Bill No. <u>SB 4-A</u>

	CHAMBER ACTION <u>Senate</u> <u>House</u>
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11	Senator Fasano moved the following amendment:
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13	Senate Amendment (with title amendment)
14	On page 81, between lines 7 and 8,
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16	insert:
17	Section 16. Section 624.4096, Florida Statutes, is
18	created to read:
19	<u>624.4096 Florida only property subsidiaries or</u>
20	affiliates prohibited
21	<u>(1) "Florida-only property insurer" means an insurer</u>
22	who holds a certificate of authority in this state to write
23	property business and who is a member of a holding company
24	group that includes insurers that write property insurance in
25	other states.
26	<u>(2) An insurer or insurer group may not form or</u>
27	acquire a subsidiary or an affiliate that is a Florida-only
28	property insurer after March 1, 2007.
29	(3) An insurer or insurer group may not operate,
30	exercise control of, or otherwise maintain a subsidiary or
31	affiliate that is a Florida-only property insurer 180 days 1
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SENATOR AMENDMENT

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1	<u>after Mar 1, 2007.</u>
2	(4) Any existing Florida-only property insurer that is
3	member of a holding company subject to s. 628.801 shall cease
4	writing new policies after March 1, 2007. The Florida-only
5	property insurer shall transfer all Florida policies to an
6	affiliate that is authorized to transact property insurance in
7	other states and this state. The Florida-only property insurer
8	shall file a plan for the transfer of policies with the office
9	for approval, by June 1, 2007. The plan shall provide for the
10	transfer of all policies within eighteen months of the date
11	the plan is approved by the office. A Florida-only property
12	insurer may not cancel or renew any policy except as permitted
13	by the plan which is approved by the office, except for
14	nonpayment of premium or fraud by the policyholder. Upon
15	transfer of all policies, the Florida-only property insurer
16	shall surrender its certificate of authority.
17	(5) If the holding company or affiliated insurer does
18	not have an affiliated property and casualty insurer
19	authorized to write property and casualty policies in this
20	state, then the Florida-only insurer shall, upon approval of
21	the office, transfer its policies to another insurer. The
22	assuming insurer shall be able to count the additional
23	policies assumed for exposure reporting purposes with the
24	Florida Hurricane Catastrophe Fund.
25	(6) If no other insurer will accept the transfer of
26	policies, the Florida-only insurer may make a one-time
27	election to transfer its policies to the Citizens Property
28	Insurance Corporation by May 30, 2007. The transfer shall be
29	made by an assumption that includes the payment of all
30	unearned premium from the Florida-only insurer to Citizens for
31	the duration of the policy period. Any insurance holding
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SENATOR AMENDMENT

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1	company group opting to make this one-time election shall
2	surrender the certificate of authority of its Florida-only
3	insurer within 30 days after the transfer of policies, and for
4	10 years thereafter, a member of the insurance holding company
5	group is not eligible to apply for a new certificate of
6	authority in the state of Florida.
7	(7) The commission may adopt rules necessary to
8	implement the provisions of this section.
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10	(Redesignate subsequent sections.)
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13	========= TITLE AMENDMENT===========
14	And the title is amended as follows:
15	On page 5, line 25, after the semicolon,
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17	insert:
18	creating s. 624.4096, F.S.; providing a
19	definition for the term "Florida-only property
20	insurer; prohibiting an insurer from forming a
21	certain subsidiary or affiliate; prohibiting an
22	insurer from operating a certain subsidiary or
23	affiliate for a limited time; providing that
24	certain Florida-only property insurers to cease
25	writing new policies; requiring a Florida-only
26	property insurer to transfer policies to
27	certain affiliates; prohibiting a Florida-only
28	property insurer from canceling or renewing a
29	policy; requiring a Florida-only property
30	insurer to surrender its certificate of
31	authority; requiring a Florida-only property to
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1	transfer its policies to another insurer under
2	certain conditions; authorizing a Florida-only
3	insurer to make a one-time election to transfer
4	its policies to the Citizens Property Insurance
5	Corporation; authorizing the commission to
6	adopt rules;
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