

CITIZENS INSURANCE

2009 Changes

Hurricane Protection Requirement

Effective January 1, 2009 Citizens will require that homes insured for \$750,000 or higher have windstorm [hurricane] protection meeting current building costs. This means Hurricane Shutters or Impact Resistant Glass and Hurricane rated garage doors.

This requirement applies to new policies as of 1/1/2009 and renewal policies as of 7/1/2009.

\$2,000,000 Limit

Effective January 1, 2009 the maximum amount of coverage that Citizens will provide on a dwelling is \$2,000,000. The older the home and the closer to the ocean...the bigger the problem.

This coverage limit may be waived if a policyholder can demonstrate that there are no other available insurance markets [regardless of price].

Policy Holder Assessments

Citizens policyholders have always had the risk of being assessed for deficits that Citizens incurs. Citizens deficits are also 'taxed' to other [non Citizens] policyholders in Florida.

Beginning in 2009 the assessment formula is changing. The result is that Citizens policyholders will be responsible for a significantly higher percent of any Citizens deficits.

This change results in a hidden tax on Citizens policyholders in the event of losses incurred by Citizens.

Windstorm Mitigation Rating

Effective January 1, 2010 anyone selling a home [valued at \$500,000 or more and insured by Citizens] **must** provide the prospective purchaser with a written disclosure of the home's windstorm mitigation rating prior to the contract for sale.

This article is a service of Burke, Bogart & Brownell, Inc., a 35 year old independent insurance agency in Boca Raton, Fl. Burke, Bogart & Brownell, Inc. is committed to increasing Public Awareness and Consumer Education in the areas of Insurance and Risk Management.

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