

PALM BEACH POST EDITORIAL SUBMISSION

TOPIC: FLORIDA'S PROPERTY INSURANCE CRISIS

Editorial: Fixing insurance means more than kissing up to big insurers

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Amid the state's ongoing property insurance meltdown comes an encouraging sign from an unexpected source. Last week Florida's Chief Financial Officer [Jimmy Patronis acknowledged](#) the need to better address a segment of the community that has yet to draw enough concern from state leaders — property owners who have seen their insurance coverage dramatically rise in cost or disappear outright.

"We're not done helping policyholders," Patronis said during an address before the Citizens Property Insurance Corp. Board of Governors. He then announced a second event to bring insurers and their customers together in southwest Florida later this month. He also named [Tasha Carter](#), the state's Insurance Consumer Advocate as the new Hurricane Ian chief recovery director, to help streamline filing property damage claims.

The announcement should give victims of Hurricanes Ian and Nicole hope. Even more encouraging is [SPB 7052](#), a bill in the Florida Senate designed to hold bad actors in the insurance industry accountable. This attempt at balance has already drawn criticism from business and insurance industry lobbyists. Amid a political atmosphere that so clearly favors insurers over consumers, our words "unexpected source" aren't a stretch. Given the "reforms" that have come out of two special sessions of the Florida Legislature, looking out for consumers hasn't exactly been a priority.

In the real world, the deployment a Florida Department of Financial Services administrator by the CFO — to simply do her job to help alleviate a crisis — wouldn't draw much notice. But in Florida such an announcement from the man who currently holds the CFO job might turn heads. Floridians deserve better.

The state's chief financial officer is arguably the second-most powerful member of the [Florida Cabinet](#), behind the Governor. As the name suggests, the CFO oversees an agency of more than 2,000 employees in 13 divisions, that conducts audits, financial investigations and forensic services and oversees banking, cemetery and funeral services, fire protection, worker's compensation and, we'd like to believe, insurance.

If there were ever a time when Florida needed a competent, engaged and more independent CFO, now is that time. Patronis, though, has been too easily distracted by the political priorities of others, most notably Gov. DeSantis.

Floridians might accept their politically ambitious Governor going after President Joe Biden's policies. But, as homeowners face higher insurance premiums or abrupt policy cancellations, do they think it's the job of their CFO to spend time grousing about the Biden Administration's plans to overhaul [the IRS](#), or urging the country of [Norway](#) to reconsider divesting from Israeli banks based upon Environmental, Social and Governance (ESG) metrics?

An investigation by The Washington Post found insurers downplaying adjuster claims from Hurricane Ian damage and reducing payments to customers. Wouldn't the public be better served if Patronis supported consumer protections in SPB 7052 that would temper the Legislature's industry-favored "tort reforms" and give policyholders a better legal standard to hold abusive insurers to account? Shouldn't the CFO work more directly with insurance industry leaders to ensure the incentives of two special sessions by the Legislature actually attract and retain insurers? At the very least, can't Patronis lobby lawmakers for a bigger budget, to ensure the state consumer hotline operates longer than three to four hours a day?

Coaches of losing teams get fired. So do leaders of failing firms and workers who bring little value to their jobs. Patronis doesn't have to worry about that. He was appointed to the job in 2017 and subsequently elected and re-elected by running as a Republican willing to follow the party line and parrot Gov. DeSantis's priorities.

The CFO needs to be more than a toady. There is no reason for Patronis to act like a man out of his depth. He has the insurance consumer advocate. He has administrative leadership, a department and a number of stakeholders more than willing to help the CFO move Florida through this crisis. How he leads is the question.

Editorial: Florida Legislature shouldn't miss opportunity to hold insurers accountable

Date Published: May 8, 2023

As the 60-day session of the Florida Legislature drew to a close last week, the House and Senate were close to approving bills — [HB 7065](#) and [SB 7052](#) — that would finally make insurers more accountable to their customers. It was an effort that began way too late and shouldn't have taken until the session end to receive a final vote.

The bills prohibit quick policy cancellations and provide added protections for policyholders whose insurers become insolvent. The legislation bans insurers from altering or amending an adjuster's report without providing detailed explanations for the change, a problem that still plagues homeowners filing claims after Hurricane Ian. The bills also bolster the two state agencies responsible for overseeing the industry — the [Office of Insurance Regulation](#) and the [Department of Financial Services](#) — with tougher regulations and additional staff.

Our early newspaper deadlines prevent us from stating definitively if the Legislature actually did the right thing. After giving away the [proverbial store](#) to the industry and leaving consumers [high and dry](#), you'd think lawmakers' decision to make insurers accountable would be relatively quick and easy. The legislation should have occurred when state leaders took, not one but two special sessions, to address Florida's property insurance crisis. But better late than never.

Florida property owners deserve better protection from an insurance industry that has gotten its way in the state capitol. This legislation should already be law. If lawmakers do approve it, Gov. DeSantis should be quick about signing it. If they fail to get the bills through the process, the Governor should call his third special session with the express purpose of passing strong consumer protections to offset previous industry giveaways.

“Think of the people lined up on the side of the policyholders and the people lined up on the side of the carrier. What’s been targeted?” Amy Boggs, a St. Petersburg property insurance attorney asked the Post's Hannah Morse

Amid the flurry of bills lawmakers seemed so fixated on sending Gov. DeSantis to boost his presidential ambitions, it's understandable that policyholders facing tough decisions regarding their property insurance coverage would feel forgotten.

The zeal coming out of Tallahassee in the past two months centered on allowing Floridians to [carry concealed weapons](#) without obtaining permits or training, [banning abortions](#) after six weeks, [expanding school vouchers](#) at the expense of public schools, making it [easier for juries](#) to impose the death penalty, [barring doctors](#) from providing hormone therapy and puberty blockers to transgender minors, funding [anti-immigration efforts](#), keeping the Governor's travel records out of the public eye — all initiatives pushed by the Governor.

Despite taking two swipes at fixing the insurance mess, the Legislature took time during this latest legislative session to [shield businesses and insurance firms](#) from costly lawsuits. This was a priority of House Speaker Paul Renner, R. Palm Coast but the Florida Senate and Governor went along with it and it's now state law.

Corporate protection has become the norm. Last year, Gov. DeSantis and state lawmakers held two special sessions to give the industry pretty much what it wanted. The new laws — making it harder for dissatisfied customers to sue their insurers, and providing money to help insurers insure themselves — were supposed to entice new insurers to come to the state, and to put downward pressure on our soaring premiums.

Instead, dropped coverage, huge premium increases and insurers renegeing on claims, have reached a crescendo. Policyholders here already pay an average of \$4,231, up from \$1,988 in 2019, according to an Insurance Information Institute analysis. With premiums going up or coverage unavailable, it appears the patience of policyholders has run out. In a move that surprised many, state [Sen. Travis Hutson, R. Elkton](#), sponsored insurance-accountability legislation that had been long overdue. For many frustrated property owners, it couldn't come soon enough.

In a legislative session that will be remembered for extremist culture war bills crafted to give a politically ambitious Governor something to talk about, the Legislature might just pass something that helps the one group consistently given short shrift in Florida's property insurance meltdown — the policyholder.

Editorial: We asked the experts when property insurance bills will drop. The answer’s bad.

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We asked the experts. In a meeting last week with leaders of the [Insurance Information Institute](#), The Palm Beach Post Editorial Board asked how long before [frustrated property owners](#) in Florida might see reductions in their property insurance premiums — since, after all, the insurers got significant relief from state lawmakers. The answer wasn't encouraging.

"Years," Sean Kevelighan, the institute's president and CEO said after a brief silence and a bit of prodding.

The Insurance Information Institute consists of more than 60 firms and is the go-to organization for data, trends and other information to help consumers better understand the insurance industry. [Climate risks](#) and "legal system abuse," the group told The Post, remain two of the industry's biggest headaches in Florida.

Litigation, Kevelighan and his colleagues contend, remains the big problem, despite the fact that, after two special sessions of the Florida Legislature last year and again during the recent regular session, the industry pretty much got everything it said it needed to reduce the impact of lawsuits.

But 280,000 lawsuits have been filed by Florida homeowners rushing to beat the start of the Legislature's latest [tort reform bill](#) that Gov. DeSantis signed into law. Don't expect rate cuts until that's over with, the industry group said. The new law largely eliminates the "one-way" attorney fees insurers pay to cover the costs of plaintiffs' lawyers and cuts the four-year statute of limitation for filing negligence lawsuits in half.

Those changes came along with last year's "reform" that ended the assignment of benefits, in which homeowners sign over claims to contractors who then pursued payments from insurers. Lawmakers assured policyholders the changes would produce cheaper insurance.

In the meantime, policyholders face soaring premiums and cancellations. The Institute has warned Florida homeowners they are likely to see their property insurance rates increase by 40 percent this year.

When consumers will see premium reductions is no longer the question. How long they can hold on and afford their mortgage payments amid annual double-digit hikes in premiums is the better question.