

AGENDA
FINANCIAL SERVICES COMMISSION
Office of Insurance Regulation

May 15, 2007

MEMBERS

Governor Charlie Crist
Attorney General Bill McCollum
Chief Financial Officer Alex Sink
Commissioner Charles Bronson

Contact: Chris Bailey
(850-413-2552)

9:00 A. M.
LL-03, The Capitol
Tallahassee, Florida

ITEM	SUBJECT	RECOMMENDATION
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1. Adoption of proposed amendment to Rule 69O-167.014, Alternative Methods to Handwritten Statements, F.A.C.

Sections 627.701(4)(d)4., and 627.712(6), Florida Statutes, state that the Commission shall adopt rules providing appropriate alternative methods for providing the statements required by this section for policyholders who have a handicapping or disabling condition that prevents them from providing a handwritten statement.

(ATTACHMENT 1)

APPROVAL FOR FINAL ADOPTION

2. Approval for publication of proposed amendment to Rule 69O-125.003, Unfair Discrimination Because of Travel Plans.

Section 626.9541(1)(dd), Florida Statutes, states that it is a violation of the Unfair Insurance Trade Practices Act to unfairly discriminate against a policyholder or a prospective policyholder based upon his or her past or future plans to travel to a foreign country. The amendment to the rule implements this section of law, provides clarification to the definition of "unfairly discriminatory", and explains the justification an insurer must provide to the Office if it asserts that any such discrimination is not considered to be unfair.

(ATTACHMENT 2)

APPROVAL FOR PUBLICATION

3. Approval for publication of proposed amendment to Rule 69O-164.030, Application of Rule 69O-164.020, F.A.C., to Various Product Designs.

The proposed amendment to the rule is based upon the National Association of Insurance Commissioner's new Model Regulation pertaining to the financial reserves of insurance companies. Insurer financial reserves contain capital set aside to reflect claims that are expected based upon statistical projections but have not yet been reported. Section

625.121, Florida Statutes sets forth requirements for establishing a dollar value on an insurer's required financial reserves.

Rule 69O-164.020, F.A.C implements this statute and explains how the financial reserves are to be valued. Rule 69O-164.030 assists insurers with the application of .020, by creating various factual scenarios, and explaining how .020 would be applied to each scenario.

(ATTACHMENT 3)

APPROVAL FOR PUBLICATION

4. Approval for publication of proposed amendment to Rule 69O-162.203, Adoption of 2001 Commissioners Standard Ordinary (CSO) Preferred Mortality Tables for Determining Reserve Liabilities for Ordinary Life Insurance.

The purpose of this amendment is to recognize, permit and prescribe the use of mortality tables that reflect differences in mortality between Preferred and Standard lives in determining minimum reserve liabilities in accordance with Subsection 625.121(5)(a)3., F.S., and Rule 69O-164.020, F.A.C.

(ATTACHMENT 4)

APPROVAL FOR PUBLICATION

5. Approval for publication of proposed new Rule 69O-167.015, Home Structure Rating System Adopted.

Ch. 2007-1, Laws of Florida, § 40 (CS/HB 1A) states that the FSC shall adopt a uniform home grading scale to grade the ability of a home to withstand the wind load from a sustained severe tropical storm or hurricane. This rule adopts the study that was completed by the Home Structure Rating System Task Force in March of 2007.

(ATTACHMENT 5)

APPROVAL FOR PUBLICATION