

HB 513

2009

1 A bill to be entitled  
2 An act relating to insurance rate incentives for carbon  
3 monoxide detectors and alarms; creating s. 627.06295,  
4 F.S.; providing legislative intent; requiring residential  
5 property insurance rate filings to include certain rate  
6 incentives for installing and maintaining carbon monoxide  
7 detectors and alarms under certain circumstances;  
8 requiring the Office of Insurance Regulation to develop a  
9 proposed method for insurers to establish such incentives;  
10 requiring the Financial Services Commission to adopt rules  
11 for insurers to provide such incentives; providing an  
12 effective date.

13  
14 Be It Enacted by the Legislature of the State of Florida:

15  
16 Section 1. Section 627.06295, Florida Statutes, is created  
17 to read:

18 627.06295 Residential property insurance; rate filings.--

19 (1) It is the intent of the Legislature that insurers must  
20 provide savings to consumers who install and maintain carbon  
21 monoxide detectors and alarms in their properties to prevent  
22 loss of life through carbon monoxide inhalation. A rate filing  
23 for residential property insurance must include actuarially  
24 reasonable discounts, credits, or other rate differentials, or  
25 appropriate reductions in deductibles, for properties on which  
26 carbon monoxide detectors and alarms have been installed and  
27 maintained. Credits, discounts, or other rate differentials, or  
28 appropriate reductions in deductibles, for installation and

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29 maintenance of carbon monoxide detectors and alarms that meet  
30 the minimum requirements of the Florida Building Code must be  
31 included in the rate filing. All insurance companies must make a  
32 rate filing which includes the credits, discounts, or other rate  
33 differentials or reductions in deductibles by February 28, 2010.  
34 By October 1, 2009, the office shall reevaluate the discounts,  
35 credits, other rate differentials, and appropriate reductions in  
36 deductibles for installation and maintenance of carbon monoxide  
37 detectors and alarms that meet the minimum requirements of the  
38 Florida Building Code, based upon actual experience or any other  
39 loss relativity studies available to the office. The office  
40 shall determine the discounts, credits, other rate  
41 differentials, and appropriate reductions in deductibles that  
42 reflect the full actuarial value of such revaluation, which may  
43 be used by insurers in rate filings.

44 (2) By February 1, 2011, the Office of Insurance  
45 Regulation, in consultation with the Department of Financial  
46 Services and the Department of Community Affairs, shall develop  
47 and make publicly available a proposed method for insurers to  
48 establish discounts, credits, or other rate differentials for  
49 carbon monoxide detectors and alarms. By October 1, 2011, the  
50 Financial Services Commission shall adopt rules requiring  
51 insurers to make rate filings for residential property insurance  
52 which revise insurers' discounts, credits, or other rate  
53 differentials for installation and maintenance of carbon  
54 monoxide detectors and alarms. The rules shall allow a period of  
55 at least 2 years after the effective date of the revised  
56 discounts, credits, or other rate differentials for a property

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57 | owner to obtain an inspection or otherwise qualify for the  
58 | revised discounts, credits, or other rate differentials, during  
59 | which time the insurer shall continue to apply the discount,  
60 | credit, or rate differential that was applied immediately prior  
61 | to the effective date of the revised discount, credit, or rate  
62 | differential.

63 | Section 2. This act shall take effect July 1, 2009.