

Amendment No. (for drafter's use only)

CHAMBER ACTION

Senate

House

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1 Representative(s) Planas offered the following:

2
3 **Amendment to Amendment (074037) (with title amendment)**

4 Between lines 4305 and 4306 insert:

5 Section 29. Paragraph (a) of subsection (1) and subsection
6 (6) of section 624.424, Florida Statutes, are amended to read:

7 624.424 Annual statement and other information.--

8 (1)(a) Each authorized insurer shall file with the office
9 full and true statements of its financial condition,
10 transactions, and affairs. An annual statement covering the
11 preceding calendar year shall be filed on or before March 1, and
12 quarterly statements covering the periods ending on March 31,
13 June 30, and September 30 shall be filed within 45 days after
14 each such date. The office may, for good cause, grant an
15 extension of time for filing of an annual or quarterly
16 statement. The statements shall contain information generally
17 included in insurers' financial statements prepared in

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18 accordance with generally accepted insurance accounting
19 principles and practices and in a form generally utilized by
20 insurers for financial statements, sworn to by at least two
21 executive officers of the insurer or, as to property insurers,
22 the chief executive officer and chief financial officer of
23 each insurer or, if a reciprocal insurer, by the oath of the
24 attorney in fact or its like officer if a corporation. To
25 facilitate uniformity in financial statements and to facilitate
26 office analysis, the commission may by rule adopt the form for
27 financial statements approved by the National Association of
28 Insurance Commissioners in 2002, and may adopt subsequent
29 amendments thereto if the methodology remains substantially
30 consistent, and may by rule require each insurer to submit to
31 the office or such organization as the office may designate all
32 or part of the information contained in the financial statement
33 in a computer-readable form compatible with the electronic data
34 processing system specified by the office.

35 (6) In addition to information called for and furnished in
36 connection with its annual or quarterly statements, an insurer
37 shall furnish to the office as soon as reasonably possible such
38 information as to its transactions or affairs as the office may
39 from time to time request in writing. All such information
40 furnished pursuant to the office's request shall be verified by
41 the oath of two executive officers of the insurer or, as to
42 property insurers, the chief executive officer and chief
43 financial officer of each insurer or, if a reciprocal insurer,
44 by the oath of the attorney in fact or its like officers if a
45 corporation.

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46 Section 30. Subsection (2) of section 624.448, Florida
47 Statutes, is amended to read:

48 624.448 Assets of insurers; reporting requirements.--

49 (2) Each domestic insurer shall file a report with the
50 office disclosing a material acquisition of assets, a material
51 disposition of assets, or a material nonrenewal, cancellation,
52 or revision of a ceded reinsurance agreement, unless the
53 material acquisition or disposition of assets or the material
54 nonrenewal, cancellation, or revision of a ceded reinsurance
55 agreement has been submitted to the office for review, approval,
56 or informational purposes under another section of the Florida
57 Insurance Code or a rule adopted thereunder. As to property
58 insurers, the chief executive officer and chief financial
59 officer of each insurer shall sign a sworn Statement of
60 Certification to accompany the report. The Statement of
61 Certification shall certify the appropriateness of the
62 information provided in and with the report and that the
63 information fairly presents, in all material respects, the
64 material acquisition of assets, the material disposition of
65 assets, or the material nonrenewal, cancellation, or revision of
66 a ceded reinsurance agreement. The Office of Insurance
67 Regulation shall promulgate by rule the Statement of
68 Certification. A copy of the report and each exhibit or other
69 attachment must be filed by the insurer with the National
70 Association of Insurance Commissioners. The report required in
71 this section is due within 15 days after the end of the calendar
72 month in which the transaction occurs.

73 Section 31. Paragraph (a) of subsection (2) of section
74 627.062, Florida Statutes, is amended to read:

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75 627.062 Rate standards.--

76 (2) As to all such classes of insurance:

77 (a) Insurers or rating organizations shall establish and
78 use rates, rating schedules, or rating manuals to allow the
79 insurer a reasonable rate of return on such classes of insurance
80 written in this state. A copy of rates, rating schedules, rating
81 manuals, premium credits or discount schedules, and surcharge
82 schedules, and changes thereto, shall be filed with the office
83 under one of the following procedures:

84 1. If the filing is made at least 90 days before the
85 proposed effective date and the filing is not implemented during
86 the office's review of the filing and any proceeding and
87 judicial review, then such filing shall be considered a "file
88 and use" filing. In such case, the office shall finalize its
89 review by issuance of a notice of intent to approve or a notice
90 of intent to disapprove within 90 days after receipt of the
91 filing. The notice of intent to approve and the notice of intent
92 to disapprove constitute agency action for purposes of the
93 Administrative Procedure Act. Requests for supporting
94 information, requests for mathematical or mechanical
95 corrections, or notification to the insurer by the office of its
96 preliminary findings shall not toll the 90-day period during any
97 such proceedings and subsequent judicial review. The rate shall
98 be deemed approved if the office does not issue a notice of
99 intent to approve or a notice of intent to disapprove within 90
100 days after receipt of the filing.

101 2. If the filing is not made in accordance with the
102 provisions of subparagraph 1., such filing shall be made as soon
103 as practicable, but no later than 30 days after the effective
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104 date, and shall be considered a "use and file" filing. An
105 insurer making a "use and file" filing is potentially subject to
106 an order by the office to return to policyholders portions of
107 rates found to be excessive, as provided in paragraph (h).

108 3. The chief executive officer and chief financial officer
109 of each property insurer shall sign a sworn Statement of
110 Certification to accompany the rate filing. The statement shall
111 certify the appropriateness of the information provided in and
112 with the rate-filing and that the information fairly presents,
113 in all material respects, the basis of the rate-filing submitted
114 by the property and casualty insurer. The insurer shall certify
115 all of the information and factors described in paragraph (b),
116 including, but not limited to, investment income. The Office of
117 Insurance Regulation shall promulgate by rule the Statement of
118 Certification. Failure to provide such Statement of
119 Certification shall result in the rate-filing being disapproved
120 without prejudice to be refiled.

121
122 The provisions of this subsection shall not apply to workers'
123 compensation and employer's liability insurance and to motor
124 vehicle insurance.

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127

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

129 Remove line 4786 and insert:
130 fraud; amending s. 624.424, F.S.; revising provisions relating
131 to persons who may swear to an annual statement filed by an
132 authorized insurer; revising provisions relating to persons who
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133 may verify by oath certain additional information; amending s.
134 624.448, F.S.; revising reporting requirements for property
135 insurers ; requiring a signed Statement of Certification;
136 requiring the Office of Insurance Regulation to promulgate a
137 Statement of Certification; amending s. 627.062, F.S.; requiring
138 certain officers of property insurers to sign a Statement of
139 Certification to accompany a rate filing; providing conditions
140 for disapproval of a rate filing; creating the Task Force on
141 Hurricane Mitigation and
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