

District Office:
13501 SW 128th Street
Suite 115
Miami, FL 33186
305-252-4300 • 305-252-4333 (Fax)

Tallahassee Office:
317 The Capitol
402 South Monroe Street
Tallahassee, FL 32399
(850) 717-5118

Florida House of Representatives

Representative Frank Artiles

District 118

Rep. Artiles Seeks Market Conduct Examination of Citizens Property Insurance Corporation

MIAMI, Fla. (November 30, 2012) – State Rep. Frank Artiles (R-Miami) today asked the Florida Office of Insurance Regulation to perform a top to bottom investigation, known as a “Market Conduct Examination,” on Citizens Property Insurance Corporation (CPIC). In light of recent findings outlining Citizens’ questionable business practices Rep. Artiles asked Insurance Commissioner, Kevin McCarty to complete the Market Conduct Examination prior to the beginning of the 2013 Legislative Session.

“Citizens should be held to the highest standard of transparency and fiscal responsibility. I am asking the Insurance Commissioner to investigate Citizens and related parties regarding, among other things, their business practices and patterns of alleged violations of the Florida Insurance Code,” said Rep. Artiles.

Rep. Artiles requested the Insurance Commissioner review various aspects of Citizens’ operations including employment practices as well as personnel disciplinary actions and investigations. Additionally, Rep. Artiles asked for a full review of paid fees to various law firms and the CPIC Cancellation Procedures.

“It is imperative that all Floridians and Citizens’ policyholders are protected. The Governor and Cabinet and the entire Florida Legislature are responsible for what is happening at Citizens,” stated Representative Artiles. “Clearly, the Board of Citizens seems to be asleep at the switch, disinterested or indifferent to the daily operations of the organization. They have shirked their fiduciary responsibilities,” added Artiles.

Rep. Artiles went on to cite recent attempts by Citizens Insurance to implement a program that would provide low interest loans to a select group of insurers, as another example of the Citizens’ lack of transparency. “The same way that Mr. Gilway thinks you can give special loans without public scrutiny or review by the Legislature, he believes that Citizens can restructure without any analysis.”

“I know we can rely on the Insurance Commissioner to carry out the power granted to him by Florida Statute. In the meantime, I’m going to work with my colleagues in the Legislature, to ensure that laws are enacted and followed to provide a mechanism to ensure that the administration of Citizens is transparent, accountable and responsive. Citizens executives and board members cannot simply abandon the policies set by the Legislature to protect the public and ensure public trust.”

For more information, or to discuss it with Rep. Artiles, please contact Beatriz Lopez (305) 252-4300.

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