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1 A bill to be entitled
2 An act relating to public records; amending s.
3 627.3518, F.S.; providing an exemption from public
4 records requirements for all proprietary business
5 information submitted by an insurer to the Citizens
6 Property Insurance Corporation's clearinghouse;
7 providing a definition; providing exemption; providing
8 for future review and repeal; providing a statement of
9 public necessity; providing a contingent effective
10 date.

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12 Be It Enacted by the Legislature of the State of Florida:

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14 Section 1. Subsection (10) is added to section 627.3518,
15 Florida Statutes, as created by SB 1770 or similar legislation,
16 2013 Regular Session, to read:

17 627.3518 Citizens Property Insurance Corporation
18 clearinghouse.—

19 (10) Proprietary business information provided to the
20 corporation's clearinghouse by insurers with respect to
21 identifying and selecting risks for an offer of coverage is
22 confidential and exempt from s. 119.07(1) and s. 24(a), Art. I
23 of the State Constitution.

24 (a) As used in this subsection, the term "proprietary
25 business information" means information, regardless of form or
26 characteristics, which is owned or controlled by an insurer and:

27 1. Is identified by the insurer as proprietary business
28 information and is intended to be and is treated by the insurer
29 as private in that the disclosure of the information would cause

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30 harm to the insurer, an individual, or the company's business
31 operations and has not been disclosed unless disclosed pursuant
32 to a statutory requirement, an order of a court or
33 administrative body, or a private agreement that provides that
34 the information will not be released to the public;

35 2. Is not otherwise readily ascertainable or publicly
36 available by proper means by other persons from another source
37 in the same configuration as provided to the clearinghouse; and

38 3. Includes, but is not limited to:

39 a. Trade secrets.

40 b. Information relating to competitive interests, the
41 disclosure of which would impair the competitive business of the
42 provider of the information.

43
44 Proprietary business information may be found in underwriting
45 criteria or instructions which are used to identify and select
46 risks through the program for an offer of coverage and are
47 shared with the clearinghouse to facilitate the shopping of
48 risks with the insurer.

49 (b) The clearinghouse may disclose confidential and exempt
50 proprietary business information:

51 1. If the insurer to which it pertains gives prior written
52 consent;

53 2. Pursuant to a court order; or

54 3. To another state agency in this or another state or to a
55 federal agency if the recipient agrees in writing to maintain
56 the confidential and exempt status of the document, material, or
57 other information and has verified in writing its legal
58 authority to maintain such confidentiality.

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59 (c) This subsection is subject to the Open Government
60 Sunset Review Act in accordance with s. 119.15 and shall stand
61 repealed on October 2, 2018, unless reviewed and saved from
62 repeal through reenactment by the Legislature.

63 Section 2. The Legislature finds that it is a public
64 necessity that all proprietary business information provided by
65 an insurer to Citizens Property Insurance Corporation's
66 clearinghouse which is used to identify and select risks from
67 the clearinghouse be made confidential and exempt from s.
68 119.07(1), Florida Statutes, and s. 24(a), Article I of the
69 State Constitution. The diversion program will facilitate
70 obtaining offers of coverage from authorized insurers for new
71 applicants for insurance coverage with the corporation and for
72 policyholders seeking to renew existing insurance coverage with
73 the corporation. Obtaining offers of coverage from authorized
74 insurers through the clearinghouse will provide more choices for
75 consumers and reduce the corporation's exposure and potential
76 for imposing assessments on its policyholders and policyholders
77 in the private market. In order for the program to efficiently
78 determine whether there are authorized insurers interested in
79 making an offer of coverage for a particular risk, a substantial
80 amount of detailed data from participating insurers must be
81 provided to the program. Public disclosure of the detailed data
82 could result in a substantial chilling effect on insurer
83 participation in the program and thereby undermine the program's
84 success. Therefore, the Legislature declares that it is a public
85 necessity that all proprietary business information provided by
86 an insurer to Citizens Property Insurance Corporation's
87 clearinghouse which is used to identify and select risks from

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88 the clearinghouse be made confidential and exempt from public
89 record requirements.

90 Section 3. This act shall take effect on the same date that
91 SB 1770 or similar legislation creating s. 627.3518, Florida
92 Statutes, the Citizen's Property Insurance Corporation
93 clearinghouse, takes effect, if such legislation is adopted in
94 the same legislative session or an extension thereof and becomes
95 law.