



February 28, 2024

Honorable Kathleen Passidomo, Senate President
Florida Senate
Via hand delivery

Dear Senate President Passidomo:

On behalf of the Professional Insurance Agents (PIA) of Florida, we have been monitoring Senate Bill 1104 and House Bill 1149 and were hopeful the final provisions of these bills would limit the potential for market disruptions. Now that Senate Bill 1104 appears to be finalized for floor action we have great concerns with key provisions.

We applaud the legislature for the reforms from 2022 and 2023 designed to stabilize the market and as practitioners in the field, we are seeing positive results. In reviewing the language of the last committee substitute of Senate Bill 1104, we share concerns of other stakeholders that the inclusion of flood being added to the calculus for wind exposure will ultimately lead to insurers limiting their capacity for wind coverage in flood prone areas. It is our desire that we as a state do everything we can to *encourage* insurers to expand their coverage and provide agents additional capacity. We understand in rare circumstances, a consumer through no fault of their own could face challenges after a storm, but we believe there are alternative solutions such as placing these consumers temporarily in Citizens. While we understand there is a desire by many to limit the growth of Citizens we fear the outcome of wind carriers limiting their writings in flood prone areas will actually grow Citizens even more.

As professional agents, the provision in Senate Bill 1104, that specifies that forced renewals *must* be provided on similar policy terms limits consumer choices. While this provision may help an agent avoid an errors and omissions claim, it would limit consumers ability to make changes to their coverage such as exempting contents or reverting to an actual cash value provision while major repairs are being made.

In our collective experience, we did not see the challenges trying to be addressed by these bills to be a systemic problem post Ian or any storm for that matter. We are a little over a year in the positive legislative reforms taking shape and now is not the time to limit choices for insurers and consumers while the market continues to stabilize.

Please let us know if we can answer further questions and thank you for your leadership and continued support to strengthen the Florida insurance market. I can be reached at lori@horizonins.net. Thank you.

Sincerely,

A handwritten signature in black ink that reads 'Lori Augustyniak'.

Lori Augustyniak CPA, CIC
President