

1                                   A bill to be entitled  
 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  
 11          to which the office may disclose certain information;  
 12          providing for and revising future legislative review  
 13          and repeal; providing a statement of public necessity;  
 14          providing a contingent effective date.

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

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 18           Section 1. Present subsections (3), (4), and (5) of  
 19           section 624.4212, Florida Statutes, are redesignated as  
 20           subsection (4), (5), and (6), respectively, and amended, and a  
 21           new subsection (3) is added to that section, to read:

22           624.4212 Confidentiality of proprietary business and other  
 23           information.—

24           (3) Except for information obtained by the office that is  
 25           otherwise available for public inspection, the following  
 26           information held by the office is confidential and exempt from

27 s. 119.07(1) and s. 24(a), Art. I of the State Constitution:

28 (a) An ORSA summary report, a substantially similar ORSA  
 29 report, and supporting documents submitted pursuant to s.  
 30 628.8015.

31 (b) A corporate governance annual disclosure and  
 32 supporting documents submitted pursuant to s. 628.8015.

33 (4)-(3) Information received from the NAIC, a ~~or another~~  
 34 governmental entity in this or another state, the Federal  
 35 Government, or a government of another nation which is  
 36 confidential or exempt if held by that entity and which is held  
 37 by the office for use in the office's performance of its duties  
 38 relating to insurer valuation and solvency is confidential and  
 39 exempt from s. 119.07(1) and s. 24(a), Art. I of the State  
 40 Constitution.

41 (5)-(4) The office may disclose information made  
 42 confidential and exempt under this section:

43 (a) If the insurer to which it pertains gives prior  
 44 written consent;

45 (b) Pursuant to a court order;

46 (c) To the Actuarial Board for Counseling and Discipline  
 47 ~~American Academy of Actuaries~~ upon a request stating that the  
 48 information is for the purpose of professional disciplinary  
 49 proceedings and specifying procedures satisfactory to the office  
 50 for preserving the confidentiality of the information;

51 (d) To other states, federal and international agencies,  
 52 the National Association of Insurance Commissioners and its

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

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

64 ~~(6)-(5)~~ This section is subject to the Open Government  
65 Sunset Review Act in accordance with s. 119.15 and is repealed  
66 on October 2, 2021 ~~2019~~, unless reviewed and saved from repeal  
67 through reenactment by the Legislature.

68 Section 2. (1) The Legislature finds that it is a public  
69 necessity that the own-risk and solvency assessment (ORSA)  
70 summary report, a substantially similar ORSA report, and  
71 supporting documents submitted to and held by the Office of  
72 Insurance Regulation pursuant to s. 628.8015, Florida Statutes,  
73 be confidential and exempt from s. 119.07(1), Florida Statutes,  
74 and s. 24(a), Art. I of the State Constitution. In conducting  
75 this required internal assessment, an insurer or insurance group  
76 identifies and evaluates the material and relevant risks to the  
77 insurer or insurance group and the adequacy of capital resources  
78 to support these risks. The ORSA summary report, substantially

79 similar ORSA report, and supporting documents contain highly  
80 sensitive and strategic financial information about an insurer  
81 or insurer group. Having a comprehensive and unbiased assessment  
82 will provide the office with an effective early warning  
83 mechanism for preventing insolvencies and protecting  
84 policyholders and promote a stable insurance market. Divulging  
85 the ORSA summary report, substantially similar ORSA summary  
86 report, and supporting documents will injure the insurer or  
87 insurance group by providing competitors with detailed insight  
88 into their financial position, risk management strategies,  
89 business plans, pricing and marketing strategies, management  
90 systems, and operational protocols.

91 (2) The Legislature finds that it is a public necessity  
92 that the corporate governance annual disclosure and supporting  
93 documents submitted to and held by the office be confidential  
94 and exempt from s. 119.07(1), Florida Statutes, and s. 24(a),  
95 Art. I of the State Constitution. The corporate governance  
96 annual disclosure describes an insurer's governance structure  
97 and the internal practices and procedures used in conducting the  
98 business affairs of the company, making strategic operational  
99 decisions affecting its competitive position, and managing its  
100 financial condition. Release of the corporate governance annual  
101 disclosure and supporting documents will injure the insurer or  
102 insurance group in the marketplace by providing competitors with  
103 the insurer's or the insurance group's confidential business  
104 information. Broad disclosure will give state regulators a

105 thorough understanding of the corporate governance structure and  
106 internal policies and practices used by insurers and promote  
107 market integrity. Effective governance mechanisms will enable  
108 insurers to take any necessary corrective actions and achieve  
109 strategic goals while allowing the office to perform its  
110 regulatory duties effectively and efficiently.

111 Section 3. This act shall take effect on the same date  
112 that CS/HB 1163 or similar legislation takes effect, if such  
113 legislation is adopted in the same legislative session or an  
114 extension thereof and becomes a law.