The Committee on Banking and Insurance (Fasano) recommended the following:

Senate Amendment (with title amendment)

Delete lines 1216 - 1290

and insert:

(1)(a) It is the intent of the Legislature that insurers must provide the most accurate pricing signals available in order savings to encourage consumers to who install or implement windstorm damage mitigation techniques, alterations, or solutions to their properties to prevent windstorm losses. It is also the intent of the Legislature that implementation of mitigation discounts not result in a loss of income to the insurers granting the discounts, so that the aggregate of such...
discounts not exceed the aggregate of the expected reduction in loss attributable to the mitigation efforts for which discounts are granted. A rate filing for residential property insurance must include actuarially reasonable discounts, credits, debits, or other rate differentials, or appropriate reductions in deductibles, which provide the proper pricing for all properties. The rate filing must take into account the presence or absence of on which fixtures or construction techniques demonstrated to reduce the amount of loss in a windstorm which have been installed or implemented. The fixtures or construction techniques must include, but need not be limited to, fixtures or construction techniques that enhance roof strength, roof covering performance, roof-to-wall strength, wall-to-floor-to-foundation strength, opening protection, and window, door, and skylight strength. Credits, debits, discounts, or other rate differentials, or appropriate reductions or increases in deductibles, which recognize the presence or absence of for fixtures and construction techniques that meet the minimum requirements of the Florida Building Code must be included in the rate filing. If an insurer demonstrates that the aggregate of its mitigation discounts results in a reduction to revenue which exceeds the reduction of the aggregate loss that is expected to result from the mitigation, the insurer may recover the lost revenue through an increase in its base rates. All insurance companies must make a rate filing which includes the credits, discounts, or other rate differentials or reductions in deductibles by February 28, 2003. By July 1, 2007, the office shall reevaluate the discounts, credits, other rate differentials, and appropriate reductions in deductibles for
fixtures and construction techniques that meet the minimum
requirements of the Florida Building Code, based upon actual
experience or any other loss relativity studies available to the
office. The office shall determine the discounts, credits,
debits, other rate differentials, and appropriate reductions or
increases in deductibles that reflect the full actuarial value
of such revaluation, which may be used by insurers in rate
filings.

(b) By February 1, 2011, the Office of Insurance
Regulation, in consultation with the Department of Financial
Services and the Department of Community Affairs, shall develop
and make publicly available a proposed method for insurers to
establish discounts, credits, or other rate differentials for
hurricane mitigation measures which directly correlate to the
numerical rating assigned to a structure pursuant to the uniform
home grading scale adopted by the Financial Services Commission
pursuant to s. 215.55865, including any proposed changes to the
uniform home grading scale. By October 1, 2011, the commission
shall adopt rules requiring insurers to make rate filings for
residential property insurance which revise insurers’ discounts,
credits, or other rate differentials for hurricane mitigation
measures so that such rate differentials correlate directly to
the uniform home grading scale. The rules may include such
changes to the uniform home grading scale as the commission
determines are necessary, and may specify the minimum required
discounts, credits, or other rate differentials. Such rate
differentials must be consistent with generally accepted
actuarial principles and wind-loss mitigation studies. The rules
shall allow a period of at least 2 years after the
effective date of the revised mitigation discounts, credits, or other rate differentials for a property owner to obtain an inspection or otherwise qualify for the revised credit, during which time the insurer shall continue to apply the mitigation credit that was applied immediately before the effective date of the revised credit. Discounts, credits, and other rate differentials established for rate filings under this paragraph shall supersede, after adoption, the discounts, credits, and other rate differentials included in rate filings under paragraph (a).

And the title is amended as follows:

Delete lines 90 - 96 and insert:

reduction in expected losses;