

Bill No. CS for SB 994

Amendment No.

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

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1 after July 1, 1998, each insurer writing residential coverage
2 in this state as described in section 627.4025, Florida
3 Statutes, with respect to such coverage, shall reduce its rate
4 by a justified percentage which shall be within the range of a
5 6 to 15 percent reduction. When an insurer files to reduce its
6 rates as required by this subsection, the insurer shall file a
7 certification with the department that the rate adjustment has
8 been made, together with copies of the amended rating manual
9 pages disclosing the adjustment. In lieu of filing to reduce
10 rates by the percentage required under this subsection, an
11 insurer may elect to refile its rates, provided the insurer
12 demonstrates that the level of percentage savings to be passed
13 on to policyholders in view of the savings resulting from such
14 favorable tax ruling is justified and produces a rate
15 differential other than such range of percentage reduction.

16 (3) This section shall take effect July 1, 1998.

17 Section 7. Except for this section and section 6,
18 which shall take effect July 1, 1998, this act shall take
19 effect October 1, 1998.

22 ===== T I T L E A M E N D M E N T =====

23 And the title is amended as follows:

24 On page 1, line 2, after the semicolon,

26 and insert:

27 requiring insurers to reduce rates for
28 residential coverage due to a favorable ruling
29 received by the Florida Hurricane Catastrophe
30 Fund established under s. 215.555, F.S., from
31 the Internal Revenue Service that it may issue

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1 tax-exempt bonds; providing procedures;
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