

By Senator Garcia

40-00919-09

2009822__

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

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

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

19 627.06295 Residential property insurance; rate filings.-

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

40-00919-09

2009822__

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

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

40-00919-09

2009822__

59 revised discounts, credits, or other rate differentials, during
60 which time the insurer shall continue to apply the discount,
61 credit, or rate differential that was applied immediately prior
62 to the effective date of the revised discount, credit, or rate
63 differential.

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