

Amendment No. (for drafter's use only)

CHAMBER ACTION

Senate

House

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1 Representative(s) Sorensen offered the following:

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3 **Amendment to Amendment (074037)**

4 Remove line(s) 2282-2306 and insert:

5 4.a. For the purposes of establishing a pilot program to
6 evaluate issues relating to the availability and affordability
7 of insurance in an area where historically there has been little
8 market competition, the provisions of subparagraph 2. do not
9 apply to coverage provided by the corporation in Monroe County
10 if the office determines that a reasonable degree of competition
11 does not exist for personal lines residential policies. The
12 provisions of subparagraph 3. do not apply to coverage provided
13 by the corporation in Monroe County if the office determines
14 that a reasonable degree of competition does not exist for
15 personal lines residential policies in the area of that county
16 which is eligible for wind-only coverage. In this county, the
17 rates for personal lines residential coverage shall be

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18 actuarially sound and not excessive, inadequate, or unfairly
19 discriminatory and are subject to the other provisions of the
20 paragraph and s. 627.062. The commission shall adopt rules
21 establishing the criteria for determining whether a reasonable
22 degree of competition exists for personal lines residential
23 policies in Monroe County.

24 b. Pursuant to a report by March 1, 2006, the office shall
25 submit a report to the Legislature providing an evaluation of
26 the implementation of the pilot program affecting Monroe County
27 and indicating that there has historically been a lack of a
28 reasonable degree of competition in Monroe County, the pilot
29 program shall continue further review and consideration to
30 determine what impact new rates submitted without consideration
31 of subparagraphs 2. and 3. will have on the citizens of Monroe
32 County and any possible adverse economic consequences that may
33 result from new rates filed, as follows:

34 (I) The office shall order the corporation to charge only
35 approved rates in effect for Monroe County prior to the
36 implementation of this pilot program.

37 (II) The office shall hold one or more public hearings,
38 with at least 30 days' advance notice to interested persons, in
39 Monroe County prior to the approval or implementation of a rate
40 filing which proposes rates that exceed rates that were in
41 effect for Monroe County prior to implementation of the pilot
42 program.

43 (III) The office shall make available for public
44 inspection 30 days prior to such hearings the office's written
45 actuarial analysis if such analysis differs materially from that
46 submitted by the corporation in support of the new rates filed.

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47 The office and the corporation shall also provide actuaries and
48 qualified experts in attendance at such hearings to answer
49 questions from actuaries or other qualified experts representing
50 Monroe County or the public concerning the new rates filed.
51 Additionally, the office may provide for a technical hearing at
52 which only actuaries and qualified experts representing the
53 office, the corporation, Monroe County, or the public may
54 testify.

55 (IV) Notwithstanding any other provision of law, if the
56 office determines that:

57 (A) Rates charged on a use and file basis prior to the
58 effective date of sub-sub-subparagraph (I) were excessive, the
59 office shall order the portion of the rate above that which was
60 actuarially justified to be returned to such policyholder in the
61 form of a credit or refund.

62 (B) Proposed rates may cause economic hardship to the
63 citizens of Monroe County, the office may require any
64 actuarially justified rate increase to be phased in over a
65 period of 3 years.