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LEGISLATIVE ACTION

Senate

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House

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Floor: 1/F/2R

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05/02/2019 10:21 AM

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Senator Flores moved the following:

**Senate Amendment (with title amendment)**

Between lines 450 and 451

insert:

Section 13. Paragraph (n) of subsection (6) of section  
627.351, Florida Statutes, is amended to read:

627.351 Insurance risk apportionment plans.—

(6) CITIZENS PROPERTY INSURANCE CORPORATION.—

(n)1. Rates for coverage provided by the corporation must  
be actuarially sound and subject to s. 627.062, except as  
otherwise provided in this paragraph. The corporation shall file



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12 its recommended rates with the office at least annually. The  
13 corporation shall provide any additional information regarding  
14 the rates which the office requires. The office shall consider  
15 the recommendations of the board and issue a final order  
16 establishing the rates for the corporation within 45 days after  
17 the recommended rates are filed. The corporation may not pursue  
18 an administrative challenge or judicial review of the final  
19 order of the office.

20         2. In addition to the rates otherwise determined pursuant  
21 to this paragraph, the corporation shall impose and collect an  
22 amount equal to the premium tax provided in s. 624.509 to  
23 augment the financial resources of the corporation.

24         3. After the public hurricane loss-projection model under  
25 s. 627.06281 has been found to be accurate and reliable by the  
26 Florida Commission on Hurricane Loss Projection Methodology, the  
27 model shall be considered when establishing the windstorm  
28 portion of the corporation's rates. The corporation may use the  
29 public model results in combination with the results of private  
30 models to calculate rates for the windstorm portion of the  
31 corporation's rates. This subparagraph does not require or allow  
32 the corporation to adopt rates lower than the rates otherwise  
33 required or allowed by this paragraph.

34         4. The rate filings for the corporation which were approved  
35 by the office and took effect January 1, 2007, are rescinded,  
36 except for those rates that were lowered. As soon as possible,  
37 the corporation shall begin using the lower rates that were in  
38 effect on December 31, 2006, and provide refunds to  
39 policyholders who paid higher rates as a result of that rate  
40 filing. The rates in effect on December 31, 2006, remain in



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41 effect for the 2007 and 2008 calendar years except for any rate  
42 change that results in a lower rate. The next rate change that  
43 may increase rates shall take effect pursuant to a new rate  
44 filing recommended by the corporation and established by the  
45 office, subject to this paragraph.

46 5. Beginning on July 15, 2009, and annually thereafter, the  
47 corporation must make a recommended actuarially sound rate  
48 filing for each personal and commercial line of business it  
49 writes, to be effective no earlier than January 1, 2010.

50 6.a. Beginning ~~on or after~~ January 1, 2010, and  
51 notwithstanding the board's recommended rates and the office's  
52 final order regarding the corporation's filed rates under  
53 subparagraph 1., the corporation shall annually implement a rate  
54 increase that ~~which~~, except for sinkhole coverage, does not  
55 exceed 10 percent for any single policy issued by the  
56 corporation, excluding coverage changes and surcharges.

57 b. Beginning January 1, 2020, and notwithstanding the  
58 board's recommended rates and the office's final order regarding  
59 the corporation's filed rates under subparagraph 1., the  
60 corporation shall annually implement a rate increase that,  
61 except for sinkhole coverage, does not exceed 10 percent for any  
62 single policy issued by the corporation and does not exceed 5  
63 percent for any single policy issued by the corporation to an  
64 insured located in a county where the office has determined  
65 there is not a reasonable degree of competition and where 25  
66 percent or more of the county land is designated as an area of  
67 critical state concern under s. 380.05, excluding coverage  
68 changes and surcharges. This sub-subparagraph expires January 1,  
69 2022.



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70           7. The corporation may also implement an increase to  
71 reflect the effect on the corporation of the cash buildup factor  
72 pursuant to s. 215.555(5)(b).

73           8. The corporation's implementation of rates as prescribed  
74 in subparagraph 6. shall cease for any line of business written  
75 by the corporation upon the corporation's implementation of  
76 actuarially sound rates. Thereafter, the corporation shall  
77 annually make a recommended actuarially sound rate filing for  
78 each commercial and personal line of business the corporation  
79 writes.

80  
81 ===== T I T L E   A M E N D M E N T =====

82 And the title is amended as follows:

83           Delete line 55

84 and insert:

85           discounts are authorized; amending s. 627.351, F.S.;  
86           specifying a limit on annual rate increases, except  
87           for certain coverage, in policies issued by the  
88           corporation to insureds located in certain counties;  
89           providing for future expiration; amending s. 627.426,  
90           F.S.;