



138968

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
04/05/2011	.	
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The Committee on Rules (Smith) recommended the following:

Senate Amendment (with directory and title amendments)

Between lines 2192 and 2193
insert:

(n)1. Rates for coverage provided by the corporation must
~~shall~~ be actuarially sound and subject to ~~the requirements of s.~~
627.062, except as otherwise provided in this paragraph. The
corporation shall file its recommended rates with the office at
least annually. The corporation shall provide any additional
information regarding the rates which the office requires. The
office shall consider the recommendations of the board and issue
a final order establishing the rates for the corporation within
45 days after the recommended rates are filed. The corporation



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14 may not pursue an administrative challenge or judicial review of
15 the final order of the office.

16 2. In addition to the rates otherwise determined pursuant
17 to this paragraph, the corporation shall impose and collect an
18 amount equal to the premium tax provided ~~for~~ in s. 624.509 to
19 augment the financial resources of the corporation.

20 3. After the public hurricane loss-projection model under
21 s. 627.06281 has been found to be accurate and reliable by the
22 Florida Commission on Hurricane Loss Projection Methodology, the
23 ~~that~~ model shall serve as the minimum benchmark for determining
24 the windstorm portion of the corporation's rates. This
25 subparagraph does not require or allow the corporation to adopt
26 rates lower than the rates otherwise required or allowed by this
27 paragraph.

28 4. The rate filings for the corporation which were approved
29 by the office and ~~which~~ took effect January 1, 2007, are
30 rescinded, except for those rates that were lowered. As soon as
31 possible, the corporation shall begin using the lower rates that
32 were in effect on December 31, 2006, and ~~shall~~ provide refunds
33 to policyholders who ~~have~~ paid higher rates as a result of that
34 rate filing. The rates in effect on December 31, 2006, ~~shall~~
35 remain in effect for the 2007 and 2008 calendar years except for
36 any rate change that results in a lower rate. The next rate
37 change that may increase rates shall take effect pursuant to a
38 new rate filing recommended by the corporation and established
39 by the office, subject to ~~the requirements of~~ this paragraph.

40 5. Beginning on July 15, 2009, and annually ~~each year~~
41 thereafter, the corporation must make a recommended actuarially
42 sound rate filing for each personal and commercial line of



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43 business it writes, to be effective no earlier than January 1,
44 2010.

45 6. Beginning on or after January 1, 2010, and
46 notwithstanding the board's recommended rates and the office's
47 final order regarding the corporation's filed rates under
48 subparagraph 1., the corporation shall annually implement a rate
49 increase ~~each year~~ which, except for sinkhole coverage, does not
50 exceed 10 percent for any single policy issued by the
51 corporation, excluding coverage changes and surcharges.

52 7. The corporation may also implement an increase to
53 reflect the effect on the corporation of the cash buildup factor
54 pursuant to s. 215.555(5)(b).

55 8. The corporation's implementation of rates as prescribed
56 in subparagraph 6. shall cease for any line of business written
57 by the corporation upon the corporation's implementation of
58 actuarially sound rates. Thereafter, the corporation shall
59 annually make a recommended actuarially sound rate filing for
60 each commercial and personal line of business the corporation
61 writes.

62
63 ===== D I R E C T O R Y C L A U S E A M E N D M E N T =====

64 And the directory clause is amended as follows:

65 Delete line 1362

66 and insert:

67 Section 15. Paragraphs (b), (c), (d), (n), (v), and (y) of

68
69 ===== T I T L E A M E N D M E N T =====

70 And the title is amended as follows:

71 Delete line 120



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72 and insert:
73 certain measures; exempting sinkhole coverage from the
74 corporation's annual rate increase requirements;
75 deleting a requirement that the