

THE SECOND CIRCUIT COURT, LEON COUNTY, FLORIDA

Patricia Ruiz,
Plaintiffs/Counter-Defendant,

v.

Case: 2025CA1802

Citizens Property Insurance Corp.,
Defendant/Counter-Plaintiff./

Order Granting Motion for Judgment on the Pleadings

This matter is before the court on a document filed by Citizens Property Insurance Corporation (“Citizens” or “Defendant”) on January 21, 2026 and entitled, “Citizens’ Motion for Judgment on the Pleadings” (the “Motion”).

Patricia Ruiz (“Plaintiff”) filed a document “Response in Opposition to Citizens’ Motion for Judgment on the Pleadings” on January 26, 2026 (the “Response”).

The court conducted a hearing on the Motion on February 2, 2026 and is adequately advised.

Procedural History

This case commenced by the filing of the Plaintiff’s Complaint on May 23, 2025. The Complaint alleged a single count seeking declaratory relief in the form of “a declaratory judgment pursuant to Chapter 86 of the Florida Statutes declaring that Section 627.351(6)(II), Florida Statutes (2024) and the provisions of the policy are invalid” and an award of attorney fees.

The Complaint states, “It is Plaintiff’s understanding that the policy provision and statute results in a violation of Article 1, Section 21 of the Florida Constitution and violates the due process rights of the Plaintiff.”

Citizens filed its “Answer and Affirmative Defenses to Plaintiff’s Petition for Declaratory Relief” on December 11, 2025. That same date, Citizens filed its “Counterclaim for Declaratory Judgment” (the “Counterclaim”).

The Counterclaim asserts a single count for declaratory judgment seeking declarations that:

1. “the [arbitration] Endorsement is constitutional;”
2. “the statute [627.351(6)(II)] is constitutional;” and
2. “the mandatory, binding arbitration requirements in the Policy, requiring arbitration at DOAH, are enforceable and must be enforced.”

Plaintiff filed the “Answer and Affirmative Defenses to Citizens’ Counterclaim for Declaratory Judgment” on December 16, 2025. The final paragraph of this document mentions the “Equal Protection clause[] of the Fourteenth Amendment” but the pleading does not appear to explain the basis for this reference.

Plaintiff Ruiz filed a document on February 3, 2026 entitled “Notice of Voluntary Dismissal” that “dismisses this action against Citizens Property Insurance Corporation without prejudice.” Thus, the only remaining operative pleading is Citizens’ Counterclaim for declaratory judgment.

Legal Analysis

Judgment on the Pleadings Standard

Florida Rule of Civil Procedure 1.140(c) states:

Motion for Judgment on the Pleadings. After the pleadings are closed, but within such time as not to delay the trial, any party may move for judgment on the pleadings.

A motion for judgment on the pleadings is confined to the undisputed factual allegations of the pleadings including attachments to the pleadings if not otherwise objectionable. Clarke v. Henderson, 74 So.3d 112 (Fla. 3d DCA 2011).

This court concludes that the pleadings adequately frame two issues for resolution:

First whether the legislature’s statute permitting Citizens to include in its policies a provision for arbitration before the Division of Administrative Hearings violates the due process clause of the constitution of the United States and the access to court’s section of the Florida Constitution; and

Second whether the same statute violates the equal protection clause by permitting Citizens to include an arbitration clause without the same limitations applicable to private insurers.

The Plaintiff's filings assert various largely polemic arguments – such as that the statutorily designated forum for arbitration of claims against Citizens is generally unfavorable to claimants or less favorable than court proceedings. This court concludes that such arguments are not justiciable and must await a specific case or controversy based on a factual record specific to each arbitration. Such generalized arguments are more appropriately addressed to the political branches.

This court concludes that the statute violates neither constitutional provision therefore judgment on the pleadings as to Citizens' counterclaim is hereby GRANTED.

Undisputed Facts

The Plaintiff is a Florida resident who purchased a homeowners insurance policy from Citizens. Citizens is an insurer created by the State.

The Plaintiff paid premiums which had the effect of renewing the policy periodically. The policy in issue was effective for one year beginning after the effective date of Ch. 2023-175 § 3, Laws of Florida – the legislation that authorized the arbitration provision at issue here.

The Plaintiff's policy was a contract between Citizens and the Plaintiff.

The Plaintiff submitted a claim to Citizens and served a notice of intent to litigate.

The Plaintiff's renewed policy with Citizens included the disputed arbitration provisions (the "Arbitration Endorsement"). It states:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ALTERNATIVE DISPUTE RESOLUTION
DIVISION OF ADMINISTRATIVE HEARINGS**

The following Condition G.3. is added to SECTION I — CONDITIONS, Condition G. Alternative Dispute Resolution in Forms CIT HO-3, CIT HO-4, CIT HO-6 and CIT HO-8: ...

3. Division of Administrative Hearings Proceedings.

A proceeding before the State of Florida, Division of Administrative Hearings (DOAH) is an alternative dispute resolution, by mandatory arbitration pursuant to the Revised Florida Arbitration Code, to address and resolve disagreements regarding claim determinations made by us. We will reimburse DOAH for the costs it incurs for any arbitration proceedings.

For purposes of this Condition G.3., a claim determination is our decision in writing regarding the coverage for, or the scope and value of, any claim that you have presented to us.

a. If there is a dispute regarding a claim determination after you have provided the notice of intent to initiate litigation that is required by Florida law and we have responded in writing to that notice, you or we may serve the other party to the dispute with a written demand for resolution of such dispute before DOAH. If the party served with a written demand believes that the dispute is ineligible for resolution before DOAH for some reason, it shall promptly so advise the party that made the written demand. . . .

f. The arbitration shall determine all disputes regarding, arising out of, or relating to, the claim determination, including but not limited to the determination of coverage, policy exclusions and limitations, all defenses raised on the claim, and the amounts of policy benefits payable. The arbitration's resolution shall be valid, final, and binding on the parties. The arbitration award shall not itself be subject to appeal but is subject to the provisions of the Revised Florida Arbitration Code. Any arbitration proceedings by Zoom or any other remote technology shall be considered as having been held in Leon County, Florida for purposes of Section 682.19, Florida Statutes.

Citizens responded to the notice of intent to litigate by demanding arbitration. Arbitration proceedings on the Plaintiffs' claim commenced but were delayed by an injunction entered by another court in a case that later resolved by settlement.

Citizen's Arbitration Endorsement was authorized by Ch. 2023-175 § 3, Laws of Florida which amended section 627.351 of the Florida Statutes by adding, among other things, paragraph (6)(II):

(II) In addition to any other method of alternative dispute resolution authorized by state law, the corporation may adopt policy forms that provide for the resolution of disputes regarding its claim determinations, including disputes regarding coverage for, or the scope and value of, a claim, in a proceeding before the Division of Administrative Hearings. Any such policies are not subject to s. 627.70154.

All proceedings in the Division of Administrative Hearings pursuant to such policies are subject to ss. 57.105 and 768.79 as if filed in the courts of this state and are not considered chapter 120 administrative proceedings. Rule 1.442, Florida Rules of Civil Procedure, applies to any offer served pursuant to s. 768.79, except that, notwithstanding any provision in Rule 1.442, Florida Rules of Civil Procedure, to the contrary, an offer shall not be served earlier than 10 days after filing the request for hearing with the Division of Administrative Hearings and shall not be served later than 10 days before the date set for the final hearing. The administrative law judge in such proceedings shall award attorney fees and other relief pursuant to ss. 57.105 and 768.79. The corporation may not seek, and the office may not approve, a maximum hourly rate for attorney fees.

The Arbitration Endorsement Does Not Violate Due Process

The statute and Arbitration Endorsement contain adequate procedural safeguards to satisfy the Due Process Clause.

The Arbitration Endorsement adopts the Florida Arbitration Code, Chapter 682 of the Florida Statutes.

The arbitration contemplated is an evidentiary proceeding after notice. Fla. Stat. § 682.06. “[A] party to the arbitration proceeding has a right to be heard, to present evidence material to the controversy, and to cross-examine witnesses appearing at the hearing.” *Id.* “A party has the right to be represented by an attorney at any arbitration proceeding or hearing under this law.” Fla. Stat. §682.07.

Parties to arbitration proceedings under the Code may seek discovery including depositions, which the arbitrator may permit “taking into account the needs of the parties to the arbitration proceeding and other affected persons and the desirability of making the proceeding fair, expeditious, and cost effective.” Fla. Stat. 682.08; compare Fla. Rule of Civ. Proc. 1.280(c) (1) (permitting discovery “proportional to the needs of the case, considering the importance of the issues at stake in the action, the amount in controversy, the parties’ relative access to relevant information, the parties’ resources, the importance of the discovery in resolving the issues, and whether the burden or expense of the proposed discovery outweighs its likely benefit.”).

Conducting arbitrations through DOAH entitles the parties to an arbitrator meeting essential qualifications. “Any person employed by the division as an administrative law judge must have been a member of The Florida Bar in good standing for the preceding 5 years.” Fla. Stat. § 120.65(4). See also, In re: Amendments to the Florida Rules for Court-Appointed Arbitrators, SC2024-0442 (Fla. October 31, 2024) (“a sole or chief court-appointed arbitrator must be a member in good standing of The Florida Bar for the preceding five years” unless the parties agree to an attorney licensed in another jurisdiction).

The Code provides for an appeal from an order denying a motion to compel arbitration, an order granting a motion to stay arbitration, an order confirming an award, an order denying confirmation of an award, an order modifying or correcting an award, an order vacating an award, or a “judgment or decree entered pursuant to this chapter.” Fla. Stat. § 682.20. The Code states that the “appeal shall be taken in the manner and to the same extent as from orders or judgments in a civil action.” Id. See also, Fla. Rule of App. Proc. 9.130(a)(3)(I) (establishing process for appeal of circuit court orders that “determine the entitlement of a party to arbitration, confirm or deny confirmation of an arbitration award or partial arbitration award, or modify, correct, or vacate an arbitration award”).

Arbitration under the Florida Arbitration Code as permitted by section 627.351(6)(II) and mandated by the Arbitration Endorsement provides sufficient procedural safeguards to satisfy the Due Process Clause.

Plaintiff asserts that the mandatory Arbitration Endorsement violates the right of access to the courts and that the plaintiff did not meaningfully waive that right by continuing to pay premiums upon renewal and so accepting the Citizens policy. Plaintiff contends she had no other choice. The Plaintiff essentially, if implicitly, argues that acceptance of the Citizens policy was coerced. But Plaintiff brought to this court's attention no provision of Florida law that forces purchase of insurance generally or insurance from Citizens.

If the Citizens' enabling statutes, discussed below, are accurate it must be assumed that no other insurance was available to Plaintiff. But the Plaintiff asserts no Florida law that mandated that they purchase insurance at all or from Citizens in particular. Nor is the market circumstance that left Citizens as their only choice a form of coercion by Citizens or by Florida government. It is, of course, likely that mortgage financing was conditioned upon insurance, but that circumstance does not render the purchase of a policy from Citizens coerced.

Section 627.351(6)(II) does not violate the right of access to the courts because renewal of the policy with the Arbitration Endorsement waived any rights beyond the due process and appellate rights provided by the Florida Arbitration Code.

The Arbitration Endorsement Does not Violate Equal Protection

Although Plaintiff's pleadings do not set out any basis to assert a violation of equal protection, Plaintiff's response to Citizens' motion for judgment on the pleadings argues that 627.351(6)(II) violates equal protection because it exempts Citizens from conditions for inclusion of arbitration clauses applicable to private insurers.

Section 627.351(6)(II) exempts Citizens' Arbitration Endorsement from section 627.70154 of the Florida Statutes. Section 627.70154 permit private property insurance policies to require mandatory binding arbitration only if:

1. the arbitration mandate is contained in a separate endorsement;
2. the premium charge includes an actuarially sound credit for the binding arbitration mandate;
3. the policyholder signs a form accepting binding arbitration;
4. the insurer agrees to mediation provisions of section 627.7015;

5. the insurer offers an alternative policy that does not require arbitration.

The statute's treatment of policies issued by private insurers differently than policies issued by Citizens satisfies the Equal Protection clause because private insurers are different than Citizens and because distinguishing between private insurers and Citizens is sufficiently connected to adequately described governmental interests.

Explicitly, the purpose of Citizens' existence is to provide insurance if no private insurance is available from any insurer. Fla. Stat. § 627.351(6)(a) (1). The statute states:

The Legislature finds that private insurers are unwilling or unable to provide affordable property insurance coverage in this state to the extent sought and needed. The absence of affordable property insurance threatens the public health, safety, and welfare and likewise threatens the economic health of the state. The state therefore has a compelling public interest and a public purpose to assist in assuring that property in the state is insured and that it is insured at affordable rates so as to facilitate the remediation, reconstruction, and replacement of damaged or destroyed property in order to reduce or avoid the negative effects otherwise resulting to the public health, safety, and welfare, to the economy of the state, and to the revenues of the state and local governments which are needed to provide for the public welfare. It is necessary, therefore, to provide affordable property insurance to applicants who are in good faith entitled to procure insurance through the voluntary market but are unable to do so.

In this court's judgment, this statement of public purpose alone is sufficient to justify all reasonable efforts for Citizens to increase efficiencies, including section 627.351(6)(II). But many other characteristics materially distinguish Citizens from private insurers, including:

“a variety of financial incentives to encourage the replacement of the highest possible number of Citizens Property Insurance Corporation policies with policies written by admitted insurers at approved rates.” Fla. Stat. § 627.3511(1);

that “Citizens is a government entity that is an integral part of the state, and that is not a private insurance company . . . is statutorily immune from first-party bad faith claims” and extra-contractual damages. Citizens Property Insurance v. Manor House, LLC, 313 So.3d 579, 583 (Fla. 2021);

that Citizens must charge rates “not competitive with approved rates charged in the admitted voluntary market so that the corporation functions as a residual market mechanism to provide insurance only when insurance cannot be procured in the voluntary market. . . .” Fla. Stat. § 627.351(6)(n)(1);

that “[w]ith respect to a deficit in the Citizens account . . . [Citizens’ board of governors] “shall levy a Citizens policyholder surcharge against all policyholders of” Citizens. Fla. Stat. § 627.351(6)(b)(3).

The statute satisfies the Equal Protection Clause.

For all these reasons, Citizens Motion for Judgment on the Pleadings is hereby GRANTED.

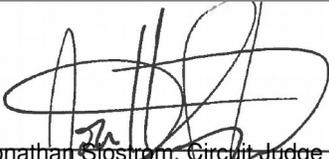
Final Judgment is granted against the Plaintiff and for Citizens regarding all counts of the Plaintiff’s Complaint.

Final Judgment is granted in favor of Citizens and against the Plaintiff as to this declaration that the subject State and the Arbitration Endorsement do not violate the rights of access to courts, equal protection or due process.

The Arbitration Endorsement in the Plaintiffs’ policy with Citizens is enforceable.

IT IS SO ORDERED AND ADJUDGED in chambers at Tallahassee, Leon County, Florida on Tuesday, March 10, 2026.

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Jonathan S. Jostrom, Circuit Judge
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