

Amendment No. 29 (for drafter's use only)

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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Representative(s) Byrd and Feeney offered the following:

**Substitute Amendment for Amendment (031483) (with title amendment)**

On page 35, line 3, of the bill

insert:

Section 22. (1) The Department of Insurance shall, after issuing a request for proposals, contract with a national independent actuarial firm to conduct an actuarial analysis, consistent with generally accepted actuarial practices, of the expected reduction in liability judgments, settlements, and related costs resulting from the provisions of this act. The analysis must be based on credible loss-cost data derived from the settlement or adjudication of liability claims, other than liability claims insured under private passenger automobile insurance or personal lines residential property insurance, accruing after October 1, 1999. The analysis must include an estimate of the percentage decrease in such judgments, settlements, and costs by type of coverage affected by this act, including the time period when such

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1 savings or reductions are expected.

2 (2) The report must be completed and submitted to the  
3 Department of Insurance by March 1, 2001.

4 (3) After March 1, 2001, the Department of Insurance  
5 shall review the filed rates of insurers and underwriting  
6 profits and losses for Florida liability insurance businesses  
7 and shall require any prospective rate modifications that the  
8 department deems necessary, consistent with the applicable  
9 rating law, in order to cause the rates of any specific  
10 insurer to comply with the applicable rating law. The  
11 department shall require each liability insurer's first rate  
12 filing after March 1, 2001, other than rate filings for  
13 private passenger automobile insurance or personal lines  
14 residential property insurance, to include specific data on  
15 the impact of this act on the insurer's liability judgments,  
16 settlements, and costs for the purpose of enabling the  
17 department and the Legislature to accurately monitor and  
18 evaluate the effects of this act.

19 (4) The report under subsection (1) is admissible in  
20 any proceedings relating to a liability insurance rate filing  
21 if the actuary who prepared the report is made available by  
22 the department to testify regarding the report's preparation  
23 and validity. Each party shall otherwise bear its own cost of  
24 any such proceeding.

25 (5) This section does not limit the authority of the  
26 department to order an insurer to refund excessive profits, as  
27 provided in sections 627.066 and 627.215, Florida Statutes.

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

31 And the title is amended as follows:

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1           On page 4, line 15, after the word, "employment;",  
2  
3 insert:  
4           requiring the Department of Insurance to  
5           contract with an actuarial firm to conduct an  
6           actuarial analysis of expected reductions in  
7           judgments and related costs resulting from  
8           litigation reforms; specifying the basis and  
9           due date for the actuarial report; providing  
10          for a review of rate filings by certain types  
11          of insurers after a specified date; providing  
12          that such provisions do not limit the refund of  
13          excessive profits by certain insurers;  
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