

CitizensAdvisor



Depopulation 2024 - Ensuring Policyholders Aware of Options

TALLAHASSEE, FL – More than 275,000 Citizens policyholders were assumed by qualified private insurance companies in 2023 under Citizens' Depopulation Program as Florida's property insurance market continues to improve.

The trend is expected to continue in 2024, with initial projections indicating that more than 330,000 of Citizens' 1.2 million policyholders may receive offers by the end of the year from private companies approved by the Florida Office of Insurance Regulation (OIR.) Some policyholders may see multiple offers during the year.

For the Citizens policyholders assumed by private companies in 2023, the private company will submit a renewal offer before the existing policy's renewal date. Until the policy renews, premiums and coverage stay the same.

Policyholders receiving a renewal offer notice within 20% of the Citizens premium are not eligible to return to Citizens. Policyholders receiving renewal offer notices that are more than 20% higher than their Citizens renewal premium remain eligible for coverage with Citizens if no other private company offers a policy within 20% of Citizens' premium. However, the policyholder must notify Citizens of their desire to remain. That is why it is critical policyholders read all of their Citizens' mail and email throughout the year.

Although premium pricing is a major consideration when seeking property insurance, it is important to note that private coverage at a higher premium might make sense for some consumers. The private policy, for example, may offer more comprehensive coverage. Citizens policyholders are also subject to a premium surcharge of up to 15% of their annual premium if Citizens exhausts its ability to pay claims following a major storm.

In addition, most Citizens policyholders will be required to obtain flood insurance coverage. Flood coverage requirements will be phased in over the next three years. After January 1, 2027, all single-family home policyholders with wind coverage will be required to be insured for flood through a private insurer or the National Flood Insurance Program.

New companies have entered the market, and existing companies are expanding. Policyholders should contact their insurance agent when considering their options.

March 25, 2024

Events

March 26 @ 10 a.m.
[Information Systems Advisory Committee](#)
[Zoom Webinar](#)

March 26 @ 1 p.m.
[Market Accountability Advisory Committee](#)
[Zoom Webinar](#)

March 28 @ 1 p.m.
[Claims Committee](#)
[Zoom Webinar](#)

April 9 @ 1 p.m.
[Audit Committee](#)
The Westin Lake Mary
[Zoom Webinar](#)

Immediately following Audit
[Finance and Investment Committee](#)
The Westin Lake Mary
[Zoom Webinar](#)

Immediately following FIC
[Actuarial and Underwriting Committee](#)
The Westin Lake Mary
[Zoom Webinar](#)

Immediately following A&U
[Exposure Reduction Committee](#)
The Westin Lake Mary
[Zoom Webinar](#)

April 10 @ 8:30 a.m.
[Board of Governors](#)
The Westin Lake Mary
[Zoom Webinar](#)

Immediately following Citizens' BOG
[FMAP Board of Governors](#)
The Westin Lake Mary
[Zoom Webinar](#)

Citizens Taps Former DOAH Chief Judge Brian Newman as New GC

TALLAHASSEE, FL – In January, Citizens welcomed Brian Newman as its new General Counsel and Chief Legal Officer.

Brian brings to Citizens an extensive background in administrative law. Since January 2023, he served as Director and Chief Judge for the Florida Division of Administrative Hearings (DOAH).

Before joining DOAH, Brian spent nearly three decades in private practice, including 22 years with the Pennington, P.A. law firm in Tallahassee, where he held various leadership roles, including serving as the firm’s president and chairman of its administrative law practice group. His area of focus included insurance regulation, bid protests, and health care issues. Brian has been lead counsel in more than 40 cases tried before DOAH.

A 1993 graduate cum laude of Florida State University College of Law, Brian has served on the Executive Council for the Administrative Law Section of the Florida Bar and is currently a member of the Florida Judicial Nominating Commission for the Second Judicial Circuit.

“I’m truly excited to bring Brian on board and look forward to working with him as he leads an already impressive legal team,” said Tim Cerio, Citizens’ President/CEO and Executive Director.

New 13% Rate Cap Kicks in for 2024 Renewals

TALLAHASSEE, FL – Citizens’ annual rate cap has increased to 13% for 2024 renewals as Citizens continues efforts to charge actuarially sound rates and return to its role as Florida’s insurer of last resort.

Complying with legislation passed in 2021, Citizens has raised the allowable annual rate increase from 12% to 13% on February 1 for primary residences. A primary residence is a dwelling that is the policyholder’s primary home and is occupied by the policyholder for more than nine months of the year or is a leased rental property that is the primary home of the tenant for more than nine months of each year.

As a result of Senate Bill 76, Citizens began increasing the capped glide path in 2022 by 1% until it reaches 15% in 2026. Policies that insure non-primary residences are subject to a 50% annual cap.

Nobody likes to see their rates go up, but it’s important to note that, on average, Citizens rates are close to 37% below actuarially sound levels. And are significantly below market rates. Inadequate Citizens’ rates raise the risk of assessments on all Florida insurance consumers – most of whom are not Citizens policyholders – if Citizens exhausts its ability to pay claims following a major storm or series of storms.

Spotlight



Brian Newman
Chief Legal Officer and
General Counsel

Policies in Force

1,180,216
as of March 15, 2024

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News Links

[Citizens Insurance changes head to Gov. DeSantis](#)
Florida Weekly (News Service of Florida)

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Insurance Journal

[Florida lawmakers pass Citizens Insurance changes](#)
Sun Sentinel (News Service of Florida)

[Bills that could lower property insurance costs in Florida head to Gov. DeSantis](#)
News4JAX

[In Florida, skyrocketing insurance rates test resolve of homeowners in risky areas](#)
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[Florida OIR Approves Another 54,000 Citizens Takeouts. More Coming if Bills Pass](#)
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Who Will Pay Citizens' Assessments After the Next Hurricane?

