A bill to be entitled 1 2 An act relating to public records; amending s. 3 624.4212, F.S.; providing an exemption from public 4 records requirements for certain reports and documents 5 submitted to the Office of Insurance Regulation 6 related to an own-risk and solvency assessment by an 7 insurer or insurance group; providing an exemption 8 from public records requirements for a corporate 9 governance annual disclosure and supporting documents 10 submitted to the office; revising the actuarial board to which the office may disclose certain information; 11 12 providing for and revising future legislative review 13 and repeal; providing a statement of public necessity; 14 providing a contingent effective date. 15 16 Be It Enacted by the Legislature of the State of Florida: 17 Section 1. Present subsections (3), (4), and (5) of 18 19 section 624.4212, Florida Statutes, are redesignated as 20 subsections (4), (5), and (6), respectively, and amended, and a 21 new subsection (3) is added to that section, to read: 2.2 624.4212 Confidentiality of proprietary business and other 23 information.-(3) 24 The following information held by the office is 25 confidential and exempt from s. 119.07(1) and s. 24(a), Art. I 26 of the State Constitution:

Page 1 of 5

CODING: Words stricken are deletions; words underlined are additions.

hb1165-00

27 An ORSA summary report, a substantially similar ORSA (a) 28 report, and supporting documents submitted pursuant to s. 29 628.8015. 30 (b) A corporate governance annual disclosure and 31 supporting documents submitted pursuant to s. 628.8015. 32 (4) (3) Information received from the NAIC, a or another governmental entity in this or another state, the Federal 33 34 Government, or a government of another nation which is 35 confidential or exempt if held by that entity and which is held 36 by the office for use in the office's performance of its duties 37 relating to insurer valuation and solvency is confidential and 38 exempt from s. 119.07(1) and s. 24(a), Art. I of the State 39 Constitution. 40 (5) (4) The office may disclose information made confidential and exempt under this section: 41 42 If the insurer to which it pertains gives prior (a) 43 written consent; (b) Pursuant to a court order; 44 45 To the Actuarial Board for Counseling and Discipline (C) 46 American Academy of Actuaries upon a request stating that the 47 information is for the purpose of professional disciplinary proceedings and specifying procedures satisfactory to the office 48 for preserving the confidentiality of the information; 49 To other states, federal and international agencies, 50 (d) 51 the National Association of Insurance Commissioners and its 52 affiliates and subsidiaries, and state, federal, and Page 2 of 5

CODING: Words stricken are deletions; words underlined are additions.

53 international law enforcement authorities, including members of 54 a supervisory college described in s. 628.805 if the recipient 55 agrees in writing to maintain the confidential and exempt status 56 of the document, material, or other information and has 57 certified in writing its legal authority to maintain such 58 confidentiality; or

(e) For the purpose of aggregating information on an
industrywide basis and disclosing the information to the public
only if the specific identities of the insurers, or persons or
affiliated persons, are not revealed.

(6) (5) This section is subject to the Open Government
 Sunset Review Act in accordance with s. 119.15 and is repealed
 on October 2, 2021 2019, unless reviewed and saved from repeal
 through reenactment by the Legislature.

67 (1) The Legislature finds that it is a public Section 2. 68 necessity that the own-risk and solvency assessment (ORSA) 69 summary report, a substantially similar ORSA report, and 70 supporting documents submitted to and held by the Office of 71 Insurance Regulation pursuant to s. 628.8015, Florida Statutes, 72 be exempt from public records requirements. In conducting this 73 required internal assessment, an insurer or insurance group 74 identifies and evaluates the material and relevant risks to the 75 insurer or insurance group and the adequacy of capital resources 76 to support these risks. The ORSA summary report, substantially 77 similar ORSA report, and supporting documents contain highly 78 sensitive and strategic financial information about an insurer

Page 3 of 5

CODING: Words stricken are deletions; words underlined are additions.

2016

79	or insurer group. Having a comprehensive and unbiased assessment						
80	will provide the office with an effective early warning						
81	mechanism for preventing insolvencies and protecting						
82	policyholders and promote a stable insurance market. Divulging						
83	the ORSA summary report, substantially similar ORSA summary						
84	report, and supporting documents will injure the insurer or						
85	insurance group by providing competitors with detailed insight						
86	into their financial position, risk management strategies,						
87	business plans, pricing and marketing strategies, management						
88	systems, and operational protocols.						
89	(2) The Legislature finds that it is a public necessity						
90	that the corporate governance annual disclosure and supporting						
91	documents submitted to and held by the office be exempt from						
92	public records requirements. The corporate governance annual						
93	disclosure describes an insurer's governance structure and the						
94	internal practices and procedures used in conducting the						
95	business affairs of the company, making strategic operational						
96	decisions affecting its competitive position, and managing its						
97	financial condition. Broad disclosure will give state regulators						
98	a thorough understanding of the corporate governance structure						
99	and internal policies and practices used by insurers and promote						
100	market integrity. Effective governance mechanisms will enable						
101	insurers to take any necessary corrective actions and achieve						
102	strategic goals.						
103	Section 3. This act shall take effect on the same date						
104	that HB 1163 or similar legislation takes effect, if such						
ļ	Page 4 of 5						

CODING: Words stricken are deletions; words underlined are additions.

FLORID	Α ΗΟΙ	JSE OF	REPRES	SENTA	TIVES
--------	-------	--------	--------	-------	-------

105 legislation is adopted in the same legislative session or an 106 extension thereof and becomes a law.

Page 5 of 5

CODING: Words stricken are deletions; words underlined are additions.