

Committee on Banking and Insurance

CS/HB 359 — Regulation of Insurance Companies

by Commerce Committee and Rep. Santiago (CS/CS/SB 454 by Appropriations Committee; Banking and Insurance Committee; and Senator Brandes)

The bill makes several changes relating to the regulation of insurance companies. The bill:

- Deletes the future repeal of the exemption of medical malpractice insurance premiums from the Florida Hurricane Catastrophe Fund assessments. Under current law, the exemption is repealed May 31, 2019.
- Allows an insurer issuing only renter's insurance, tenant's coverage or cooperative unit owners insurance to maintain a surplus of \$10 million to do business in the state.
- Removes the requirement that all members of an audit committee for an insurer must be free of any relationships that could interfere with the member's independent judgement.
- Allows Florida Workers' Compensation Insurance Guaranty Association surcharges to be counted as insurer assets if those surcharges are paid to the Association before the surcharges are collected from the insureds.
- Removes the requirement on insurers writing certain lines of medical malpractice insurance to make a full rate filing annually; these insurers will have the option to certify their rates with the Office of Insurance Regulation.
- Renames "owners and encumbrance" reports to "property information" report and clarifies such reports are not title insurance.
- Allows electronic checks and drafts as acceptable methods of payment for specified lines of insurance and allows insurers to charge a \$15 insufficient funds fee.
- Specifies display requirements for the electronic delivery of documents.

If approved by the Governor, these provisions take effect upon becoming law.

Vote: Senate 37-0; House 117-0