Bill No. <u>CS for SB 2054</u>

Amendment No. ____

ı	Senate House
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11	Senator Silver moved the following amendment:
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13	Senate Amendment (with title amendment)
14	On page 1, line 15,
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16	insert:
17	Section 1. Legislative findings; required rate
18	reductions
19	(1) The Legislature finds that the capability of the
20	Florida Hurricane Catastrophe Fund established under section
21	215.555, Florida Statutes, to provide reinsurance coverage to
22	insurers is substantially enhanced by its receipt of
23	confirmation from the Internal Revenue Service that it may
24	issue tax-exempt bonds. This event results in cost savings to
25	insurers in the writing of residential property insurance. It
26	is fair and just and the interest of the public welfare
27	requires that these savings be passed on to residential
28	property insurance policyholders in the form of premium
29	reductions.
30	(2) The provisions of section 627.062, Florida
31	Statutes, to the contrary notwithstanding, within 60 days
	6:41 DM 04/14/98 22054c1c-38i03

after July 1, 1998, each insurer writing residential coverage 2 in this state as described in section 627.4025, Florida Statutes, with respect to such coverage, shall reduce its rate 3 4 by a justified percentage which shall be within the range of a 6 to 15 percent reduction. When an insurer files to reduce its 5 6 rates as required by this subsection, the insurer shall file a 7 certification with the department that the rate adjustment has been made, together with copies of the amended rating manual 8 pages disclosing the adjustment. In lieu of filing to reduce 9 10 rates by the percentage required under this subsection, an insurer may elect to refile its rates, provided the insurer 11 12 demonstrates that the level of percentage savings to be passed 13 on to policyholders in view of the savings resulting from such favorable tax ruling is justified and produces a rate 14 15 differential other than such range of percentage reduction. This section shall take effect July 1, 1998. 16 17 18 (Redesignate subsequent sections.) 19 20 21 ======= T I T L E A M E N D M E N T ========= And the title is amended as follows: 22 On page 1, line 2, after the semicolon, 23 24 25 insert: 26 requiring insurers to reduce rates for 27 residential coverage due to a favorable ruling received by the Florida Hurricane Catastrophe 28 Fund established under s. 215.555, F.S., from 29 30 the Internal Revenue Service that it may issue tax-exempt bonds; providing procedures; 31