

Bill No. CS for CS for SB 1488

Barcode 892816

CHAMBER ACTION

Senate

House

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Senator Garcia moved the following amendment:

Senate Amendment (with title amendment)

On page 65, line 27, through
page 66, line 2, delete those lines

and insert:

Section 22. Notwithstanding that revenues of Citizens Property Insurance Corporation are not state revenues, the Auditor General shall perform an operational audit, as defined in section 11.45(1), Florida Statutes, of the Citizens Property Insurance Corporation created under section 627.351(6), Florida Statutes. The scope of the audit shall also include:

(1) An analysis of the corporation's infrastructure, customer service, claims handling, accessibility of policyholder information to the agent of record, take-out programs, take-out bonuses, and financing arrangements.

(2) An evaluation of costs associated with the administration and servicing of the policies issued by the corporation to determine alternatives by which costs can be

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1 reduced, customer service improved, and claims handling
2 improved.

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4 The audit shall contain policy alternatives for the
5 Legislature to consider. The Auditor General shall submit a
6 report to the Governor, the President of the Senate, and the
7 Speaker of the House of Representatives no later than February
8 1, 2006.

9 Section 23. The board of governors of the Citizens
10 Property Insurance Corporation created under section
11 627.351(6), Florida Statutes, shall, by February 1, 2006,
12 submit a report to the President of the Senate, the Speaker of
13 the House of Representatives, the minority party leaders of
14 the Senate and the House of Representatives, and the chairs of
15 the standing committees of the Senate and the House of
16 Representatives having jurisdiction over matters relating to
17 property and casualty insurance. The report shall include the
18 board's findings and recommendations on the following issues:

19 (1) The number of policies and the aggregate premium
20 of the Citizens Property Insurance Corporation, before and
21 after enactment of this act, and projections for future policy
22 and premium growth.

23 (2) Increases or decreases in availability of
24 residential property coverage in the voluntary market and the
25 effectiveness of this act in improving the availability of
26 residential property coverage in the voluntary market in the
27 state.

28 (3) The board's efforts to depopulate the corporation
29 and the willingness of insurers in the voluntary market to
30 avail themselves of depopulation incentives.

31 (4) Further actions that could be taken by the

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1 Legislature to improve availability of residential property
2 coverage in the voluntary and residual markets.

3 (5) Actions that the board has taken to restructure
4 the corporation and recommendations for legislative action to
5 restructure the corporation, including, but not limited to,
6 actions relating to claims handling and customer service.

7 (6) Projected surpluses or deficits and possible means
8 of providing funding to ensure the continued solvency of the
9 corporation.

10 (7) The corporation's efforts to procure catastrophe
11 reinsurance to cover its projected 100-year probable maximum
12 loss with specification as to what best efforts were made by
13 the corporation to procure such reinsurance.

14 (8) Such other issues as the board determines are
15 worthy of the Legislature's consideration.

16
17 (Redesignate subsequent sections.)

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

21 And the title is amended as follows:

22 On page 5, line 13, following the semicolon

23

24 insert:

25 specifying audit requirements; requiring a
26 report; requiring the board of governors of the
27 Citizens Property Insurance Corporation to
28 submit a report to the Legislature relating to
29 property and casualty insurance; specifying
30 report requirements;

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