Barcode 660122

CHAMBER ACTION

	Senate House
1	•
2	
3	Floor: 25/F/2R .
4	01/17/2007 04:04 PM .
5	
6	
7	
8	
9	
10	
11	Senator Fasano moved the following amendment:
12	_
13	Senate Amendment (with title amendment)
14	On page 81, between lines 7 and 8,
15	
16	insert:
17	Section 16. Section 624.4096, Florida Statutes, is
18	created to read:
19	624.4096 Florida only property subsidiaries or
20	affiliates prohibited
21	(1) "Florida-only property insurer" means an insurer
22	who holds a certificate of authority in this state to write
23	property business and who is a member of a holding company
24	group that includes insurers that write property insurance in
25	other states.
26	(2) An insurer or insurer group may not form or
27	acquire a subsidiary or an affiliate that is a Florida-only
28	property insurer after March 1, 2007.
29	(3) An insurer or insurer group may not operate,
30	exercise control of, or otherwise maintain a subsidiary or
31	affiliate that is a Florida-only property insurer 180 days
	<u>.</u>

s0004Ac-11-e6t

Barcode 660122

<u>after Mar 1, 2007.</u>

10:56 AM 01/17/07

(4) Any existing Florida-only property insurer that is 2 member of a holding company subject to s. 628.801 shall cease 3 4 writing new policies after March 1, 2007. The Florida-only property insurer shall transfer all Florida policies to an 5 affiliate that is authorized to transact property insurance in 7 other states and this state. The Florida-only property insurer shall file a plan for the transfer of policies with the office 8 for approval, by June 1, 2007. The plan shall provide for the 10 transfer of all policies within eighteen months of the date 11 the plan is approved by the office. A Florida-only property insurer may not cancel or renew any policy except as permitted 12 by the plan which is approved by the office, except for 13 nonpayment of premium or fraud by the policyholder. Upon 14 15 transfer of all policies, the Florida-only property insurer shall surrender its certificate of authority. 16 (5) If the holding company or affiliated insurer does 17 18 not have an affiliated property and casualty insurer 19 authorized to write property and casualty policies in this 20 state, then the Florida-only insurer shall, upon approval of the office, transfer its policies to another insurer. The 21 22 assuming insurer shall be able to count the additional 23 policies assumed for exposure reporting purposes with the 2.4 Florida Hurricane Catastrophe Fund. (6) If no other insurer will accept the transfer of 25 policies, the Florida-only insurer may make a one-time 26 27 election to transfer its policies to the Citizens Property Insurance Corporation by May 30, 2007. The transfer shall be 28 29 made by an assumption that includes the payment of all unearned premium from the Florida-only insurer to Citizens for 30 the duration of the policy period. Any insurance holding

Bill No. SB 4-A

Barcode 660122

company group opting to make this one-time election shall surrender the certificate of authority of its Florida-only 2 insurer within 30 days after the transfer of policies, and for 3 10 years thereafter, a member of the insurance holding company group is not eligible to apply for a new certificate of 5 authority in the state of Florida. 6 7 (7) The commission may adopt rules necessary to implement the provisions of this section. 8 9 10 (Redesignate subsequent sections.) 11 12 13 ======== T I T L E A M E N D M E N T ========= And the title is amended as follows: 14 15 On page 5, line 25, after the semicolon, 16 17 insert: 18 creating s. 624.4096, F.S.; providing a 19 definition for the term "Florida-only property 20 insurer; prohibiting an insurer from forming a 21 certain subsidiary or affiliate; prohibiting an 22 insurer from operating a certain subsidiary or affiliate for a limited time; providing that 23 2.4 certain Florida-only property insurers to cease writing new policies; requiring a Florida-only 25 property insurer to transfer policies to 26 certain affiliates; prohibiting a Florida-only 27 28 property insurer from canceling or renewing a 29 policy; requiring a Florida-only property insurer to surrender its certificate of 30 31 authority; requiring a Florida-only property to 10:56 AM 01/17/07 s0004Ac-11-e6t

Bill No. <u>SB 4-A</u>

Barcode 660122

1	transfer its policies to another insurer under
2	certain conditions; authorizing a Florida-only
3	insurer to make a one-time election to transfer
4	its policies to the Citizens Property Insurance
5	Corporation; authorizing the commission to
6	adopt rules;
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	
29	
30	
31	4
	10:56 AM 01/17/07 s0004Ac-11-e6t