CHAMBER ACTION
<u>Senate</u>   <u>House</u>

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1   Comm: WD   .
   04/10/2006 01:24 PM   .
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11   The Committee on Banking and Insurance (Alexander) recommended

12   the following amendment:

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14   **Senate Amendment (with title amendment)**

15   On page 60, lines 1-9, delete those line

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17   and insert:

18   <u>(m)</u><s>(d)</s>1.<u>a.</u> <s>It is the intent of the Legislature that</s>

19   <s>the</s> Rates for coverage provided by the corporation <u>shall</u> be

20   actuarially sound and not competitive with approved rates

21   charged in the admitted voluntary market, so that the

22   corporation functions as a residual market mechanism to

23   provide insurance only when the insurance cannot be procured

24   in the voluntary market.

25   <u>b. In any review of a rate filing of the corporation,</u>

26   <u>the Office of Insurance Regulation shall have the burden of</u>

27   <u>proving that the corporation's filed rates are excessive or</u>

28   <u>unfairly discriminatory, and the corporation shall have the</u>

29   <u>burden of proving that the corporation's filed rates are not</u>

30   <u>inadequate.</u>

31   <u>c.</u> Rates shall include an appropriate catastrophe

1 loading factor that reflects the actual catastrophic exposure

2 of the corporation.

3   d. Rates shall include an assessment-reduction factor

4 for the purpose of providing the corporation with additional

5 capital resources unless the board determines that the

6 corporation has sufficient cash, Florida Hurricane Catastrophe

7 Fund coverage, and reinsurance coverage to enable the

8 corporation to cover a 100-year probable maximum loss without

9 sustaining a deficit.

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12 ================ T I T L E   A M E N D M E N T ===============

13 And the title is amended as follows:

14   On page 4, line 18, after the semicolon,

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16 insert:

17   specifying the burden of proof in reviews of

18   corporation rate filings; providing for an

19   additional assessment-reduction factor in

20   rates;

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