

Florida Commission on Hurricane Loss Projection Methodology

November 14, 2014

Meeting Summary¹

1. Jack Nicholson, Chair of the Flood Standards Development Committee, provided an overview of the Commission's responsibilities, timeline, and process for developing and amending flood standards, the scope of the flood model, the review and evaluation of flood models, and the nature of the flood peril event, exposure, and insured losses.
2. Richard Koon, Deputy Commissioner Property & Casualty, Florida Office of Insurance Regulation discussed the Federal Biggert-Waters Act of 2012 and the Office Informational Memorandum OIR-13-03M in 2013 to property insurers exploring the feasibility of writing primary flood insurance in Florida. He provided a synopsis of s. 627.715, Florida Statutes, discussing the four categories of flood policies and the statutory definition of flood. Mr. Koon stated the Office views the flood and wind peril as totally separate and that there should be separate models for hurricane and flood.

The Committee discussed the issue of distinguishing between wind and surge losses, the differences among insurers on claims paying practices, and requested the Office consider a voluntary closed claims storm surge data call to provide data for validation of the flood models.

3. The Committee reviewed the first draft of General Flood Standards and discussed the suggested edits to the standards, purpose statements, disclosures, audit requirements, and forms.

Commission Members Present: Steve Burgess, Randy Dumm, Barry Gilway, Bob Lee (by phone), Forrest Masters (by phone), Jai Navlakha (by phone), Jack Nicholson, Kristin Piltzecker (by phone), Hugh Willoughby (by phone), Floyd Yager (by phone), Miles Anderson for Bryan Koon

Commission Members Absent: Bryan Koon, Lori Medders

Professional Team Members Present: Jenni Evans (by phone), Paul Fishwick (by phone), Mark Johnson, Marty Simons (by phone), Masoud Zadeh (by phone)

¹ This document is a summary of the official minutes for the Florida Commission on Hurricane Loss Projection Methodology. The official minutes consist of the complete recorded transcript. The content of this summary has not been taken from the official transcript and should not be relied upon for any official purpose.