



JEB BUSH
GOVERNOR

STATE OF FLORIDA

Office of the Governor

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June 15, 2006

Ms. Sue Cobb
Secretary of State
Department of State
R.A. Gray Building
500 South Bronough Street
Tallahassee, Florida 32399-0250

Dear Secretary Cobb:

By the authority vested in me as Governor of Florida, under the provisions of Article III, Section 8, of the Constitution of Florida, I do hereby withhold my approval of and transmit to you with my objections, House Bill 217, enacted during the 108th Session of the Legislature of Florida since statehood in 1845, during the Regular Session of 2006, and entitled:

An act relating to sinkhole insurance . . .

The bill amends the laws governing property insurance claims relating to sinkhole damage. It establishes an alternative process for resolving sinkhole disputes called a "neutral evaluation." It provides that a policyholder may seek redress for a disputed claim in court and specifies that an insurer is not liable for the policyholder's attorney fees or extra contractual damages if the policyholder does not abide by the neutral evaluator's recommendations or if the policyholder refuses to participate in a neutral evaluation.

I support efforts to protect consumers by ensuring the availability and affordability of property insurance for sinkhole damage, while ensuring that there are adequate protections against fraud.

I understand that the effects of sinkhole damage are being experienced primarily in Pasco, Hernando, and north Hillsborough counties and that Citizens Property Insurance Corporation is now the primary insurer in these affected areas. I appreciate the efforts of the sponsors of this bill in bringing forward the important aforementioned issues. Since these important sinkhole provisions are now the law of the land, they have succeeded in protecting the interests of their constituents with regard to sinkhole insurance.

The provisions of House Bill 217 are contained in the Committee Substitute for Committee Substitute for Senate Bill 1980, relating to property and casualty insurance, signed into law on May 16, 2006. House Bill 217 contains a requirement that Office of Insurance Regulation notify all insurance companies of the presumed rating factor to reflect the



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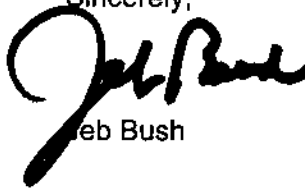
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impact on rates of the changes made by this act. The Office of Insurance Regulation has indicated that it will make the necessary notifications even if statutory direction is not specifically provided.

Further, the provisions that include appropriations are also in both bills and would create a question of duplication of funding, if House Bill 217 were to become law. Therefore, a veto of House Bill 217 is in order to prevent unnecessary clutter of the Florida Statutes and avoid duplicative funding.

For the reasons cited herein, I withhold my support for House Bill 217 and do hereby veto the same.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeb Bush". The signature is stylized with a large initial "J" and a long, sweeping underline that extends to the right and then loops back under the name.

Jeb Bush