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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
02/09/2016	.	
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The Committee on Governmental Oversight and Accountability  
(Hays) recommended the following:

**Senate Amendment**

Delete lines 74 - 104  
and insert:  
be confidential and exempt from s. 119.07(1), Florida Statutes,  
and s. 24(a), Article I of the State Constitution. In conducting  
this required internal assessment, an insurer or insurance group  
identifies and evaluates the material and relevant risks to the  
insurer or insurance group and the adequacy of capital resources  
to support these risks. The ORSA summary report, substantially



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11 similar ORSA report, and supporting documents contain highly  
12 sensitive and strategic financial information about an insurer  
13 or insurer group. Having a comprehensive and unbiased assessment  
14 will provide the office with an effective early warning  
15 mechanism for preventing insolvencies and protecting  
16 policyholders and promote a stable insurance market. Divulging  
17 the ORSA summary report, substantially similar ORSA summary  
18 report, and supporting documents will injure the insurer or  
19 insurance group by providing competitors with detailed insight  
20 into their financial position, risk management strategies,  
21 business plans, pricing and marketing strategies, management  
22 systems, and operational protocols.

23 (2) The Legislature finds that it is a public necessity  
24 that the corporate governance annual disclosure and supporting  
25 documents submitted to and held by the office be confidential  
26 and exempt from s. 119.07(1), Florida Statutes, and s. 24(a),  
27 Article I of the State Constitution. The corporate governance  
28 annual disclosure describes an insurer's governance structure  
29 and the internal practices and procedures used in conducting the  
30 business affairs of the company, making strategic operational  
31 decisions affecting its competitive position, and managing its  
32 financial condition. Release of the corporate governance annual  
33 disclosure and supporting documents will injure the insurer or  
34 insurance group in the marketplace by providing competitors with  
35 the insurer's or the insurance group's confidential business  
36 information. Broad disclosure will give state regulators a  
37 thorough understanding of the corporate governance structure and  
38 internal policies and practices used by insurers and promote  
39 market integrity. Effective governance mechanisms will enable



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40 insurers to take any necessary corrective actions and achieve  
41 strategic goals while allowing the office to perform its  
42 regulatory duties effectively and efficiently.