

Amendment No.

CHAMBER ACTION

Senate

House

1 Representative(s) Saunders offered the following:

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

4 Remove line(s) 800-803 and insert:

5 Section 9. Paragraphs (a), (h), and (j) of subsection (2)
6 of section 627.062, Florida Statutes, are amended to read:

7 627.062 Rate standards.--

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

9 (a) Insurers or rating organizations shall establish and
10 use rates, rating schedules, or rating manuals to allow the
11 insurer a reasonable rate of return on such classes of insurance
12 written in this state. A copy of rates, rating schedules,
13 rating manuals, premium credits or discount schedules, and
14 surcharge schedules, and changes thereto, shall be filed with
15 the office ~~under one of the following procedures:~~

956177

1/17/2007 1:54:44 PM

Amendment No.

16 ~~1. If the filing is made~~ at least 90 days before the
17 proposed effective date and the filing may not be ~~is not~~
18 implemented during the office's review of the filing and any
19 proceeding and judicial review, ~~then such filing shall be~~
20 ~~considered a "file and use" filing. In such case,~~ The office
21 shall finalize its review by issuance of a notice of intent to
22 approve or a notice of intent to disapprove within 90 days after
23 receipt of the filing. The notice of intent to approve and the
24 notice of intent to disapprove constitute agency action for
25 purposes of the Administrative Procedure Act. Requests for
26 supporting information, requests for mathematical or mechanical
27 corrections, or notification to the insurer by the office of its
28 preliminary findings shall not toll the 90-day period during any
29 such proceedings and subsequent judicial review. The rate shall
30 be deemed approved if the office does not issue a notice of
31 intent to approve or a notice of intent to disapprove within 90
32 days after receipt of the filing.

33 ~~2. If the filing is not made in accordance with the~~
34 ~~provisions of subparagraph 1., such filing shall be made as soon~~
35 ~~as practicable, but no later than 30 days after the effective~~
36 ~~date, and shall be considered a "use and file" filing. An~~
37 ~~insurer making a "use and file" filing is potentially subject to~~
38 ~~an order by the office to return to policyholders portions of~~
39 ~~rates found to be excessive, as provided in paragraph (h).~~

40 (h) In the event the office finds that a rate or rate
41 change is excessive, inadequate, or unfairly discriminatory, the
42 office shall issue an order of disapproval specifying that a new
43 rate or rate schedule which responds to the findings of the

956177
1/17/2007 1:54:44 PM

Amendment No.

44 office be filed by the insurer. ~~The office shall further order,~~
45 ~~for any "use and file" filing made in accordance with~~
46 ~~subparagraph (a)2., that premiums charged each policyholder~~
47 ~~constituting the portion of the rate above that which was~~
48 ~~actuarially justified be returned to such policyholder in the~~
49 ~~form of a credit or refund. If the office finds that an~~
50 ~~insurer's rate or rate change is inadequate, the new rate or~~
51 ~~rate schedule filed with the office in response to such a~~
52 ~~finding shall be applicable only to new or renewal business of~~
53 ~~the insurer written on or after the effective date of the~~
54 ~~responsive filing.~~

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

56 Remove line(s) 51 and insert:
57 amending s. 627.062, F.S.; deleting provisions allowing property
58 and casualty insurers to use and file rates; delaying the
59 effective date of

60