

1                   A bill to be entitled  
2       An act relating to property insurer financial strength  
3       ratings; amending s. 624.315, F.S.; providing  
4       definitions; requiring certain annual insurance  
5       reports prepared by the Office of Insurance Regulation  
6       for the Legislature and the Governor to include the  
7       financial strength ratings of property insurers  
8       against which delinquency and similar proceedings were  
9       instituted; requiring the office to maintain and make  
10      available upon request information relating to  
11      financial strength ratings of property insurers;  
12      providing an effective date.

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

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16       **Section 1.   Present subsections (1) through (5) of section**  
17      **624.315, Florida Statutes, are redesignated as subsections (2)**  
18      **through (6), respectively, a new subsection (1) is added to that**  
19      **section, paragraph (p) is added to present subsection (2) of**  
20      **that section, and paragraph (c) of present subsection (1) and**  
21      **present subsection (5) of that section are amended, to read:**

22       624.315   Annual reports; quarterly reports.—

23       (1)   As used in this section, the term:

24       (a)   "Financial strength rating" means an objective  
25      evaluation of the assets, liabilities, net worth, financial

26 health, performance, and risk of a property insurer as  
27 determined by an independent rating agency.

28 (b) "Independent rating agency" means an entity that meets  
29 all of the following requirements:

30 1. Issues unbiased and objective financial strength  
31 ratings of insurers without the consent of the insurer.

32 2. Is not paid for ratings by the rated insurers, directly  
33 or indirectly, whether in cash or other forms of payment.

34 3. Does not permit any rated insurer to influence the  
35 ratings of that insurer.

36 4. Is independent and free from outside control or  
37 influence and can issue ratings objectively, without fear of  
38 reprisals or loss of business.

39 5. May begin, suspend, or end rating an insurer at its  
40 discretion.

41 6. Is not owned or controlled, in whole or in part, by any  
42 insurer and does not enter into or maintain any potentially  
43 related business relationships with rated insurers.

44 (2)~~(1)~~ As early as reasonably possible, the office, with  
45 such assistance from the department as requested, shall annually  
46 prepare a report to the Speaker and Minority Leader of the House  
47 of Representatives, the President and Minority Leader of the  
48 Senate, the chairs of the legislative committees with  
49 jurisdiction over matters of insurance, and the Governor  
50 showing, with respect to the preceding calendar year:

51 (c) Names of insurers against which delinquency or similar  
52 proceedings were instituted. For property insurers for which the  
53 delinquency or similar proceedings were instituted, the annual  
54 report must also include the date that each insurer was deemed  
55 impaired of capital or surplus, as the terms impairment of  
56 capital and impairment of surplus are defined in s. 631.011, or  
57 insolvent, as the term insolvency is defined in s. 631.011; the  
58 financial strength ratings of the insurer issued by an  
59 independent rating agency for each of the previous 8 fiscal  
60 quarters before the delinquency or similar proceedings; a  
61 concise statement of the circumstances that led to each  
62 insurer's delinquency; a summary of the actions taken by the  
63 insurer and the office to avoid delinquency; and the results or  
64 status of each such proceeding.

65 ~~(3)(2)~~ The office shall maintain the following information  
66 and make such information available upon request:

67 (p) The financial strength rating issued to each property  
68 insurer by an independent rating agency each calendar quarter  
69 during the reporting period, including the changes in ratings  
70 from quarter to quarter, the number of downgrades in ratings  
71 which occurred during the reporting period, the number of  
72 downgraded companies that were subsequently upgraded during the  
73 reporting period, and the number of downgraded companies that  
74 were subject to delinquency or similar proceedings.

75 ~~(6)(5)~~ When aggregate information includes information

76 | asserted as trade secret information, the office may include the  
77 | trade secret information in the report required under subsection  
78 | (2) ~~(1)~~ or may make the trade secret information available under  
79 | subsection (3) ~~(2)~~ unless the trade secret information can be  
80 | individually extrapolated, in which case the trade secret  
81 | information remains protected as provided under s. 624.4213.

82 |       **Section 2.** This act shall take effect July 1, 2026.