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INSURANCE RULE UPDATES

**FLORIDA ADMINISTRATIVE
WEEKLY**

Volume 37, Number 43, October 28, 2011

Notice of Change/Withdrawal

DEPARTMENT OF FINANCIAL SERVICES

OIR – Insurance Regulation

RULE NO.: RULE TITLE:

69O-170.0155: Forms

NOTICE OF CHANGE

Notice is hereby given that the following changes have been made to the proposed rule in accordance with subparagraph 120.54(3)(d)1., F.S., published in Vol. 37 No. 21, May 27, 2011 issue of the Florida Administrative Weekly.

Form OIR-B1-1802 “Uniform Mitigation Verification Inspection Form” has been revised to reflect comments submitted at the public hearing. The revised form is available from the contact person, Michael Milnes at Michael.milnes@flor.com.

Notice of Meeting/Workshop Hearing

DEPARTMENT OF FINANCIAL SERVICES

OIR – Insurance Regulation

RULE NO.: RULE TITLE:

69O-170.0155: Forms

The Financial Services Commission, Office of Insurance Regulation announces a hearing to which all persons are invited.

DATE AND TIME: December 6, 2011, during a regular meeting of the Financial Services Commission

PLACE: Cabinet Meeting Room, Lower Level, The Capitol, Tallahassee, Florida

GENERAL SUBJECT MATTER TO BE CONSIDERED: This is the Final Public Hearing on the adoption of proposed amendments to Rule 69O-170.0155, Florida Administrative Code, published on May 27, 2011, Vol. 37, No. 21, of the Florida Administrative Weekly.

A copy of the agenda may be obtained by contacting: The Governor and Cabinet Website at <http://www.myflorida.com/myflorida/cabinet/mart.html>.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 5 days before the workshop/meeting by contacting: Michael Milnes, Bureau of Property and Casualty, Office of Insurance Regulation, email: michael.milnes@flor.com. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

For more information, you may contact: Michael Milnes, Bureau of Property and Casualty, Office of Insurance Regulation, email: michael.milnes@flor.com.

Notice of Meeting/Workshop Hearing

OTHER AGENCIES AND ORGANIZATIONS

Citizens Property Insurance Corporation

The Citizens Property Insurance Corporation, Board of Governors announces a workshop to which all persons are invited.

DATE AND TIME: November 14, 2011, 10:30 a.m. (EDT)

PLACE: Orlando, FL

GENERAL SUBJECT MATTER TO BE CONSIDERED: Items of discussion include, but are not limited to, 2012 Budget.

A copy of the agenda may be obtained by contacting: Barbara Walker at 1(800)807-7647 or visit our website: www.citizensfla.com.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 5 days before the workshop/meeting. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

Notice of Meeting/Workshop Hearing

[OTHER AGENCIES AND ORGANIZATIONS](#)

[Citizens Property Insurance Corporation](#)

The Citizens Property Insurance Corporation, Board of Governors announces a public meeting to which all persons are invited.

DATE AND TIME: November 14, 2011, 1:30 p.m. (EDT)

PLACE: Orlando, FL

GENERAL SUBJECT MATTER TO BE CONSIDERED: Items of discussion include, but are not limited to, CORE Space in Jacksonville and other Committee Reports.

A copy of the agenda may be obtained by contacting: Barbara Walker at 1(800)807-7647 or visit our website: www.citizensfla.com.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 5 days before the workshop/meeting. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

Notice of Proposed Rule

[STATE BOARD OF ADMINISTRATION](#)

RULE NO.: RULE TITLE:

[19-8.010](#): Reimbursement Contract

PURPOSE AND EFFECT: The State Board of Administration of Florida, Florida Hurricane Catastrophe Fund, seeks to amend the rule listed above to implement Section 215.555, F.S.

SUMMARY: The rule is being amended to adopt the 2012/2013 Reimbursement Contract, including Addenda and Optional Amendment.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND LEGISLATIVE RATIFICATION:

The Agency has determined that this will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A SERC has not been prepared by the agency.

A Reimbursement Contract, meeting the requirements set forth in Section 215.555, F.S., must be adopted annually pursuant to Section 215.555(4) and (18)(b), F.S. Upon review of the proposed

changes to the upcoming Contract Year's Reimbursement Contract, which is incorporated into Rule 19-8.010, F.A.C., Reimbursement Contract, the State Board of Administration of Florida has determined that the preparation of a Statement of Estimated Regulatory Costs is not necessary nor does this rule meet the statutory threshold for ratification by the legislature. The changes to this rule also do not directly or indirectly have an adverse impact on economic growth, private sector job creation or employment, or private sector investment, business competitiveness or innovation or increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule. Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: [215.555\(3\) FS.](#)

LAW IMPLEMENTED: [215.555\(2\)](#), (3), (4), (5), (6), (7), (10), (17), (18) FS.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE DATE, TIME AND PLACE SHOWN BELOW:

DATE AND TIME: November 21, 2011, 1:00 p.m. – 4:00 p.m. (ET).

PLACE: Room 116 (Hermitage Conference Room), 1801 Hermitage Blvd., Tallahassee, Florida 32308

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 7 days before the workshop/meeting by contacting: Tracy Allen, 1801 Hermitage Blvd., Tallahassee, FL 32308, (850)413-1341, tracy.allen@sbafla.com. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Tracy Allen at the number or email listed above

THE FULL TEXT OF THE PROPOSED RULE IS:

19-8.010 Reimbursement Contract.

(1) through (17) No change.

(18) The reimbursement contract for the 2012-2013 contract year.

<http://www.flrules.org/Gateway/reference.asp?No=ref-XXXXXX>, including all Amendments and Addenda, required by Section 215.555(4), F.S., which is called Form FHCF-2012K-“Reimbursement Contract” or “Contract” between (name of insurer) (the “Company”)/NAIC #() and The State Board of Administration of the State of Florida (“SBA”) which administers the Florida Hurricane Catastrophe Fund (“FHCF”), rev. 12/11 is hereby adopted and incorporated by reference into this rule. This contract is effective from June 1, 2012 through May 31, 2013.

(19)(18) No change.

Rulemaking Authority 215.555(3) FS. Law Implemented 215.555 FS. History—New 5-31-94, Amended 8-29-95, 5-19-96, 6-19-97, 5-28-98, 5-17-99, 9-13-99, 6-19-00, 6-3-01, 6-2-02, 11-12-02, 5-13-03, 5-19-04, 8-29-04, 5-29-05, 11-13-05, 5-10-06, 9-5-06, 5-8-07, 8-13-07, 6-8-08, 9-2-08, 3-30-09, 8-23-09, 3-29-10, 8-8-10, 12-12-10, 9-11-11,_____.

NAME OF PERSON ORIGINATING PROPOSED RULE: Jack E. Nicholson, FHCF Chief Operating Officer, State Board of Administration of Florida

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: The Trustees of the State Board of Administration of Florida

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: October 18, 2011

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: September 9, 2011

Miscellaneous

[STATE BOARD OF ADMINISTRATION](#)

Estimated Capacity

NOTICE IS HEREBY GIVEN by the State Board of Administration of Florida (the Board) of the estimated borrowing capacity, estimated claims-paying capacity, and projected balance of the Florida Hurricane Catastrophe Fund (the Fund) as of December 31, 2011, in compliance with the requirements of Section 215.555(4)(c)2., Florida Statutes. These estimates relate to the 2011-2012 Reimbursement Contract Year. The Fund's projected post-event borrowing capacity estimate is \$8.0 billion for October 2011. Given the current state of the financial markets, the borrowing capacity estimate is dependent on many factors, such as: the size of an event or events, the limitations or constraints of the financial markets to absorb potential debt issuances, the time necessary to access such markets, and the existing level of interest rates at the time of issuance. The estimated borrowing capacity and projected available year-end cash balance provide the Fund with a total estimated claims-paying capacity of \$15.170 billion over the next twelve months. Greater detail can be obtained in the "October 18, 2011 Claims-Paying Capacity Estimates Report," which can be found on the Fund's website at: www.sbafa.com/fhcf/ under "Bonding Program." The obligation of the Board for the payment of reimbursable losses is limited in Section 215.555(4)(c)2., Florida Statutes, and shall not exceed the actual claims-paying capacity of the Fund. The projected year-end balance on December 31, 2011, is estimated to be \$7.170 billion, which represents the amount of assets available to pay claims, not including any bond proceeds, resulting from Covered Events which may occur during the June 1, 2011 through May 31, 2012 Contract Year. The Board recognizes that its good faith estimate is being made while highly volatile global financial market conditions exist; therefore, changing market conditions can dramatically impact the Fund's actual claims-paying capacity either positively or negatively. Current conditions may or may not be the same if and when the Board determines that it is necessary to issue revenue bonds.

Notice of Meeting/Workshop Hearing

[OTHER AGENCIES AND ORGANIZATIONS](#)

[Florida Self-Insurers Guaranty Association](#)

The Florida Self-Insurers Guaranty Association, Inc., Finance Committee of its Board of Directors announces a telephone conference call to which all persons are invited.

DATE AND TIME: Thursday, November 10, 2011, 3:30 p.m.

PLACE: 1427 E. Piedmont Drive, 2nd Floor, Tallahassee, Florida

GENERAL SUBJECT MATTER TO BE CONSIDERED: General Business.

A copy of the agenda may be obtained by contacting: Brian Gee, Executive Director at (850)222-1882.

Notice of Meeting/Workshop Hearing

[OTHER AGENCIES AND ORGANIZATIONS](#)

[Florida Workers' Compensation Joint Underwriting Association, Inc](#)

The FWCJUA, Rates & Forms Committee announces a telephone conference call to which all persons are invited.

DATE AND TIME: November 29, 2011, 1:00 p.m.

PLACE: To participate in the teleconference meeting, please contact Kathy Coyne at (941)378-7408

GENERAL SUBJECT MATTER TO BE CONSIDERED: Agenda topics may include Operations Manual revisions; 2012 rate filing; and Milliman's engagement.

A copy of the agenda may be obtained by contacting: Kathy Coyne at (941)378-7408 or from the FWCJUA's website: www.fwcjua.com.
