

Bill No. SB 2006

Barcode 153520

CHAMBER ACTION

Senate

House

1 Comm: WD
03/22/2006 04:47 PM

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11 The Committee on Judiciary (Campbell) recommended the
12 following amendment:

14 **Senate Amendment (with title amendment)**

15 On page 3, between lines 19 and 20,

17 insert:

18 Section 2. (1) The Office of Insurance Regulation
19 shall order insurers writing any kind of liability insurance
20 in this state, including professional malpractice insurance,
21 to make a rate filing effective January 1, 2007, which reduces
22 rates for such insurance by a factor that reflects the
23 expected impact of the changes contained in this act. In the
24 absence of clear and convincing evidence to the contrary, it
25 shall be presumed that the expected impact of the act will
26 result in at least a 10-percent reduction in the rates in
27 effect for such insurance on December 31, 2006. An insurer
28 may, in lieu of making the rate filing required in this
29 subsection, upon notification to the Office of Insurance
30 Regulation, implement a 10-percent reduction of its rates,
31 effective January 1, 2007.

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1 (2) Any insurer or rating organization that states in
 2 the rate filing made on January 1, 2007, or any subsequent
 3 rate filing made on or before December 31, 2012, that the
 4 presumed reduced rate provided for in subsection (1) is
 5 excessive, inadequate, or unfairly discriminatory shall
 6 separately state in its filing the rate it believes is
 7 appropriate and shall state with specificity the factors or
 8 data that it contends should be considered in order to produce
 9 such appropriate rate. The insurer or rating organization may
 10 use all of the generally accepted actuarial techniques, as
 11 provided in s. 627.062, Florida Statutes, in making any filing
 12 under this subsection. The Office of Insurance Regulation
 13 shall review each such exception and approve or disapprove it
 14 prior to its use. The insurer has the burden to actuarially
 15 justify by clear and convincing evidence any deviation that
 16 results in a rate that is higher than the presumed reduced
 17 rate as provided for in subsection (1).

18 (3) If any provision of this act is held invalid by a
 19 court of competent jurisdiction, the Office of Insurance
 20 Regulation shall permit an adjustment of all rates filed under
 21 this section to reflect the effect of such holding on such
 22 rates, so as to ensure that the rates are not excessive,
 23 inadequate, or unfairly discriminatory.

24
 25 (Redesignate subsequent sections.)

26
 27
 28 ===== T I T L E A M E N D M E N T =====

29 And the title is amended as follows:

30 On page 1, line 7, after the semicolon,

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1 insert:
 2 requiring liability insurers to file rates with
 3 the Office of Insurance Regulation for review
 4 under certain circumstances; creating a
 5 presumption that liability insurance rates will
 6 be reduced by a specific percentage; providing
 7 procedures for insurers to contest the presumed
 8 rate reduction; authorizing the Office of
 9 Insurance Regulation to adjust liability
 10 insurance rates under certain circumstances;
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