



Third Committee Week in February Update: Flood Insurance, Subsurface Rights, and Non-Residential Condominiums -- CALL Alert for February 21, 2014

After three weeks of committee meetings in Tallahassee, legislators head back to their home districts and will return to Tallahassee for the start of the 2014 Legislative Session on March 4, 2014. The following is a summary of bills of interest that were considered this week.

Flood Insurance – Sen. Brandes' [SB 542](#) was reported favorably and replaced by a committee substitute by Appropriations on Thursday, but will be held in Banking & Insurance until it is clearer how the House will act on the legislation. A number of flood insurance bills have been filed in the House, but have not yet been heard in committee. SB 542 aims to attract more private flood insurers to Florida by making the negotiation process more flexible, removing some Office of Insurance Regulation oversight and diverging from National Flood Insurance Program guidelines for deductibles and policy limits.

On the Federal level, the House of Representatives may take up the issue of flood insurance as early as next week. As reported previously, the Senate passed a measure to delay flood insurance rates. However, House Majority Leader Eric Cantor has stated that the Senate bill would remove "much needed reforms" and impose additional costs to taxpayers. He also stated that "the House will act to protect the flood insurance program but also protect homeowners from unreasonable and unrealistic premium increases." Therefore, it is expected that the House version will be as favorable to homeowners as the Senate bill.

Subsurface Rights – [HB 489](#), by Rep. Spano, is a bill that requires sellers of residential property to provide written notification to prospective buyers of the seller's intent to retain subsurface rights at least 3 days prior to entering into any sales contract. The bill provides a form notice to be used by sellers. A purchaser has 3 business days after the contract is fully executed to rescind the contract if a seller fails to provide the required notice. The bill also provides for other remedies, depending on the circumstances, including voiding the subsurface rights and damages. The bill also states that the failure to give the required notice does not affect the title or insurability of the real property. The Senate companion, [SB 1032](#), has not yet been heard in any Senate committees.

Non-Residential Condominiums: The House Business and Professional Regulation Subcommittee approved [HB 425](#), Relating to Condominiums, by Rep. Rodriguez (J). The bill exempts "non-residential" condominiums from certain provisions of Chapter 718. The bill next must be heard by the House Judiciary Committee before it moves to the House floor. The Senate companion, [SB 440](#), also has one more committee stop, the Senate Judiciary Committee, before it moves to the Senate floor.

Have a wonderful weekend and I look forward to updating you again next week.

Very Truly Yours,

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