HB 639 2015

A bill to be entitled

An act relating to commercial insurance rate filing procedures; amending s. 627.062, F.S.; restricting to residential property rate filings a requirement that the chief executive officer or chief financial officer and chief actuary of a property insurer certify the information contained in a rate filing; amending s. 627.0645, F.S.; removing exemptions from annual base rate filing for commercial multiple line and commercial motor vehicle insurance; providing an effective date.

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Be It Enacted by the Legislature of the State of Florida:

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Section 1. Paragraph (a) of subsection (8) of section 627.062, Florida Statutes, is amended to read:

627.062 Rate standards.-

- (8) (a) The chief executive officer or chief financial officer of a <u>residential</u> property insurer and the chief actuary of a property insurer must certify under oath and subject to the penalty of perjury, on a form approved by the commission, the following information, which must accompany a <u>residential</u> property rate filing:
- The signing officer and actuary have reviewed the rate filing;
 - 2. Based on the signing officer's and actuary's knowledge,

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the rate filing does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading;

- 3. Based on the signing officer's and actuary's knowledge, the information and other factors described in paragraph (2)(b), including, but not limited to, investment income, fairly present in all material respects the basis of the rate filing for the periods presented in the filing; and
- 4. Based on the signing officer's and actuary's knowledge, the rate filing reflects all premium savings that are reasonably expected to result from legislative enactments and are in accordance with generally accepted and reasonable actuarial techniques.
- Section 2. Paragraph (b) of subsection (1) of section 627.0645, Florida Statutes, is amended to read:
 - 627.0645 Annual filings.—

- (1) Each rating organization filing rates for, and each insurer writing, any line of property or casualty insurance to which this part applies, except:
- (b) Commercial property and casualty Insurance as defined in ss. 624.604 and 624.605, but limited to, coverage of commercial risks s. 627.0625(1) other than commercial multiple line and commercial motor vehicle,

shall make an annual base rate filing for each such line with

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the office no later than 12 months after its previous base rate filing, demonstrating that its rates are not inadequate.

Section 3. This act shall take effect July 1, 2015.

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