



336048

LEGISLATIVE ACTION

Senate

.
. .
. .
. .
. .

House

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

1 **Senate Amendment to Amendment (306982) (with title**
2 **amendment)**

3
4 Delete line 224
5 and insert:

6 Section 5. (1) Within 60 days after the effective date of
7 this section, the Office of Insurance Regulation shall enter
8 into a contract with an independent consultant to calculate the
9 savings expected as a result of this act. The contract must
10 require the use of generally accepted actuarial techniques and



336048

11 standards in determining the expected impact on losses and
12 expenses. By September 15, 2019, the office shall submit to the
13 Governor, the President of the Senate, and the Speaker of the
14 House of Representatives a report concerning the results of the
15 independent consultant's calculations.

16 (2) By October 1, 2019, an insurer writing property
17 insurance in this state shall make a rate filing with the Office
18 of Insurance Regulation. A rate certification does not satisfy
19 this requirement. If the insurer requests a rate in excess of a
20 10 percent reduction as applied to the current rate in its
21 overall base rate for property insurance, the insurer must
22 include in its rate filing a detailed explanation of the reasons
23 for its failure to achieve a 10 percent reduction.

24 (3) By January 1, 2021, an insurer writing property
25 insurance in this state shall make a rate filing with the Office
26 of Insurance Regulation. A rate certification does not satisfy
27 this requirement. If the insurer requests a rate in excess of a
28 25 percent reduction as applied to the rate in effect as of July
29 1, 2019, in its overall base rate for property insurance since
30 July 1, 2019, the insurer must include in its rate filing a
31 detailed explanation of the reasons for its failure to achieve a
32 25 percent reduction.

33 (4) If an insurer fails to provide the detailed explanation
34 required by subsection (2) or subsection (3), the Office of
35 Insurance Regulation must order the insurer to stop writing new
36 property insurance policies in this state until the insurer
37 provides the required explanation.

38 (5) This section shall take effect upon this act becoming a
39 law.



40 Section 6. Except as otherwise expressly provided in this
41 act and except for this section, which shall take effect upon
42 this act becoming a law, this act shall take effect July 1,
43 2019.

44
45 ===== T I T L E A M E N D M E N T =====

46 And the title is amended as follows:

47 Delete lines 255 - 256

48 and insert:

49 provider; providing applicability; requiring the
50 Office of Insurance Regulation, within a certain
51 timeframe, to enter into a contract with an
52 independent consultant for certain purposes; providing
53 requirements for the contract; requiring the office to
54 submit, by a specified date, a certain report to the
55 Governor and Legislature; requiring property insurers,
56 by specified dates, to make full rate filings with the
57 office; requiring such insurers to include a certain
58 explanation under certain circumstances; requiring the
59 office to order such an insurer to stop writing new
60 policies if the insurer fails to provide such
61 explanation; providing effective dates.