



147230

LEGISLATIVE ACTION

Senate

House

.  
. .  
. .  
. .  
. .  
. .

Floor: 2/RS/2R

04/24/2009 03:26 PM

---

Senators Deutch and Richter moved the following:

**Senate Amendment (with title amendment)**

Delete lines 1167 - 1214

and insert:

(k) Notwithstanding any other provision of this section:

1. It is the intent of the Legislature that the separate rate filing provided for under this paragraph be reviewed by the office in an expedited timeframe.

2. An insurer may make a separate filing limited solely to a rate increase authorized by s. 627.0629(5), plus liquidity instruments, plus the actual additional cost paid due to the application of s. 215.555(17)(f), plus the actual additional



13 cost paid due to the application by the Florida Hurricane  
14 Catastrophe Fund of a cash buildup factor pursuant to s.  
15 215.555(5)(b), if all changes specified in the filing do not  
16 result in an overall premium increase of more than 10 percent  
17 for any individual policyholder. If an insurer purchases a  
18 liquidity instrument or line of credit corresponding to coverage  
19 within the TICL, the cost for the liquidity instrument or line  
20 of credit may be included within the 10 percent overall limit  
21 for the filing if the cost recovery allowed for the liquidity  
22 instrument or line of credit does not exceed an amount that  
23 results in a premium increase of more than 3 percent for any  
24 individual policyholder.

25 3. An insurer may use only a liquidity instrument or line  
26 of credit for the layers of coverage which exceed the published  
27 claims-paying capacity of the fund. Once the fund achieves  
28 claims-paying capacity to meet its full obligations, the  
29 liquidity instrument or line of credit is not recoverable under  
30 the provisions of this paragraph.

31 4. Any insurer that purchases reinsurance from an  
32 affiliated company in compliance with this paragraph may do so  
33 only if the costs for such reinsurance are charged at or below  
34 charges made for comparable coverage by nonaffiliated reinsurers  
35 making such coverage available in Florida.

36 5. An insurer that submits a filing pursuant to this  
37 paragraph shall include a copy of the reinsurance contract,  
38 liquidity instrument contract or line of credit contract, proof  
39 of the billing or payment for the contract, and the calculations  
40 upon which the rate change is based demonstrating that the costs  
41 meet the criteria of this section and are not loaded for



147230

42 expenses or profit.

43 6. This paragraph is not applicable to any filing if the  
44 insurer has implemented an increase in its rate within the 6  
45 months preceding the filing. An insurer making a filing pursuant  
46 to this paragraph may not implement any additional rate increase  
47 for the same business for at least 12 months after  
48 implementation of the separate filing.

49 7. An insurer that elects to implement a rate change under  
50 this paragraph must file its rate filing with the office at  
51 least 40 days before the effective date of the rate change. Once  
52 an insurer submits a complete filing that meets all of the  
53 requirements of this paragraph, the office has 30 days after the  
54 date of the filing to review the rate filing and determine if  
55 the rate is excessive, inadequate, or unfairly discriminatory.  
56 Absent a finding by the office within the 30-day period that the  
57 rate is excessive, inadequate, or unfairly discriminatory, the  
58 filing is deemed approved.

59 8. An insurer must proceed under other provisions of this  
60 section or other provisions of law if the insurer seeks to  
61 exceed the premium or rate limitations of this paragraph.

62 9. This paragraph does not limit the authority of the  
63 office to disapprove a rate filing as excessive, inadequate, or  
64 unfairly discriminatory.

65 10. If an insurer submits a filing that meets all of the  
66 requirements specified in this paragraph, the rate increase  
67 submitted by the insurer shall be presumed correct, unless  
68 demonstrated otherwise by the office.

69 11. This paragraph does not apply to rate filings for any  
70 insurance other than residential property insurance.



147230

71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84

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

And the title is amended as follows:

Delete lines 47 - 50

and insert:

use filing; providing legislative intent; authorizing  
an insurer to make a separate filing limited solely to  
a rate increase authorized by the act if all changes  
specified in the filing do not result in an overall  
premium increase of more than 10 percent for any  
individual policyholder; providing procedures to apply  
for the rate filing; providing that the rate filing  
applies only to residential property insurance;  
amending s. 627.0621, F.S.;