

COMMISSION STRUCTURE

As Amended by the Commission on December 10, 2020

Oversight

The Commission was created, pursuant to s. 627.0628, F.S., “to independently exercise the powers and duties specified” in that statute. The Commission is administratively housed within the State Board of Administration of Florida (SBA), and as a cost of administration, the Florida Hurricane Catastrophe Fund (FHCF) provides travel reimbursement, expenses, and staff support. The SBA has no governing authority over the Commission; however, the SBA annually appoints one of the Commission members to serve as Chair, appoints one of the Commission members who is the actuary member of the FHCF Advisory Council, and has final approval authority over the Commission’s budget.

Membership and Required Expertise

Section 627.0628(2)(b), F.S., requires that the Commission consist of twelve members with the following qualifications and expertise:

1. The Insurance Consumer Advocate;
2. The senior employee of the State Board of Administration responsible for operations of the Florida Hurricane Catastrophe Fund;
3. The Executive Director of the Citizens Property Insurance Corporation;
4. The Director of the Division of Emergency Management;
5. The actuary member of the Florida Hurricane Catastrophe Fund Advisory Council;
6. An employee of the Florida Department of Financial Services, Office of Insurance Regulation who is an actuary responsible for property insurance rate filings and who is appointed by the Director of the Office of Insurance Regulation;
7. Five members appointed by the Chief Financial Officer, as follows:
 - a. An actuary who is employed full time by a property and casualty insurer which was responsible for at least 1 percent of the aggregate statewide direct written premium for homeowner’s insurance in the calendar year preceding the member’s appointment to the Commission;
 - b. An expert in insurance finance who is a full time member of the faculty of the State University System and who has a background in actuarial science;
 - c. An expert in statistics who is a full time member of the faculty of the State University System and who has a background in insurance;
 - d. An expert in computer system design who is a full time member of the faculty of the State University System;
 - e. An expert in meteorology who is a full time member of the faculty of the State University System and who specializes in hurricanes;
8. A licensed professional structural engineer who is a full-time faculty member in the State University System and who has expertise in wind mitigation techniques. This appointment shall be made by the Governor.

The licensed professional structural engineer was added by virtue of CS/SB 1770, which was enacted and became law in 2013. This legislation amended the requirements in s. 627.0628(2)(b), F.S., and enhanced the expertise immediately available to the Commission by increasing the membership to provide for the appointment of an additional member with special qualifications and attributes.

Terms of Members

The Insurance Consumer Advocate, Chief Operating Officer of the FHCF, Executive Director of Citizens Property Insurance Corporation, Director of the Division of Emergency Management, and the actuary member of the FHCF Advisory Council shall serve as a Commission member for as long as the individual holds the position listed.

The member appointed by the Director of the Office of Insurance Regulation shall serve until the end of the term of office of the Director who appointed the member, unless removed earlier by the Director for cause. The five members appointed by the Chief Financial Officer shall serve until the end of the Chief Financial Officer's term of office, unless the Chief Financial Officer releases them earlier for cause (s. 627.0628(2)(c), F.S.).

Officers

Officers: The officers of the Commission shall be a Chair and a Vice Chair.

Selection: Annually, the SBA shall appoint one of the Commission members to serve as the Chair (s. 627.0628(2)(d), F.S.). After the Chair is appointed, the Commission shall, by majority roll call vote, select a Vice Chair.

Duties of the Chair and Vice Chair:

A. The **CHAIR** shall:

1. Preside at all meetings except during committee meetings where other Commission members are designated to act as committee chairs;
2. Conduct a roll call of members at each meeting;
3. Ensure all procedures established by the Commission are followed;
4. Designate one of the Commission members to act in the role of Chair at any meeting where the Chair and Vice Chair cannot attend;
5. Assign members to serve on Committees and appoint Committee Chairs.

B. The **VICE CHAIR** shall:

In the absence or request of the Chair, preside at Commission meetings and have the duties, powers, and prerogatives of the Chair.

Member Duties and Responsibilities

The purpose of the Commission is to adopt findings relating to the accuracy or reliability of particular methods, principles, standards, models, or output ranges used to project hurricane losses, flood losses, and probable maximum loss levels. This work is extremely technical and requires specialized expertise. Therefore, the Legislature, in s. 627.0628, F.S., limited membership on the Commission to a careful balance of individuals meeting specific employment, education, and expertise requirements. Thus, each member's contribution cannot be underestimated and each member should make every effort to attend all meetings, in person or by telephone, and be prepared to actively participate. In particular, each member has the following responsibilities and duties:

1. Fully prepare for each Commission meeting and committee meeting where the member is designated as a committee member;
2. Attend and participate at each meeting in person or by telephone;
3. Give notice to SBA staff, in advance if possible, when a member must leave a meeting early or cannot attend at all;
4. Abide by the requirements of Florida's Sunshine Law. A summary of the requirements of the law is outlined in this section;
5. Since it is the SBA's responsibility to fund all Commission activities, direct all communications related directly to Commission activities to SBA staff who are responsible for administrative support of the Commission. The following communications, directly related to Commission activities, shall not take place:
 - a. Commission members shall not contact Professional Team members or modeling organizations directly, except in conjunction with participation in the on-site visit of a Commission member,
 - b. Modeling organizations shall not contact Commission members or Professional Team members directly, except in conjunction with remote participation in a virtual review,
 - c. Professional Team members shall not contact Commission members or modeling organizations directly.

A Committee Chair or the Commission Chair may, in conjunction with SBA staff, contact a modeling organization or outside party for the purpose of clarifying or refining input or suggested revisions to the *Hurricane Standards Report of Activities* and *Flood Standards Report of Activities*;

6. Give notice of "special" conflicts of interest where the member, the member's relative, business associate, or any principal by whom he or she is retained stands to reap a direct financial benefit or suffer a potential loss from the issue being voted on. Financial benefit which is speculative, uncertain, or subject to many contingencies is not a special benefit that would preclude a member from voting. See Attorney General's Opinion 96-63 (September 4, 1996) and Commission on Ethics Opinion 94-18 (April 21, 1994). If a special conflict of interest arises and the special conflict is apparent prior to the meeting, the member must give advance notice to SBA staff. If the special conflict becomes apparent during a meeting, the member should immediately inform the Commission Chair or Vice Chair. The conflicted member shall recuse himself or herself from any activity of the Commission in the area of the special conflict;
7. Commission members are expected to meet the highest standards of ethical behavior. Commission members may be subject to the Code of Ethics for Public Officers and Employees, ss. 112.311-112.3261, F.S., including, but not limited to, s. 112.313(7), F.S., relating to conflicting employment or contractual relationships; s. 112.3143, F.S., relating

to voting conflicts; and s. 112.3145, F.S., relating to disclosure of financial interests. It is understood, given the nature of the expertise held by Commission members, that general conflicts of interest are inherent. The conflicts of interest which are addressed in s. 112.3143, F.S., and the conflicts which would preclude a Commission member from voting on an issue are only those conflicts which are special. Additionally, Commission members should be mindful of situations which may arise that have the potential to give an unfair advantage to any modeling organization or result in a particular Commission member having unique information and being in a position to exercise greater influence than other Commission members.

New Member Orientation and Continuing Education of Existing Members

As part of the SBA's administrative support of the Commission, the SBA staff is responsible for new member orientation. The SBA staff may also design programs for continuing education at the request of the Commission. The cost of such programs is subject to approval through the state budgetary process as outlined under ***Budget Consideration***.

On-Site Visits to the Modeling Organization by Commission Members

The 2005 and 2014 legislative changes to s. 627.0628, F.S., specified that the goal was to enable the Commission to have access to all aspects of hurricane and flood models. Since both a public records exemption and a public meetings exemption are provided in the law, Commission members are able to review trade secrets in much more depth and able to inquire into the underlying nature of the hurricane and flood models without exposing such trade secret information to modeling organization competitors.

Although reliance on the expertise of the Professional Team continues to be necessary in the Commission's review process, it is anticipated that Commission members may request to have greater access to the hurricane and flood models by going to the modeling organization's location for an on-site visit.

The procedure for on-site visits and additional verification review visits requires that the Commission member obtain approval from the Commission and obtain authorization from the SBA for reimbursable travel (due to budget considerations). The deadline for requesting on-site visits, which includes any additional verification review visits, is seven days prior to the Commission meeting to review modeling organization hurricane model or flood model submissions in order for the requests to be placed on the meeting agenda.

Travel arrangements are coordinated through SBA staff and in accordance with the SBA's travel policy. Commission members are responsible for their own transportation arrangements to, from, and during the on-site visits.

The Commission member's on-site visit shall take place at the same time as the Professional Team's on-site or additional verification review. The Commission member's presence shall not disrupt the activities or work of the Professional Team. This procedure will limit Commission members' participation to that of an observer during the Professional Team activities and their

review process. The Commission member may ask questions of the modeling organization in meetings separate from those of the Professional Team. Given time and resource constraints, all reasonable attempts will be made to schedule meetings between the modeling organization and Commission members, and the modeling organization should make its best effort to be available to answer the Commission member's questions.

If any notes are taken by a Commission member, they shall be made in an on-site visit workbook provided by SBA staff. The modeling organization shall review the workbooks for any notes deemed by the modeling organization as trade secret information. Any workbook pages containing notes considered by the modeling organization as trade secret information shall be removed from the workbook by the modeling organization and placed in a sealed envelope marked "Contains Content Designated as Trade Secret Information by 'Name of Modeling Organization'" with the date, time, and Commission member's signature across the seal. The modeling organization shall specifically identify what notes on a workbook page are deemed as trade secret and shall refrain from designating publicly available information as trade secret. The sealed envelope shall be retained by SBA staff in accordance with Florida Public Records Law in a secure location. SBA staff shall bring the sealed envelope to the Commission closed meeting to discuss trade secrets where it will be unsealed and distributed to the Commission member for use during the closed meeting. At the conclusion of the closed meeting, all notes shall be placed in an envelope labeled "Contains Content Designated as Trade Secret Information by 'Name of Modeling Organization'" and sealed. The sealed envelope shall be retained by Commission staff in a secure location until the records retention schedule has been met at which time the sealed envelope shall be destroyed and the modeling organization informed.

It should also be noted that the job of the Professional Team while on-site is to review the hurricane or flood model rather than to educate Commission members. The education of Commission members by the Professional Team is better accomplished in other settings.

Commission members shall refrain from discussing the hurricane or flood model among themselves while on-site and shall be mindful of the requirements of the public meeting laws of Florida. Since Professional Team members have signed contracts with the SBA that contain a confidentiality clause accepted by each modeling organization and are prohibited from discussing such proprietary information, Commission members cannot be included in any activities, meetings, or deliberations of the Professional Team.

Trade Secret Documents for Review On-Site by Commission Members: The Professional Team reviews the Audit sections of the *Hurricane Standards Report of Activities* and the *Flood Standards Report of Activities* while on-site, and a Commission member may have additional questions or prefer a more in-depth discussion about a particular audit requirement. In order for the modeling organization to have the necessary personnel and documents available, Commission members shall identify the items from the Audit section of the *Hurricane Standards Report of Activities* or from the Audit section of the *Flood Standards Report of Activities* that they are particularly interested in reviewing on-site. Each Commission member may create a prioritized list of items that should be provided to SBA staff no later than the Commission meeting to review modeling organization hurricane model or flood model submissions. The list will be provided to the modeling organization with the Professional Team pre-visit letter, in preparation for the member's on-site visit.

All items included in the Audit sections are of equal importance since all are required for verification of the hurricane and flood standards. Because the time needed to review the different audit requirements will vary, Commission members should prioritize the items they request to review based upon their expertise and interest. Due to time constraints, it will be the responsibility of the members to allocate their time accordingly while on-site.

Documents Containing Trade Secrets Used in the Design and Construction of Hurricane and Flood Models

Material Containing Potential Hurricane or Flood Model Trade Secrets to be Visually Displayed or Discussed during Closed Meetings (Trade Secret Items): The Commission may develop a list of information, documents, and presentation materials that contain potential trade secrets used in the design or construction of the hurricane or flood model that the Commission wants to review during the closed portion of the Commission meeting to review hurricane or flood models for acceptability in addition to the trade secret items identified in the *Hurricane Standards Report of Activities* and the *Flood Standards Report of Activities*.

The trade secret material shown to the Commission shall be under the control of the modeling organization. This information, by law, shall be confidential and exempt from the State's public records requirements.

Closed Meetings for the Purpose of Discussing Trade Secrets Used in the Design and Construction of Hurricane or Flood Models

There is an exemption from public meeting requirements for those portions of a Commission meeting where trade secrets, used in the design and construction of hurricane or flood models, are discussed. The closed portion of a Commission meeting where trade secrets are reviewed and discussed will be held prior to the public portion of the Commission meeting to review hurricane or flood models for acceptability. Voting regarding the acceptability of a hurricane or flood model shall only take place during the public portion of the meeting. During any closed meeting, Commission members shall confine their discussions to trade secrets related to that particular hurricane or flood model under consideration. Discussions other than those involving trade secrets shall take place during the public portion of the meeting. Only public information that is absolutely essential to the understanding of the trade secret information may be provided along with the trade secret information during the closed meeting. Any such public information discussed must be discussed during the public portion of the meeting to ensure full access of the public to that information.

In accordance with s. 627.0628(3)(g), F.S., the closed portion of a Commission meeting shall be recorded electronically as per SBA policies and procedures. The recording is exempt from s. 119.07(1), F.S., and s. 24(a), Article 1 of the State Constitution.

Attendees: The only authorized attendees of the closed portion of the Commission meeting to review hurricane or flood models for acceptability shall include Commission members, Commission staff, Professional Team members, and modeling organization designated personnel, staff, and consultants.

Role of Professional Team: The discussion of trade secrets may involve verbal explanations, review of documents, and various types of demonstrations. Although the Professional Team will be present during the discussion of trade secrets, they should be viewed by the Commission members as a resource to confirm that the information being provided is consistent with the information provided on-site. Questions related to modeling organization trade secrets shall be addressed directly to the modeling organization rather than to the Professional Team members.

Room Requirements: Before the closed portion of the Commission meeting to review hurricane or flood models for acceptability begins, the room shall be cleared of all unauthorized persons and all their belongings. No briefcases, cellular phones, laptops, or other electronic devices shall be accessible to the authorized attendees during the closed meeting other than equipment needed by the modeling organization and equipment required by the Commission to accommodate Commission members.

All telephone lines and all microphones shall be checked to ensure that discussions cannot be heard, relayed, or recorded beyond the confines of the room. Personnel outside of the meeting room shall be asked to move to a distance where discussions cannot be inadvertently overheard or visual presentations seen. No telephone calls shall be made or received from the meeting room during the discussions of trade secrets other than those needed to meet the needs of the modeling organization. Authorized attendees needing to make or receive telephone calls shall be required to leave the meeting room to handle such communications. Any notes taken by authorized attendees, other than the modeling organization, shall be collected and given to the modeling organization at the conclusion of the closed meeting and prior to anyone leaving the meeting room. During the closed meeting, internet access may be available where modeling organizations may choose to provide direct access to the model by electronic means to help answer questions of Commission members.

Teleconference: Due to security reasons, a teleconference call-in number shall not be available to authorized attendees. If requested by the modeling organization, Commission staff will contact, from the meeting room, additional modeling organization personnel to allow their participation by phone.

Breaks: If a break is taken during a closed meeting, authorized attendees shall not discuss any of the proceedings from the time the meeting doors are open until they are closed following the conclusion of the break. No notes or other recorded information shall be taken out of the meeting room during a break. Other than authorized attendees, no one shall be allowed to enter the meeting room during a break with the exception of building maintenance personnel, food or beverage service personnel, or electronic technicians needed to provide services for the meeting room.

Transcripts: The Commission will not record a transcript for the closed portion of a Commission meeting.

Quorum Requirements: A quorum of Commission members is not required to conduct the closed portion of the Commission meeting.

Additional Closed Meetings: Once the initial closed portion of a Commission meeting has concluded, the public portion of the meeting shall begin. Upon a motion and a second and a majority vote, the Commission may decide to go back into a closed meeting. If such a decision is made by the Commission, all meeting security requirements previously outlined shall apply.

Commission Meetings

Quorum: A majority of the twelve Commission members (i.e., seven members) is required to constitute a quorum. A quorum is the number of members necessary to transact the official business of the Commission. “Presence” shall be defined as either a physical presence or as participation by any other means that allows the Commission member to communicate simultaneously with those members who are present.

Voting Abstentions based on Conflict: For the purpose of determining whether there is a quorum, if a member abstains from voting based on a special conflict of interest (as defined under *Member Duties and Responsibilities*), that member would still be deemed present for purposes of the quorum requirement (Attorney General’s Opinion 75-244; August 29, 1975).

Temporary Absence: “If a member in attendance at a meeting is called away and is unable to return to the meeting, the transcript should reflect the point at which ... [the member] left and - if the remaining members constitute a quorum - the meeting should continue.” If, however, the member is only temporarily absent, and this member is needed to constitute a quorum, the “appropriate procedure would be to recess the meeting until the member can return or, at least, to postpone a vote on any matter before the body until ... [the member’s] return” (Attorney General’s Opinion 74-289; September 20, 1974).

Meeting Notices: Written notice of a meeting of the Commission shall be provided to each member as soon as possible, and at a minimum, except in the event of an emergency meeting, at least seven days prior to the date scheduled. Section 286.011, F.S., requires public meetings to be noticed, and the notice must contain a time certain, a date, and the location of the meeting. If available, an agenda should be provided. If no agenda is available, it is sufficient if the notice summarizes the subject matter to be covered in the public meeting.

Public Access: Any member of the public shall have access to all Commission meetings that do not involve the discussion of trade secrets used in designing and constructing hurricane or flood models. That portion of a Commission meeting where a trade secret is addressed is confidential and exempt pursuant to s. 627.0628(3)(g)2, F.S., and thus will not be open to the public.

Agendas: Agendas listing topics planned for discussion shall be furnished to each member prior to the meeting. The agenda is to be used merely as a guide and topics not listed may be raised and discussed and the members may choose not to address an issue or topic listed on the agenda.

Location: Meetings shall be in Tallahassee, Florida, unless special circumstances arise.

Recording: The SBA staff shall be responsible for ensuring that all Commission meetings are recorded. A transcribed record shall be taken for all public portions of Commission meetings and an electronic recording shall be taken for all closed portions of Commission meetings. Commission meeting records shall be maintained by SBA staff in accordance with SBA policies and procedures. The Commission will not record a transcript for any closed portion of a Commission meeting.

Voting Requirement: Except in the case of a special conflict of interest (as defined under *Member Duties and Responsibilities*), no Commission member who is present at any meeting at which an

official decision or act is to be taken or adopted by the Commission may abstain from voting (s. 286.012, F.S.).

Designation of an Acting Chair: Depending on the circumstances, the Commission Chair or Vice Chair may temporarily appoint any member to act as Chair in those situations where the physical presence of a Chair is desirable to facilitate conducting the meeting.

Purpose and Conduct of Meetings: The Commission holds six types of meetings:

1. Committee meetings designed to review and revise the hurricane and flood standards, disclosures, audit requirements, forms, acceptability process, and other sections of the *Hurricane Standards Report of Activities* and the *Flood Standards Report of Activities*,
2. Commission meetings to adopt revisions to the hurricane and flood standards, disclosures, audit requirements, forms, acceptability process, and other sections of the *Hurricane Standards Report of Activities* and the *Flood Standards Report of Activities*,
3. Commission meetings to review hurricane or flood model submissions,
4. Commission meetings to review hurricane or flood models for acceptability,
5. Commission meetings to consider an appeal by a modeling organization if a hurricane or flood model is not found acceptable by the Commission, and
6. Planning workshops for the purpose of discussing, studying, and educating Commission members on new scientific developments and advances in the fields of meteorology, hydrology, hydraulics, engineering, actuarial science, statistics, and computer/information science. The discussions from the planning workshops will be instrumental in planning for future hurricane and flood standards, disclosures, audit requirements, and forms.

The meetings to review hurricane or flood models for acceptability may involve the discussion of modeling organization trade secrets. The Commission shall conduct the portion of a meeting where trade secrets used in the design and construction of the hurricane or flood model are discussed as a closed meeting. Each type of meeting is discussed below.

Committee Meetings

Committee meetings are for the purpose of discussing issues, developing hurricane and flood standards, completing necessary groundwork, and reaching a consensus among those present so when the Commission meets later to formally adopt the hurricane and flood standards, the *Hurricane Standards Report of Activities*, and the *Flood Standards Report of Activities*, most of the issues can be easily resolved with less detail and finalizing work required. Committee meetings provide for an informal workshop environment where Commission members, Professional Team members, SBA staff, modeling organizations, insurers, regulators, and the general public are encouraged to participate and provide input. A working draft of proposed revisions to the hurricane and flood standards, disclosures, audit requirements, forms, acceptability process, and other portions of the *Hurricane Standards Report of Activities* and the *Flood Standards Report of Activities* is created. A public notice is required, but it is not necessary that a quorum be present since all official business requiring a vote will be conducted at Commission meetings.

Committee meetings are also for the purpose of reviewing, determining the scope, and establishing priorities for any ideas, issues, and concepts new or previously presented at Commission meetings, Committee meetings, or workshops. The Committee may make a recommendation to the

Commission on those that could be subjects for current consideration or for future inquiries and investigation.

The role of the committee chair is to present the draft of proposed hurricane or flood standards and other relevant documents with the aid of the Professional Team and SBA staff. The role of the other committee members is to thoroughly review the proposed draft and provide input and ideas at the committee meetings. Committee members have the responsibility of preparing in advance and becoming familiar with all the relevant issues. Such members have the responsibility of reading documents, raising questions, forming opinions, and participating in discussions. The role of the other Commission members is to participate, at their option, in all or various committee meetings. In this manner the difficult work will be spread among Commission members and specific expertise will be utilized when reviewing and revising hurricane and flood standards. It is beneficial for each Commission member to be fully prepared to participate as an active committee member and provide quality input and discussion at the committee stage.

Committee meetings are not Commission meetings. Due to quorum requirements, no formal voting shall take place at committee meetings, but a consensus among committee members and others participating is desirable. The committee chair is expected to report issues and bring work products to the Commission at properly scheduled and noticed Commission meetings. It is possible for a committee to meet with one Commission member (the committee chair) and other interested parties (non-Commission members), but such committee meetings shall be publicly noticed and approved by the Commission Chair. Committee meetings work best when Commission members guide the committee meetings and there is broad participation by the public, modeling organizations, regulators, or other interested parties. Although committee meetings can be held with a substantial number of Commission members present, care should be taken to include the public and all interested parties to gain maximum participation and input. Committee chairs should regularly call upon and solicit input from any and all interested parties present.

The recommended way to conduct a committee meeting for hurricane and flood standards is as follows:

1. Standard
 - a. Each standard should be taken in order and read in its entirety or presented visually to the members.
 - b. The Committee Chair asks if the standard is located in the appropriate grouping of standards or if it should be moved to a more appropriate section.
 - c. The Committee Chair asks if the standard is still relevant, whether it should be eliminated, or if modifications should be made. If modifications are suggested, the Committee Chair should ask for proposed wording, if anything needs to be added, or if anything needs to be deleted in the standard.
 - d. Any proposed changes to the standard are then read and explained.
 - e. The Committee Chair next asks if there are any objections to the proposed changes and if any further changes are needed.
 - f. The Committee Chair asks whether there are wording issues associated with the standard, are there any ambiguities, or are there ways to further clarify the standard by better drafting.
2. Purpose
 - a. The Committee Chair reads or visually presents the purpose of the standard and asks if the purpose is clear and if any changes are needed.

- b. The Committee Chair asks if there are any objections or comments regarding the wording in the Purpose section.
 - c. The Committee Chair asks if there are any wording or drafting issues associated with the purpose.
- 3. Disclosures
 - a. The Committee Chair reads or visually presents each disclosure and asks if the disclosure is relevant and located with the appropriate standard.
 - b. The Committee Chair asks whether any additions, deletions, or other proposed changes to the disclosures are needed.
 - c. The Committee Chair asks if there are any objections to the proposed changes and if any further changes are needed.
 - d. The Committee Chair asks whether there are wording issues or additional instructions that need to be addressed to clarify the disclosure requirements.
- 4. Audit
 - a. The Committee Chair reads or visually presents the audit requirements and asks if it is clear and will be sufficient to help verify if the modeling organization has met the standard.
 - b. The Committee Chair asks whether any additions, deletions, or other proposed changes to the audit requirements are needed.
 - c. The Committee Chair asks if there are any objections to the proposed changes and if any further changes are needed.
 - d. The Committee Chair asks whether there are wording issues or additional instructions that need to be addressed to clarify the audit requirements.
- 5. Forms
 - a. The Committee Chair asks whether the forms are appropriate, relevant, and located in the appropriate grouping of standards.
 - b. The Committee Chair asks if there are any proposed changes suggested for the forms and if additional instructions are needed.
 - c. The Committee Chair asks if there are any objections to the proposed changes or if additional wording changes are needed for clarification.
- 6. Trade Secret Items

The committee will identify trade secret information, documents, and presentation materials that contain potential trade secrets used in the design or construction of the hurricane or flood models that the Commission wants the modeling organization to visually display or discuss during the closed portion of a Commission meeting to review hurricane or flood models for acceptability.
- 7. Consideration of ideas, issues, concepts, inquiries, and investigations

The committee will discuss, evaluate, and prioritize any ideas, issues, concepts, inquiries, and investigations presented at prior Commission meetings, committee meetings, or workshops. The committee will consider the associated costs and time constraints.

The meeting of the Acceptability Process Committee will proceed differently, but will follow a similar logical pattern as described above. The Acceptability Process Committee will start by reviewing the “Process for Determining the Acceptability of a Computer Simulation Hurricane Model,” or the “Process for Determining the Acceptability of a Computer Simulation Flood Model.” All proposed revisions will be discussed and any modifications will be considered. Comments will be solicited from those participating. Finally, any wording or formatting issues will be discussed.

Following the discussion of the acceptability process, the Acceptability Process Committee will take up other various sections of the *Hurricane Standards Report of Activities* or the *Flood Standards Report of Activities* by considering their appropriateness and relevancy, proposed revisions and any modifications, and wording or formatting issues.

As consensus is built and revisions are agreed to, the SBA staff in conjunction with the Professional Team will note the revisions and modifications and produce the draft documents that will be distributed in advance of the Commission meetings that will be held for the purpose of adopting the hurricane and flood standards and finalizing the *Hurricane Standards Report of Activities* for the next odd-numbered year and the *Flood Standards Report of Activities* every four years.

Commission Meetings to Adopt Hurricane and Flood Standards

The Commission Chair will open the meeting and ask each committee chair, who presided over the revisions to the hurricane and flood standards, to comment as to the purpose of each hurricane and flood standard and any suggested revisions by the committee under each hurricane and flood standard. This will not only include the hurricane and flood standard, but the purpose, the disclosures, the audit requirements, and the forms. The committee chair, along with the Professional Team and SBA staff, will discuss and comment on revisions to the hurricane and flood standards. The Commission members will ask questions and offer further suggestions if necessary and appropriate. The Commission Chair may also ask for comments from others in attendance including modeling organizations, regulators, insurers, or the general public.

Once the discussion is concluded, the committee chair should make a motion that the Commission adopt the hurricane or flood standard along with the suggested revisions including those associated with the purpose section, the disclosures, the audit requirements, and the forms. Another committee member should second the motion. The Commission Chair will then ask if there is any further discussion. The Commission Chair will recognize Commission members for final comments or questions. Once the discussion is completed, the Commission Chair will ask for a roll call vote. Each hurricane and flood standard (including its accompanying purpose section, disclosures, audit requirements, and forms) shall be voted on separately.

The “Process for Determining the Acceptability of a Computer Simulation Hurricane Model” and the “Process for Determining the Acceptability of a Computer Simulation Flood Model” will each be voted on separately. The Commission Chair will ask the Chair of the Acceptability Process Committee to explain the revisions to the acceptability process. Once this is completed and comments are made by the Professional Team and SBA staff, the committee chair should make a motion that the Commission adopt the acceptability process as amended. Another Acceptability Process Committee member should second the motion. The Commission Chair will ask if there is any further discussion. After recognizing Commission members for discussion, the Commission Chair will ask for a roll call vote.

The final items to be voted on by the Commission include the remaining sections of the *Hurricane Standards Report of Activities* and the *Flood Standards Report of Activities*. If any of these sections do not change, they can be combined and adopted with one roll call vote. The Acceptability Process Committee will be responsible for these recommendations. The committee chair will discuss any revisions and modifications and should make a motion to approve each

section separately. Another Acceptability Process Committee member should second the motion. The Commission Chair will recognize Commission members for discussion and questions, and then will ask for a roll call vote.

As a final consideration, the Commission Chair should consider whether it is appropriate to authorize the SBA staff to make any needed editorial changes consistent with the adopted *Hurricane Standards Report of Activities* and the *Flood Standards Report of Activities*. This would be done by a roll call vote after a Commission member makes a motion that is seconded and after discussion.

Once all voting necessary to finalize the *Hurricane Standards Report of Activities* and the *Flood Standards Report of Activities* is completed, the Commission may take up other business or may adjourn.

Commission Meetings to Review Modeling Organization Hurricane or Flood Model Submissions

The purpose of the meeting to review modeling organization hurricane or flood model submissions is to identify any “deficiencies” in the hurricane or flood model submissions, to create a list of “issues” to be addressed by each modeling organization, and to determine for a hurricane model submission whether an “existing” modeling organization is required to submit Form S-6, Hypothetical Events for Sensitivity and Uncertainty Analysis, prior to the Professional Team on-site review.

Modeling organization hurricane or flood model submissions shall be received by the applicable November 1 deadline. The hurricane or flood model submissions will have been distributed to each Commission member and the Professional Team for their review. The SBA staff will work with the Professional Team to identify any deficiencies or issues. Prior to the meeting, the Commission Chair, working with SBA staff and the Professional Team, may request that the modeling organization meet with the Commission (in person or by conference call) or provide additional information to clarify the hurricane or flood model submission.

Deficiency: A deficiency is defined as a lack of required documentation. A list of deficiencies shall be created if the hurricane or flood model submission is incomplete, unclear, or non-responsive. Some common deficiencies include failure to respond to all portions of a standard, disclosure, or form; failure to update to the current *Hurricane Standards Report of Activities* language or *Flood Standards Report of Activities* language; omission of supporting scientific references; errors and contradictory material in the submission; and insufficient detail for review of methodology. Failure to adequately provide a required written response or the necessary public documentation expected by the Commission in the hurricane or flood model submission shall result in a deficiency. If necessary, the Commission will attempt to further clarify its expectations by providing additional comments or instructions with the deficiency so that the modeling organization is fully aware of what is expected and will have a reasonable opportunity to correct the deficiency. The Commission shall determine the appropriate time frame for correcting deficiencies. Failure to correct the deficiency within the time frame specified shall result in the termination of the review process. The Commission Chair has the discretion to extend the time frame for a modeling organization correcting deficiencies if unusual circumstances are involved.

Issue: Issues are related to the operation and theoretical soundness of the hurricane or flood model. Issues should not require a modeling organization to submit additional public documentation that is not required of all modeling organizations. Issues shall be addressed by the modeling organization with the Professional Team during the on-site review as well as with the Commission when the modeling organization presents the hurricane or flood model to the Commission for acceptability. Should the nature of an issue be such that the Commission feels public documentation is needed, then the documentation shall be added to the disclosure requirements and required of all modeling organizations. Otherwise, some modeling organizations might be put in an awkward position and vulnerable to making more information about their hurricane or flood model public than other modeling organizations thus resulting in a competitive disadvantage. [See **Principle #12:** *The Commission's review process of models or methods shall not restrict competition in the catastrophe modeling industry or thwart innovation in that industry.*]

In conducting the meeting to review the modeling organization hurricane or flood model submissions, the Commission Chair will take up one modeling organization hurricane or flood model submission at a time as indicated on the agenda for the meeting. The Commission Chair will take up each hurricane or flood standard grouping and consider all the responses provided under the hurricane or flood standard including the modeling organization's response to compliance with the hurricane or flood standard, the information provided in the disclosures, any response provided to the audit requirements, and the completeness of the forms.

The first point of discussion will relate to hurricane or flood model submission deficiencies. The SBA staff working with the Professional Team will have provided a report to the Commission members regarding deficiencies that have been identified and that need to be corrected. The Commission shall review those deficiencies and add, delete, or modify the list as appropriate. Following a discussion of the deficiencies, the Commission will next discuss the issues identified under each grouping of hurricane or flood standards. The SBA staff working with the Professional Team will have provided the Commission members with a list of issues prior to the meeting. The Commission shall review those issues associated with each grouping of hurricane or flood standards and add, delete, or modify the list as appropriate. For hurricane model submissions only, a third point of discussion will relate to the requirement of Form S-6, Hypothetical Events for Sensitivity and Uncertainty Analysis, for an existing modeling organization. The SBA staff working with the Professional Team will have provided, prior to the meeting, a recommendation to the Commission for requiring a completed Form S-6, Hypothetical Events for Sensitivity and Uncertainty Analysis. The Commission shall determine, based on the recommendation and hurricane model revisions disclosed in the hurricane model submission, whether an existing modeling organization shall be required to provide Form S-6, Hypothetical Events for Sensitivity and Uncertainty Analysis.

Upon review of all hurricane or flood standards, the Commission Chair will ask if there is a motion and a second to continue the review process subject to the correction of the deficiencies and to provide Form S-6, Hypothetical Events for Sensitivity and Uncertainty Analysis, if required. . The motion shall include a specific time frame for correcting any deficiencies in the hurricane or flood model submission and if required for a hurricane model submission, a specific time frame for providing a completed Form S-6, Hypothetical Events for Sensitivity and Uncertainty Analysis, prior to the Professional Team on-site review. The modeling organization shall resubmit or amend the original hurricane or flood model submission as specified by the Commission in the acceptability process of the *Hurricane Standards Report of Activities* or the *Flood Standards Report of Activities*. The Commission Chair will call for further discussion. After discussion, the

Commission Chair will ask for a roll call vote. At any point, the Commission can determine that the modeling organization has not been responsive to the hurricane or flood model submission requirements and vote to terminate the review process.

The Commission Chair will next ask if there is a motion and a second to approve the list of issues to be addressed by the modeling organizations during the review process. The Commission Chair will call for further discussion. After discussion, the Commission Chair will ask for a roll call vote. The Commission Chair shall provide a letter to each modeling organization listing:

1. Deficiencies identified in the hurricane or flood model submission with the time frame assigned for correcting the deficiencies,
2. Issues to be addressed with the Professional Team during the on-site review and with the Commission during the meeting to review the hurricane or flood model for acceptability, and
3. Inquiries and investigations to be addressed with the Professional Team during the on-site review.

Commission Meetings to Review Hurricane or Flood Models for Acceptability

The Commission meeting to review a hurricane or flood model for acceptability will begin with the Commission Chair calling upon the modeling organization to provide an overview presentation as required in the acceptability process of the *Hurricane Standards Report of Activities* or the *Flood Standards Report of Activities*. The modeling organization shall make a presentation and Commission members may ask questions during and after the presentation.

The next portion of the meeting will be closed to the public and will involve the discussion of trade secrets used in the design and construction of the hurricane or flood model identified in the *Hurricane Standards Report of Activities* or the *Flood Standards Report of Activities* as trade secret items and by the Professional Team during the on-site or additional verification reviews.

At the public meeting to determine the acceptability of a hurricane or flood model, once a quorum is present, either in person or by telecommunications, all votes shall be by a roll call vote based on the majority vote of those present. No Commission member, who is present at any Commission meeting at which an official decision or act is taken or adopted by the Commission, may abstain from voting except when a special conflict of interest exists (s. 286.012, F.S., s. 112.3143, F.S.).

For those circumstances in which a hurricane or flood standard does not apply to a particular hurricane or flood model, if the Commission votes affirmatively that the hurricane or flood standard does not apply, then such a vote shall constitute a determination by the Commission that the hurricane or flood standard is not applicable.

The hurricane standards are categorized under six groupings:

1. General Standards,
2. Meteorological Standards,
3. Statistical Standards,
4. Vulnerability Standards,
5. Actuarial Standards, and

6. Computer/Information Standards.

The flood standards are categorized under seven groupings:

1. General Flood Standards,
2. Meteorological Flood Standards,
3. Hydrological and Hydraulic Flood Standards,
4. Statistical Flood Standards,
5. Vulnerability Flood Standards,
6. Actuarial Flood Standards, and
7. Computer/Information Flood Standards.

The minimum number of vote tallies taken to determine the acceptability of a hurricane or flood model shall be one for each group of hurricane or flood standards. If the Commission determines that the hurricane or flood model meets all hurricane or flood standards in a grouping, the hurricane or flood model is found acceptable with respect to each individual hurricane or flood standard in the grouping. Hurricane or flood standards with subparts denoted by a notation of A, B, C, etc. are considered one hurricane or flood standard. At the request of any Commission member, one or more hurricane or flood standards in a grouping may be set aside from the remaining hurricane or flood standards in that grouping for a separate vote.

Based upon a motion of any member that is duly seconded, the Commission may review and modify the voting requirements for any hurricane or flood model as may be appropriate due to the unique aspects of the hurricane or flood model.

At the start of the second public portion of the meeting, the Commission Chair will first ask the modeling organization to explain corrections made for deficiencies identified in the meeting to review modeling organization hurricane or flood model submissions. The Commission Chair will ask Commission members for questions or comments. Failure to provide the trade secret information required in the *Hurricane Standards Report of Activities* or the *Flood Standards Report of Activities* and the Professional Team report shall result in a deficiency. If the Commission identifies other deficiencies, the Commission shall specify a time frame for correction of those deficiencies that may include a review by one or more Professional Team members.

The Commission Chair will then announce that the Commission is ready to review the hurricane or flood model for acceptability. The Commission Chair will ask Commission members their preference for reading the hurricane or flood standards by title or in entirety. The Commission Chair will read the first hurricane or flood standard and will call upon the modeling organization to discuss the compliance of the hurricane or flood model with the hurricane or flood standard. The Commission Chair will next call upon the Professional Team to comment after which the Commission Chair will ask Commission members for questions or comments. If there are none, or after all questions have been responded to, the Commission Chair will then proceed to begin reading the next hurricane or flood standard. Once all the hurricane or flood standards in a grouping have been presented and discussed, the Commission Chair will ask the Commission members whether there are any hurricane or flood standards that need to be carved out and voted on separately. If no response is heard, the Commission Chair will ask for a motion to find the hurricane or flood model acceptable under that grouping of hurricane or flood standards. A motion will be made and seconded by Commission members at this time. Prior to voting, the Commission Chair will ask if there is any further discussion. If members have questions or comments, they will

be recognized. Once the discussion is completed, the Commission Chair will ask for a roll call vote. Any hurricane or flood standards carved out will be voted on separately in a roll call vote.

The Commission Chair will then move to the next grouping of hurricane or flood standards and begin to read the first hurricane or flood standard in the grouping. The review process will follow as indicated in the paragraph above.

The Commission will have completed its determination of the acceptability of the hurricane or flood model when it has completed voting on all hurricane or flood standards. This does not preclude the Commission from revisiting a previous vote or revising the voting procedure as noted above. Upon conclusion of voting on all the hurricane or flood standards, the Commission Chair will instruct SBA staff to tally the votes. The SBA staff member will indicate whether the hurricane or flood model has been found acceptable by noting that the Commission does or does not find the hurricane or flood model to have met all the hurricane or flood standards. If the Commission finds the hurricane or flood model acceptable, the Commission Chair will indicate to the modeling organization that the modeling organization will receive a letter as provided in the acceptability process of the *Hurricane Standards Report of Activities* or the *Flood Standards Report of Activities*.

The voting procedure can be changed only if approved by the Commission members, given a quorum is present. This will require a motion, a second, and approval of a majority by roll call vote.

Commission Meetings to Consider an Appeal by a Modeling Organization if a Hurricane or Flood Model is not Found to be Acceptable by the Commission

If a hurricane or flood model fails to meet one or more hurricane or flood standards and is not found to be acceptable by the Commission, the modeling organization may file an appeal with the Commission and request a meeting with the Commission in order to provide additional information and data to the Commission to justify that the hurricane or flood model complies with the hurricane or flood standards and other requirements. The appeal process is specified in the acceptability process of the *Hurricane Standards Report of Activities* and the *Flood Standards Report of Activities*.

The purpose of the meeting to consider an appeal by a modeling organization is to review the appeal documentation and determine whether or not to reconsider the hurricane or flood model.

The Commission Chair will call upon the modeling organization to provide a presentation which would include reasons and justification for reconsideration. Commission members may ask questions during and after the presentation. After discussion, the Commission Chair will ask for a motion to reconsider the hurricane or flood model. A motion will be made and seconded by Commission members. Prior to voting, the Commission Chair will ask if there is any further discussion. Once discussion is completed, the Commission Chair will ask for a roll call vote.

If the motion to reconsider the hurricane or flood model is successfully approved by a majority vote, the Commission shall then determine if additional data and information is necessary prior to reconsideration of the hurricane or flood model. The Commission may formulate additional questions and request additional data and information to be responded to by the modeling

organization. Such questions, data, and information may include proprietary information, and if so, may be addressed by the modeling organization in a closed session if requested by the modeling organization. If additional data and information is necessary for reconsideration of the hurricane or flood model, the Commission questions, data, and information request shall be provided to the modeling organization in a letter from the Commission Chair no later than ten days after the meeting to consider the appeal request. The Commission may proceed with scheduling a meeting with the modeling organization for reconsideration of the hurricane or flood model.

If the Commission does not specify any follow up questions or identify any additional data or information needed, the Commission may proceed with the reconsideration of the hurricane or flood model. The Commission shall then determine which hurricane or flood standards should be reconsidered. This may include only the hurricane or flood standards that were previously not found acceptable or it may include other hurricane or flood standards that have come into question as a result of new information and data which cast doubt as to the accuracy or reliability of the hurricane or flood model. The Commission shall vote on which hurricane or flood standards are to be reconsidered prior to reconsideration of the hurricane or flood model. The modeling organization may request more time to prepare for reconsideration if it feels that the nature of the review has become more complex and that it needs additional resources, time, and data to respond.

In reconsidering an earlier decision regarding hurricane or flood standards, the Commission shall be guided by new information and data which was not previously provided by the modeling organization. Each hurricane or flood standard will be discussed and voted upon separately in a roll call vote. The Commission Chair will read the title of the first hurricane or flood standard being reconsidered and will call upon the modeling organization to present new information and data and to discuss the compliance of the hurricane or flood model with the hurricane or flood standard. The Commission Chair may call upon the Professional Team to comment after which the Commission Chair will ask Commission members for questions or comments. The Commission Chair will ask for a motion as to whether the hurricane or flood model meets the hurricane or flood standard under reconsideration. A motion will be made and seconded by Commission members at this time. Prior to voting, the Commission Chair will ask if there is any further discussion. If members have questions or comments, they will be recognized. Once the discussion is completed, the Commission Chair will ask for a roll call vote.

The Commission Chair will then move to the next hurricane or flood standard being reconsidered, and the review process will follow as indicated in the paragraph above. The Commission will have completed its reconsideration of acceptability of the hurricane or flood model when it has completed voting on all hurricane or flood standards being reconsidered. This does not preclude the Commission from revisiting a previous vote on reconsideration of a hurricane or flood standard or revising the voting procedure as noted above. Upon conclusion of voting on all hurricane or flood standards being reconsidered, the Commission Chair will instruct SBA staff to tally the votes. The SBA staff member will indicate whether the hurricane or flood model has been found acceptable by noting that the Commission does or does not find the hurricane or flood model to have met all the hurricane or flood standards being reconsidered. If the Commission finds the hurricane or flood model acceptable under the hurricane or flood standards reconsidered, the Commission Chair will indicate to the modeling organization that the modeling organization will receive a letter as provided in the acceptability process of the *Hurricane Standards Report of Activities* or the *Flood Standards Report of Activities*.

The voting and meeting procedure can be changed only if approved by the Commission members, given a quorum is present. This will require a motion, a second, and approval of a majority by roll call vote.

Planning Workshops

Planning workshops are for the purpose of discussing, studying, and educating Commission members on new scientific developments and advances in the fields of meteorology, hydrology, hydraulics, engineering, actuarial science, statistics, and computer/information science. The discussions from the planning workshops will be instrumental in planning for future hurricane and flood standards, disclosures, audit requirements, and forms.

The planning workshops will be duly noticed and may require a quorum so that an official vote may be taken on actions resulting from the ideas presented and discussed at the workshop.

The Commission Chair will call the meeting to order and will introduce the ideas for discussion as indicated on the meeting agenda and will solicit any other ideas for discussion from Commission members. The ideas introduced will be discussed, prioritized, and evaluated by the Commission. Included in the discussions will be budget considerations, if any, and further study on the ideas if needed.

Outside Party Input Regarding Hurricane and Flood Standards, Disclosures, Audit Requirements, Forms, or Other Processes Adopted by the Commission

From time to time, parties other than Commission members, Professional Team members, and SBA staff assigned to the Commission make recommendations for the Commission to consider. For the Commission to fully and adequately consider input from outside parties, the following process and organizational framework is established for reviewing such input.

The Commission has a clearly defined statutory responsibility to act as a panel of experts to provide the most actuarially sophisticated guidelines and standards for projection of hurricane and flood losses possible, given the current state of actuarial science. The Commission's role is also narrowly defined as to its scope and purpose. As such, input provided by outside parties shall be considered by the Commission at its sole discretion. Subjects that go beyond the purview of the Commission's jurisdiction shall be rejected without consideration based on a decision by the Commission Chair. The Commission Chair may bring the matter to a vote by the Commission.

In order to enable the Commission and the appropriate Committees to evaluate recommended changes, the Commission requires that each recommendation be in the form of an amendment to specific language in the hurricane or flood standard, disclosure, audit requirement, form, or process. The specific amendatory language must be accompanied by a brief statement of the problem being addressed by the amendment and an explanation of how the amendment solves the problem. The problem statement, explanation, and amendatory language shall be received by the Commission at least ten business days prior to the committee or Commission meeting at which the outside party wishes the amendment to be considered.

Consideration of any proposed amendment is at the discretion of the committee chair when the input is provided for committee consideration. The proposed amendment may later be accepted or rejected for review by the Commission Chair prior to such input being brought before the Commission for a vote.

While comments and recommendations of a more general nature may be provided by outside parties, such recommendations shall be in the form described above in order to be considered at a committee or Commission meeting called for the purpose of adopting or revising hurricane and flood standards, disclosures, audit requirements, forms, or processes. Nothing in this paragraph prevents a Commission member from proposing alternative language to address an issue raised by an outside party.

Any topics for general discussion shall be addressed to the Commission Chair who will decide, in his or her sole discretion, whether the topic merits discussion by Commission members, when and how the topic will be discussed, and whether or not to accept public comment. The Commission Chair shall reject any topic for discussion that is beyond the scope of the Commission's purview.

Problem Statement: A brief statement of the problem being addressed should be provided with all proposed amendatory language.

Explanation: The explanation should classify the proposal as general, technical, or editorial and include justification for the modification.

Amendatory Language: Proposed amendatory language will assure that all recommended revisions to hurricane and flood standards, disclosures, audit requirements, forms, and processes suggested by outside parties are in a form that allows the Commission and its committee structure to give appropriate consideration to the substance of a particular proposal with minimum time spent resolving ambiguities, drafting questions, and similar issues.

This framework does not restrict the scope of proposals and allows outside parties the flexibility to present the arguments for their proposal in whatever form and at whatever length they desire.

Budget Consideration

All new projects that have a fiscal impact should be identified prior to January 1 of the calendar year so that appropriate funding can be obtained through the SBA's budgetary review process.

All new projects shall consist of a proposal, an estimated cost, and a time frame for completion. The Commission shall vote on all new proposals for projects. The FHCF will include in its budget the funding for on-going projects and anticipate the potential for new hurricane and flood model submissions or any fiscal impact that revisions to the acceptability process or the hurricane and flood standards might have on the Commission's budget. The Commission's budget is subject to approval by the SBA Trustees for the appropriate fiscal year.

Sunshine Law

Section 286.011, F.S., aka the "Sunshine Law" or "open meeting law" applies to the Commission.

Scope of the Sunshine Law: In any place where two or more members of the Commission are present, there is the potential for violating the Sunshine Law.

Any communication, whether in person, by telephone, computer, etc., concerning any information on which *foreseeable action* may be taken by the Commission is a “meeting” that must meet the requirements of Florida’s Sunshine Law if the communication takes place between two or more Commission members except as provided in s. 627.0628(3)(g), F.S.

Basic Requirements for Public Meetings: All meetings subject to the Sunshine Law must be:

1. Open to the public,
2. Noticed,
3. Recorded by a court reporter and minutes preserved. The official minutes of the Commission will consist of a verbatim transcript unless special circumstances arise. In addition, SBA staff may prepare a summary of the meeting that will be added to the transcript and together will comprise the minutes of the meeting.

The SBA staff ensures that all scheduled public meetings of the Commission are filed for public notice in the Florida Administrative Register and a transcript is taken and preserved.

Trade Secret Violations: s. 688.002, F.S., defines misappropriation as “disclosure or use of a trade secret of another without express or implied consent by a person who at the time of disclosure or use, knew or had reason to know that her or his knowledge of the trade secret was acquired under circumstances giving rise to a duty to maintain its secrecy or limit its use.”

Section 688.004, F.S., provides for damages as a result of a trade secret violation, “a complainant is entitled to recover damages for misappropriation. Damages can include both the actual loss caused by misappropriation and the unjust enrichment caused by misappropriation that is not taken into account in computing actual loss.”

If a trade secret also meets the definition of a trade secret in s. 812.081, F.S., the following penalty provided in s. 812.081, F.S., for violating the confidentiality of trade secrets could still apply:

“(2) Any person who, with intent to deprive or withhold from the owner thereof the control of a trade secret, or with an intent to appropriate a trade secret to his or her own use or to the use of another, steals or embezzles an article representing a trade secret or without authority makes or causes to be made a copy of an article representing a trade secret commits a felony of the third degree, punishable as provided in s. 775.082 or s. 775.083.

(3) In a prosecution for a violation of this section, the fact that the person so charged returned or intended to return the article so stolen, embezzled, or copied is not a defense.”

**PROCESS FOR DETERMINING THE ACCEPTABILITY OF A
COMPUTER SIMULATION FLOOD MODEL
As Amended by the Commission on December 10, 2020**

Due to the complex and unique nature of flood and hurricane perils, and recognizing that a modeling organization may submit only a flood model or only a hurricane model, the Commission has determined that the review of flood and hurricane models for acceptability shall be independent of each other. Hence, a flood model and a hurricane model shall be submitted separately and reviewed separately. The Commission has determined, if a model is found acceptable or fails under one set of standards applicable to flood or hurricane, it shall have no bearing or impact on the other type of model's acceptability or failure under the respective set of standards. A modeling organization submitting both a flood model and a hurricane model shall have each model reviewed separately and independently under the respective unique set of standards applicable to flood or hurricane.

It should be understood that if a modeling organization submits both a flood model and a hurricane model, and in the course of a review (e.g., internal review, Professional Team on-site review, Commission review) of the flood model or the hurricane model, an error is discovered that is also likely to co-exist in the hurricane model or the flood model, then it is incumbent on the modeling organization to report this error in accordance with section **III. Review of the Readiness Notification** or **VI. Review by the Commission, F. Discovery of Differences in a Model after a Model has been Determined to be Acceptable by the Commission**, as appropriate. Consequently, the onus is on the modeling organization to make this correction if it exists, in keeping with the independence of the two model reviews.

This section specifies the Commission's process for the determination of acceptability of a computer simulation flood model (model).

After the initial adoption of flood standards (standards) in June 2017, the Commission has determined that prior to November 1 of every other odd-numbered year, it will adopt new standards, revise existing standards, and if necessary, revise this process. The effective date of new or revised standards will be November 1 unless otherwise specified by the Commission. The standards and procedures published in the *Flood Standards Report of Activities as of November 1, 2017*, will not be scheduled for revision until 2021.

The Commission has determined that "significant revisions" to the standards or to the model are those that either change or have potential to change the flood loss costs or flood probable maximum loss levels. On the other hand, any minor revisions to the standards, or any revisions to the model by the modeling organization that do not result in changes to flood loss costs or flood probable maximum loss levels are not considered significant. The Commission may determine in its judgment whether a revision is significant.

The Commission has determined that any modeling organization that desires to have a model reviewed for compliance with the standards adopted by the Commission shall notify the Commission in accordance with the requirements set out below by November 1, 2019.

The Commission has further determined that the period between the effective date of new and revised standards and November 1 of the following odd-numbered year (the deadline for

notification by the modeling organization) is a reasonable length of time for any modeling organization to comply with the standards adopted by the Commission. If the Commission determines that this time frame is not sufficient, based on the nature of the revisions to the standards or based on other circumstances that might necessitate a longer period of time for compliance, then the Commission will adjust this period of time accordingly. If requested by a modeling organization, the Chair shall have the authority to grant a reasonable extension should the Chair determine that an emergency or unusual situation exists that warrants an extension and is determined to be beyond the control of the modeling organization.

I. Scheduling

The following is an anticipated schedule:

| | |
|-----------------------|---|
| May 2017 | Committee meetings |
| June 2017 | Adopt 2017 Standards |
| October 2017 | Adopt revisions to the 2017 Standards and adopt the <i>Flood Standards Report of Activities</i> |
| November 1, 2017 | <i>2017 Flood Standards Report of Activities</i> published |
| November 1, 2019 | Deadline for notification by modeling organization |
| December 2019 | Commission meeting to review submissions |
| January – April 2020 | On-site reviews |
| April – May 2020 | Additional verification reviews, if necessary |
| May – June 2020 | Commission meetings to review models for acceptability under 2017 Standards |
| August – October 2020 | Committee meetings |
| September 2021 | Committee meetings, if necessary |
| October 2021 | Adopt 2021 Standards and the <i>Flood Standards Report of Activities</i> |
| November 1, 2021 | <i>2021 Flood Standards Report of Activities</i> published |
| November 1, 2023 | Deadline for notification by modeling organization |
| December 2023 | Commission meeting to review submissions |
| January – April 2024 | On-site reviews |
| April – May 2024 | Additional verification reviews, if necessary |
| May – June 2024 | Commission meetings to review models for acceptability under 2021 Standards |
| August – October 2024 | Committee meetings |
| September 2025 | Committee meetings, if necessary |
| October 2025 | Adopt 2025 Standards and the <i>Flood Standards Report of Activities</i> |
| November 1, 2025 | <i>2025 Flood Standards Report of Activities</i> published |

The Commission will endeavor to expedite the review of a model if the Professional Team is able to verify all standards during the initial on-site review.

II. Notification Requirements

- A. Notification of Readiness for Review.** Any modeling organization desiring to have its model reviewed for acceptability by the Commission shall notify the Chair of the Commission in writing by November 1, 2019, that the modeling organization is prepared for review. The notification shall consist of (1) a letter to the Commission, (2) a summary statement of compliance with each individual standard, (3) all required disclosure and form information, and (4) a completed Flood Model Submission Checklist.

The notification letter shall include:

1. A reference to the signed Expert Certification Forms GF-1, General Flood Standards, GF-2, Meteorological Flood Standards, GF-3, Hydrological and Hydraulic Flood Standards, GF-4, Statistical Flood Standards, GF-5, Vulnerability Flood Standards, GF-6, Actuarial Flood Standards, GF-7, Computer/Information Flood Standards, and GF-8, Editorial Review;
2. A statement that professionals having credentials and/or experience in the areas of meteorology, hydrology, hydraulics, statistics, structural engineering, actuarial science, and computer/information science have reviewed the model for compliance with the standards; and
3. A statement that the model is ready to be reviewed by the Professional Team. Any caveats to the certifications shall be noted in the letter and accompanied by a detailed explanation.

Notification to the Commission shall include:

1. A summary statement of compliance with each standard and the data and analyses required in the disclosures and forms.
2. A general description of any trade secret information that the modeling organization intends to present to the Professional Team and the Commission.
3. Eight bound copies (duplexed) and a link e-mailed to SBA staff where all required documentation can be downloaded from a single ZIP file. Submission documentation shall be provided in the following manner:
 - a. Form VF-3, Flood Mitigation Measures, Range of Changes in Flood Damage, Form AF-2, Total Flood Statewide Loss Costs, Form AF-3, Personal Residential Standard Flood Loss Costs by ZIP Code, Form AF-4, Flood Output Ranges, and Form AF-6, Flood Probable Maximum Loss for Florida, shall be provided in Excel format;
 - b. Form AF-1, Zero Deductible Personal Residential Standard Flood Loss Costs, shall be provided in both Excel and PDF format;
 - c. The remaining portions of the submission shall be provided in PDF format;

- d. All data file names shall include the abbreviated name of the modeling organization, the standards year, and the form name (when applicable);
 - e. The PDF submission document file shall support highlighting and hyperlinking, and shall be bookmarked by standard, form, and section.
4. Format of the Submission:
- a. Table of Contents shall be included;
 - b. Materials submitted shall be consecutively numbered from the first page (including cover) using a single numbering system from the beginning to the end of the submission and shall include the date and time in the footnote;
 - c. All tables, graphs, and other non-text items shall be consecutively numbered using whole numbers, specifically listed in the Table of Contents, and clearly labeled with abbreviations defined;
 - d. State the standard, disclosure, or form in *italics* and give the response in non-italics. **The Purpose and Audit portions should not be restated.** The modeling organization response shall include a statement in support of compliance following each standard. The response to the standard shall explain how the model meets the requirements of the standard by including (1) a statement in support of compliance with the standard, and if applicable (2) a reference to a disclosure(s), or (3) a general description of trade secret information that will be shown to the Professional Team during the on-site review and how it supports compliance with the standard.

The Disclosure section of each standard is not designed to require trade secret information. Therefore, the response to a disclosure shall not contain a statement similar to “will be shown to the Professional Team” unless a response to the disclosure has been provided and additional test results and documentation will be available for the Professional Team during the on-site review.

If a standard or disclosure has multiple sections, respond to each section separately;

- e. Graphs shall be accompanied by legends and labels for all elements:
 - 1. Individual elements shall be clearly distinguishable, whether presented in original or copy form;
 - 2. Maps shall use three colors – blue, white, and red, including shades of blue and red, with dark blue and dark red designating the lowest and highest quantities, respectively. The color legend and associated map shall use the maximum and minimum values as the range and shall be comprised of an appropriate number of intervals, with at least seven, to provide readability and no interval shall contain both negative and positive values. Relevant geographic boundaries (e.g., counties, ZIP Codes) shall be shown in black. The maximum and minimum values and their point locations shall be plotted on the maps;

3. For data indexed by latitude and longitude, by county or by ZIP Code, a map with superimposed county and ZIP Code boundaries shall be produced. Additional map specifications are indicated on individual form instructions;
 - f. NA shall be used in cells to signify no exposure;
 - g. All units of measurement for model inputs and outputs shall be clearly identified;
 - h. All model outputs related to flood extent and elevation or depth, velocity, length, windspeed, and pressure are preferred to be in units of feet, feet per second, statute miles, statute miles per hour, and millibars, as appropriate;
 - i. Unless otherwise specified, windfields generated by the model shall be used for completing relevant forms and tables in the submission;
 - j. All forms with the exception of those indicated as a Trade Secret Item shall be included in a submission appendix. If forms designated as a Trade Secret Item are not considered trade secret, those forms are to be included in a submission appendix. A link to the location of the form shall be provided in the corresponding disclosure;
 - k. If used, acronyms shall be defined on their first use in the submission. A list of all acronyms defined in the submission shall be listed and defined in a submission appendix;
 - l. All column headings shall be shown and repeated at the top of each subsequent page for forms and tables.
5. The modeling organization should contact SBA staff for any needed clarification of submission instructions, especially if the instructions necessitate additional assumptions.
6. All modifications, adjustments, assumptions, or other criteria that are included in producing the information required by the Commission in the submission shall be disclosed and will be reviewed.

B. Notification of Unusual Circumstances. The modeling organization shall notify the Chair of the Commission in writing, as soon as possible, of any unusual circumstances that may impact the model submission.

III. Review of the Readiness Notification

Once modeling organization submissions are received by the November 1, 2019 deadline, the Commission will hold a meeting to review the submissions as discussed under the **Commission Structure** section of the *Flood Standards Report of Activities*.

Prior to the Professional Team on-site review and in accordance with the time frame specified by the Commission, the modeling organization shall submit, in electronic format via e-mail

correspondence to SBA staff, corrections for the deficiencies identified during this meeting. In response to the deficiencies identified, only revised pages and forms shall be provided with revision marks as specified under **V. Submission Revisions**. If more than ten pages are impacted by the corrections to the deficiencies, then an entire submission shall be submitted (eight bound copies (duplexed) and a link e-mailed to SBA staff where all required documentation can be downloaded from a single ZIP file). All revised file names shall include the revision date, the abbreviated name of the modeling organization, the standards year, and the form name (when applicable) in the file name.

If, in addition to responding to the deficiencies specifically, the modeling organization opts to make further minor corrections elsewhere in their submission, it may do so and shall provide an annotated list of the additional revisions along with the corrections to the deficiencies.

Failure of the modeling organization to correct any deficiencies within the time frame specified shall result in the termination of the review process. The modeling organization will be notified in writing that the review process has been terminated. Upon termination of the review process, the modeling organization shall be required to wait until after the next revision or review of the standards before requesting the Commission to review the model.

In the event that a modeling organization realizes the initial submission or the model has material errors and needs revision prior to the scheduled on-site review, the modeling organization shall immediately notify the Chair of the Commission in writing. The notification shall detail the nature of the errors and revisions to the submission or the model, why it occurred, what is needed or has been done to correct the problem, the time frame needed for making the corrections, and any other relevant documentation necessary to describe both the errors and the corrections.

The Commission Chair shall (1) review the notification and inform the Commission members as soon as possible, and (2) assess, with at least three members of the Professional Team, the severity of the error, and (3) determine whether to postpone the on-site review pending consideration of potential deficiencies and the overall schedule of on-site reviews.

If it is determined to proceed with the originally-scheduled on-site review, the modeling organization shall submit revised documentation no less than fourteen days prior to the scheduled on-site review by the Professional Team. If the modeling organization cannot correct the problems and submit revised documentation fourteen days prior to the scheduled on-site review, then all associated standards shall not be verified during the scheduled on-site review.

IV. Professional Team On-Site Review

If a determination has been made that a modeling organization is ready for an on-site review, SBA staff will schedule the on-site review by the Professional Team as discussed under the **On-Site Review** section of the *Flood Standards Report of Activities*.

Trade secret items that are to be presented during the closed meeting portion of the Commission meeting to review models for acceptability shall be presented to the Professional Team for review.

There are two possible outcomes of the on-site review regarding auditing for compliance with the standards.

1. The Professional Team determines that, in its opinion, the model is likely to comply with the standards, and so reports to the Commission.
2. The Professional Team determines that, in its opinion, the model is unlikely to comply with the requirements in one or more standards.
 - a. The Professional Team may react to possible corrections proposed by the modeling organization but will not tell the modeling organization how to correct the non-compliance. If the problems can be remedied while the Professional Team is on-site, the Professional Team will review the corrective actions taken, including revisions to the original November 1, 2019 submission, before determining verification of a standard.
 - b. If the problems cannot be corrected while the Professional Team is on-site, then the modeling organization shall have seven days from the final day of the on-site review to notify the Chair in writing that it will be ready for an additional verification review within thirty days of the notification. The modeling organization shall submit all revised documentation as specified under **V. Submission Revisions**.

SBA staff will assemble the Professional Team or an appropriate subset of the Professional Team for only one additional verification review to ensure that the corrections have been incorporated into the current, running version of the model.

- c. If a discrepancy in the model or model submission is discovered by the modeling organization after the Professional Team has completed its on-site review, then the modeling organization shall without delay notify the Chair in writing describing the discrepancy(s), request an additional verification review, and indicate when it will be ready for the review. The modeling organization shall submit all revised documentation as specified under **V. Submission Revisions**.

If an additional verification review has not been conducted, SBA staff will assemble the Professional Team or an appropriate subset of the Professional Team for an additional verification review to ensure that the corrections have been incorporated into the current, running version of the model.

If an additional verification review has been previously conducted, the Chair shall place the modeling organization's request for another additional verification review on the agenda for a special or regularly scheduled meeting of the Commission.

- d. If any problem necessitates the re-generation of the flood output ranges, the modeling organization shall submit revised flood output ranges to be received by the Commission no less than fourteen days prior to the initial date of the on-site review or additional verification review. If this is not the case, then Standard AF-6, Flood Loss Outputs and Logical Relationships to Risk, shall not be verified during the initial on-site review or additional verification review.

In the event that (1) Form AF-4, Flood Output Ranges, was modified after the initial November 1, 2019 submission and prior to the on-site review, or (2) an additional verification review is required and Form AF-4, Flood Output Ranges, must be re-generated, the modeling organization shall provide the percentage change in flood output ranges from the initial November 1, 2019 submission of Form AF-4, Flood Output Ranges.

In the event that (1) Form AF-5, Logical Relationship to Flood Risk (Trade Secret Item), was modified after the initial November 1, 2019 submission and prior to the on-site review, or (2) an additional verification review is required and Form AF-5, Logical Relationship to Flood Risk (Trade Secret Item), must be re-generated, the modeling organization shall provide the percentage change in logical relationship to risk, from the initial November 1, 2019 submission of Form AF-5, Logical Relationship to Flood Risk (Trade Secret Item).

- e. If the modeling organization disagrees with the Professional Team as to likelihood of compliance, the modeling organization has two options:
 - 1. It can proceed to the scheduled Commission meeting to review models for acceptability under the 2017 Standards and present its arguments to the Commission to determine acceptability, or
 - 2. It can withdraw its request for review. Such a withdrawal shall result in the modeling organization waiting until after the next revision or review of the standards before requesting the Commission review its model.

V. Submission Revisions

Revised documentation shall include the revision date on the submission cover page, the Model Identification page, and in each revised page footnote. All revised file names submitted shall include the revision date, the abbreviated name of the modeling organization, the standards year, and the form name (when applicable) in the file name.

Revisions shall be noted with revision marks, i.e., words stricken are deletions (~~deletions~~) and words underlined are additions (additions). If revision marks are provided in color, material deleted and stricken shall be in red, and material added and underlined shall be in blue.

The Professional Team and the Commission Chair will review the new material upon receipt for deficiencies. The Commission Chair shall notify the modeling organization of any deficiencies and the time frame for correction. An additional verification review will not be held until all deficiencies have been addressed. The Professional Team may provide to SBA staff a second pre-visit letter to be sent to the modeling organization outlining specific issues to be addressed during the additional verification review.

If an additional verification review is requested, revised documentation shall be received within thirty days of the request.

Complete final revised documentation shall be received no less than ten days prior to the Commission meeting to review the model for acceptability.

The modeling organization shall e-mail to SBA staff a link where complete final revised documentation with and without revision marks can be downloaded from a single ZIP file. If more than ten pages are revised, eight bound copies (duplexed) of all required documentation with revision marks for all revisions made to the original November 1, 2019 submission shall be provided. If ten pages or fewer (exclusive of the forms in the Appendix) are revised, only eight bound copies (duplexed) of the revised pages and forms (if revised) shall be submitted. The format of the revised documentation shall be as specified under **II. Notification Requirements, A. Notification of Readiness for Review, 3 and 4.**

A note will be posted on the Commission website with instructions for obtaining submission documents. Final submission documents for a model that has been found acceptable by the Commission will be posted on the Commission website (www.sbafla.com/methodology).

VI. Review by the Commission

- A. General Review of a Model.** For any modeling organization seeking the Commission's determination of acceptability, the Commission may request a meeting with the modeling organization prior to the Commission's review of the model's compliance with the standards. The meeting would provide for a general discussion about the model or its readiness for review and would also provide an opportunity for the Commission and the modeling organization to address any other issues. This meeting may be conducted concurrently with the meeting to determine acceptability. If trade secrets used in the design and construction of the model are discussed, such discussions shall be held in a closed meeting.
- B. Meeting to Determine Acceptability.** The Commission shall meet at a properly noticed public meeting to determine the acceptability of a model once the modeling organization has provided all required material and the Professional Team has concluded its on-site review or any additional verification review. If the Commission Chair determines that more preparation time is needed by Commission members, the Chair may reschedule the meeting date to review a model for acceptability, taking into consideration public notice requirements, the availability of a quorum of Commission members, the availability of a meeting room, and the availability of the particular modeling organization.

All materials shall be reviewed by the Professional Team prior to presentation to the Commission.

If the Commission determines that meeting one standard makes it impossible to meet a second standard, the conflict shall be resolved by the Commission, and the Commission shall determine which standard shall prevail. If at the meeting a unique or unusual situation arises, the Commission shall determine the appropriate course of action to handle that situation, using its sound discretion and adhering to the legislative findings and intent as expressed in s. 627.0628(1), F.S.

Each modeling organization's model will be reviewed independently of any other modeling organization's model presently applying for review.

Trade secrets used in the design and construction of the model shall be discussed during a closed meeting prior to the Commission voting on the acceptability of the model. No voting regarding the acceptability of a model shall occur during a closed meeting.

C. Modeling Organization Presentation. All modeling organizations shall make a presentation to the Commission with respect to the model as used for personal residential ratemaking purposes in Florida. The presentation shall use a medium that is readable by all members of the Commission. The modeling organization presentation is for the purpose of helping the Commission understand outstanding issues, how the modeling organization has resolved various issues, and to explain the basis as to how the model meets the standards. Various issues may relate to:

1. Informational needs of the Commission as provided in the disclosures and forms,
2. The theoretical soundness of the model,
3. Use of reasonable assumptions,
4. Other related aspects dealing with accuracy and reliability.

A modeling organization shall give a detailed overview presentation to the Commission explaining how the model is designed to be theoretically sound, meets the criteria of being accurate and reliable, and indicate which parts of the model are considered proprietary.

Following the overview presentation, the Commission will hold a closed meeting where trade secrets used in the design and construction of the model will be discussed and reviewed.

Closed Meeting Portion

During the closed meeting where trade secrets used in the design and construction of the model are discussed, the modeling organization shall present temporal evolution of coastal flood characteristics (Standard MF-4, Flood Characteristics (Outputs), Audit 8), temporal evolution of inland flood characteristics, if applicable (Standard HHF-2, Flood Characteristics (Outputs), Audit 10), Form HHF-3, Coastal Flood Characteristics by Annual Exceedance Probabilities (Trade Secret Item), Form HHF-5, Inland Flood Characteristics by Annual Exceedance Probabilities (Trade Secret Item), Form VF-4, Coastal Flood Mitigation Measures, Mean Coastal Flood Damage Ratios and Coastal Flood Damage/\$1,000 (Trade Secret Item), Form VF-5, Inland Flood Mitigation Measures, Mean Inland Flood Damage Ratios and Inland Flood Damage/\$1,000 (Trade Secret Item), Form AF-5, Logical Relationship to Flood Risk (Trade Secret Item), and trade secret items identified and recommended by the Professional Team during the on-site and additional verification reviews to be shown to the Commission which will be documented in the Professional Team's report to the Commission.

The modeling organization shall provide a detailed discussion of Form VF-4, Coastal Flood Mitigation Measures, Mean Coastal Flood Damage Ratios and Coastal Flood Damage/\$1,000 (Trade Secret Item) and Form VF-5, Inland Flood Mitigation Measures, Mean Inland Flood Damage Ratios and Inland Flood Damage/\$1,000 (Trade Secret Item), in support of acceptability of Standard VF-4, Flood Mitigation Measures, including but not limited to the following:

1. Individual mitigation measures for each flood depth above ground and damage/\$1,000 exhibiting logical mitigation impacts within categories and across structure types,
2. The fully mitigated building results relative to the contributions of the various mitigation measures, and
3. Omission of any individual mitigation measures.

The modeling organization shall provide a detailed discussion of Form AF-5, Logical Relationship to Flood Risk (Trade Secret Item), in support of acceptability of Standard AF-6, Flood Loss Outputs and Logical Relationships to Risk, including but not limited to the following:

1. The logical relationship to flood risk relative to each Notional Set 1-9,
2. Geographic displays (color-coded maps) or graphical displays as appropriate for each Notional Set 1-9,
3. Color-coded contour or high-resolution map of the flood loss costs for slab foundation owners frame buildings (Notional Set 6),
4. Scatter plot of the coastal flood loss costs (y-axis) against distance to closest coast (x-axis) for slab foundation owners frame buildings (Notional Set 6), and
5. Any apparent anomalies in the results in completed Form AF-5, Logical Relationship to Flood Risk (Trade Secret Item).

A hard copy of the modeling organization's prepared presentation and the trade secret forms shall be provided to the Commission and Professional Team members (nineteen hard copies numbered 1 through 19) at the start of the closed meeting. The trade secret forms shall be printed separately rather than as part of the presentation. The hard copies shall be returned to the modeling organization at the conclusion of the closed meeting and prior to anyone leaving the meeting room.

All material presented in the closed meeting shall be complete, e.g., all axes on graphs labeled.

Items that the modeling organization is precluded from releasing due to third party contracts may be excluded.

In order to meet the public meeting notice requirements for the following public meeting portion, two hours shall be scheduled for the closed meeting.

Public Meeting Portion

At the conclusion of the closed meeting, the Commission will resume the public meeting to continue the review of the model for acceptability. The modeling organization presentation for this portion of the meeting shall:

1. Provide an explanation of corrections made for deficiencies noted by the Commission, and
2. Provide an explanation of how the model meets the standards:
 - a. Each standard number and title shall be stated,
 - b. Explanation of how each standard was met, with reference to any appropriate disclosures or forms that support compliance,
 - c. If relevant and non-proprietary, material not provided in the submission which was presented to the Professional Team during the on-site review for verification, and
 - d. Any non-trade secret information that can be provided in order to facilitate a general understanding of the trade secret information presented to the Commission during the closed meeting.

Three to five hours shall be scheduled for review of a model during a public meeting.

A hard copy of the modeling organization's prepared presentation shall be provided to the Commission and Professional Team members (nineteen copies) at the start of the public meeting.

All materials presented to the Commission during the public portions of the meeting to determine acceptability shall be provided to SBA staff in electronic format.

D. Acceptability and Notification. To be determined acceptable, the model shall have been found acceptable for all standards. If the model fails to be found acceptable by a majority vote for any one standard, the model shall not be found acceptable. The modeling organization shall have an opportunity to appeal the Commission's decision as specified under **VI. Review by the Commission, E. Appeal Process to be Used by a Modeling Organization if a Model is Not Found to be Acceptable by the Commission.**

Once the Commission has determined that a model is acceptable in accordance with the procedures in the acceptability process and that all required documentation as specified in the acceptability process has been provided to the Commission, the Chair of the Commission shall provide the modeling organization with a letter confirming the Commission's action.

The letter shall be in the following format.

Date

(Name and Address of Modeling Organization)

Dear _____:

This will confirm the finding of the Florida Commission on Hurricane Loss Projection Methodology on (date), that the (name of modeling organization) model has been determined acceptable for projecting flood loss costs and flood probable maximum loss levels for personal residential rate filings. The determination of acceptability expires on November 1, 2024.

The Commission has determined that the (name and version identification of the model) limited to the options selected in the input form provided in Standard AF-1, Flood Modeling Input Data and Output Reports, Disclosure 4 complies with the standards adopted by the Commission on (date of adoption), and concludes that the (name and version identification of the model) limited to the Florida flood model options selected (Standard AF-1, Flood Modeling Input Data and Output Reports, Disclosure 4) is sufficiently accurate and reliable for projecting flood loss costs and flood probable maximum loss levels for personal residential property in Florida.

On behalf of the Commission, I congratulate you and your colleagues. We appreciate your participation and input in this process.

Sincerely,

(Name), Chair

A copy of the letter shall be provided to the Commissioner of the Office of Insurance Regulation.

- E. Appeal Process to be Used by a Modeling Organization if a Model is Not Found to be Acceptable by the Commission.** If a model is not found to be acceptable by the Commission, the modeling organization shall have up to thirty days to file a written appeal of the Commission's finding. The appeal shall specify the reasons for the appeal, identify the specific standard or standards in question, provide appropriate data and information to justify its position, and may request a follow up reconsideration meeting with the Commission to present any relevant or new information and data to the Commission in either a public or closed meeting format.

Within sixty days of receiving the appeal, the Commission shall hold a public meeting for the purpose of reviewing the appeal documentation, formulate additional questions to be responded to by the modeling organization, and request additional data and information if necessary. If the Commission determines additional data and information is necessary for reconsideration of the model, the Commission's questions, data, and information request shall be provided to the modeling organization in a letter from the Chair no later than ten days after the meeting to consider the appeal request. The modeling organization shall

respond to the Commission within ten days of receiving the Commission Chair's letter. Any proprietary responses, data, or information shall be noted by the modeling organization indicating the response will be discussed in a closed session with the Commission.

The Commission will meet at a properly noticed public meeting to reconsider the acceptability of the model under the standards established by the Commission. If the Commission Chair determines that more preparation time is needed by Commission members, the Chair may reschedule the meeting date to reconsider the model for acceptability, taking into consideration public notice requirements, the availability of a quorum of Commission members, the availability of a meeting room, and the availability of the modeling organization.

Once the Commission has completed its reconsideration of acceptability and determined that the model has met all the standards being reconsidered and that all required documentation as specified in the acceptability process has been provided to the Commission, the Chair of the Commission shall provide the modeling organization with a letter confirming the Commission's action as specified under **VI. Review by the Commission, D. Acceptability and Notification.**

If the model fails to be found acceptable by a majority vote for any one standard, the model shall not be found acceptable and the appeal of the modeling organization shall have failed. In this regard, the findings of the Commission shall be final. The modeling organization shall be required to wait until after the next revision or review of the standards before requesting the Commission to review its model.

F. Discovery of Differences in a Model after a Model has been Determined to be Acceptable by the Commission. If the modeling organization discovers any differences between the model as found acceptable by the Commission and the model as used by its clients, the modeling organization shall without delay notify the Commission in writing describing the differences and the impact on flood loss costs and flood probable maximum loss levels. The notification shall be accompanied by Form VF-3, Flood Mitigation Measures, Range of Changes in Flood Damage, Form AF-1, Zero Deductible Personal Residential Standard Flood Loss Costs, Form AF-4, Flood Output Ranges, and Form AF-6, Flood Probable Maximum Loss for Florida. Additionally, the modeling organization shall state the level of the differences based on the classification scheme below as either Type I, Type II, or Type III differences.

For purposes of complying with this requirement, a "difference" is anything that results in a model not being exactly the same as the model found acceptable by the Commission under the standards as adopted in this *Flood Standards Report of Activities*, but does not include interim model updates/revisions as addressed in **VI. Review by the Commission, G. Interim Model Updates after a Model has been Determined to be Acceptable by the Commission**, updates to geographical data or other interim data updates as addressed in **VI. Review by the Commission, H. Interim Updates to Geographical or Other Data after a Model has been Determined to be Acceptable by the Commission**, model updates as addressed in **VI. Review by the Commission, J. Model Update for Consistency of Hurricane and Flood Models after the Model has been Determined to be Acceptable by the Commission**, or other developmental revisions to the model that are

of the nature that would be appropriately reviewed according to the standards and procedures in the next *Flood Standards Report of Activities* scheduled for publication in 2021.

Upon receipt of the modeling organization's notification and documentation as specified above, the Chair shall consult with at least three members of the Professional Team in order to investigate, determine, and verify the impact of the differences as reported by the modeling organization.

Differences in flood loss costs or flood probable maximum loss levels within spreadsheets shall be computed without explicit rounding or truncation of floating point values prior to generating the documentation specified above. The type of differences noted shall be classified as falling into one of the following categories:

Type I: The model is not the exact same model as found acceptable or the submission needs to be revised due to the discovery of inaccuracies or errors, but there are no differences in flood loss costs for any five-digit ZIP Code area and there are no differences in flood probable maximum loss levels for any return period.

Type II: There are differences in one or more flood loss costs for a five-digit ZIP Code area, but such differences do not exceed $\pm 1\%$ and there are changes in flood probable maximum loss levels for one or more return periods, but such differences do not occur at the rounded third significant digit of the flood probable maximum loss number.

Type III: There are differences in one or more flood loss costs for a five-digit ZIP Code area or there are changes in flood probable maximum loss levels for one or more return periods that exceed the threshold levels set in Type II.

In the case of Type I differences:

1. The Chair, in consultation with at least three members of the Professional Team, shall verify the impact of the differences as reported by the modeling organization, and identify any additional documentation needed by the Commission. In its investigation and review of the issue, the Commission shall focus solely on the need for documentation explaining and describing the differences and ensuring that there is no impact on flood loss costs and flood probable maximum loss levels. The modeling organization's response related to differences noted at the Type I level shall only involve providing adequate documentation and shall not involve any further revisions to the model. The modeling organization shall submit an addendum to the submission for the model previously-found acceptable by the Commission thereby documenting the reasons, causes, and explanations for the differences. The addendum shall also encompass a discussion of why flood loss costs and flood probable maximum loss levels remain valid and have not changed from the previous model which the Commission found acceptable.
2. If the Chair determines that the documentation and explanations provided by the modeling organization are sufficient, no further review is necessary by the Commission. The Chair shall provide a letter to the modeling organization acknowledging the notification of differences and noting that the Commission accepts

the modeling organization's addendum to its previous submission. The letter shall note that a change in the model version identification is not required and that the model's acceptability shall expire as originally provided for in **VI. Review by the Commission, K. Expiration of a Model Found Acceptable**, unless additional differences are discovered prior to expiration.

3. If the Chair determines that a new model version identification may be needed or that complexity of the reported differences needs to be addressed by the Commission at a special or regularly scheduled meeting, the Chair shall provide the Commission with detailed recommendations, such as the need for additional documentation or the need for further investigations, the potential need for a revised model version identification, or other appropriate recommendations given the circumstances. Additionally, the Chair shall propose what would constitute adequate documentation and when such documentation shall be provided to the Commission.

At the Commission meeting, the Vice Chair or, if not available to chair the meeting, a Committee Chair appointed by the Chair, shall preside at the meeting. The Chair shall make a motion for approval of the recommendations which shall require a second. The Commission shall then vote on the recommendations of the Chair, and any other alternative recommendations or amendments that are raised in the form of a motion that has been duly made and seconded by another Commission member.

If backup documentation required is of a proprietary nature involving trade secrets, the Commission shall discuss only such items in a closed session. All votes shall be taken in a public meeting.

4. The acceptability of the model shall not be suspended on the basis of Type I differences as long as appropriate documentation is provided to the Commission in a timely fashion. No additional actions or revisions to the model shall be required by the modeling organization with respect to Type I differences.
5. If the modeling organization fails to provide documentation that the Commission deems satisfactory within a time frame specified by the Commission, the acceptability of the model shall be suspended pending submission of the necessary documentation. The Chair shall notify the modeling organization by letter of such suspension. Once the documentation is provided by the modeling organization, the Chair shall review the documentation with at least three members of the Professional Team, and if the Chair determines that the documentation is appropriate, shall send a letter to the modeling organization indicating that the documentation is acceptable and the suspension is lifted.

In the case of Type II differences:

1. The Chair, in consultation with at least three members of the Professional Team, shall determine whether the modeling organization has already revised the model to address the differences to conform to the standards or is capable of addressing the differences within fourteen days after notifying the Commission of the discovery of Type II differences. If the model has been revised or can be revised within the fourteen day time frame, the modeling organization shall submit an addendum to the submission for

the model previously-found acceptable thereby documenting the revisions, explaining the reasons for the differences, and providing any necessary backup documentation. If trade secret information is involved, the modeling organization shall include this fact in its notification to the Commission.

2. The Chair shall place the modeling organization's notification on the agenda for a special or regularly scheduled meeting of the Commission. The scheduling of the Commission meeting shall depend on the nature of the differences and the time frame for appropriate revisions to be made. The Chair shall provide Commission members with a copy of the modeling organization's notification and report the status related to the modeling organization's revision plan if on-going actions are required.
3. If the modeling organization has not made the necessary revisions to the model to conform to the standards, the Chair shall provide in advance of the meeting a proposed plan of action for the Commission's consideration. The Vice Chair or, if not available to chair the meeting, a Committee Chair appointed by the Chair, shall preside at the meeting. The Commission shall consider the Chair's proposal and, upon the proposal being moved and seconded, vote on the plan of action of the Chair, and any other alternative recommendations or amendments that are raised in the form of a motion that has been duly made and seconded by another Commission member. All plans of action shall include specific time frames including deadlines and the required documentation regarding the necessary revisions to conform to the standards.
4. Once the modeling organization has made the appropriate revisions within the Commission's specified time frames, as verified by the Chair in consultation with at least three members of the Professional Team, the Chair shall call a special meeting or include an agenda item on the Commission's next regularly scheduled meeting for the purpose of reviewing the revisions to the model needed in order for the model to comply with the standards. The Commission shall review the model as it deems necessary and may go into a closed session for discussion of trade secrets. The Commission shall conduct a minimum of seven votes (one for each grouping of standards) with the option of any member being allowed to request a carve out of a specific standard or standards (without the requirement for a second to such motion).

The basic process adopted in the *Flood Standards Report of Activities* regarding the "Process for Determining the Acceptability of a Computer Simulation Flood Model" in **VI. Review by the Commission, A. General Review of a Model, B. Meeting to Determine Acceptability, C. Modeling Organization Presentation, and D. Acceptability and Notification**, will be followed. The notification letter regarding the acceptability of the model shall be revised to acknowledge the type of differences discovered and the revisions from the original model related to the previously-acceptable model version. The new model version identification as assigned by the modeling organization shall be noted, and the revised model shall supersede the previously-acceptable model. The acceptability of the revised model shall expire at the end of the current cycle as provided for in **VI. Review by the Commission, K. Expiration of a Model Found Acceptable**, unless additional differences are discovered prior to expiration.

5. If the modeling organization fails to make the appropriate revisions within the Commission's specified time frame, the model shall be suspended until the appropriate revisions are made to conform the model such that it meets the standards. The Chair shall send a letter to the modeling organization indicating that the acceptability of the model has been suspended until the Commission votes on the acceptability of the revised model and a new model version identification has been assigned by the modeling organization. Once the Commission has determined acceptability of the revised model, the revised model shall supersede the previously- acceptable model. The acceptability of the revised model shall expire at the end of the current cycle as provided for in **VI. Review by the Commission, K. Expiration of a Model Found Acceptable**, unless additional differences are discovered prior to expiration.

In the case of Type III differences:

1. The acceptability of the model shall be suspended upon receipt of the notification of Type III differences or at any time during a Commission review where the magnitude of such differences are discovered and can be documented. The Chair shall send the modeling organization a letter indicating that the acceptability of the model by the Commission has been suspended immediately upon such notification or discovery and shall remain suspended until the Commission investigates and takes action regarding the modeling organization's steps necessary to address the differences in order to bring the model in compliance with the standards as adopted in this *Flood Standards Report of Activities*.
2. The Chair, in consultation with at least three members of the Professional Team, shall determine whether the modeling organization has already revised the model to address the differences necessary to conform the model to the standards or is capable of addressing the differences within fourteen days of notifying the Commission or discovery of the Type III differences by the Professional Team or Commission. If the model has been revised or can be revised within the fourteen day time frame, the modeling organization shall submit an addendum to the submission for the model previously-found acceptable thereby documenting the revisions, explaining the reasons for the differences, and providing any necessary backup documentation. If trade secret information is involved, the modeling organization shall so indicate in its notification to the Commission.
3. The Chair shall place the modeling organization's notification or discovery by the Professional Team or Commission on the agenda for a special or regularly scheduled meeting of the Commission. The scheduling of the Commission meeting shall depend on the nature of the differences and the time frame for appropriate revisions to be made. The Chair shall provide Commission members with a copy of the modeling organization's notification and report the status related to the modeling organization's revision plan if on-going actions are required.
4. If the modeling organization has not made any revisions to the model to conform to the standards, the Chair shall provide in advance of the meeting a proposed plan of action for the Commission's consideration. The Vice Chair or, if not available to chair the meeting, a Committee Chair appointed by the Chair, shall preside at the meeting. The Commission shall consider the Chair's proposal and, upon the proposal being moved

and seconded, vote on the Chair's proposed plan of action, and any other alternative recommendations or amendments that are raised in the form of a motion that has been duly made and seconded by another Commission member. All plans of action shall include specific time frames including deadlines and documentation regarding the needed revisions for the modeling organization in order for the model to conform to the standards.

5. If the modeling organization has already revised the model or once the modeling organization has made the appropriate revisions within the Commission's specified time frames, as verified by the Chair in consultation with at least three members of the Professional Team, the Chair shall call a special meeting or include an agenda item on the Commission's next regularly scheduled meeting for the purpose of reviewing the revisions to the model needed in order for the model to comply with the standards. The Commission shall review the model as it deems necessary and may go into a closed session for a discussion of trade secrets. The Commission shall conduct a minimum of seven votes (one for each grouping of standards) with the option of any member being allowed to request a carve out of a specific standard or standards (without the requirement for a second to such motion).

The basic process adopted in the *Flood Standards Report of Activities* regarding the "Process for Determining the Acceptability of a Computer Simulation Flood Model" in **VI. Review by the Commission, A. General Review of a Model, B. Meeting to Determine Acceptability, C. Modeling Organization Presentation, and D. Acceptability and Notification**, will be followed. The notification letter regarding the acceptability of the model shall be revised to acknowledge the type of differences discovered and the revisions from the original submission related to the previously-acceptable model version. The new model version identification as assigned by the modeling organization shall be noted, and the revised model shall supersede the previously-acceptable model. The acceptability of the revised model shall expire at the end of the current cycle as provided for in **VI. Review by the Commission, K. Expiration of a Model Found Acceptable**, unless additional differences are discovered prior to expiration.

6. If the modeling organization fails to make the appropriate revisions within sixty days of the Commission being notified or the date where the Commission discovered the Type III differences, the acceptability of the model shall be withdrawn subject to the appeal process as specified in **VI. Review by the Commission, E. Appeal Process to be Used by a Modeling Organization if a Model is Not Found to be Acceptable by the Commission**. If there is no appeal or the appeal is unsuccessful, the modeling organization shall be required to wait until the next review cycle as determined by time frames established in the next *Flood Standards Report of Activities* scheduled for publication in 2021.

G. Interim Model Updates after a Model has been Determined to be Acceptable by the Commission. If a modeling organization makes updates/revisions to the model where (1) the model update scope and utility is unrelated to flood loss costs or flood probable maximum loss levels for Florida and does not include the Florida flood model component, and (2) there are no changes to the flood loss costs or flood probable maximum loss levels for Florida, the modeling organization shall notify the Chair of the Commission in writing.

The notification shall detail the nature of the updates/revisions, the effect on the underlying acceptable model, and the effect on the modeled results.

The notification shall also include Form VF-3, Flood Mitigation Measures, Range of Changes in Flood Damage, Form AF-1, Zero Deductible Personal Residential Standard Flood Loss Costs, Form AF-4, Flood Output Ranges, and Form AF-6, Flood Probable Maximum Loss for Florida, completed for the current accepted model and the proposed updated/revised version of the model, and a percentage change comparison between the two versions to demonstrate no change. The proposed updated/revised model shall be clearly identified with a new/unique model version identification under the modeling organization's model revision policy.

Depending on the nature of the interim updates/revisions, the Chair in consultation with the Professional Team may recommend that the Professional Team conduct an on-site review or a virtual review provided the modeling organization is in agreement and can provide access to full modeling material.

The Chair shall review the notification and inform the Commission members as soon as possible, and assess, with at least three members of the Professional Team, the regression test results. If there is no change in the underlying acceptable model and no change in the modeled results, the Chair shall send an updated acceptability notification letter to the modeling organization denoting that the interim model updates/revisions do not produce significant differences in flood loss costs and flood probable maximum loss levels from the currently-accepted model and the same expiration date shall apply as for the currently-accepted model. The new model version identification as assigned by the modeling organization shall be noted.

If the Chair, in consultation with at least three members of the Professional Team, determines there is a change in the underlying acceptable model or a change in the modeled results, then the Chair shall send a letter to the modeling organization as soon as practical notifying the modeling organization of a pending review by the Commission. The Chair shall determine the need for a special meeting or whether the issue can be addressed at the next regularly scheduled meeting of the Commission. The purpose of the special Commission meeting shall be to review the interim model updates/revisions and any other aspect of the model which might have changed in order to ensure that the model continues to comply with the standards. The Commission shall conduct a minimum of seven votes (one for each grouping of standards) with the option of any member being allowed to request a carve out of a specific standard or standards (without the requirement for a second to such motion). The basic process adopted in the *Flood Standards Report of Activities* regarding the "Process for Determining the Acceptability of a Computer Simulation Flood Model" in **VI. Review by the Commission, A. General Review of a Model, B. Meeting to Determine Acceptability, C. Modeling Organization Presentation, and D. Acceptability and Notification**, will be followed. The notification letter regarding the acceptability of the model shall be revised to acknowledge the interim model updates/revisions to the previously acceptable model. The new model identification as assigned by the modeling organization shall be noted. Once the Commission has determined acceptability of the revised model, the revised model shall supersede the previously acceptable model. The acceptability of the revised model shall expire at the end

of the current cycle as provided for in **VI. Review by the Commission, K. Expiration of a Model Found Acceptable.**

If the revised model's proposed interim model updates/revisions are not found to be acceptable by the Commission, the Chair shall send a letter to the modeling organization noting such and that the model previously-found to be acceptable by the Commission shall continue to be acceptable and expires as originally provided for in **VI. Review by the Commission, K. Expiration of a Model Found Acceptable.**

The appeal process as specified in **VI. Review by the Commission, E. Appeal Process to be Used by a Modeling Organization if a Model is Not Found to be Acceptable by the Commission,** shall not be applicable. This will require the modeling organization to make any contemplated model updates/revisions for the Commission's consideration in the next review cycle as determined by time frames established in the next *Flood Standards Report of Activities* scheduled for publication in 2021.

H. Interim Updates to Geographical or Other Data after a Model has been Determined to be Acceptable by the Commission. If a modeling organization updates geographic location data within the model or makes other updates to data where the underlying model determined acceptable by the Commission has not been updated or revised, the modeling organization shall notify the Chair of the Commission in writing. The notification shall detail the nature of the updates and the effect on the modeled results.

The notification shall include Form VF-3, Flood Mitigation Measures, Range of Changes in Flood Damage, Form AF-1, Zero Deductible Personal Residential Standard Flood Loss Costs, Form AF-4, Flood Output Ranges, and Form AF-6, Flood Probable Maximum Loss for Florida, completed for the current accepted model and the proposed updated/revised version of the model, and a percentage change comparison between the two versions. The proposed interim data update designation as assigned by the modeling organization shall be clearly identified.

If a modeling organization updates geographic location data within the model, the modeling organization shall also provide maps showing ZIP Code centroids (previous and updated) for the entire state of Florida. The modeling organization shall provide a sorted list of all ZIP Code centroid movements of one mile or more, the top ten movements (if fewer than ten move at least one mile), and a list of new and retired ZIP Codes. The corresponding primary county for each ZIP Code listed shall be provided. The modeling organization shall provide a list of all ZIP Code related databases used by the model and describe the impact to these databases due to the updated ZIP Codes (including roughness factors, building construction, and ZIP Code specific vulnerability functions).

If backup documentation required is of a proprietary nature involving trade secrets, the Commission shall discuss only such items in a closed session. If trade secret information is involved, the modeling organization shall include this fact in its notification to the Commission.

In situations involving other data updates as indicated in the modeling organization submission in response to Standard GF-1, Scope of the Flood Model and Its Implementation, Disclosure 5, the modeling organization shall describe the impact of the

data updates on flood loss costs and flood probable maximum loss levels and indicate why such interim data updates are considered necessary. The modeling organization shall provide a list of all databases used by the model related to the data updates and describe the impact to these databases due to the updates. The Commission shall not consider other interim data updates to the model unless such possible updates have been disclosed by the modeling organization in the submission response to Standard GF-1, Scope of the Flood Model and Its Implementation, Disclosure 5.

The Chair shall review the notification and inform the Commission members as soon as possible, and assess, with at least three members of the Professional Team, the regression test results. If the regression test results confirm that the model has not changed with regard to flood loss costs and flood probable maximum loss levels, the Chair shall send an updated acceptability notification letter to the modeling organization denoting that the interim data updates do not produce significant differences in flood loss costs and flood probable maximum loss levels from the currently-accepted model. The same model version identification and a distinction made for the interim data update(s) as assigned by the modeling organization shall be noted. The acceptability of the model with the interim data update(s) shall expire at the end of the current cycle as provided for in **VI. Review by the Commission, K. Expiration of a Model Found Acceptable.**

If the Chair, in consultation with at least three members of the Professional Team, determines that there are changes due to the geographical data updates reported or other interim data updates as provided for in Standard GF-1, Scope of the Flood Model and Its Implementation, Disclosure 5, then the Chair shall send a letter to the modeling organization as soon as practical notifying the modeling organization of a pending review by the Commission. The Chair shall determine the need for a special meeting or whether the issue can be addressed at the next regularly scheduled meeting of the Commission. The purpose of the special Commission meeting shall be to review the data updates and any other aspect of the model which might have changed in order to ensure that the model continues to comply with the standards. The Commission shall conduct a minimum of seven votes (one for each grouping of standards) with the option of any member being allowed to request a carve out of a specific standard or standards (without the requirement for a second to such motion). The basic process adopted in the *Flood Standards Report of Activities* regarding the “Process for Determining the Acceptability of a Computer Simulation Flood Model” in **VI. Review by the Commission A. General Review of a Model, B. Meeting to Determine Acceptability, C. Modeling Organization Presentation, and D. Acceptability and Notification** will be followed. The notification letter regarding the acceptability of the model shall be revised to acknowledge the nature of the data updates to the previously acceptable model version. The new model version identification and a distinction made for the interim data updates as assigned by the modeling organization shall be noted. Once the Commission has determined acceptability of the revised model, the revised model shall supersede the previously-acceptable model. The acceptability of the revised model shall expire at the end of the current cycle as provided for in **VI. Review by the Commission, K. Expiration of a Model Found Acceptable.**

If the revised model’s proposed data updates are not found to be acceptable by the Commission, the Chair shall send a letter to the modeling organization noting such and that the model previously-found acceptable by the Commission shall continue to be acceptable

and shall expire as originally provided for in **VI. Review by the Commission, K. Expiration of a Model Found Acceptable.**

The appeal process as specified in **VI. Review by the Commission, E. Appeal Process to be Used by a Modeling Organization if a Model is Not Found to be Acceptable by the Commission** shall not be applicable. This will require the modeling organization to make the contemplated data updates for consideration by the Commission in the next review cycle as determined by time frames established in the next *Flood Standards Report of Activities* scheduled for publication in 2021.

I. Review and Acceptance Criteria for Functionally Equivalent Model Platforms. If a modeling organization has designed its model to operate on two or more platforms, the Commission may find the model as run on the various platforms acceptable under the following circumstances and procedures.

1. The various model platforms shall be submitted for review at one time by the designated submission deadline and shall be capable of being reviewed concurrently by the Commission, including the Professional Team's on-site review, such that all platforms can be reviewed as to their functional equivalence.
2. Functional equivalence shall be recognized as long as no flood loss costs differ with regard to any platform at the rounded third decimal place (thus there should be no changes in the published Form VF-3, Flood Mitigation Measures, Range of Changes in Flood Damage, Form AF-1, Zero Deductible Personal Residential Standard Flood Loss Costs, and Form AF-4, Flood Output Ranges), and flood probable maximum loss does not differ by more than $\pm 1\%$ for any flood probable maximum loss level (Form AF-6, Flood Probable Maximum Loss for Florida).
3. The model as implemented on the various platforms shall have the same model version identification with a notation to designate the specific model platform(s). The modeling organization shall specify which platform is the primary platform and which platform(s) are the functionally equivalent platform(s). This information shall be disclosed in the modeling organization submission in response to Standard GF-1, Scope of the Flood Model and Its Implementation, Disclosure 1.
4. The modeling organization shall not be allowed to make separate submissions during a review cycle and any difference between model platforms shall be required to be fully described in the modeling organization's original submission.
5. The only differences in modeled results shall be demonstrated to be solely due to the nature of the model platform(s) or any other technological constraint that would account for no more than the designated variations noted above.

Once the Commission has determined functional equivalence of the model platform(s), the Chair shall send an acceptability notification letter to the modeling organization designating specifically which model platform(s) were found to be functionally equivalent and acceptable by the Commission.

J. Model Update for Consistency of Hurricane and Flood Models after the Model has been Determined to be Acceptable by the Commission. If the modeling organization proposes to update a hurricane or flood model previously determined acceptable by the Commission as a result of changes to the other model, the modeling organization shall notify the Chair of the Commission in writing. The notification shall detail the nature of the proposed updates, the effect on the modeled results (i.e., the impact on flood loss costs and flood probable maximum loss levels), and include all submission materials that are impacted. If trade secret information is involved, the modeling organization shall include this fact in the notification to the Commission.

Depending on the nature of the updates, the Chair in consultation with at least three members of the Professional Team, will review the notification and materials provided to determine whether to process the proposed updates immediately or defer until the next scheduled review cycle. Depending on the nature of the update, the Chair may recommend that the Professional Team conduct an on-site review or a virtual review provided the modeling organization is in agreement and can provide access to full modeling material.

If the Chair, in consultation with at least three members of the Professional Team, determines that the documentation and explanations provided by the modeling organization are sufficient, no further review is necessary by the Commission. The Chair shall provide an updated acceptability notification letter to the modeling organization acknowledging the update notification and noting that the model update produces minor differences in flood loss costs and flood probable maximum loss levels from the current accepted model, that the Commission accepts the modeling organization's addendum to its previous submission, and that the same expiration date shall apply as for the current accepted model.

If the Chair, in consultation with at least three members of the Professional Team, determines there are significant differences in the underlying acceptable model or there are significant differences in the modeled results, then the Chair shall send a letter to the modeling organization as soon as practical notifying the modeling organization of a pending review by the Commission. The Chair shall determine the need for a special meeting or whether the issue can be addressed at the next regularly scheduled meeting of the Commission. The purpose of the special Commission meeting shall be to review the model update and any other aspect of the model which might have changed in order to ensure that the model continues to comply with the standards. The Commission shall conduct a minimum of seven votes (one for each grouping of standards) with the option of any member being allowed to request a carve out of a specific standard or standards (without the requirement for a second to such motion). The basic process adopted in the *Flood Standards Report of Activities* regarding the "Process for Determining the Acceptability of a Computer Simulation Flood Model" in **VI. Review by the Commission, A. General Review of a Model, B. Meeting to Determine Acceptability, C. Modeling Organization Presentation, and D. Acceptability and Notification** will be followed.

The notification letter regarding the acceptability of the model shall be revised to acknowledge the model update to the previously acceptable model. The new model identification as assigned by the modeling organization shall be noted. Once the Commission has determined acceptability of the revised model, the revised model shall supersede the previously acceptable model. The acceptability of the revised model shall

expire at the end of the current cycle as provided for in **VI. Review by the Commission, K. Expiration of a Model Found Acceptable.**

If the revised model's proposed model update is not found to be acceptable by the Commission, the Chair shall send a letter to the modeling organization noting such and that the model previously-found acceptable by the Commission shall continue to be acceptable and expires as originally provided for in **VI. Review by the Commission, K. Expiration of a Model Found Acceptable.**

The appeal process as specified in **VI. Review by the Commission, E. Appeal Process to be Used by a Modeling Organization if a Model is Not Found to be Acceptable by the Commission** shall not be applicable. This will require the modeling organization to make any contemplated model update for the Commission's consideration in the next review cycle as determined by time frames established in the next *Flood Standards Report of Activities* scheduled for publication in 2021.

K. Expiration of a Model Found Acceptable. The determination of acceptability of a model found acceptable under the standards contained in the *Flood Standards Report of Activities as of November 1, 2017*, expires on November 1, 2024.

Flood Model Submission Checklist

A. Please indicate by checking below that the following has been included in your model submission documentation to the Florida Commission on Hurricane Loss Projection Methodology.

| Yes | No | Item |
|-----|----|--|
| | | 1. Letter to the Commission |
| | | a. Refers to the signed Expert Certification forms and states that professionals having credentials and/or experience in the areas of meteorology, hydrology, hydraulics, statistics, structural engineering, actuarial science, and computer/information science have reviewed the model for compliance with the standards |
| | | b. States model is ready to be reviewed by the Professional Team |
| | | c. Any caveats to the above statements noted with a detailed explanation |
| | | 2. Summary statement of compliance with each individual standard and the data and analyses required in the disclosures and forms |
| | | 3. General description of any trade secret information the modeling organization intends to present to the Professional Team and the Commission |
| | | 4. Flood Model Identification |
| | | 5. Eight bound copies (duplexed) |
| | | 6. Link e-mailed to SBA staff containing all required documentation that can be downloaded from a single ZIP file |
| | | a. Submission document and Form AF-1, Zero Deductible Personal Residential Standard Flood Loss Costs in PDF format |
| | | b. PDF submission file supports highlighting and hyperlinking, and is bookmarked by standard, form, and section |
| | | c. Data file names include abbreviated name of modeling organization, standards year, and form name (when applicable) |
| | | d. Forms VF-3, Flood Mitigation Measures Range of Changes in Flood Damage, AF-1, Zero Deductible Personal Residential Standard Flood Loss Costs, AF-2, Total Flood Statewide Loss Costs, AF-3, Personal Residential Standard Flood Loss Costs by ZIP Code, AF-4, Flood Output Ranges, and Form AF-6, Flood Probable Maximum Loss for Florida in Excel format |
| | | e. Forms VF-4, Coastal Flood Mitigation Measures, Mean Coastal Flood Damage Ratios and Coastal Flood Damage/\$1,000 (Trade Secret Item), VF-5, Inland Flood Mitigation Measures, Mean Inland Flood Damage Ratios and Inland Flood Damage/\$1,000 (Trade Secret Item), and AF-5, Logical Relationship to Flood Risk (Trade Secret Item) in Excel format if not considered as Trade Secret |
| | | 7. All hyperlinks to the locations of forms are functional |
| | | 8. Table of Contents |
| | | 9. Materials consecutively numbered from beginning to end starting with the first page (including cover) using a single numbering system, including date and time in footnote |
| | | 10. All tables, graphs, and other non-text items consecutively numbered using whole numbers, listed in Table of Contents, and clearly labeled with abbreviations defined |
| | | 11. All column headings shown and repeated at the top of every subsequent page for forms and tables |
| | | 12. Standards, disclosures, and forms in <i>italics</i> , modeling organization responses in non-italics |

| Yes | No | Item |
|-----|----|---|
| | | 13. All graphs and maps conform to guidelines in II. Notification Requirements A.4.e |
| | | 14. All units of measurement clearly identified with appropriate units used |
| | | 15. All forms included in submission appendix except Trade Secret Items. If forms designated as a Trade Secret Item are not considered as trade secret, those forms are to be included in the submission appendix |
| | | 16. Hard copy documentation identical to electronic version |
| | | 17. Signed Expert Certification Forms GF-1 to GF-8 |
| | | 18. All acronyms listed and defined in submission appendix |

B. Explanation of “No” responses indicated above. (Attach additional pages if needed.)

Model Name and Identification

Modeler Signature

Date

ON-SITE REVIEW BY PROFESSIONAL TEAM As Amended by the Commission on December 10, 2020

General Purpose

The purpose of the on-site review is to evaluate the compliance of the flood model with the flood standards. The on-site review is conducted in conjunction with the **Process for Determining the Acceptability of a Computer Simulation Flood Model**. It is not intended to provide a preliminary peer review of the flood model. The goal of the Professional Team's efforts is to provide the Commission with a clear and thorough report of the flood model as required in the acceptability process, subject to non-disclosure conditions. All modifications, adjustments, assumptions, or other criteria that were included in producing the information required by the Commission in the flood model submission shall be disclosed to the Professional Team to be reviewed.

The Professional Team will begin the review with a briefing to modeling organization personnel to discuss the review schedule and to describe the subsequent review process.

The on-site review by the Professional Team involves the following:

1. Due diligence review of information submitted by the modeling organization.
2. On-site tests of the flood model under the control and supervision of the Professional Team. The objective is to observe the flood model in operation and the results it produces during a "real time" run. This is necessary in order to avoid the possibility that the modeling organization could recalibrate the flood model solely for producing desirable results.
3. Verification that information provided by the modeling organization in the disclosures and forms is valid and is an accurate and fairly complete description of the flood model.
4. Review for compliance with the flood standards.
5. Review of trade secret items.

Feedback regarding compliance of the flood model with the flood standards will be provided to the modeling organization throughout the review process.

Preparation for On-Site Review

The Professional Team assists the Commission and SBA staff in determining if a modeling organization is ready for an on-site review.

The Professional Team assists the modeling organization in preparing for the on-site review by providing to SBA staff a detailed pre-visit letter (to be sent to the modeling organization) outlining specific issues to be addressed by the modeling organization unique to the flood model submission. The Professional Team makes every effort to identify substantial issues with the flood model or the flood model submission to allow the modeling organization adequate time to prepare for the on-site review. As the Professional Team continues to prepare for the review, it may discover

issues not originally covered in the pre-visit letter prior to the on-site review. Such issues will be introduced at the opening briefing of the on-site review. The discovery of errors in the flood model by the Professional Team is a possible outcome of the review. It is the responsibility of the modeling organization to assure the validity and correctness of the flood model and the flood model submission.

Telephone Conference Call: After the Commission has determined the modeling organization is ready to continue in the review process and prior to the on-site review, at the request of the Commission or the modeling organization, SBA staff will arrange a telephone conference call between the modeling organization and the Professional Team or a subset of the Professional Team. The purpose of the call is to review the pre-visit letter, material, data files, and personnel that need to be on-site during the review. This does not preclude the Professional Team from asking for additional information during the on-site review that was not discussed during the conference call or included in the pre-visit letter. The call allows the modeling organization and the Professional Team the opportunity to clarify any concerns or to ask questions regarding the upcoming on-site review. This call is the only scheduled opportunity for the modeling organization to clarify any questions directly with the Professional Team prior to the on-site review.

Scheduling: SBA staff is responsible for scheduling on-site review dates. Each modeling organization will be notified at least two weeks prior to the scheduled review. The actual length of the review may vary depending on the preparedness of the modeling organization and the depth of the inquiry needed for the Professional Team to obtain an understanding of the flood model. The Commission expects flood models under consideration to be well-prepared for a review by the Professional Team. In particular, it is suggested that a modeling organization conduct a detailed self-audit to assure that it is ready for the Professional Team review.

Presentation of Materials: The modeling organization shall have all necessary materials and data on-site for review. All material referenced in the flood model submission as “will be shown to the Professional Team” and all material that the modeling organization intends to present to the Commission, including trade secret items, shall be presented to the Professional Team during the on-site review.

The modeling organization shall provide upon arrival of the Professional Team, and **before the review can officially commence**, seven printed copies of:

1. The modeling organization’s presentations,
2. The tables required in CI-1.F, Flood Model Documentation, Audit 7,
3. All figures with scales for the x - and y -axes labeled that are not so labeled in the flood model submission. The figures should be labeled with the same figure number as given in the flood model submission,
4. Form HHF-3, Coastal Flood Characteristics by Annual Exceedance Probabilities (Trade Secret Item),
5. Form HHF-5, Inland Flood Characteristics by Annual Exceedance Probabilities (Trade Secret Item),

6. Form VF-4, Coastal Flood Mitigation Measures, Mean Coastal Flood Damage Ratios and Coastal Flood Damage/\$1,000 (Trade Secret Item),
7. Form VF-5, Inland Flood Mitigation Measures, Mean Inland Flood Damage Ratios and Inland Flood Damage/\$1,000 (Trade Secret Item), and
8. Form AF-5, Logical Relationship to Flood Risk (Trade Secret Item), all nine worksheets, color-coded contour or high-resolution map of the flood loss costs for slab foundation owners frame buildings (Notional Set 6), and scatter plot of the flood loss costs (y-axis) against distance to closest coast (x-axis) for slab foundation owners frame buildings (Notional Set 6).

The modeling organization shall also provide upon arrival of the Professional Team, and **before the review can officially commence**, electronic spreadsheets of all forms where no cell contains an explicitly rounded or truncated value. The electronic files shall be provided on seven removable drives. The Professional Team shall review and process the electronic files only on the removable drives.

The Professional Team will review selected computer/information components in conjunction with the review of various flood standards. Computer/information components shall be readily available and reviewable interactively allowing simultaneous visualization by all Professional Team members.

Access to critical articles or materials referenced in the flood model submission or during the on-site review shall be available on-site in hard copy or electronic form for the Professional Team.

The Professional Team shall be provided access to internet connections through the Professional Team members' personal computers for reference work that may be required during the on-site review.

The modeling organization should be prepared to have available for the Professional Team's consideration, all insurance claims data received, and be prepared to describe any processes used to develop or validate the flood model that incorporates this data.

The modeling organization should be prepared to provide for the Professional Team's review, all engineering data (e.g., post-event site investigations, laboratory or field testing results), and be prepared to describe any processes used to develop or validate the flood model that incorporates this data.

If government-mandated travel-related restrictions are imposed at the time of the on-site review, then the review shall be held remotely and shall abide by the on-site review process as detailed above. For other unique scenarios that would limit or restrict travel, the Commission shall consider holding the on-site review remotely. For situations unique to a remote review, the following procedures shall apply.

Physical hard copy documents provided by a modeling organization to the Professional Team containing trade secret data and information shall be clearly designated on each page as trade secret through watermarks, footnotes, stamping, or other means as appropriate.

Removable drives provided by a modeling organization to the Professional Team containing electronic trade secret data and information shall be clearly labeled to reflect their proprietary nature. In addition to the removable drives, the modeling organization may provide electronic trade secret data and information on another electronic storage location as specified by the modeling organization. The Professional Team shall only review and process the electronic files utilizing the trade secret data and information directly on the removable drive or other electronic storage medium as specified or provided by the modeling organization, and shall not copy, duplicate, or store any electronic trade secret data and information to any other medium including personal computers or other devices.

The modeling organization shall provide all necessary materials and data for review, whether in physical hard copy, electronic format, or virtually, as agreed upon with the Professional Team and SBA staff. All materials and data provided by the modeling organization directly to a Professional Team or Commission member shall not be reproduced, recorded, copied, or duplicated in any manner by a Professional Team or Commission member.

The modeling organization shall provide to each Professional Team member, as designated by SBA staff, one set of physical hard copy materials and the required electronic data (via USB flash drive or another electronic storage medium as specified or provided by the modeling organization) to be received no less than one business day prior to the start of the remote review. The objective is for Professional Team members to receive the required materials prior to the start of the remote review to facilitate officially commencing the review on time, rather than to start the remote review one business day earlier.

The modeling organization shall provide to each Commission member approved to attend the on-site review that is being held remotely, one set of physical hard copy materials to be received no less than one business day prior to the start of the remote review.

Within one business day after completion of the remote review, Professional Team members shall ship to the modeling organization via overnight delivery all physical and electronic materials provided and made available by the modeling organization (the set of physical hard copy materials and the removable drives) and the remote review workbook provided by SBA staff.

Within one business day after completion of the remote review, Commission members participating in the remote review shall ship to the modeling organization via overnight delivery all physical hard copy materials provided and made available by the modeling organization and the remote review workbook provided by SBA staff.

Professional Team and Commission members shall thoroughly review all physical hard copy and electronic storage locations that were utilized during the remote review to ensure that all materials provided by the modeling organization are being returned or destroyed and that no record, copy, duplicate, derivative, or compilation of the information is within their possession. Each Professional Team and Commission member shall provide a written confirmation to the Commission Chair via email to SBA staff stating that (1) a comprehensive review has been performed of all physical hard copy and electronic storage locations utilized during the remote review process, (2) all materials and information provided by the modeling organization in support of the remote review have been shipped to the modeling organization via overnight delivery or destroyed, and (3) verifies that the materials and data provided by the modeling organization have not been reproduced, recorded, copied, or duplicated in any manner or stored on any medium

including personal computers or other devices. SBA staff shall provide a copy of each written confirmation to the modeling organization.

Professional Team Report

After completing its review of the flood standards the Professional Team will conduct an exit briefing with the modeling organization. During this briefing, the Professional Team will provide a preliminary draft of the Professional Team report. If the on-site review is held remotely, a preliminary draft of the Professional Team report will be emailed by SBA staff to the modeling organization. The email shall include the SBA disclosure, “This communication may contain confidential, proprietary, and/or privileged information. It is intended solely for the use of the addressee. If you are not the intended recipient, you are strictly prohibited from disclosing, copying, distributing or using any of this information. If you received this communication in error, please contact the sender immediately and destroy the material in its entirety, whether electronic or hard copy. Additionally, please note that Florida has a very broad public records law. This communication (including your email address, any attachments and other email contents) may be subject to disclosure to the public and media.” The modeling organization has the right to expunge any trade secret information. The modeling organization will also have the opportunity to check for any factual errors. The Professional Team will consider modeling organization suggestions for changes in its draft to correct factual errors. If the modeling organization and the Professional Team dispute a particular item as a factual error, then the report would adopt the phrasing, “In the opinion of the Professional Team, ...”

Any information within the preliminary draft of the Professional Team report deemed proprietary by the modeling organization shall be noted and expunged from the final Professional Team report. If there is a disagreement between the modeling organization and the Professional Team over the proprietary nature of the expunged information, then the expunged information shall be placed in a sealed envelope labeled “Contains Content Designated as Trade Secret Information by ‘Name of Modeling Organization’” with the date, time, and Professional Team leader’s signature across the seal. If the on-site review is held remotely, SBA staff shall print and place the expunged information in a sealed envelope labeled “Contains Content Designated as Trade Secret Information by ‘Name of Modeling Organization’.”

The sealed envelope shall be retained by SBA staff in accordance with Florida Public Records Law in a secure location. SBA staff shall bring the sealed envelope to the Commission closed meeting to discuss trade secrets where it will be unsealed and distributed for use during the closed meeting. At the conclusion of the closed meeting, the information shall be placed in an envelope labeled “Contains Content Designated as Trade Secret Information by ‘Name of Modeling Organization’” and sealed. The sealed envelope shall be retained by SBA staff in a secure location until the records retention schedule has been met at which time the sealed envelope shall be destroyed and the modeling organization informed.

The Professional Team report will include:

1. A list of participants,

2. Any changes made to the flood model submission that were reviewed by the Professional Team during the on-site review. These changes shall be provided to the Commission in the revised flood model submission at least ten days prior to the Commission meeting to review the flood model for acceptability,
3. A verification that any deficiencies identified by the Commission have been resolved,
4. A copy of the pre-visit letter,
5. A verification of compliance with the flood standards,
6. A description of material reviewed in support of compliance with the flood standards,
7. A list of materials needed in preparation for an additional verification review, if applicable,
8. A list of trade secret items that the Professional Team recommends be presented to the Commission during the closed meeting portion of the Commission meeting to review flood models for acceptability, and
9. A statement indicating where proprietary information has been removed.

After leaving the modeling organization's premises, the Professional Team, in coordination with SBA staff, will finalize its report and provide it to Commission members in advance of the meeting to review the flood model for acceptability. Any disparate opinions among Professional Team members concerning compliance with the flood standards will be duly noted and explained in the final report.

Additional Verification Review

It is possible that a subset of the flood standards or changes made to the flood disclosures, forms, and trade secret items may require further review by the Professional Team or a subset of the Professional Team. In such cases, SBA staff will arrange an additional verification review, in accordance with the acceptability process, to verify those flood standards.

Non-trade secret materials shall be received by SBA staff within thirty days of the request for an additional verification review, but no later than seven days prior to the additional verification review.

Trade secret materials shall be provided at the onset of the additional verification review. Additional materials may be requested on-site by the Professional Team in order to verify the flood standards.

If an additional verification review is held remotely, the same procedures shall apply as during the initial verification review. The modeling organization shall provide to each Professional Team member, as designated by SBA staff, one set of physical hard copy materials prepared for the additional verification review, along with the physical hard copy materials, the electronic data, and the remote review workbook from the initial verification review, to be received no less than one business day prior to the start of the remote additional verification review. New or revised

electronic data shall be added to the electronic data (via USB flash drive or another electronic storage medium as specified or provided by the modeling organization) utilized during the initial verification review.

If a Commission member approved to attend the on-site review elects to attend the remote additional verification review, then the modeling organization shall provide to the Commission member one set of physical hard copy materials prepared for the additional verification review, along with the physical hard copy materials and the remote review workbook from the initial verification review, to be received no less than one business day prior to the start of the remote additional verification review.

Within one business day after completion of the remote additional verification review, Professional Team members shall ship to the modeling organization via overnight delivery all physical and electronic materials provided by the modeling organization (the set of physical hard copy materials from the initial and the additional verification reviews and the removable drives) and the remote review workbooks.

Within one business day after completion of the remote additional verification review, participating Commission members shall ship to the modeling organization via overnight delivery all physical hard copy materials provided by the modeling organization from the initial and the additional verification reviews and the remote review workbooks.

Professional Team and Commission members shall thoroughly review all physical hard copy and electronic storage locations that were utilized during the remote additional verification review to ensure that all materials provided by the modeling organization are being returned or destroyed and that no record, copy, duplicate, derivative, or compilation of the information is within their possession. Each Professional Team and Commission member shall provide a written confirmation to the Commission Chair via email to SBA staff stating that (1) a comprehensive review has been performed of all physical hard copy and electronic storage locations utilized during the remote additional verification review process, (2) all materials and information provided by the modeling organization in support of the remote additional verification review have been shipped to the modeling organization via overnight delivery or destroyed, and (3) verifies that the materials and data provided by the modeling organization have not been reproduced, recorded, copied, or duplicated in any manner or stored on any medium including personal computers or other devices. SBA staff shall provide a copy of each written confirmation to the modeling organization.

Trade Secret Information

While on-site or during a remote review, the Professional Team members are expected to have access to trade secret data and information. It is the responsibility of the modeling organization to identify to all Professional Team members what is a trade secret and is not to be made public.

All written documentation provided by the modeling organization to the Commission is considered a public document with the exception of documents provided during the closed meeting where trade secrets used in the design and construction of the flood model are discussed.

The modeling organization shall provide any additional information directly to the Commission rather than give it to Professional Team members to be brought back with them. Documents that

the modeling organization indicates are trade secret that are viewed by Professional Team members are not public documents.

Professional Team members, Commission members, and SBA staff shall restrict any note taking to a workbook provided by SBA staff or on the hard copy materials provided by the modeling organization. The modeling organization shall review the workbooks for notes the modeling organization deems as trade secret information. Any workbook pages containing notes considered by the modeling organization as trade secret information shall be removed from the workbook by the modeling organization and placed in a sealed envelope provided by SBA staff labeled "Contains Content Designated as Trade Secret Information by 'Name of Modeling Organization'" with the date, time, and Professional Team leader's signature across the seal. The modeling organization shall specifically identify what notes on a workbook page are deemed as trade secret and shall refrain from designating publicly available information as trade secret. The sealed envelope shall be retained by SBA staff in accordance with Florida Public Records Law in a secure location. SBA staff shall bring the sealed envelope to the Commission trade secret closed meeting where it will be unsealed and distributed for use during the closed meeting. At the end of the closed meeting, the notes shall be placed in an envelope labeled "Contains Content Designated as Trade Secret Information by 'Name of Modeling Organization'" and sealed. The sealed envelope shall be retained by SBA staff in a secure location until the retention schedule has been met at which time the sealed envelope shall be destroyed and the modeling organization informed.

The removable drives shall be kept by the modeling organization and returned to the Professional Team member during the closed meeting to discuss trade secrets. At the conclusion of the closed meeting, the removable drives shall be returned to the modeling organization.

Trade secrets of the modeling organization learned by a Professional Team member shall not be discussed with Commission members.

Professional Team members shall agree to respect the trade secret nature of the flood model and not use trade secret information in any way detrimental to the interest of the modeling organization.

Professional Team members shall not discuss other flood and hurricane models being evaluated while they are on-site reviewing a particular flood model.

During a remote review, Professional Team members, Commission members, and SBA staff shall restrict any note taking to a workbook prepared and provided by SBA staff or on the hard copy materials provided by the modeling organization. At the completion of the remote review, the workbooks shall be shipped to the modeling organization with the materials provided in advance of the remote review by the modeling organization. The modeling organization shall review the remote review workbooks for notes the modeling organization deems as trade secret information.

SBA staff shall send an envelope to the modeling organization labeled, "Contains Content Designated as Trade Secret Information by 'Name of Modeling Organization'." Any workbook pages containing notes considered by the modeling organization as trade secret information shall be removed from the workbook by the modeling organization and placed in the envelope provided by SBA staff. The modeling organization shall specifically identify what notes on a workbook page are deemed as trade secret and shall refrain from designating publicly available information as trade secret. The modeling organization shall seal the envelope and return the sealed envelope and the remote review workbooks to SBA staff. If an additional verification review is held

remotely, it will not be necessary for the modeling organization to review the remote review workbooks until after completion of the additional verification review.

On-Site Review Results

The Professional Team will present the results of the on-site review to the Commission and answer questions related to their review.

The job of the Professional Team is to verify information and make observations. It is not part of the Professional Team's responsibilities to opine or draw conclusions about the appropriateness of a particular flood model or a component part of a flood model.

Refer to the **Process for Determining the Acceptability of a Computer Simulation Flood Model** for additional information regarding the on-site review.

PROFESSIONAL TEAM

Composition and Selection of the Professional Team

A team of professional individuals, known as the Professional Team, conducts on-site reviews of modeling organizations seeking a determination of acceptability by the Commission. The Professional Team consists of individuals having professional credentials in the following disciplines with each area represented by one or more individuals:

- Actuarial Science
- Statistics
- Meteorology
- Hydrology and Hydraulics
- Computer/Information Science
- Coastal Engineering.

SBA staff selects the Professional Team members, and the SBA enters into contracts with each individual selected.

Selection of the Professional Team members is an aggressive recruiting process to seek out qualified individuals who are capable of working closely with the Commission and who are available during specified time frames in order that the Commission can meet its deadline(s). Consideration is given to the following factors:

- Professional credentials, qualifications, and specialized experience
- Reasonableness of fees
- Availability and commitment to the Commission
- References
- Lack of conflicts of interest.

Responsibilities of the Professional Team

Team Leader: SBA staff designates one member of the Professional Team as the team leader. The team leader is responsible for coordinating the activities of the Professional Team and overseeing the development of reports to the Commission.

Team Members:

1. Participate in preparations and discussions with the Commission and SBA staff prior to the on-site review.
2. Study, review, and develop an understanding of responses and materials provided to the Commission by the modeling organizations.
3. Participate with the Commission and SBA staff in developing, reviewing, and revising flood model tests and evaluations.

4. While on-site, verify, evaluate, and observe the techniques and assumptions used in the flood model for each member's area of expertise.
5. Identify and observe how various assumptions affect the flood model so as to identify to the Commission various sensitive components and aspects of the flood model.
6. Discuss the flood model with the modeling organization's professional staff to gain a clear understanding and confidence in the operation of the flood model and its description as provided to the Commission.
7. Participate in the administration of on-site tests.
8. Participate in the preparation of written reports and presentations to the Commission.

Responsibilities of SBA Staff

The Professional Team reports to designated SBA staff. SBA staff supervises the Professional Team and coordinates their pre-on-site planning activities, on-site reviews and activities, and post-on-site activities.

These responsibilities include:

1. Setting up meetings with Professional Team members individually and as a group. These meetings include conference calls and other meetings depending on circumstances and needs of the Commission.
2. Coordinating and scheduling on-site reviews.
3. Working with the Commission and Professional Team members in developing, reviewing, and revising flood model tests and evaluations.
4. Overseeing the supervision and administration of specified on-site tests and evaluations.
5. Working with the modeling organization to determine which professionals with the modeling organization should be available during the on-site review.
6. Briefing and de-briefing the Professional Team members prior to, during, and after the on-site review.
7. Coordinating the preparation of written reports and presentations to the Commission.
8. Coordinating the reimbursement of expenses per s. 112.061, F.S., for Professional Team members, Commission members, and SBA staff.