CHAMBER ACTION

<u>Senate</u>   <u>House</u>

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11 Senator Fasano moved the following amendment:

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

14   On page 11, between lines 20 and 21,

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16 insert:

17   Section 7. <u>(1) By February 1, 2007, the Office of</u>

18 <u>Insurance Regulation shall calculate a presumed factor to</u>

19 <u>reflect the impact the changes made in this act to rates filed</u>

20 <u>by residential property insurers providing sinkhole loss</u>

21 <u>coverage. The office shall issue a notice informing all</u>

22 <u>insurers writing residential property insurance coverage of</u>

23 <u>the presumed factor.</u>

24   <u>(2) In determining the presumed factor, the office</u>

25 <u>shall use generally accepted actuarial techniques and</u>

26 <u>standards in determining the expected impact on losses,</u>

27 <u>expenses, and investment income of the insurer.</u>

28   <u>(3) The office may contract with an appropriate vendor</u>

29 <u>to determine the presumed factor.</u>

30   <u>(4) Each residential property insurer shall, at its</u>

31 <u>next rate filing after May 1, 2007, reflect a rate change that</u>

1 takes into account the presumed factor determined under

2 subsection (1).

3   (5) The sum of $250,000 in nonrecurring funds is

4 appropriated from the Insurance Regulatory Trust Fund in the

5 Department of Financial Services to the Office of Insurance

6 Regulation for the 2006-2007 fiscal year for the purposes of

7 funding the provisions of this section.

8   Section 8. The sums of $115,322 in recurring funds and

9 $10,486 in nonrecurring funds are appropriated from the

10 Insurance Regulatory Trust Fund in the Department of Financial

11 Services for the 2006-2007 fiscal year for the purposes of

12 funding the provisions of this act, and two full-time

13 equivalent positions with 59,435 in associated salary rate are

14 authorized.

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16 (Redesignate subsequent sections.)

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

20 And the title is amended as follows:

21   On page 2, line 4, following the semicolon

22

23 insert:

24   requiring the Office of Insurance Regulation to

25   calculate a certain presumed factor on

26   residential property insurance rates; providing

27   requirements and procedures for determining

28   such calculation; requiring the office to

29   provide notice of such rate factor to insurers;

30   requiring insurers to include such rate factor

31   in certain rate filings; providing

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1   appropriations and authorizing additional

2   positions and salary rates;

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