



LEGISLATIVE ACTION

Senate	.	House
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	.	
Floor: 2/AD/2R	.	Floor: SENSEA/C
05/02/2017 05:10 PM	.	05/04/2017 02:34 PM
	.	

Senator Brandes moved the following:

1 **Senate Substitute for Amendment (703910) (with title**
2 **amendment)**

3
4 Delete lines 126 - 207

5 and insert:

6 October 1, 2025 ~~2019~~, the insurer may also establish and use
7 such rates in accordance with the rates, rating schedules, or
8 rating manuals filed by the insurer with the office which allow
9 the insurer a reasonable rate of return on flood coverage
10 written in this state. Flood coverage rates established pursuant
11 to this paragraph are not subject to s. 627.062(2) (a) and (f).



12 An insurer shall notify the office of any change to such rates
13 within 30 days after the effective date of the change. The
14 notice must include the name of the insurer and the average
15 statewide percentage change in rates. Actuarial data with regard
16 to such rates for flood coverage must be maintained by the
17 insurer for 2 years after the effective date of such rate change
18 and is subject to examination by the office. The office may
19 require the insurer to incur the costs associated with an
20 examination. Upon examination, the office, in accordance with
21 generally accepted and reasonable actuarial techniques, shall
22 consider the rate factors in s. 627.062(2)(b), (c), and (d), and
23 the standards in s. 627.062(2)(e), to determine if the rate is
24 excessive, inadequate, or unfairly discriminatory. If the office
25 determines that a rate is excessive or unfairly discriminatory,
26 the office shall require the insurer to provide appropriate
27 credit to affected insureds or an appropriate refund to affected
28 insureds who no longer receive coverage from the insurer.

29 (4) A surplus lines agent may export a contract or
30 endorsement providing flood coverage to an eligible surplus
31 lines insurer without making a diligent effort to seek such
32 coverage from three or more authorized insurers under s.
33 626.916(1)(a). This subsection expires July 1, 2019, or on the
34 date on which the Commissioner of Insurance Regulation
35 determines in writing that there is an adequate admitted market
36 to provide coverage for the peril of flood consistent with this
37 section, whichever date occurs first. If there are fewer than
38 three admitted insurers on the date this subsection expires, the
39 number of declinations necessary to meet the diligent-effort
40 requirement shall be no fewer than the number of authorized



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41 insurers providing flood coverage 2017.

42 (5) In addition to any other applicable requirements, an
43 insurer providing flood coverage that is not excess coverage in
44 this state must:

45 (a) Notify the office at least 30 days before writing flood
46 insurance in this state; and

47 (b) File a plan of operation and financial projections or
48 revisions to such plan, as applicable, with the office.

49 (6) Citizens Property Insurance Corporation may not provide
50 insurance for the peril of flood.

51 (7) The Florida Hurricane Catastrophe Fund may not provide
52 reimbursement for losses proximately caused by the peril of
53 flood, including losses that occur during a covered event as
54 defined in s. 215.555(2) (b).

55 (8) An agent must provide a written notice to be signed by
56 the applicant before the agent places, ~~upon receiving an~~
57 ~~application for~~ flood insurance coverage with from an admitted
58 ~~authorized~~ or surplus lines insurer for a property receiving
59 flood insurance under the National Flood Insurance Program, ~~and~~
60 ~~obtain an acknowledgment signed by the applicant before placing~~
61 ~~the coverage with the authorized or surplus lines insurer.~~ The
62 notice acknowledgment must notify the applicant that, if the
63 applicant discontinues coverage under the National Flood
64 Insurance Program which is provided at a subsidized rate, the
65 full risk rate for flood insurance may apply to the property if
66 the applicant later seeks to reinstate coverage under the
67 program.

68
69 ===== T I T L E A M E N D M E N T =====



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70 And the title is amended as follows:
71 Delete lines 11 - 22
72 and insert:
73 applicability; extending the last date of filing with
74 the Office of Insurance Regulation of certain flood
75 coverage rates that may be established and used by an
76 insurer; specifying a condition for the expiration of
77 a certain diligent-effort requirement exemption for
78 surplus lines agents, relating to the export of
79 certain contracts or endorsements to eligible surplus
80 lines insurers; revising applicability of certain
81 notification and filing requirements; revising a
82 notice requirement for agents before they place flood
83 insurance coverage with an admitted or surplus lines
84 insurer for properties receiving flood insurance under
85 the National Flood Insurance Program; providing