

HB 0021

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A bill to be entitled
 An act relating to insurance rate filing proceedings;
 providing an act name; amending s. 627.062, F.S.; deleting
 provisions authorizing insurers to require arbitration in
 lieu of an administrative hearing after final agency
 action in a rate filing; providing for arbitration;
 providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. This is the "Insurance Consumer Protection Act of 2004."

Section 2. Subsection (6) of section 627.062, Florida Statutes, is amended to read:

627.062 Rate standards.--

~~(6)(a) After any action with respect to a rate filing that constitutes agency action for purposes of the Administrative Procedure Act, except for a rate filing for medical malpractice, an insurer may, in lieu of demanding a hearing under s. 120.57, require arbitration of the rate filing. Arbitration shall be conducted by a board of arbitrators consisting of an arbitrator selected by the office, an arbitrator selected by the insurer, and an arbitrator selected jointly by the other two arbitrators. Each arbitrator must be certified by the American Arbitration Association. A decision is valid only upon the affirmative vote of at least two of the arbitrators. No arbitrator may be an employee of any insurance regulator or regulatory body or of any insurer, regardless of whether or not the employing insurer does business in this state. The office and the insurer must treat~~

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30 ~~the decision of the arbitrators as the final approval of a rate~~
31 ~~filing. Costs of arbitration shall be paid by the insurer.~~

32 ~~(b) Arbitration under this subsection shall be conducted~~
33 ~~pursuant to the procedures specified in ss. 682.06-682.10.~~
34 ~~Either party may apply to the circuit court to vacate or modify~~
35 ~~the decision pursuant to s. 682.13 or s. 682.14. The commission~~
36 ~~shall adopt rules for arbitration under this subsection, which~~
37 ~~rules may not be inconsistent with the arbitration rules of the~~
38 ~~American Arbitration Association as of January 1, 1996.~~

39 ~~(c) Upon initiation of the arbitration process, the~~
40 ~~insurer waives all rights to challenge the action of the office~~
41 ~~under the Administrative Procedure Act or any other provision of~~
42 ~~law; however, such rights are restored to the insurer if the~~
43 ~~arbitrators fail to render a decision within 90 days after~~
44 ~~initiation of the arbitration process.~~

45 Section 3. This act shall take effect upon becoming a law.