by Citizens, but allows them up to 12 months to pay the assessment, while recouping the assessment. Allows Citizens to adopt policy forms that contain more restrictive coverage than provided in the voluntary market. Allows Citizens to assume policies of an insolvent insurer under such forms and rates deemed appropriate and approved by the Office. Requires insurers writing the non-wind coverage to contract with Citizens to provide claims adjusting services for the wind coverage provided by Citizens in the HRA, but delays the requirement until July 1, 2007. Requires Citizens to report to the Legislature on the feasibility of requiring insurers providing the non-wind coverage to issue and service Citizens' wind policies. Requires Citizens to offer quarterly and semiannual premium payment plans. Extends the requirement that the board reduce the boundaries of the high risk (wind-only) area for three years (until February 1, 2010). Requires any take-out bonus paid to an insurer be conditioned on the insurer keeping the policy for five years. Requires Citizens to monitor whether such policies are later insured by Citizens. Also limits take-out bonuses to \$100 per policy.

**Annual Report by Financial Services Commission of Assessment Burden**

Requires the FSC to provide an annual report to the Legislature of the probable maximum losses, financing options, potential assessments of Citizens and the FHCF, and the assessment burden on Florida policyholders.

### **Florida Insurance Guaranty Association (FIGA)**

Authorizes FIGA to impose annual emergency assessments on insurers of up to two percent of written premium for specified lines of property and casualty insurance to fund revenue bonds issued by a municipality or county to pay claims of an insurer rendered insolvent due to a hurricane. Increases the maximum amount of FIGA's liability for a covered homeowners insurance claim against an insolvent insurer from \$300,000 to \$500,000. Provides that FIGA covers claims of a business (as a policyholder or claimant of an insolvent insurer) that has its principal place of business in Florida, rather than incorporated in Florida. Allows FIGA to pay claims of unearned premium refunds, under certain conditions, without requiring the policyholder to file a proof of claim form.

### **Direct Payment to Policyholder for Dual-Interest Property**

Specifies that for an insurer who makes a claims payment to a primary policyholder without an endorsement from a lien holder or mortgage holder, that payment must be made for only: personal property & contents; additional living expenses; or other covered items not subject to a security interest recorded in the dual interest provision of the insurance policy.

### **Emergency Orders; Rules**

Authorizes the Commissioner of Insurance Regulation to issue orders when the Governor declares a state of emergency. Requires the FSC adopt rules standardizing requirements that may be applied to insurers after a hurricane, addressing claims reporting requirements, grace periods for payment of premiums, and temporary postponement of cancellations and nonrenewal. Provides that any emergency rule that conflicts with the standardized rules must be by unanimous vote of the Financial Services Commission.

### **Sinkhole Provisions**

Policy may include deductible limits applicable to sinkhole losses equal to one percent; two percent; five percent; ten percent of policy dwelling limits. Appropriate premium discounts to be offered with each deductible amount. Definition of "engineer" modified throughout to refer to professional engineer. Permits insurer to make payment directly to persons making stabilization and foundation repairs. The decision by insurer to make payment directly does not hold the insurer liable for the work performed. Sinkhole Reports to be filed with clerk of court. Report does not constitute cloud on title or create any liability on owner or on title insurer.

Creates a neutral evaluation process for resolution of disputed sinkhole insurance claims to be administered by DFS. Evaluators must be professional engineers or geologists with DFS approved training in alternative dispute resolution and who is determined to be fair and impartial. The sinkhole neutral evaluation process supersedes claims mediation program otherwise applicable to property insurance claims disputes. Evaluation is non-binding but mandatory if requested by either insurer or policyholder. Recommendation of evaluator is not binding and parties retain access to court. Recommendation of evaluator is admissible in any subsequent court proceeding. If evaluator has verified existence of sinkhole and recommends need for and estimates cost of stabilization, which costs exceed the amount offered by insurer, the insurer is liable for up to \$2,500 in

attorney fees for an attorney to participate in evaluation process. If policyholder declines to comply with the recommendation of the evaluator, insurer is not liable for extra-contractual damages. Process does not impair claims for extra-contractual damages not related to issues in neutral evaluation process. The insurer is not liable for attorney fees unless policyholder obtains judgment more favorable than recommendation of neutral evaluator. Prohibits contractor to engage with an attorney for purpose of soliciting legal services related to sinkhole remediation.

Requires the Office to publish a presumed rating factor by September 1, 2006 that reflects changes in sinkhole coverages made in 2005 and 2006. Allows the Office to contract for presumed factor determination. Allows insurers to use presumed factor at next rate filing after October 1, 2006. Appropriates \$250,000 to OIR.

### **Other Provisions**

Allows insurers to make electronic payment of insurance claims, under certain conditions, without written authorization. Permits alien surplus lines insurers to use letters of credit for meeting certain criteria to fund the required minimum \$5.4 million trust fund. Clarifies that if a property insurer does not obtain a written rejection from the policyholder for law and ordinance coverage, the policy is deemed to include such coverage limited to 25 percent of the dwelling limit (and not the alternative 50 percent limit that must also be offered).

Requires the Office to conduct a study and report on the insurability of attached or free standing structures.

Requires the Office to conduct a study and develop a program that will provide an objective rating system to be used in the Hurricane Damage Mitigation Program that will allow homeowners to evaluate the relative ability of Florida properties to withstand the wind load from a hurricane.

Prohibits public adjusters from engaging in conflicts of interest by participating in the repair of damaged property that he/she adjusted. Provides procedures for the cancellation of an insured's homeowners insurance policy if such insured submits a check which is subsequently dishonored by a financial institution. Also provides that an insured's insurance policy can be cancelled "ab initio" if the insured does timely cure a dishonored check within five days of notice.

Grants standing to the insurance consumer advocate in arbitration proceedings between insurers and the Office. Appropriates \$200,000.

*Approved by Governor; Chapter No. 2006-12. EFFECTIVE DATE: Upon becoming law except as otherwise provided.*

### **SB 1506 – ELECTRONIC FILING STATEMENTS BY ALEXANDER/GRANT**

Grants the Office authority to adopt rules to require Viatical Settlement Providers, Premium Finance Companies, Continuing Care Retirement Communities, and Life

Expectancy Providers to submit their annual audited financial statements electronically to the Office.

Authorizes the Office to remotely access records of particular transactions of Viatical Settlement Providers, Premium Finance Companies, Continuing Care Retirement Communities, and Life Expectancy Providers. Changes implementation date for Viatical Settlement Providers to submit audited financial statements on a calendar year basis to January 1, 2008.

*Approved by Governor; Chapter No. 2006-64. EFFECTIVE DATE: Upon becoming law.*

## **PROPERTY & CASUALTY**

### **HB 217 - RELATING TO SINKHOLE INSURANCE BY FASANO/LEGG**

This statute allows sinkhole policies to include deductible limits applicable to sinkhole losses equal to one percent; two percent; five percent; ten percent of policy dwelling limits. Appropriate premium discounts must be offered with each deductible amount. Definition of "engineer" modified to refer to professional engineer. Permits insurer to make payment directly to persons making stabilization and foundation repairs. The decision by insurer to make payment directly does not hold the insurer liable for the work performed. Sinkhole Reports to be filed with clerk of court instead of property appraiser and report does not constitute cloud on title or create any liability on owner or on title insurer.

Creates neutral evaluation process for resolution of disputed sinkhole insurance claims which will be administered by DFS. Evaluators must be professional engineers or geologists with DFS-approved training in alternative dispute resolution and who is determined to be fair and impartial. Sinkhole neutral evaluation process supersedes claims mediation program otherwise applicable to property insurance claims disputes. Evaluation is non-binding but mandatory if requested by either insurer or policyholder. Recommendation of evaluator is not binding and parties retain access to the court. Recommendation of evaluator is admissible in any subsequent court proceeding. If evaluator has verified existence of sinkhole and recommends need for and estimates cost of stabilization, which costs exceed the amount offered by insurer, the insurer is liable for up to \$2,500 in attorney fees for attorney to participate in evaluation process. If policyholder declines to comply with recommendation of evaluator, insurer is not liable for extra-contractual damages. Process does not impair claims for extra-contractual damages not related to issues in neutral evaluation process. The insurer is not liable for attorney fees unless policyholder obtains judgment more favorable than recommendation of neutral evaluator.

Requires the Office to publish a presumed rating factor by September 1, 2006 that reflects changes in sinkhole coverages made in 2005 and 2006. Allows the Office to contract for presumed factor determination. Allows insurers to use presumed factor at next rate filing after October 1, 2006. Appropriates \$250,000 to the Office.

*This bill was vetoed by the Governor on June 15, 2006. The major provisions are contained in SB 1980, Relating to Property Insurance.*

**SB 2114 - MOTOR VEHICLE INSURANCE BY BANKING AND INSURANCE**

Extends the sunset of the Florida No-Fault Law until January 1, 2009.

Declares the penalty for planning or organizing a scheme to create documentation of a motor vehicle crash that did not occur for purposes of a claim for personal injury protection (PIP) benefits or a motor vehicle tort claim is a second degree felony (with a two year minimum mandatory term of imprisonment).

Expands the applicability of the motor vehicle insurance fraud statute under s. 817.2361, F.S., to provide that any person who creates or presents false or fraudulent "proof" of motor vehicle insurance commits a third degree felony.

Specifies information that must be contained in a motor vehicle crash report form under s. 316.068, F.S., to include the time, date and location of the crash; description of the vehicles involved; names and addresses of all drivers, passengers, witnesses and parties involved; name, badge number, and law enforcement agency of the officer investigating the crash; and the names of the insurance companies for the respective parties involved in the crash. States the absence of information in a crash report regarding the existence of passengers in the vehicles involved in a crash constitutes a "rebuttable presumption" that no such passengers were involved in the reported crash.

Requires the Department of Highway Safety and Motor Vehicles to revoke the driver's license of any person convicted of these specified offenses: soliciting any business from a person involved in a motor vehicle accident for the purpose of making, adjusting or settling a vehicle tort claim under s. 817.234(8), F.S.; participating in a staged motor vehicle accident under s. 817.234(9), F.S., or for brokering health care patients under s. 817.505, F.S.

For purposes of increasing funding to fight fraud: appropriates \$510,276 in recurring funds and \$111,455 in nonrecurring funds from the Insurance Regulatory Trust Fund to the Division of Insurance Fraud within the Department of Financial Services for the purpose of providing a new fraud unit within the division consisting of six sworn law enforcement officers, one non-sworn investigator, one crime analyst, and one clerical position. Authorizes a total of nine FTEs and associated salary rate of \$381,500. Appropriates \$415,291 in recurring funds and \$52,430 in nonrecurring funds from the Insurance Regulatory Trust Fund to the Division of Insurance Fraud for ten FTE positions and associated salary rate of \$342,500.

*Vetoed by Governor.*

## LIFE & HEALTH

### **HB 241 - RELATING TO FLORIDA KIDCARE PROGRAM BY VANA/RICH**

Modifies the eligibility criteria for the Florida KidCare Program. Allows a child whose family income exceeds 200 percent of the federal poverty level to participate in the Medikids program, or if the child is ineligible for the Medikids program due to age, to participate in the Florida Healthy Kids program, if the family pays the entire cost of the premium, including administrative costs, and such enrollees do not exceed ten percent of total enrollees in either the Medikids program or the Florida Healthy Kids program.

*Approved by Governor; Chapter No. 2006-248. EFFECTIVE DATE: 07/01/2006.*

### **SB 388 – ASSISTED CARE COMMUNITIES BY ARGENZIANO/CLARKE**

Creates a new section in chapter 429 of the Florida Statutes entitled “assisted care communities” and transfers sections of chapter 400 of the Florida Statutes pertaining to “assisted living facilities,” “adult family-care,” and “adult day care centers” to this new section and directs the Division of Statutory Revision to make all necessary conforming changes.

*Approved by Governor; Chapter No. 2006-197. EFFECTIVE DATE: 07/01/2006.*

### **SB 542 - BIRTH-RELATED NEUROLOGICAL INJURY BY JONES/BERFIELD**

States the presiding Administrative Law Judge has the exclusive jurisdiction to make the factual determination whether the statutory notice provision has been met in a claim for compensation. Clarifies that the Florida Birth-Related Neurological Injury Compensation Association may contract with the State Board of Administration to invest and reinvest plan funds.

*Approved by Governor; Chapter No. 2006-8. EFFECTIVE DATE: Upon becoming law.*

### **SB 1324 – HEALTHY LIFESTYLES (“LEAD POISONING PREVENTION SCREENING AND EDUCATION ACT”) BY PEADEN**

Creates a statewide comprehensive preventive screening and education program for lead poisoning prevention designed to meet the needs of tenants, property owners, health care providers early childhood educators, and realtors. Requires the Department of Health (DOH) to develop medical follow-up guidelines for children under six-years of age who have been identified as having elevated blood-lead levels and a system to identify geographic areas where children are at the highest risk.

Appropriates \$308,000 in recurring general revenue funds for the 2006-2007 fiscal year for the implementation of the screening program. The funding for the education campaign is dependent on the receipt of Federal funding.

Requires DOH to work with other state agencies to develop policies and strategies to prevent and treat obesity to promote healthy lifestyles within the agency. Requires DOH

to advise health care practitioners regarding the morbidity, mortality, and costs associated with the condition of being overweight or obese.

Defines age and gender-based wellness benefits to be included in HMO plans offered in the state employee health insurance program, including, but not limited to: aerobic exercise, education in alcohol and substance abuse, blood cholesterol screening, health risk appraisals, nutritional program, smoking cessation, stress management.

Creates a Florida State Employee Wellness Council within the DOH to provide health education information to employees and to assist DOH in developing minimum benefits for all health care providers when providing age-based and gender-based wellness benefits.

*Approved by Governor; Chapter No. 2006-269. EFFECTIVE DATE: 07/01/2006.*

**SB 1922 - STATE LONG-TERM CARE OMBUDSMAN PROGRAM BY PEADEN**

Clarifies and revises the duties and responsibilities of the Office of the State Long-Term Care Ombudsman and the program's state and local ombudsman councils in an attempt to more directly move the program under the administration of the Department of Elderly Affairs (DOEA). The proposed changes in the bill are designed to: centralize program operations within the Office of the State Long-Term Care Ombudsman; clarify the role of volunteer ombudsmen to focus on the protection of long-term care facility residents rather than to serve as an additional regulator of long-term care facilities; remove barriers to volunteerism so the program can promptly recruit, train, and deploy the number of volunteers needed to advocate for residents within their communities; conform the function of the State Ombudsman and the state and local ombudsman councils more closely to the intent of the federal Older Americans Act by clarifying the roles of staff and volunteers; and strike any obsolete statutory language and better organize existing language for clarification.

*Approved by Governor; Chapter No. 2006-121. EFFECTIVE DATE: Upon becoming law.*

**SB 2432 - JOHN F. COSGROVE ACT BY CONSTANTINE/BERFIELD**

Provides under s. 559-928, F.S., that an individual registered as a seller of travel is not required by law to be licensed as a health insurance agent to sell prepaid limited health insurance that covers the price of transportation furnished by an air ambulatory service, which is licensed under s 401.251, F.S.

Insurance policy for this coverage is subject to any and all provisions pertaining to prepaid limited health service organization under chapter 636, F.S.

*Approved by Governor; Chapter No. 2006-173. EFFECTIVE DATE: 07/01/2006.*

**HB 5007 - HEALTH CARE BY FISCAL COUNCIL**

Authorizes the Department of Health to contract with a third party administrator to process claims for the Children's Medical Service (CMS) network. Authorizes a minimum reserve for the Children's Medical Services network in an amount that is the greater of ten percent of total projected expenditures or two percent of total annualized payments from the Agency for Health Care Administration (AHCA) for Title XIX (Medicaid) and Title XXI (KidCare) funded children.

Makes a technical change to correct a statutory reference requiring nursing facilities to comply with minimum nursing home staffing requirements.

Reduces the non-refundable fee for a bond that a nursing home facility pays upon a change of ownership during initial licensure or license renewal from two percent of three months Medicaid payments to one percent of three months Medicaid payments.

Requires a nursing home to maintain a weekly average of 2.9 hours of direct care per patient per day, beginning January 1, 2007. Defines a week as Sunday through Saturday. Increases the minimum daily staffing requirement from 2.6 to 2.7 hours of direct care per patient per day on January 1, 2007.

Deletes references to enrollment ceilings in the KidCare program and requires enrollment to cease when the expenditure ceiling is reached.

Deletes a requirement related to the enrollment ceiling for the non-Medicaid portion of the KidCare program.

Clarifies that certain women with family incomes at or below 185 percent of the federal poverty level are eligible for family planning services for up to two years following a loss of Medicaid benefits.

Requires ACHA to establish a Medicaid hospitalist program in non-teaching hospitals. Authorizes the agency to procure hospitalist services by individual or multiple counties in a single procurement. Requires the qualified organization to contract with or employ board-eligible physicians in Miami-Dade, Palm Beach, Hillsborough, Pasco and Pinellas Counties.

Provides Medicaid coverage for full and partial dentures and restores Medicaid coverage for adult hearing and vision services.

Requires that payments of Medicaid claims by providers between the date of receipt of application and the date of approval is contingent on applying the audits and edits within the claims adjudication and payment system.

Allows flexibility to the Agency to adjust nursing home reimbursement cost based class ceilings, target rate class ceilings and provider targets.

Revises the limitations on co-payments for emergency room services to five percent of up to the first \$300 of Medicaid payment, not to exceed \$15. Current co-payment is \$15 for each emergency department visit.

Deletes obsolete dates and provisions related to the data used in determining the charity care and Medicaid days for purposes of calculating disproportionate share payments and replaces them with current dates and data used in calculating disproportionate share payments.

Directs that the funds defined for statutory teaching hospitals be distributed in the same proportion as funds were distributed under the teaching hospital disproportionate share program during FY 2003-2004, and requires the funds for family practice teaching hospitals to be distributed equally.

Eliminates outdated dates relating to the primary care disproportionate share program and replace them with current dates.

Authorizes the Agency to post the preferred drug list and updates to the preferred drug list on an Internet website without following the rulemaking process of chapter 120. Authorizes the Agency to include an adjustment for health status when calculating managed care capitation rates.

Revises enrollment limits for Medicaid recipients subject to mandatory assignment to managed care who fail to make a choice to sixty-five percent managed care and thirty-five percent MediPass, and changes how the ratio is established to include all those eligible to choose managed care.

Establishes a pharmaceutical assistance program to provide pharmaceutical expense assistance to individuals diagnosed with cancer or individuals who have received organ transplants who were medically needy recipients prior to January 1, 2006.

Designates the Department of Elder Affairs as the state agency eligible to receive federal funds and administer a program for adults who are eligible for assistance through the Adult Care Food Program.

Provides for certain prospective nursing home diversion participants to be designated "Medicaid Pending" while eligibility is being determined. Requires the Agency to reimburse the nursing home diversion provider on the first day of the month following the medically eligible determination provided that the recipient has been determined financially eligible. Deletes provisions requiring the Agency to reimburse nursing home providers on a prorated basis for individuals enrolled after the first day of the month.

Deletes provisions requiring the Florida Healthy Kids Corporation to establish a local match policy for non-Title XXI eligible children and requiring a minimum local match.

Requires the Office of Program Policy Analysis and Government Accountability (OPPAGA) to review functions of the CARES program and report its findings to the President of the Senate and Speaker of the House of Representatives by February 1, 2007.

*Approved by Governor; Chapter No. 2006-28. EFFECTIVE DATE: 07/01/2006.*

**HB 7073 - HEALTH CARE INFORMATION/ "COORDINATED HEALTH CARE INFORMATION AND TRANSPARENCY ACT OF 2006" BY HEALTH CARE REGULATION**

Renames "The State Center for Health Statistics" housed in the AHCA to "The Florida Center for Health Information and Policy Analysis."

Revises the agency's duties related to health-related data to include the collection of health care quality measures that include patient-safety indicators, inpatient quality indicators and performance measures. Defines patient safety indicators and inpatient quality indicators.

Authorizes the center to provide technical assistance services for the following: monitoring innovations in health information technology and maintaining a repository of technical resources to support the development of a health information network; administering, managing, monitoring and evaluating grants to specific entities that submit proposals for the development of a Florida health information network; initiating, overseeing, managing and evaluating, the integration of health care data from state agencies and making that data available to any health care practitioner through the Florida health information network.

Removes the Comprehensive Health Information System Trust Fund from statute. Renames the "State Comprehensive Health Information System Advisory Council" to the "State Consumer Health Information and Policy Advisory Council," modifies its duties, and revises its membership.

Authorizes the agency to collect information from health care providers relating to professional organization and specialty board affiliations. Requires the agency to collect data on retail prices charged by pharmacies for the 100, rather than 50, most frequently prescribed medications.

Deletes obsolete provisions relating to the caesarean section rate in hospitals and requires the agency to publish caesarean section rates on its website.

Requires the agency to ensure that its data and data backup systems are housed at a secure facility that meets or exceeds certain requirements.

*Approved by Governor; Chapter No. 2006-261. EFFECTIVE DATE: Upon becoming law.*

## SPECIALTY

### **SB 1256 - CONTINUING CARE PROVIDER DEBT BY SAUNDERS/GIBSON**

Removes property insurance premiums from the debt service reserve of a Continuing Care Retirement Community (CCRC) and places those premiums into the operating reserve of the CCRC. Deletes provision capping the reserve at the 1999 rates. Deletes the January 1, 2006 provision mandating increases in reserves for property insurance premiums by ten percent per year.

*Approved by Governor; Chapter No. 2006-202. EFFECTIVE DATE: 07/01/2006.*

### **SB 1620 – HOME WARRANTY ASSOCIATIONS BY HARIDOPOLOS/HASNER**

Prohibits a home warranty association from lending the association's funds to officers, directors, or controlling shareholders. Policyholders have the option to cancel a home warranty policy within ten days of purchasing the policy and receive 95 percent of the premium paid. If a home warranty association cancels a policy, the policyholder shall receive up to 90 percent of the unearned pro rata premium. Home Warranty Associations may use a contractual liability insurance policy in lieu of having an unearned premium reserve; however the policy must cover all contracts issued during the policy period whether or not the premium has been paid to the insurer. Service warranty associations may sell a warranty in connection with a new home purchase without being licensed as a home warranty association if the policy covers only systems and appliances and no structural components of the home. Home warranty associations may charge a higher rate for homes warranty policies that are renewed more than nine times.

*Approved by Governor; Chapter No. 2006-272. EFFECTIVE DATE: 07/01/2006.*

### **HB 7051 - CERTIFICATES OF NEED/ NURSING HOMES BY ELDER AND LONG-TERM CARE**

Amends Statute 651.1185, F.S.; This bill relocates sections on the certificate of need (CON) moratorium from statutes pertaining to continuing care contracts to those dealing with CON review. The bill also sets out to lengthen the moratorium on approbation of CONs for nursing homes with a 96 percent occupancy rate and a history of providing quality care in an AHCA planning sub-district where the occupancy rate is above 94 percent.

Exempts from CON review the creation of a nursing home by combining licensed beds from two or more licensed nursing homes if conditions are met. Allows a reduction in CON condition of Medicaid patient days up to 15 percent for nursing homes located in a county where there is a diversion program or Medicaid integrated, fixed-payment delivery system.

*Approved by Governor; Chapter No. 2006-161. EFFECTIVE DATE: Upon becoming law.*

## **BUDGET/ ADMINISTRATION/ PUBLIC RECORDS**

### **SB 262 – ADMINISTRATIVE PROCEDURES BY BENNETT/GOVERNMENTAL OPERATIONS**

Requires the Internet noticing of the Florida Administrative Weekly. Clarifies the appeal process following a proposed rule change. Allows equitable tolling as a defense to an untimely filed petition for administrative determination. Clarifies the filing of a petition for administrative determination of a proposed rule toll all applicable time periods, not just the 90-day period.

Provides authority for uniform rules of procedure related to bid protest bonds and agency enforcement and disciplinary actions. Requires agency forms to display the number, title, effective date, and the number of the rule in which the form is incorporated by reference. Requires the uniform rules of procedure to describe the contents of the notices published in the Florida Administrative Weekly relating to declaratory statements.

Requires the Joint Administrative Procedures Committee to maintain a continuous review of statutes authorizing agency rulemaking, and removes the requirement the committee undertake a systematic review of the statutes. Requires that the final order include a ruling on each exception, and provides that the final order does not become effective until the agency provides a copy to the Division of Administrative Hearings (DOAH).

Requires the DOAH annual report include recommendations as to the types of cases that should be resolved by the summary hearing process. Requires the biennial agency report on rules to identify the types of cases that should be resolved by the summary hearing process. Expands the Florida's Equal Access to Justice Act by expanding the definition of "small business party."

*Approved by Governor; Chapter No. 2006-82. EFFECTIVE DATE: 07/01/2006 except as otherwise provided.*

### **SB 428 - TRAVEL EXPENSES/ REIMBURSEMENT BY LAWSON/AUSLEY**

Increases the per diem rates for state employee travel. Increased the \$50 per diem rate for travelers to \$80. Increases the \$3 breakfast rate for travelers to \$6. Increases the \$6 lunch rate for travelers to \$11. Increased the \$12 dinner rate for travelers to \$19. Increases the 29 cents per mile rate for travelers using a privately owned vehicle to 44.5 cents per mile.

Permits specified county-level entities to enact policies that vary from the standard rates so long as those rates are not less than the authorized rates for FY 2005-2006.

*Approved by Governor; Chapter No. 2006-41. EFFECTIVE DATE: 07/01/2006.*

### **SB 844 – STATE EMPLOYEES BY CARLTON**

Assigns the Justice Administrative Commission the responsibility for approving the classification plan, salary, and benefits for employees of the Statewide Guardian Ad

Litem Office. Requires employees to be offered benefits that are comparable to those in the career service system, and the Commission is responsible for annually submitting information about these positions to the Executive Office of the Governor and the Legislature.

Continues the employer contributions to medical savings accounts – and maintains the amount for the 2006-2007 Fiscal Year --- \$41.66 monthly for individuals, and \$83.33 monthly for families. Extends the current schedule of co-payments for the state employee prescription drug program. Requires the Department of Management Services to conduct wage and salary surveys in consultation with the Executive Office of the Governor and the Legislature.

Prohibits “pay additives” for a cohort without the express permission of the Legislature, and only if it is not in conflict with any collective bargaining agreement. Requires the Department of Management Services to report pay additives, on an annual basis, to the Executive Office of the Governor and the Legislature. Prohibits the use of money appropriated from the State Treasury to be used for “Class C Travel.”

*Approved by Governor; Chapter No. 2006-18. EFFECTIVE DATE: 07/01/2006.*

**HB 1001 – PUBLIC RECORDS BY ADAMS/FASANO**

Maintains the exemption for biometric identification information held by state agencies from the public records disclosure requirements. Biometric information includes but is not limited to: fingerprints, palm prints, footprints, or any record of friction ridge detail. Provides Legislative findings that it is a public necessity to keep biometric information exempt from public records requirements to protect the public from such things as identity theft.

*Approved by Governor; Chapter No. 2006-181. EFFECTIVE DATE: Contingent.*

**HB 1097 – PUBLIC RECORDS BY VANA/KLEIN**

Requires each agency head to appoint a “custodian of public records.” Requires the agency head to provide public notice of such designation including the e-mail address, telephone number, and mailing address of the official custodian. Prohibits any person who is not a custodian of public records from acting in such capacity such as denying the existence of a record, or misleading anyone to the existence of a record. Requires the custodian to make a “good faith effort” to determine if a public record exists, and requires the custodian to be available during office hours to respond to requests to inspect and copy public records.

*Vetoed by Governor.*

**HB 1123 – GOVERNMENT ACCOUNTABILITY BY SANSOM/CARLTON**

Authorizes the Legislature to create a Legislative Sunset Advisory Committee, and allows this committee to employ a staff, for the purposes of reviewing agencies and advisory committees to determine whether such entities should be retained, modified, or

repealed. Initial appointments for this committee shall be made no later than November 30, 2006. Directs the Auditor General and the Office of Program Policy and Analysis to assist this committee with its review. Names all agencies to be reviewed by July 1, 2008 and thereafter. The Department of Financial Services is scheduled for review July 1, 2013.

Provides the agency subject to review will be abolished unless the Legislature makes a determination the agency is still necessary. Requires the agency under review to make a report to the committee no later than January 1st of the year preceding the year the agency is scheduled to be review. Report must include: performance measures and activities for the three previous years; explanation of any failure to meet legislative standards; promptness and effectiveness of managing complaints received by the agency; the extent to which the agency involves the public in its rulemaking; the extent to which the agency complies with applicable requirements of state law and rules regarding underutilized businesses; a statement of statutory objectives intended for each program and activity and effectiveness in reaching those objectives; an assessment of the extent to which the jurisdiction of the agency overlaps with that of any other agency; an assessment of how to reduce costs or improve performance within the agency; an assessment of how the agency has complied with recommendations by auditing bodies; an assessment of how the agency enforces potential conflict of interest among its employees; the extent to which the agency complies with public records and meetings requirements; the extent to which consideration has been given to methods of reducing costs such as outsourcing or privatizing; statutory or budget recommendations to improve functions within the agency; the effect of federal intervention and loss of federal benefits in the event the agency is abolished; a list of all advisory committees, the budget allotted to each, and a rationale for continuing or eliminating each advisory committee; agency programs or functions performed without statutory authority; and any other information requested by the committee.

Requires validation of the information and data reported by the agency by its agency head and inspector general before submission to the committee. Upon receipt of the report, the Office of Program Policy Analysis shall conduct a program evaluation and justification review due by October 1st of that year.

Specifies criteria used by the committee to determine if a public need for the agency still exists. Ultimately, the committee is charged with making a recommendation about the abolition, continuation, or reorganization of the entity submitting the report. Specifies the use of unappropriated funds should the Legislature accept the recommendation to abolish the agency. Addresses the development of Legislative request instructions regarding the computation of activity and unit costs to be included in the analysis.

*Approved by Governor; Chapter No. 2006-146. EFFECTIVE DATE: 07/01/2006.*

**HB 1369 - REJECTED BIDS/ PROPOSALS/ OGSR BY EVERS/SEBESTA**

Expands the current public records exemption for sealed bids or proposals. Provides that a sealed bid or proposal remains exempt if an agency rejects all bids or proposals

submitted in response to an invitation to bid (ITB) or a request for proposal (RFP) and concurrently provides notice of its intent to reopen the ITB or RFP. Provides for expiration of the exemption on October 2, 2011, unless reenacted by the Legislature.

Expands the public records exemption to include a competitive sealed reply in response to an invitation to negotiate. Creates a public meetings exemption for a meeting at which a negotiation with a vendor is conducted. Requires that a complete recording be made of the exempt meeting. Provides for expiration of the exemption on October 2, 2011, unless reenacted by the Legislature.

*Approved by Governor; Chapter No. 2006-284. EFFECTIVE DATE: Upon becoming law.*

### **SB 1632 - AGENCY INSPECTORS GENERAL BY BENNETT**

Creates a Council on State Agency Inspectors General in the Office of Chief Inspector General within the Executive Office of the Governor consisting of the Chief Inspector General and four other Inspectors General appointed by the Governor. Directs the Council to develop recommendations relating to the creation of an independent review process for state agency inspector general investigations and audits. These recommendations must:

- Offer entities contracting with state agencies a meaningful opportunity to challenge in writing the findings, conclusions, and recommendations contained in a state agency inspector general's final report;
- Specifically identify the entities entitled to submit a response, and identify the circumstances under which the entity's response must be attached to the state agency inspector general's final report; and
- Include a hearing process entitling entities contracting with state agencies with an opportunity to present to the Chief Inspector General any additional material relevant to the state agency inspector general's final report. Identify ancillary issues to be addressed, including but not limited to public records concerns, special conditions for whistle-blower's investigations, and exemptions for specific categories of audits or investigations.

Council recommendations related to these issues must be finalized and reported to the Governor, the President of the Senate, and the Speaker of the House of Representatives, before January 1, 2007. The legislation repeals on July 1, 2007.

*Approved by Governor; Chapter No. 2006-219. EFFECTIVE DATE: 07/01/2006.*

### **SB 1670 - STATE FINANCIAL MATTERS BY GARCIA/GOVERNMENTAL OPERATIONS**

Expands the authority provided to the State Board of Administration in statute for the conduct of its fiduciary duties as the manager of more than two dozen investment funds, including the multi-employer Florida Retirement System (FRS) and its dual track defined benefit (Pension Plan) and defined contribution plan (Investment Plan).

Eliminates archaic language pertaining to Florida-specific mortgages and expands from 20 to 25 percent the permitted allocation of fiduciary funds in foreign asset classes. Revises the current interest rate assumption for inter-plan transfers- from Pension Plan to Investment Plan- from a fixed eight percent to a rate set annually and incorporated into the overall actuarial assumptions for the FRS. The current interest rate assumption is 7.75 percent.

Provides sanctions against current or former Investment Plan participants who receive a distribution from their account but do not engage in a bona fide termination of employment. The board is given the authority to conduct an administrative hearing if there are disputed issues of fact in such cases.

Changes the investment threshold for certain cash- and debt-based instruments from an institution's net worth to a rating system set by one of the several national rating systems. Grants the board expanded authorization to sell any of its securities short, a financial strategy that permits it to borrow securities at one price in anticipation of market opportunities for overvalued or underperforming securities which will yield it a gain on the basis of a price decline over time. Allows Investment Plan participants to purchase prior earned armed services credit under like circumstances permitted for those individuals enrolled in the Pension Plan.

*Approved by Governor; Chapter No. 2006-205. EFFECTIVE DATE: 07/01/2006.*

**SB 1678 - GOVERNMENTAL OPERATIONS/AGENCY FEES BY GOVERNMENT EFFICIENCY APPROPRIATIONS/ STATE ADMINISTRATION APPROPRIATIONS**

Establishes a uniform policy governing regulatory program funding. Requires that all costs of providing a regulatory service or regulating a profession or business be borne solely by those who receive the service or who are subject to regulation, but requires that the fees imposed be reasonable and take into account the differences in the types of professions or businesses being regulated.

Requires each state agency to annually examine the fees it charges for regulatory services and oversight, as provided in the legislative budget request instructions, to determine whether: operational efficiencies can be achieved in the underlying program; the regulatory activity is an appropriate state function; and the fees charged are adequate to cover both direct and indirect costs.

If any of the fees charged are not adequate to cover program costs, the agency is required to include in its legislative budget request: alternatives for realigning revenues and/or costs to make the regulatory program totally self-sufficient, such as changes in fee caps or outdated operational requirements; or demonstrate that the program provides substantial benefits to the general public to justify a partial subsidy from other state funds.

Provides for the review of the regulatory fee structure by the Legislature at least every five years.

*Approved by Governor; Chapter No. 2006-93. EFFECTIVE DATE: 07/01/2006.*

**SB 1716 - STATE PLANNING & BUDGETING BY ATWATER/STATE ADMINISTRATION**  
**APPROPRIATIONS**

Conforms current statutes to the provisions in the constitutional amendment to s. 19, Art. III contained in Senate Joint Resolution 2005-2144, relating to the Legislative Budget Commission.

Limits the amount of non-recurring general revenue that may be used to fund the recurring costs of state programs to three percent of total general revenue (just over 900 million for FY 2006-07). This limitation may be waived by a 3/5 vote of the Legislature.

Establishes the Joint Legislative Budget Commission in the Florida Constitution to operate essentially as it does now. Membership remains at seven Senators and seven Representatives. The chair of the commission will be appointed in alternate years by the President of the Senate and the vice chair appointed by the Speaker of the House of Representatives (instead of the chairs of the appropriations committees serving as chair and vice chair); in alternate years, appointing authority is reversed. The commission will convene at the call of the presiding officers (instead of the chair and vice chair).

Directs the Joint Legislative Budget Commission to develop a long-range three-year financial outlook which will be updated each year with the assistance of each state agency. Prescribes a plan to ensure an integrated state planning and budget process to assure consistency between the agency's long-range plan and the agency's legislative budget request.

Creates a Government Efficiency Task Force in 2007, and every four years thereafter, to make recommendations to improve government and reduce costs. The 15 member task force will be composed of members of the legislature and representatives of the public and private sectors. Five members each will be appointed by the President of the Senate, Speaker of the House of Representatives, and Governor. The task force will complete its work within one year.

Clarifies that the Financial Impact Estimating Conference is subject to the legislative rules of notice and openness to the public.

These provisions take effect upon the effective date of the amendment to the State Constitution contained in Senate Joint Resolution 2005-2144.

*Approved by Governor; Chapter No. 2006-119. EFFECTIVE DATE: Contingent.*

**SB 2000 - ETHICS/PUBLIC OFFICERS & EMPLOYEES BY POSEY/RYAN**

Clarifies and revises portions of the ethics code of the State of Florida, and provides for additional restrictions on the conduct of current and former government employees and

elected officials. Prohibits persons who are registered to lobby the Legislative and executive branches of state government, or any local governmental entity, from serving as members of the Commission on Ethics. Prohibits any member of the Commission from lobbying the Legislature or executive branch of state government, or any local governmental entity, while serving as a member of the Ethics Commission. Extends the Little Hatch Act to prohibit all state employees, or employees of any political subdivision, from being involved in political campaigns while on duty.

Amends the prohibition against using inside information gained while in a public position to benefit oneself or another, clarifying that the prohibition applies to former employees and officers—except for information relating exclusively to governmental practices.

Extends the “revolving door” prohibition against representing a client before one’s former agency to include other-personal-services (OPS) employees and any agency employees whose positions were transferred from Career Service status to Select Exempt Service status under the “Service First” law.

Applies the two-year prohibition for former local elected officials representing another person or entity to prohibit representation before the government body *or agency* they served (which would include staff), rather than just the body of which they were a member. Revises post-employment restrictions to allow state employees whose jobs are privatized to work for a private entity under certain circumstances. Excludes from the definition of “expenditure” in the lobbying context certain campaign related contributions and expenditures.

*Approved by Governor; Chapter No. 2006-275. EFFECTIVE DATE: 10/01/2006 except as otherwise provided.*

**SB 2518 - CONTRACTUAL SERVICES/ STATE AGENCY BY ARGENZIANO/  
GOVERNMENTAL OPERATIONS**

Creates the Council on Efficient Government, and provides for the membership, powers, and duties of the council. Requires an agency to develop a detailed business case to outsource before a service or activity may be outsourced, and requires that an agency submit the business case to outsource to the Council, the Governor, and the Legislature, before releasing the solicitation or executing the contract, when the contract will cost more than \$1 million in any fiscal year. For proposals to outsource costing more than \$10 million in any fiscal year, requires the Council to conduct an analysis and provide it, before the agency releases the solicitation, to the agency proposing the outsourcing, the Governor, and the Legislature.

Defines specific information that must be included in all business cases to outsource, and prescribes specific additional contract requirements applicable to outsourcing contracts. On contracts valued at greater than \$10 million, certain contract amendments may not be executed before the agency first submits a written report on contract performance to the Governor and the Legislature.

When a contract is valued in excess of \$1 million, one of the negotiators must be certified as a contract negotiator by the Department of Management Services, and when a contract is valued in excess of \$10 million, one of the negotiators must be certified as a Project Management Professional. Requires that solicitations include a provision that respondents to a solicitation may not contact, between the release of the solicitation and the end of the 72-hour period following the agency posting the notice of intended award, any employee of the executive or legislative branch concerning the solicitation, except in writing to the procurement officer or as provided in the solicitation.

Provides that a contract may not prohibit lobbying by a contractor of the executive or legislative branch concerning the contract, during the contract term. Specifies restrictions on contractor supervision of state employees, and prohibits contractor involvement in procurements in which the contractor has an interest. Repeals s. 14.203, F.S., which provides the duties and functions of the State Council on Competitive Government.

Appropriates \$1.75 million and authorizes positions for the Council on Efficient Government, and for the training of Project Management Professionals. Provides that any agency under the control of the Attorney General, the Chief Financial Officer, or the Commissioner of Agriculture is subject to this act.

*Approved by Governor; Chapter No. 2006-224. EFFECTIVE DATE: Upon becoming law.*

#### **HB 5003 - APPROPRIATIONS IMPLEMENTING BILL BY FISCAL COUNCIL**

Authorizes one-year changes to substantive laws in order to prevent conflicts between the statutes and the budget so the Legislature's budget decisions can be fully implemented.

Allows the Executive Office of the Governor to transfer funds appropriated for the payment of risk management insurance premiums between departments. The amendment to the approved operating budget is subject to the notice and objection procedures of s. 216.177, F.S.

Allows the Executive Office of the Governor to transfer funds appropriated for the payment of the statewide human resource management services contract between departments. The amendment to the approved operating budget is subject to the notice and objection procedures of s. 216.177, F.S.

Removes the Class C (day trips, not overnight) travel reimbursement for state travelers.

Authorizes the use of state aircraft for commuting if the traveler pays the prorated share of all expenses associated with the use of the aircraft.

Provides additional funding mechanisms to Florida Workers' Compensation Joint Underwriting Association (JUA) to cover deficits attributable to subplan D and Tiers One and Two by requiring the use of its surplus funds in subplan C prior to requesting transfer of funds from the state or assessing policyholders in the voluntary market. Establishes a

contingency reserve for the JUA to request transfer of state funds to cover projected cash needs for 6 months. Requires the JUA, by January 1, 2007, to request tax-exempt status of the Internal Revenue Service in order to avoid significant future federal tax liabilities, and revises the board appointment process to put the membership under state control and support the tax-exempt status. Additionally, upon dissolution of the JUA, requires all assets to be first used to pay all debts and obligations of the plan, and any remaining assets to become property of the state and deposited in the Workers' Compensation Administration Trust Fund. (*Specific appropriation to WCJUA was vetoed by Governor, thereby rendering this section ineffective.*)

Requires the Department of Management Services to: (1) provide an annual report of leases due to expire within 24 months and the financial impact of terms in new leases that have been amended, supplemented or waived; (2) promulgate rules for private leases that require inclusion of non-appropriation clause and six month notice clause for movement into state owned space; (3) evaluate whether amending, supplementing or waiving a lease clause is in the state's long term best interest prior to execution of the lease; (4) provide a five-year plan for state owned buildings; (5) notice and submit a cost-benefit analysis to the Governor, Legislature and State Board of Administration when recommending the disposition of buildings in the Florida Facilities Pool.

Authorizes the Governor to recommend the initiation of fixed capital outlay projects funded by grants awarded by the Federal Emergency Management Agency for FEMA Disaster Declarations.

*Approved by Governor; Chapter No. 2006-26. EFFECTIVE DATE: 07/01/2006 or upon becoming law except as otherwise provided.*

**HB 5023 – STATE EMPLOYMENT BY FISCAL COUNCIL**

Resolves the noneconomic collective bargaining issues at impasse between the State and the bargaining representatives for state employees for FY 2006-2007 relating to state employment.

All other mandatory collective bargaining agreements not specified in this bill for the 2006-2007 fiscal year are resolved consistent with the personnel rules in effect on May 1, 2006, and by otherwise maintaining the status quo under the language of the current collective bargaining agreements.

*Approved by Governor; Chapter No. 2006-34. EFFECTIVE DATE: Upon becoming law.*

**HB 5025 – FRS/ PAYROLL CONTRIBUTION RATES BY FISCAL COUNCIL**

Increases the payroll contribution rates for the membership classes of the Florida Retirement System for the state fiscal years effective July 1, 2006.

*Approved by Governor; Chapter No. 2006-35. EFFECTIVE DATE: 07/01/2006.*

**HB 7013 – GOVERNMENTAL AGENCIES/ SOFTWARE/ OGSR BY GOVERNMENTAL OPERATIONS**

Exempts the copywriting of data processing software created by government agencies from the public records disclosure requirements. Authorizes proceeds from the sale or licensing of copyrighted data processing software to be deposited by the agency into a trust fund for the agency's appropriated use for authorized purposes.

*Approved by Governor; Chapter No. 2006-286. EFFECTIVE DATE: 10/01/2006.*

**HB 7017 - ECONOMIC DEVELOPMENT/ AGENCY/ OGSR BY GOVERNMENTAL OPERATIONS**

Exempts information held by economic development agencies from the public records disclosure requirements. This information can include plans, intentions, or interests of private corporations, partnerships or persons to locate, relocate, or expand business activities in the state of Florida. Removes language that specifies this information must be a "trade secret." Restricts the conditions in which a public officer or employee may enter into a binding agreement with a corporation, partnership, or person who has requested confidentiality of information until 90 days after the information is made public.

*Approved by Governor; Chapter No. 2006-157. EFFECTIVE DATE: 10/01/2006.*

**HB 7033 - SECURITY SYSTEM PLANS/STATE/OGSR BY GOVERNMENTAL OPERATIONS**

Exempts records pertaining to security system plans for any property owned or leased by the state from the public records disclosure requirements. Defines "security system plans," to include such things as threat assessments, threat response plans, emergency evacuation plans, shelter arrangements, manuals for security personnel, and other records.

*Approved by Governor; Chapter No. 2006-158. EFFECTIVE DATE: 10/01/2006.*

**HB 7035 – PUBLIC RECORDS FOR MOTOR VEHICLE CRASH REPORTS BY RIVERA**

This legislation reenacts the provisions in law pertaining to the public record exemptions for motor vehicle crash reports found in s. 316.066, F.S., and makes organizational changes. Written reports that are filed by a law enforcement officer, which identifies the parties involved in the crash, shall remain confidential for a period of 60 days after the report is filed.

*Approved by Governor; Chapter No. 2006-260. EFFECTIVE DATE: 10/01/2006.*

**HB 7049 - SURPLUS LINES INSURANCE/ OGSR BY GOVERNMENTAL OPERATIONS**

Reenacts s. 626.921(8) F.S., which contains a public records exemption for certain information concerning surplus lines insurance, which is specific to a particular policy or policyholder and is submitted to the Florida Surplus Lines Service Office (FSLSO) or the Department of Financial Services (DFS) or which is available for inspection by the department. Makes technical and clarifying changes to the exemption.

*Approved by Governor; Chapter No. 2006-188. EFFECTIVE DATE: 10/01/2006.*

## **MISCELLANEOUS**

### **HB 47 - RELATING TO HURRICANE PREPAREDNESS/ SALES TAX BY GREENSTEIN/BAKER**

Provides for a sales and use tax exemption for certain items used to prepare for and withstand a hurricane. The following items are exempt from sales and use tax collections during the period from May 21, 2006 through June 1, 2006:

- Any portable self-powered light source selling for \$20 or less;
- Any portable self-powered radio, two-way radio, or weather band radio selling for \$50 or less;
- Any tarpaulin or other flexible waterproof sheeting selling for \$50 or less;
- Any ground anchor system or tie-down kit selling for \$50 or less;
- Any gas or diesel fuel tank selling for \$25 or less;
- Any package of AAA-cell, AA-cell, C-cell, D-cell, 6-volt, or 9-volt batteries, excluding:
  - Automobile and boat batteries, selling for \$30 or less;
  - Any cell phone battery selling for \$60 or less and any cell phone charger selling for \$40 or less;
- Any non electric food storage cooler selling for \$30 or less;
- Any portable generator used to provide light or communications or preserve food in the event of a power outage selling for \$1,000 or less;
- Any storm shutter device selling for \$200 or less (A storm shutter device is defined as materials and products manufactured, rated, and marketed specifically for the purpose of preventing window damage from storms);
- Any carbon monoxide detector selling for \$75 or less;
- Any blue ice selling for \$10 or less; and
- Any single product consisting of two or more of the above items, or other tax exempt items, selling for \$75 or less.

*Approved by Governor; Chapter No. 2006-7. EFFECTIVE DATE: Upon becoming law.*

### **HB 561 – OFFENSES INVOLVING INSURANCE BY RIVERA/ALEXANDER**

Declares the penalty for “staged” accidents for the purposes of collecting personal injury protection (PIP) benefits as second degree felony. Declares the penalty for fraudulent “proof” of motor vehicle insurance a third- degree felony. Declares the penalty for transacting insurance without a license a third-degree felony. Declares the penalty for soliciting or receiving a commission in return for accepting treatment from a health care provider a third-degree felony.

Provides the information that must be contained in a motor vehicle crash report. Requires the Department of Highway Safety and Motor Vehicles to revoke the driver’s license of any person convicted of soliciting business from a person involved in a motor vehicle

accident for the purposes of filing a claim, participating in a “staged” accident, or brokering health care patients for the purposes of receiving a commission. Imposes a fee of \$180 for drivers to reinstate their license after having their license revoked for being convicted of the above offenses.

Declares the penalty for violating an “emergency” order of DFS, the Office, or FSC a third-degree felony. Declares the penalty for violating a rule by DFS, the Office, or the FSC a second-degree misdemeanor. Declares the penalty for falsely personating an officer of the DFS a third-degree felony.

Directs revenues collected by the Department of Financial Services’ Division of Insurance Fraud from criminal proceedings into the Insurance Regulatory Trust Fund.

Requires anti-fraud reward signs to be posted in health care clinics. Allows the Division of Insurance Fraud to perform inspections to ensure compliance. Prohibits medical or clinic directs from referring patients to the clinic if the clinic performs magnetic resonance imaging or similar test. The penalty for violating such prohibitions constitutes a third-degree felony.

“Independent procurement of coverage” is coverage by an unauthorized insurer legitimately licensed in another state or country. Upon an insurer receiving a PIP claim, the insured is to be notified for whom the claim has been filed and that DFS may reward up to \$25,000 for information leading to the arrest and conviction of persons committing PIP fraud. Requires the FSC to adopt a form regarding anti-fraud information for PIP benefits. Requires insurers to submit anti-fraud plans to the Division of Insurance Fraud.

Excludes investigative actions by law enforcement officers from the law pertaining to fraudulently obtaining goods or services. Defines “kickback” as payments by or on behalf of a health care provider to any person as an incentive to refer patient for past or future services. Allows the Office to adjust fines imposed against insurers for failing to report professional liability claims by considering the financial condition of the licensee, premium volume written, ratio of violations to compliance, and other mitigating factors.

Declares the penalty for violating a stop work order under the workers’ compensation law a third-degree felony. Limits the retroactive assumption of coverage and liabilities for workers’ compensation and employer’s liability insurance to 21 days.

*Approved by Governor; Chapter No. 2006-305. EFFECTIVE DATE: 07/01/2006.*

**HB 821 - COMMUNITY CONTRIBUTION TAX CREDIT BY GOODLETTE**

Increases the amount of tax credits authorized for the Community Contribution Tax Credit Program from \$12 million to \$14 million. Provides separate annual limitations for tax credits for donations made to eligible sponsors for projects that provide homeownership opportunities for low-income and very-low-income households, and for donations made to eligible sponsors for all other projects. Establishes the annual limitation for homeownership projects at \$10.5 million and the annual limitation for all

other projects located in enterprise zones or Front Porch Florida Communities at \$3.5 million. Eliminates the requirement that the Office of Tourism, Trade and Economic Development reserve specified percentages of annual tax credits for particular projects. Changes made by this bill reflect recommendations contained in Senate Interim Project Report 2006-148.

*Approved by Governor; Chapter No. 2006-78. EFFECTIVE DATE: 07/01/2006.*

**SB 888 – ENERGY BY CONSTANTINE/HASNER**

Creates the Florida Energy Commission for the purposes of developing recommendations for legislation to establish a state energy policy. Provides for membership. Allows the Director of the Office or his/her designee to attend the Commission meetings for the purpose of providing information and advice. Requires an annual report due on December 31<sup>st</sup> of each year.

Provides requirements for the Public Service Commission (PSC) in determining the need for a nuclear power plant.

Creates the Renewal Energies Technologies Grants Program within the Department of Environmental Protection to provide matching grants for demonstration, commercialization, research, and development projects relating to renewable technologies. Creates a sales tax holiday from October 5-11, 2006, for any new energy-efficient product costing \$1000 or less purchased for personal use. Creates a rebate program for purchases of certain solar devices. Creates a sales tax exemption and investment tax credit for certain alternative energy items.

Requires the PSC to direct a study of reliability of electric grid and emergency contingency conditions and make recommendations for improvements. Requires DEP to submit a report by November 1, 2006 detailing the State's initiatives in energy conservation and efficiency.

Streamlines the Power Plant and Transmission Line Sitting Acts.

Deletes requirements to be met in order to obtain state grants for storm water and wastewater management projects.

*Approved by Governor; Chapter No. 2006-230. EFFECTIVE DATE: Upon becoming law except as otherwise provided.*

**HB 911 – USE OF STATE FACILITIES AS EMERGENCY SHELTERS BY BULLARD/BULLARD**

Supplements existing law that allows state buildings to be used as emergency shelters. Instructs the Department of Management Services to include, in the annual state facilities inventory (already required), a list of "suitable" state-owned facilities that can be used as emergency shelter including: meeting halls, auditoriums, conference centers and training

centers. Defines “suitable” by standards established by the American Red Cross for a hurricane evacuation shelter. Requires that the list be updated by May 31st of each year (the day before the official start of the hurricane season).

*Approved by Governor; Chapter No. 2006-67. EFFECTIVE DATE: 07/01/2006.*

**HB 1113 - INSURANCE AGENTS BY LOPEZ-CANTERA/POSEY**

Allows insurance agents, customer representatives, adjusters, service representatives, managing general agents, or reinsurance intermediaries to voluntarily disclose their race or ethnicity, gender or native language on license applications to DFS which will use the information exclusively for research and statistical purposes and to improve the quality and fairness of the license examination; effective January 1, 2007.

Mandates DFS to provide fingerprint processing services at all its designated license examination centers in order to take an applicant’s fingerprints. Prohibits DFS from approving a license application if fingerprints have not been submitted; effective January 1, 2007.

Removes the prohibition against DFS denying, delaying or withholding approval of applications due to the fact that it has not received a criminal history report based on the applicant’s fingerprints. Revises circumstances under which the Department must notify an applicant about license examinations; effective January 1, 2007.

Exempts from the examination requirement an adjuster applicant who has the designation of a Professional Property Insurance Adjuster (PPIA) from the HurriClaim Training Casualty Claims Professionals.

Clarifies that no person is permitted to take a license examination until his or her application for examination has been approved. Allows a license applicant to take the license examination prior to submitting a license application by submitting an examination application through the Internet website of the Department of Financial Services. Specifies information the applicant must provide the department including voluntarily reporting race or ethnicity, gender or native language information. The application must state that an applicant is not required to disclose information as to race or ethnicity, gender or native language and will not be penalized for not doing so, and that the department will use the data exclusively for research and statistical purposes and to improve the quality and fairness of the examination. Each application must be accompanied by an examination fee; effective January 1, 2007.

Provides that the license examination provisions for an agent, customer representative or adjuster apply to any person who submits a license application and to any person who submits an examination application prior to filing an application for a license.

Requires DFS to submit an annual report by May 1<sup>st</sup>, that summarizes statistical information relating to life insurance agent examinations administered during the preceding calendar year. The report must include information for all examinees, combined and separately, by race or ethnicity, gender, race or ethnicity within gender,

education level and native language according to specified criteria which includes the total number of examinees; the percentage and number of examinees who passed the examination; the mean scaled scores and the standard deviation of scaled scores on the examination. DFS must make available upon request a statistical summary relating to each life insurance test form administered during the proceeding year which indicates for each test form specified ethnic and racial information. The department is authorized to provide application information under contract with a testing service.

Requires the department to provide the time and place of the examination to each applicant for an examination. Requires an applicant for license examination to appear in person and personally take the examination; effective January 1, 2007.

Provides that an applicant for examination may take additional examinations.

Requires DFS to promptly issue a license as soon as it approves such license for those applicants who have completed the examination and received a passing grade. Provides that a passing grade is valid for 1 year and that the department may not issue a license based on an examination taken more than 1 year prior to the date the application for license is filed; effective January 1, 2007.

Appropriates for FY 2006-07, \$158,995 in recurring funds and \$120,069 in nonrecurring funds from the Insurance Regulatory Trust Fund in the Department of Financial Services for the purposes of funding the act and provides for three full-time equivalent positions with \$103,285 in associated salary rate.

*Approved by Governor; Chapter No. 2006-184. EFFECTIVE DATE: 07/01/2006 except as otherwise provided.*

**HB 1359 - HAZARD MITIGATION/COASTS/HURRICANES BY BENSON**

Clarifies the authority of political subdivisions and municipalities have to install or authorize the installation of rigid coastal armoring structures during an emergency. Allows the Department of Environmental Protection (DEP) to review such an action and if it determines that harm or interference is occurring to the protection of the beach dune system, adjacent properties, public beach access, native coastal vegetation, or nesting marine turtles, the department may revoke the authority to install such system.

Requires the Division of Emergency Management to manage the update of regional hurricane evacuation studies. Such studies must be done in a consistent manner using the National Hurricane Center's methodology and storm surge model known as Sea, Lake and Overland Surges from Hurricanes (SLOSH). The definition of a coastal high-hazard area is revised to incorporate the storm surge predictive accuracy of the SLOSH model. Requires this new definition be included in local governments' future land use maps and coastal management elements no later than July 1, 2008.

Defines a process whereby local governments shall adopt levels of service relating to the capacity of the road and highway infrastructure to ensure timely hurricane evacuation.

Those local governments that have not established a level of service for out-of-county hurricane evacuation by July 1, 2008, shall have an evacuation level of service no greater than 16 hours for a category 5 storm event.

Allows DEP to favorably consider placing beach quality sand material on adjacent properties under the Coast Resort Area Redevelopment Pilot Project. To do so, a permittee must demonstrate every reasonable effort to use all material on site to enhance the beach and dune system and prepare a comprehensive plan for beach and dune nourishment for the adjoining area.

DEP and affected local governments shall provide an independent economic and environmental impact analysis of the pilot project and report to the Legislature's presiding officers by February 1, 2008.

Requires that issuance of an onsite sewage treatment and disposal system work permit by the Department of Health, seaward of the coastal construction control line, shall be contingent upon receipt of any required DEP permits.

*Approved by Governor; Chapter No. 2006-68. EFFECTIVE DATE: Upon becoming law.*

#### **HB 1361 – INSURANCE BY BROWN/POSEY**

Authorizes insurers to sell debt cancellation and debt suspension agreement contractual liability insurance to creditors such as a banks or credit unions, or entities entering into retail installment contracts. Defines a debt cancellation product as not being insurance. Grants rulemaking authority to the Financial Services Commission (FSC) to administer the sale of debt cancellation products by motor vehicle retail installment sellers.

Eliminates the \$50,000 limit on insurance that may be procured on the life of a debtor under a debtor group contract or via credit life insurance. Allows for the term of credit disability insurance to extend for the term of the indebtedness, rather than the current 10 year limitation.

Creates an exception to the general prohibition against offering or providing free insurance. Such insurance covering property other than real property or motor vehicles may be offered or sold if the person paying for the insurance has an ongoing contractual or economic interest in the property or requires the property to deliver its services.

Requires health insurance companies and health maintenance organizations to provide identification cards to policyholders and subscribers, which contain specified information that can be used to estimate the financial responsibility of the covered person and contact information for the insurer or HMO.

Permits a discount medical plan organization (DMPO) applicant to submit, rather than petition the Office to accept, audited financials of the parent company, in lieu of the DMPO's financials. Allows DMPO to certify that minimum capitalization requirements

are satisfied rather than submit annual, audited financials. Permits the Office to perform a market investigation of a DMPO only “for cause.” Authorizes a DMPO to require a waiting period for accessing hospital services and charge up to \$60 dollars per month for a plan that covers physician or hospital services without prior approval from the Office. A DMPO plan that does not include access to physician or hospital services may continue to charge up to \$30 per month the plan without prior approval from the Office.

Authorizes any two or more not for profit corporations located in Florida and organized under Florida law to form a self-insurance fund for pooling liabilities of its members for any property, casualty, or surety risk, provided that the fund has annual normal premiums in excess of \$5 million and has only members who each receive at least 75 percent of its revenue from local, state, or federal government sources. Requires the self-insurance fund to use a qualified actuary to determine rates and establish reserves and annually submit to the Office a certification that the rates are actuarially sound and are not inadequate. Requires that the fund maintain excess insurance, with a retention that does not exceed \$350,000 per occurrence. Requires that annual audited financial statements be submitted to the Office. Requires that the governing body of the self-insurance fund be comprised entirely of corporation not for profit officials and the fund must use knowledgeable personnel to administer the fund with a minimum of 5 years’ experience with commercial self-insurance funds, group self-insurance funds, or domestic insurers, with such persons meeting all licensure requirements. Requires the self-insurance fund to submit to the Office contracts used for its members which clearly establish the liability of each member for obligations of the fund. Requires an annual certification by the governing body that, to the best of its knowledge, the requirements under this law are met.

Declares that a worker’s compensation policy issued by a worker’s compensation self-insurance fund covered by the Workers’ Compensation Insurance Guaranty Association cannot be rejected pursuant to a construction contract if the rejection is because the self-insurance fund is not rated by a nationally recognized rating service. Revises provisions relating to security deposits by domestic insurers to allow such deposits to be held by broker/dealers, to conform to Florida law to the model law and rules enacted by the National Association of Insurance Commissioners.

*Vetoed by Governor.*

**SB 1774 – BUILDING CODES – WIND DESIGN STANDARDS BY CONSTANTINE/MURZIN**

Provides the Florida Building Commission with the specific authority to amend the current wind design standards in the Florida Building Code including the existing “North-West Florida or Panhandle exemption.” The Florida Building Commission is authorized to conduct a study to identify the areas of North-west Florida which contain windborne debris requirements. Any new windborne debris requirements may not take effect for a period of six months after rule promulgation or May 7, 2007.

*Approved by Governor; Chapter No. 2006-65. EFFECTIVE DATE: 07/01/2006.*

**HB 7079 - HIGHWAY SAFETY & MOTOR VEHICLES BY TRANSPORTATION**

Clarifies that a taxicab owner must maintain security as required under s. 324.032(1), F.S. Revises financial responsibility requirements for taxicab owners or lessee to allow furnishing satisfactory evidence of holding a motor vehicle liability policy with limits of \$125,000/\$250,000/\$50,000.

*Approved by Governor; Chapter No. 2006-290. EFFECTIVE DATE: 10/01/2006 except as otherwise provided.*

**HB 7121 - EMERGENCY MANAGEMENT BY DOMESTIC SECURITY**

Provides legislative intent to improve the state's preparedness and response capabilities for disasters. Identifies areas of critical concern including: construction or hardening of emergency operations centers to meet survivability standards; providing permanent generator capacity at special needs shelters; construction or hardening of additional shelters for the general public including retrofitting existing structures to meet minimum public shelter standards; improving logistical staging and warehouse capacity for commodities, and planning for hurricane evacuations. Appropriates \$151.7 million.

Allows for early refills of prescription medications in preparation for an impending hurricane. Requires all health insurers, managed care organizations, and other entities licensed by the Office to waive time restrictions on prescriptions medication refills when the insured resides in a county that: is under a hurricane warning issued by the National Weather Service, is declared a state of emergency issued by the Governor, OR has activated its emergency operations center and emergency management plan. Allows the Office, by order, to extend the waiver of refills in 15- to 13-day increments.

*Approved by Governor; Chapter No. 2006-71. EFFECTIVE DATE: Upon becoming law except as otherwise provided.*