

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

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

Substitute Amendment for Amendment (121769) (with title amendment)

On page 1, between lines 14 & 15 of the bill

insert:

Section 1. Subsection (3) is added to section 627.402, Florida Statutes, to read:

627.402 Definitions; specified certificates not included.--As used in this part, ~~the term~~:

(3) "Insurer conduct" means the following actions or inactions of an insurer with respect to a policy form which have resulted in inadequate rates and the need for extraordinary rate increases:

(a) Failure to make a filing in compliance with s. 627.410(7) or s. 627.6745(2);

(b) Failure to correct a rate filing when the department presented information to the company at the time the filing was approved that suggested the rates were inadequate and the company did not adequately resolve the

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1 department's concerns;

2 (c) Violation of applicable actuarial standards of
3 practice at the time of a filing;

4 (d) Failure to have implemented the underwriting
5 standards assumed in the pricing assumptions of the form; or

6 (e) The use of pricing assumptions that have resulted
7 in a demonstrated pattern of product underpricing.

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

11 And the title is amended as follows:

12 On page 1, line 2

13
14 after the semicolon, insert:

15 s. 627.402, F.S., creating a definition for
16 insurer conduct;

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