



Property Casualty Insurers Association of America
Homeowners Insurance Research Findings • Florida
August 2010 • Privileged and Confidential

Methodology

- Telephone Survey
 - Florida statewide
 - 800 registered voters
 - Field dates: July 26-August 1, 2010
 - Margin of error: ± 3.5 percentage points

Research Topics

- Mood of the state and key issues facing Florida
- Opinions about elected officials, candidates for public office and their political/electoral support
- Awareness and perceptions of Florida's tax policy with regard to funding Citizens Property Insurance Corporation
- Opinions about how to keep homeowners insurance rates in Florida affordable
- Private market performance versus Citizens Property Insurance performance
- Opinions on personal financial situations and homeowners insurance situations
- Credibility of individuals and organizations as information sources on insurance issues

Key Findings and Context

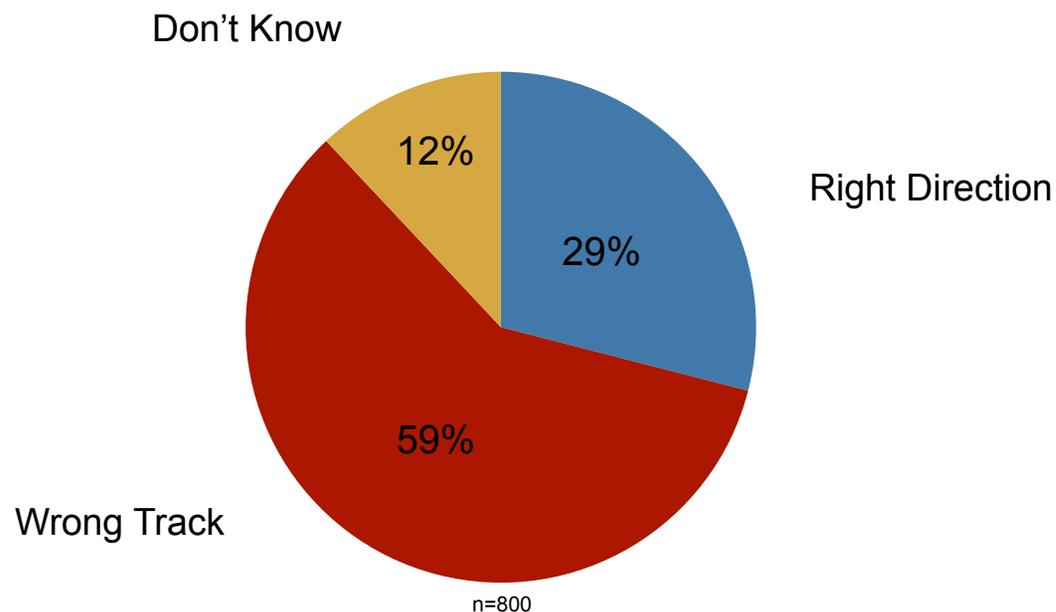
- Voters believe those living in coastal areas subject to extreme weather should pay higher homeowners insurance rates than those living inland.
- Support for policies that provide for long-term solvency and stability for insurance companies trump quick fix approaches designed to keep rates low over the short term.
- Voters remain largely unaware of the state's ability to tax all policies to subsidize Citizens Property Insurance – most oppose the policy upon learning about it.
- Insurance agents are the industry's greatest asset with the public.

Political and Business Outlook

Direction of the State

- By a two-to-one margin, a majority of Florida voters believe the state is on the wrong track.

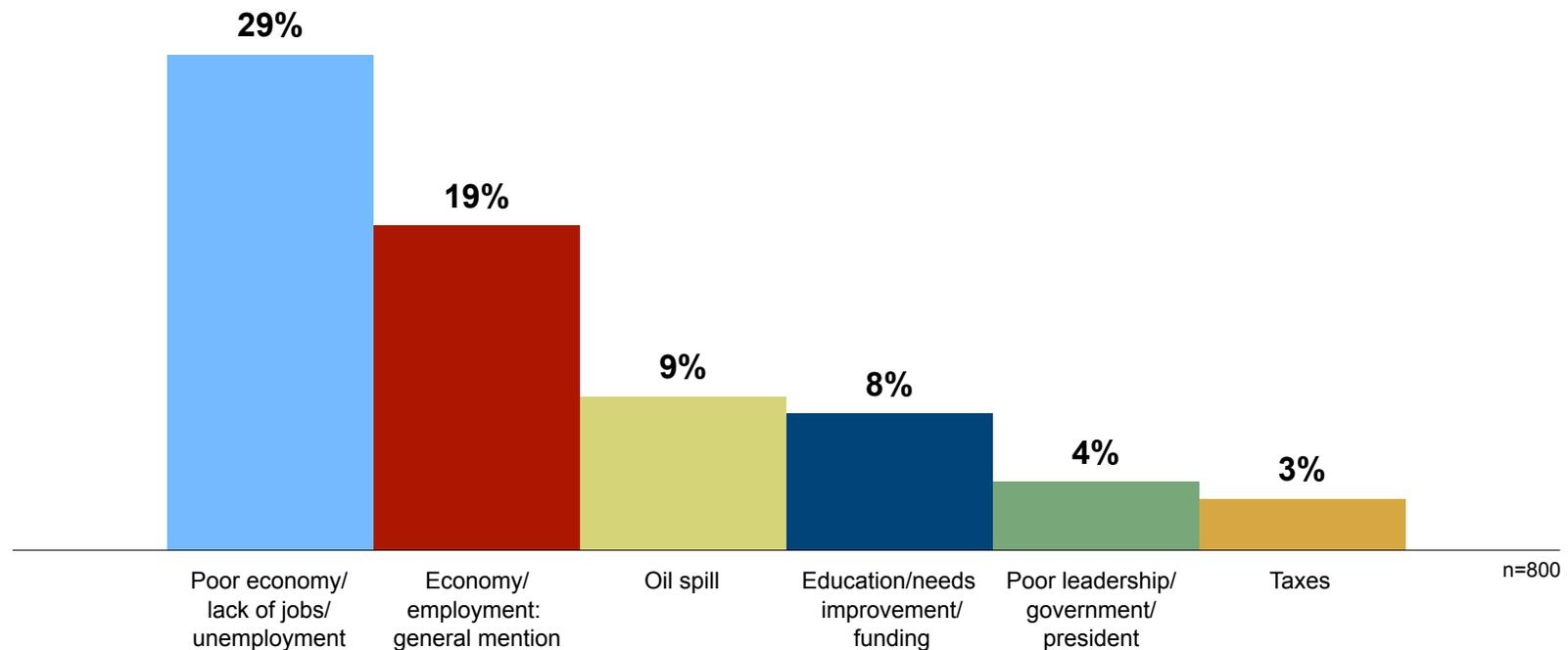
Do you think things in Florida are generally headed in the right direction or off on the wrong track?



Key Issues

- The economy and jobs rank far above other issues as the key issue facing Florida.
- Insurance issues do not register.

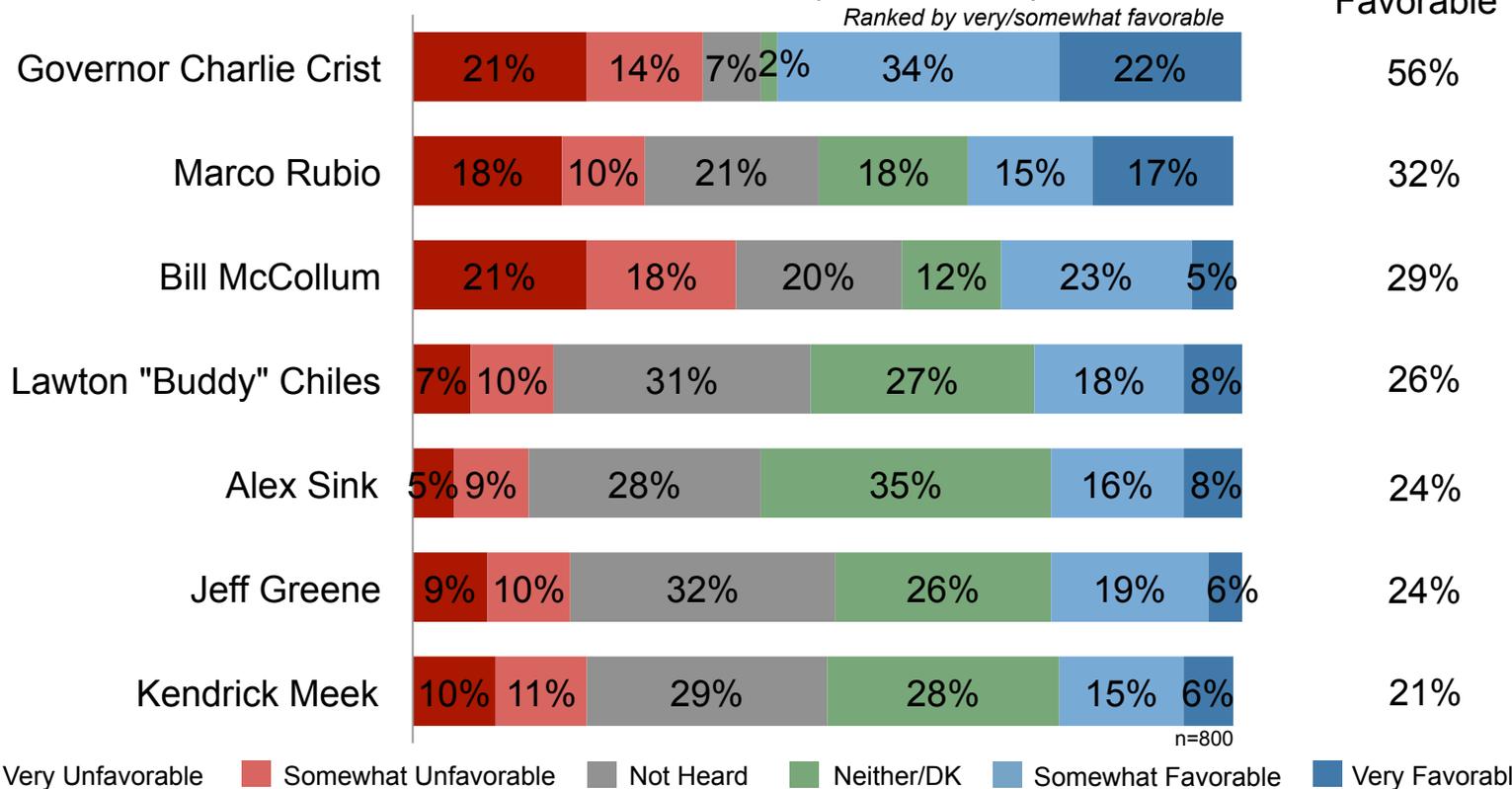
What do you think is the most important issue facing the State of Florida at the present time?



Opinions about Political Candidates

- Favorability ratings point to a potentially volatile political environment.
 - Governor Crist leads other political candidates on favorability ratings.
 - One in five have not heard of Marco Rubio, and another 18% have no opinion.
 - Majorities are unable to rate or have not heard of Lawton “Buddy” Chiles or Alex Sink.
 - No gubernatorial candidate has a higher favorability rating than 29%; Bill McCollum’s unfavorables outweigh his favorables.

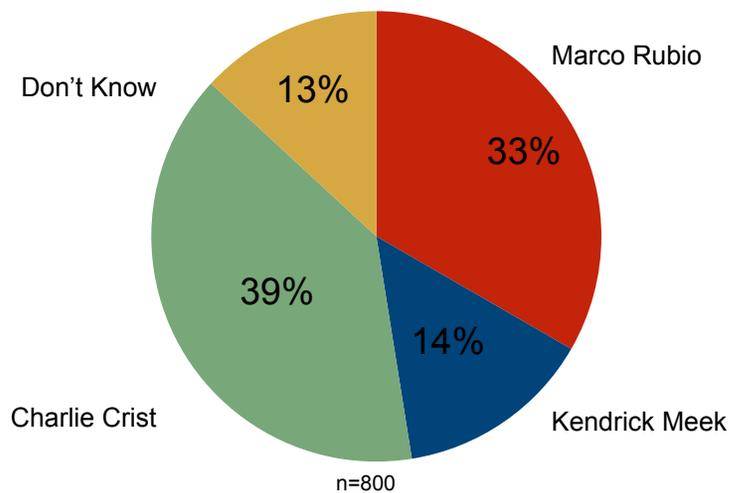
For each of the following, please tell me whether you have a very favorable, somewhat favorable, somewhat unfavorable, or very unfavorable opinion.



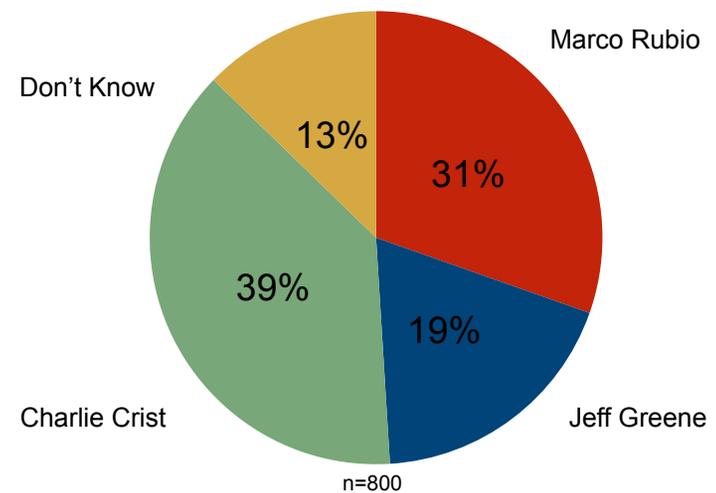
Senate Election Matchups

- Charlie Crist currently leads three-way matchups with both Marco Rubio and Kendrick Meek and with Marco Rubio and Jeff Greene.
 - Among voters overall, the Democrat in the race does not appear to affect Charlie Crist's support.

If the election for U.S. Senate were today and the candidates were Republican Marco Rubio, Democrat Kendrick Meek, AND Independent Charlie Crist, for whom would you vote?



If the election for U.S. Senate were today and the candidates were Republican Marco Rubio, Democrat Jeff Greene, AND Independent Charlie Crist, for whom would you vote?



Senate Election Matchups – A Closer Look

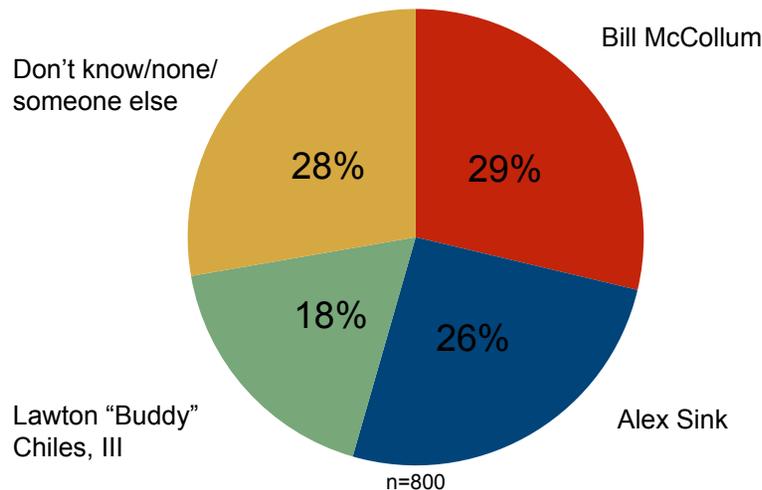
- Low turnout helps Rubio
 - Lower turnout scenarios in which only hardcore voters turn out to vote erase Charlie Crist’s lead and potentially open the door for a Marco Rubio victory.

	Matchup 1			Matchup 2		
	Crist	Rubio	Meek	Crist	Rubio	Greene
TOTAL	39%	33%	14%	39%	31%	19%
Likely Voters	39%	40%	14%	39%	38%	16%
Very Likely Voters	37%	42%	16%	39%	41%	15%
Party						
Democrat	47%	6%	35%	52%	6%	35%
Independent	48%	31%	7%	44%	28%	16%
Republican	24%	65%	3%	24%	63%	7%
Region						
Miami	43%	22%	22%	46%	22%	22%
Southern Florida	41%	39%	9%	42%	37%	10%
Tampa	52%	26%	11%	49%	25%	15%
Central Florida	33%	39%	13%	31%	37%	22%
Northern Florida	32%	42%	12%	30%	36%	21%

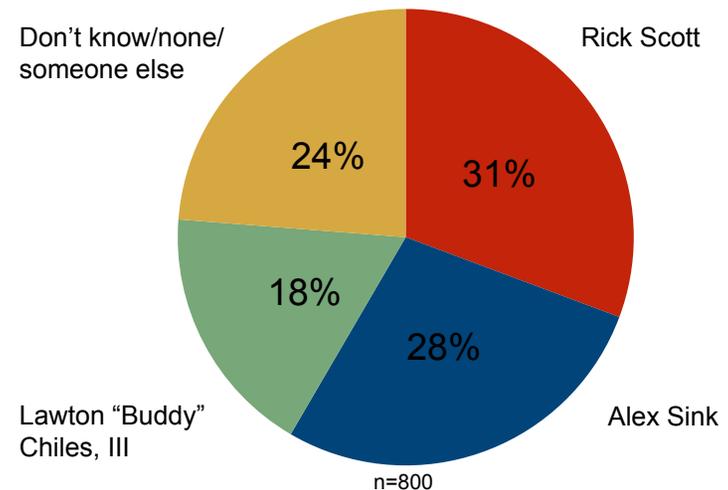
Gubernatorial Election Matchups

- Republicans have a slight advantage in the November Governor's race.
 - Bill McCollum leads Alex Sink 29%-26% in a three-way race with Lawton "Buddy" Chiles
 - Rick Scott leads Alex Sink 31%-28% in a three-way race with Lawton "Buddy" Chiles

If the election for Florida governor were today and the candidates were Republican Bill McCollum and Democrat Alex Sink and independent candidate Lawton "Buddy" Chiles III, for whom would you vote?



If the election for Florida governor were today and the candidates were Republican Rick Scott and Democrat Alex Sink and independent candidate Lawton "Buddy" Chiles III, for whom would you vote?



Gubernatorial Election Matchups – A Closer Look

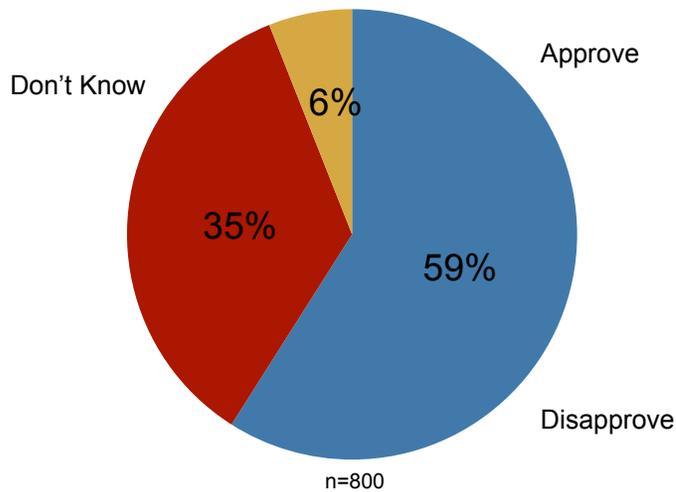
- Republican gubernatorial candidates Bill McCollum and Rick Scott currently have a slight edge over Democrat Alex Sink in head-to-head matchups.
 - Lower turnout on election day favors Rick Scott.

	Matchup 1			Matchup 2		
	McCollum	Sink	Chiles	Scott	Sink	Chiles
TOTAL	29%	26%	18%	31%	28%	18%
Likely Voters	31%	29%	17%	36%	30%	16%
Very Likely Voters	31%	29%	16%	36%	31%	15%
Party						
Democrat	6%	54%	20%	8%	56%	19%
Independent	28%	22%	19%	31%	23%	23%
Republican	56%	8%	16%	56%	10%	11%
Region						
Miami	24%	29%	16%	25%	34%	17%
Southern Florida	39%	20%	15%	39%	23%	16%
Tampa	21%	30%	21%	23%	26%	23%
Central Florida	31%	28%	17%	32%	29%	15%
Northern Florida	29%	24%	20%	37%	24%	18%

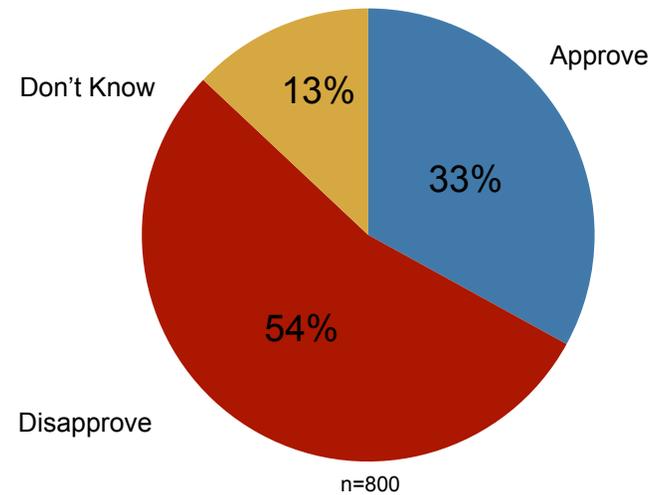
Job Approval

- Majorities of Florida voters *approve* of the job Charlie Crist is doing as governor and *disapprove* of the job the Florida legislature is doing.

Do you approve or disapprove of the job that Charlie Crist is doing as Governor?



Do you approve or disapprove of the job the Florida legislature is doing?

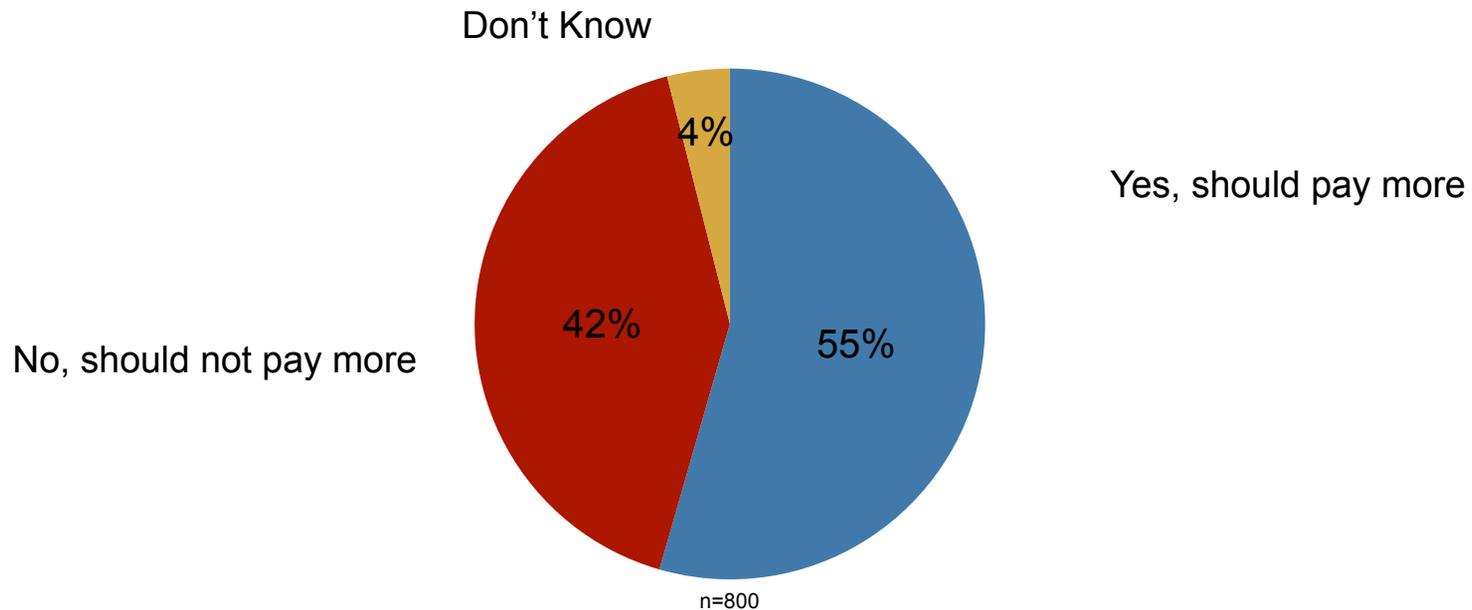


Homeowners Insurance Industry Issues

Coastal Versus Inland Homeowners Rates

- By a 55%-42% margin, Florida voters say people living in coastal areas of Florida should pay more for homeowners insurance than people who live inland.
 - The percentage saying people living in coastal areas should pay more is higher for males than females, and increases with age, education and income level.

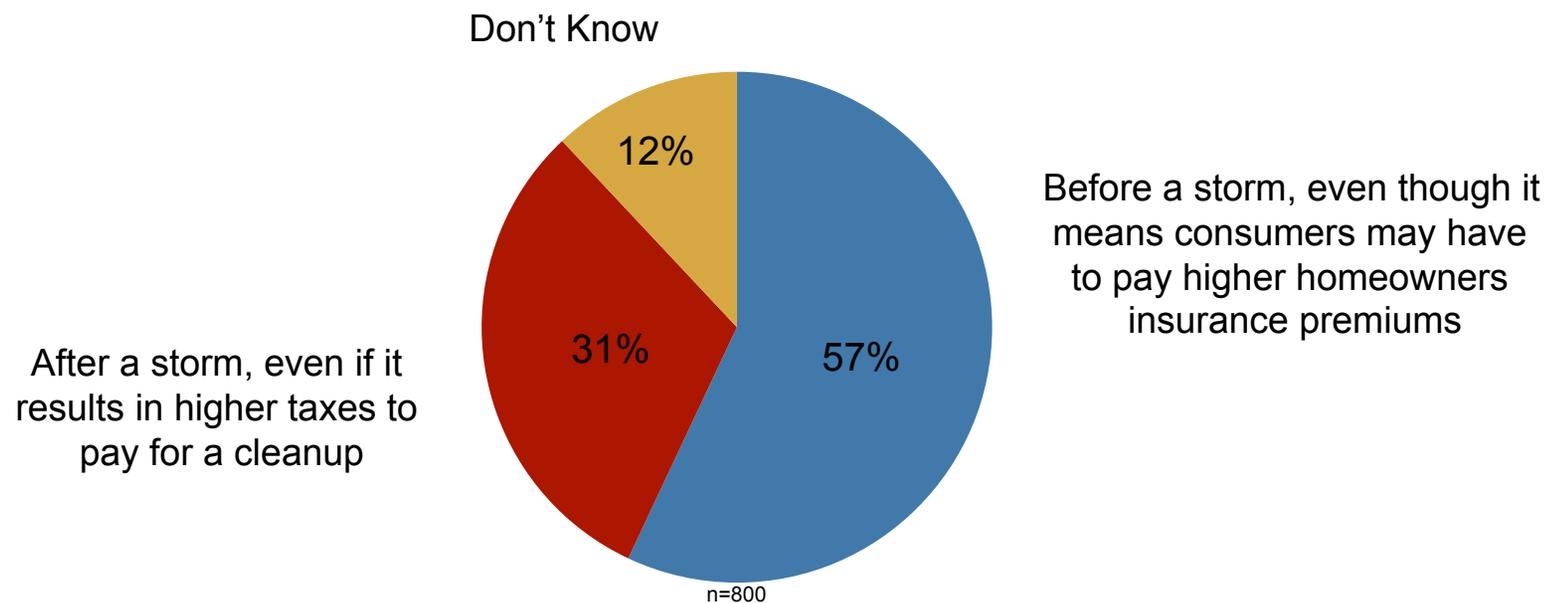
Do you think people who live in coastal areas of Florida should pay more for homeowners insurance than people who live inland?



Preparing for Hurricanes

- Florida voters prefer higher premiums in advance of a storm over higher taxes to pay for a cleanup after the fact.

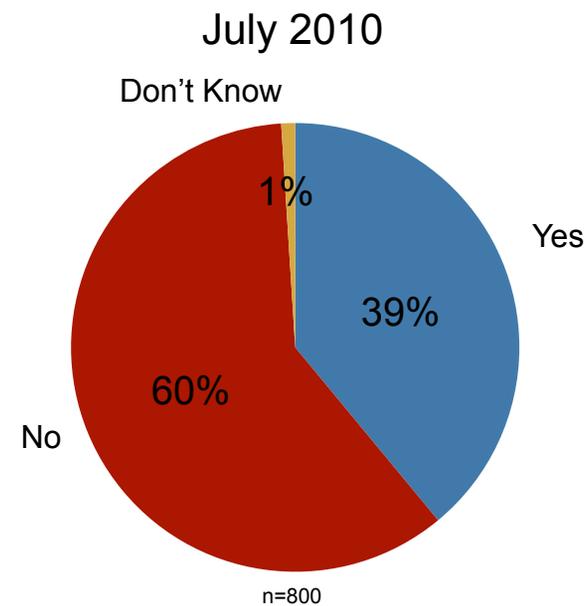
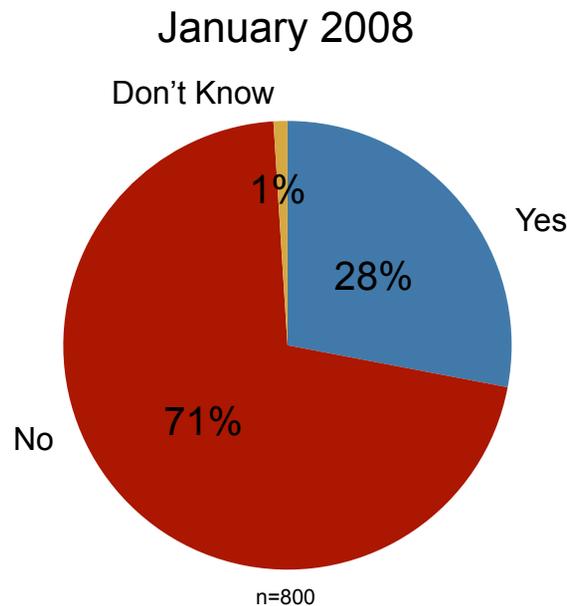
Which is the more responsible way to prepare and pay for damage from a hurricane?



Subsidizing Citizens Property Insurance

- Although awareness has increased, a majority of Florida voters remain unaware that the state can tax all insurance policies to subsidize Citizens Property Insurance Corporation.

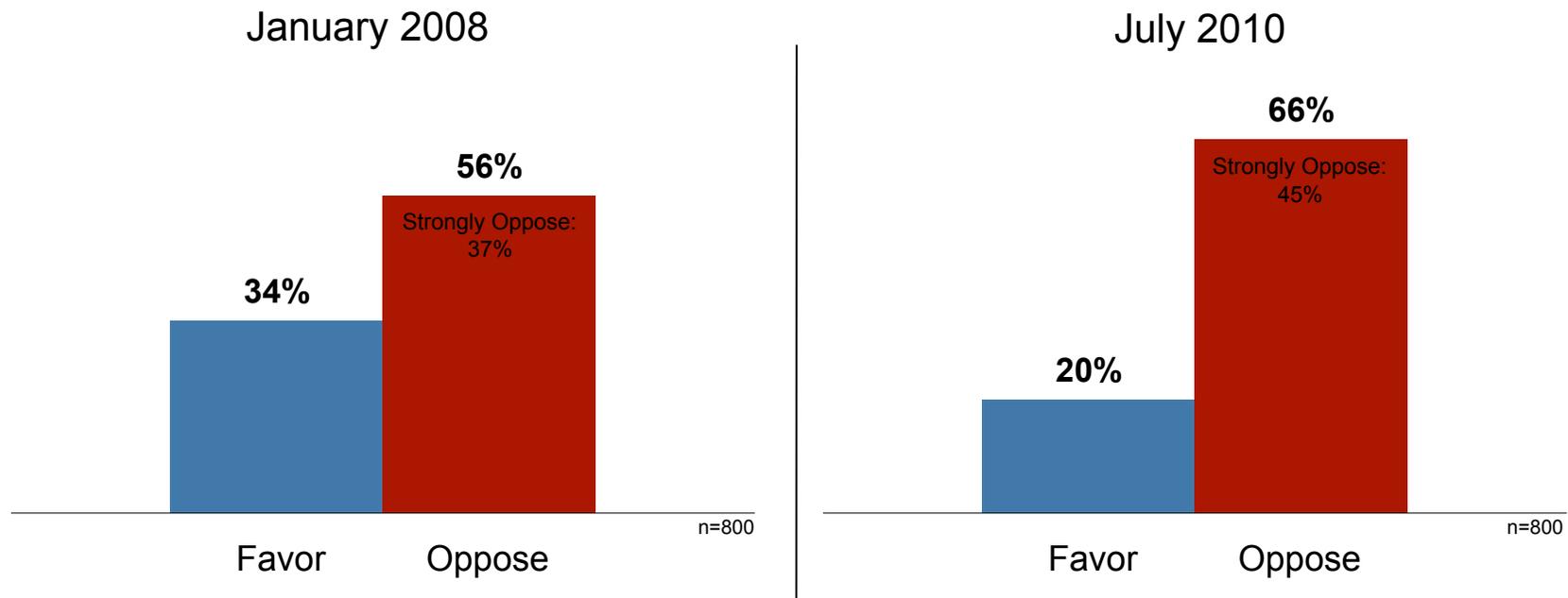
Did you know that the state can tax all insurance consumers, including auto insurance policyholders and business owners, to pay for any funding shortfall that Citizens, the state-run insurance program, may suffer as a result of another hurricane?



Subsidizing Citizens Property Insurance

- Opposition to the state's ability to tax insurance policies to subsidize Citizens Property Insurance Corporation has increased.
- Two-thirds of Florida voters currently oppose this provision, including 45% who strongly oppose it.
 - Opposition outweighs support by a more than two-to-one margin across all subgroups.

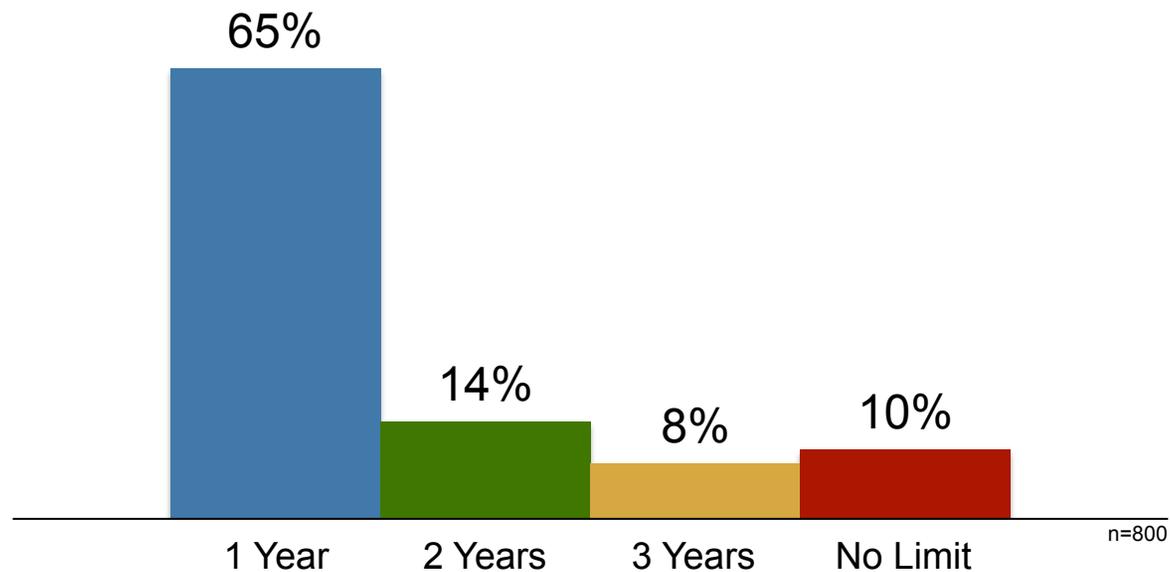
Do you favor or oppose this provision of the law passed by the Legislature?



Length of Time to File a Claim

- A large majority of Florida voters believe homeowners should be required to file damage claims within one year.

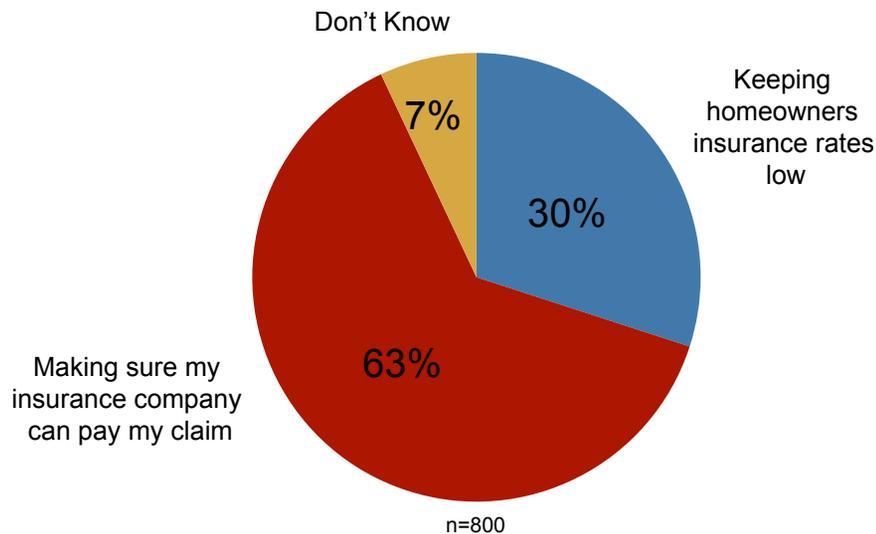
How long should a homeowner have to file a claim for damage from a hurricane?



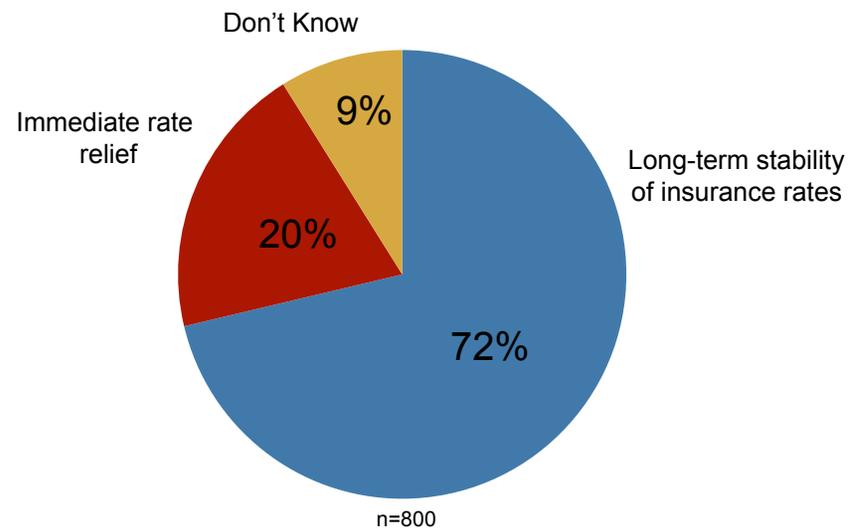
Prioritizing Insurance Goals

- Florida voters prefer policies that provide for long-term solvency and stability for insurance companies over quick-fix approaches designed to keep rates low over the short term.

Which of the following is more important?



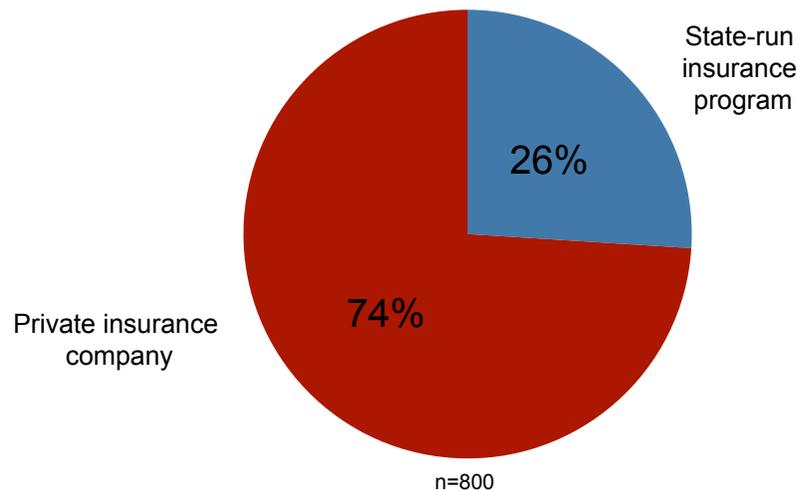
Which do you believe is a more important goal?



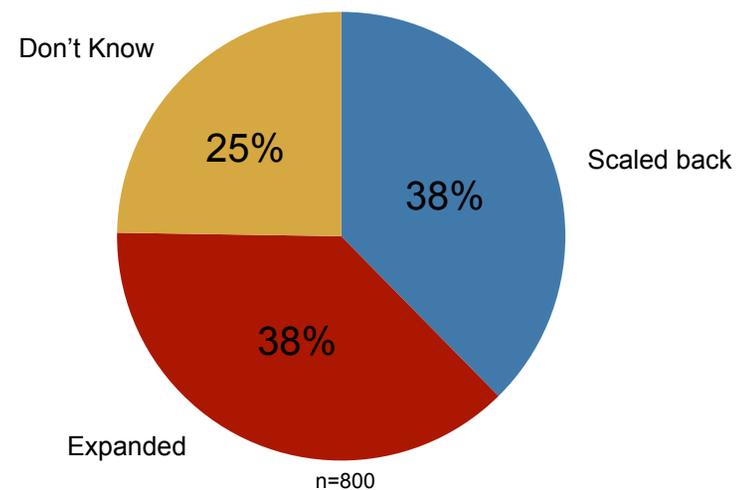
Public versus Private Insurance Companies

- Florida voters generally believe a private company would do a better job of taking care of a hurricane claim than a state-run insurance program.
- Voters are split, however, on whether Citizens Insurance should be scaled back or expanded.

If you needed to file an insurance claim as a result of damage to your home from a hurricane, which do you think would do a better job taking care of your claim?



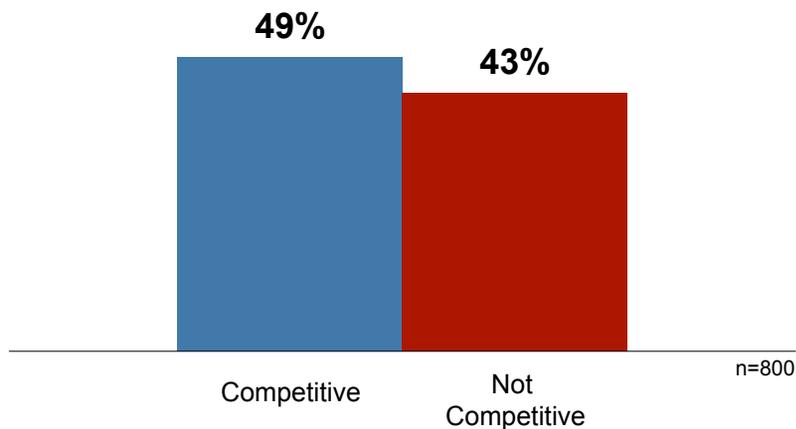
As more and more private insurance companies leave the state, state-run, taxpayer-backed Citizens Insurance has added policies at a rate of 26,000 per month. Should Citizens be scaled back or expanded?



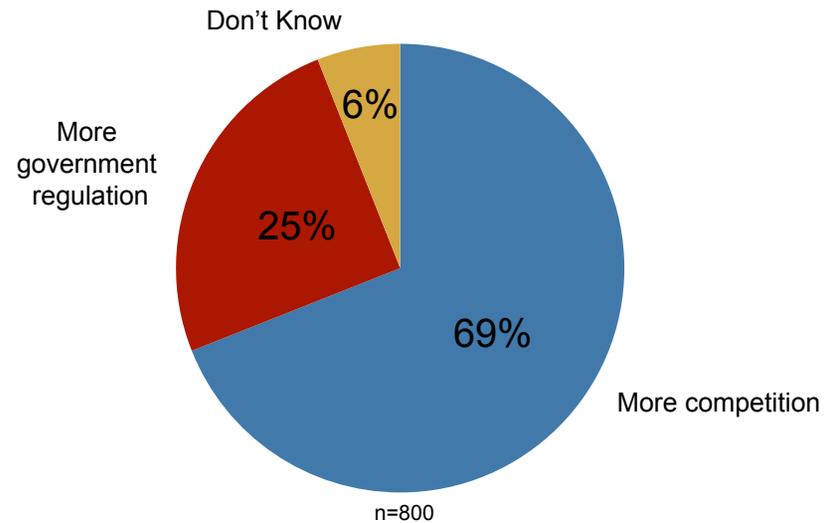
Competition for Homeowners Insurance

- Voters are split on the competitiveness of the homeowners insurance industry in Florida with just under half saying the industry is competitive.
- More than two-thirds of voters believe more competition rather than more regulation is the most effective way to fix Florida's homeowners insurance problems.

How competitive do you think the homeowners insurance industry is in Florida?



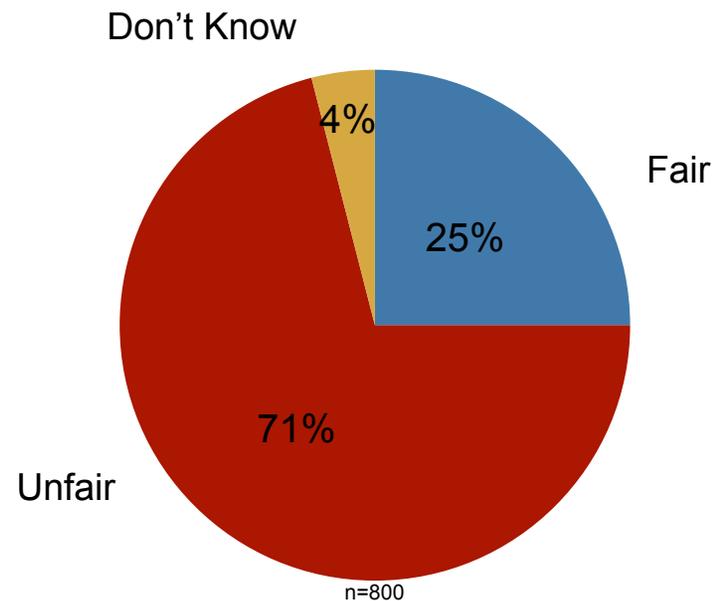
In thinking about how to fix the homeowners insurance problem in Florida, what would be the most effective solution?



Federal Natural Catastrophe Program

- By a 71%-25% margin, voters believe it is unfair to expect all Americans to pay to repair homes of those who live in high-risk areas of the country.

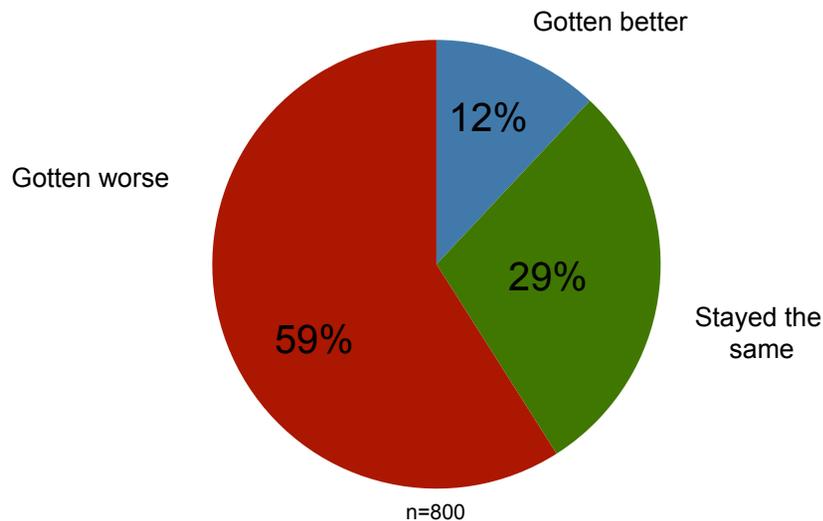
The U.S. Congress has debated a bill that would create a federal, taxpayer-funded program to help pay for damages caused by major natural catastrophes such as hurricanes. Do you think it is fair or unfair to expect all Americans to pay to repair homes of those who choose to live in high-risk areas like flood zones and waterfront properties?



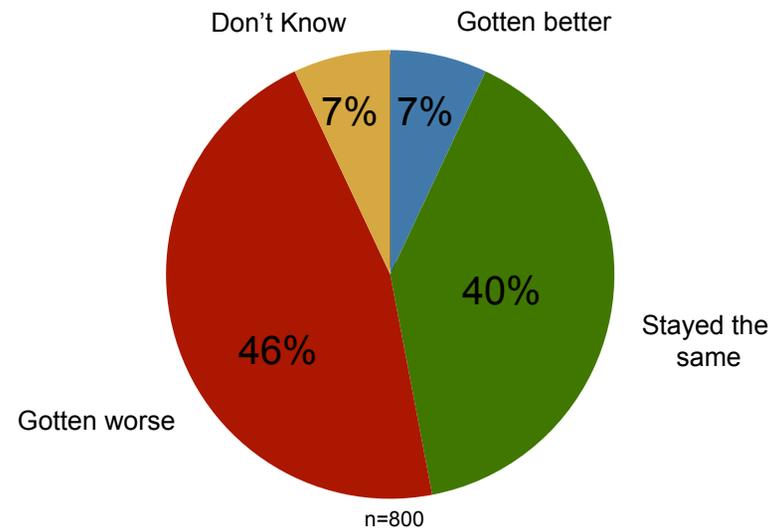
Personal Homeowners Insurance Situation

- A majority of Florida voters say their personal economic situation has gotten worse over the past four years.
- A 46% plurality of Florida voters say their homeowners insurance situation has gotten worse over the past four years.

Over the past four years, do you think your PERSONAL FINANCIAL SITUATION has gotten better, stay the same, or gotten worse?



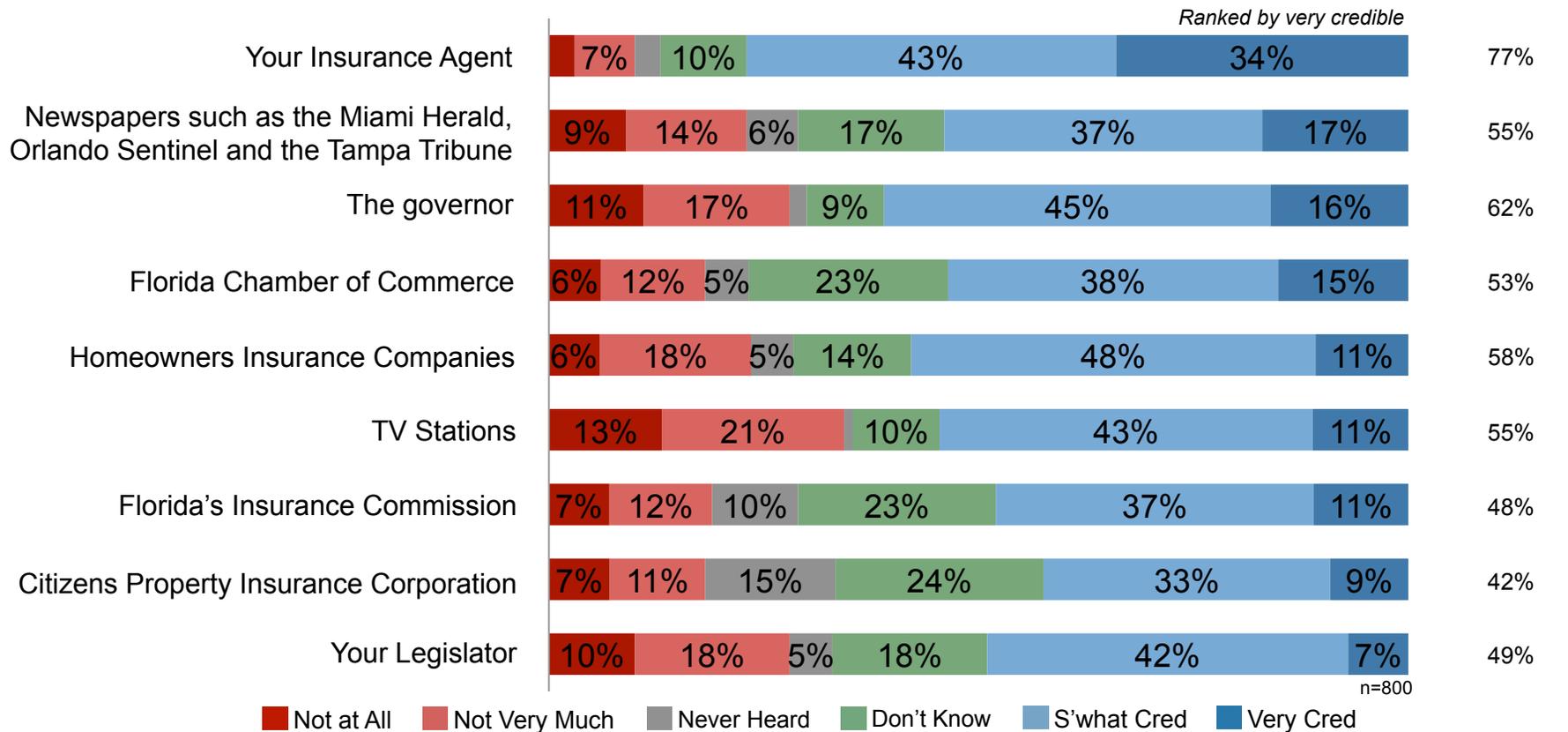
Over the past four years, do you think your HOMEOWNERS INSURANCE SITUATION has gotten better, stay the same, or gotten worse?



Issue Credibility

- Agents rank far above others as a credible source of information on homeowners insurance issues.
- Homeowners insurance companies also enjoy a majority credible rating.

For each one please tell me whether you think they are a very credible source, somewhat credible source, not very credible source, or not at all credible source of information on the issue.



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