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OFFICE OF INSURANCE REGULATION

KEVIN M. McCARTY
COMMISSIONER

IN THE MATTER OF:

CITIZENS PROPERTY
INSURANCE CORPORATION

CASE NO.: 141437-13

ORDER

TO: Barry Gilway
President
2312 Killlearn Center Blvd., Bldg. A
Tallahassee, Florida 32309

THIS CAUSE came on before the State of Florida, Office of Insurance Regulation (hereinafter referred to as the "OFFICE") upon the filing by Citizens Property Insurance Corporation (hereinafter referred to as "CITIZENS") of Rate Filing Nos. FCP 13-14239, FCP 13-14240, FCP 13-14550, FCP 13-14555, FCC 13-14277, and FCC 13-14278. The OFFICE held a public hearing on August 20, 2013 in Hillsborough County that was televised statewide by The Florida Channel. At the hearing, several public comments were made by persons in attendance, and the OFFICE announced that the public could comment by e-mail. CITIZENS and the Florida Insurance Consumer Advocate offered testimony. The OFFICE, now having considered the complete record for the above-referenced filings and being otherwise fully advised in the premises, hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter and of the parties herein.

2. CITIZENS was created by statute with the public purpose to ensure the existence of an orderly market for property insurance for Floridians and Florida businesses.

3. In accordance with Section 627.351(6)(n) of the Florida Statutes, CITIZENS' rates must meet the following requirements:

(n)1. Rates for coverage provided by the corporation shall be actuarially sound and subject to the requirements of s. 627.062, except as otherwise provided in this paragraph. The corporation shall file its recommended rates with the office at least annually. The corporation shall provide any additional information regarding the rates which the office requires. The office shall consider the recommendations of the board and issue a final order establishing the rates for the corporation within 45 days after the recommended rates are filed. The corporation may not pursue an administrative challenge or judicial review of the final order of the office.

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

3. After the public hurricane loss-projection model under s. 627.06281 has been found to be accurate and reliable by the Florida Commission on Hurricane Loss Projection Methodology, that model shall serve as the minimum benchmark for determining the windstorm portion of the corporation's rates. This subparagraph does not require or allow the corporation to adopt rates lower than the rates otherwise required or allowed by this paragraph.

4. The rate filings for the corporation which were approved by the office and which took effect January 1, 2007, are rescinded, except for those rates that were lowered. As soon as possible, the corporation shall begin using the lower rates that were in effect on December 31, 2006, and shall provide refunds to policyholders who have paid higher rates as a result of that rate filing. The rates in effect on December 31, 2006, shall remain in effect for the 2007 and 2008 calendar years except for any rate change that results in a lower rate. The next rate change that may increase rates shall take effect pursuant to a new rate filing recommended by the corporation and established by the office, subject to the requirements of this paragraph.

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

4. The process described in the above-referenced statutory provisions requires the OFFICE to establish the rates for CITIZENS by Final Order. This differs from the process for other insurance companies, wherein the OFFICE approves or disapproves the rates filed. CITIZENS was required under Florida law to file rate recommendations with the OFFICE beginning July 15, 2009, and each year thereafter. The rate filings governed by this Order are for new rates to be effective no earlier than January 1, 2014.

5. CITIZENS submitted the following rate filings to the OFFICE which are the subject of this Order:

- FCP 13-14239 Mobile Home (PLA)
- FCP 13-14240 Mobile Home (Coastal Account)
- FCP 13-14550 Mobile Home Physical Damage (PLA)
- FCP 13-14555 Mobile Home Physical Damage (Coastal Account)
- FCC 13-14277 Commercial Residential Condominium(Coastal Account)
- FCC 13-14278 Commercial Residential Other than Condominium(Coastal Account)

RATES ESTABLISHED

MOBILE HOME (MOBILE HOMEOWNERS)

6. On or about August 8, 2013, CITIZENS filed with the OFFICE Rate Filing Nos. FCP 13-14239 and FCP 13-14240 for its Mobile Home (PLA) program and Mobile Home (Coastal Account) program respectively. CITIZENS proposed overall rate changes of +2.7%,

with an effective date of January 1, 2014 for new and renewal Mobile Home business in the PLA Account, and an effective date of February 1, 2014 for new and renewal Mobile Home business in the Coastal Account. This rate effect is for both filings in total. The OFFICE reviewed the information provided by CITIZENS and based on its review, hereby establishes the rates that CITIZENS shall implement to reflect an overall average statewide rate change of **-0.1% (inclusive of the cash build-up factor)** to meet the requirements of Section 627.351, Florida Statutes. This rate effect is an estimate based on in-force policy distributions and the rates in this Order. A chart listing the approved rate changes for MHO-3 and MW-2 is attached hereto as **“Attachment A”**. No deviations from these rates are approved, authorized, or established by entry of this order. The Florida Hurricane Catastrophe Fund Cash Build-Up Factor approved is 3.68% for MHO-3 and MW-2 and 14.92% for MHO-4 and HW-4.

7. Within thirty (30) days of the date of this Order, CITIZENS shall submit to the OFFICE final manual pages and any necessary revisions to the Homeowners Rate Collection System information. The final rate level effects included in the Homeowners Rate Collection System information must reflect the per policy capping.

MOBILE HOME PHYSICAL DAMAGE (MOBILE HOME DWELLING FIRE)

8. On or about August 13, 2013, CITIZENS filed with the OFFICE Rate Filing Nos. FCP 13-14550 and FCP 13-14555 for its Mobile Home Physical Damage (PLA) program and its Mobile Home Physical Damage (Coastal Account) program respectively. CITIZENS proposed overall rate changes of -0.5%, with an effective date of January 1, 2014 for new and renewal Mobile Home business in the PLA Account, and an effective date of February 1, 2014 for new and renewal Mobile Home business in the Coastal Account. The OFFICE reviewed the information provided by CITIZENS and based on its review, hereby establishes the rates that

CITIZENS shall implement to be the same as filed to meet the requirements of Section 627.351, Florida Statutes. The Florida Hurricane Catastrophe Fund Cash Build-Up Factor approved is 3.05% for MDP-1 and MD-1.

9. Within thirty (30) days of the date of this Order, CITIZENS shall submit to the OFFICE final manual pages and any necessary revisions to the Mobile Home Physical Damage Collection System information. The final rate level effects included in the Mobile Home Physical Damage Collection System information must reflect the per policy capping.

COASTAL ACCOUNT - COMMERCIAL RESIDENTIAL (CONDO ASSOCIATION)

10. On or about August 9, 2013, CITIZENS filed with the OFFICE Rate Filing Nos. FCC 13-14277 for Coastal Account Commercial Residential Condo Association. CITIZENS proposed overall rate changes of +11.5%, with an effective date of February 1, 2014 for new and renewal business. The OFFICE reviewed the original and revised information provided by CITIZENS and based on its review, hereby establishes the rates that CITIZENS shall implement to reflect an overall average statewide rate change of **+11.1% (inclusive of the cash build-up factor)** to meet the requirements of Section 627.351, Florida Statutes. This average rate effect of +11.1% is comprised of +11.1% change for Class Rated Condominium Associations, +9.7% change for Special Class Group A, and +10.7% change for Special Class Group B. This rate effect is an estimate based on in-force policy distributions and the rates in this Order. A chart listing the approved territorial rate changes (before cash build-up) is attached hereto as "**Attachment B**". No deviations from these rates are approved, authorized, or established by entry of this order. The Florida Hurricane Catastrophe Fund Cash Build-Up Factor approved for Coastal Account Commercial Residential Condo Associations is **9.10%**.

11. Within thirty (30) days of the date of this Order, CITIZENS shall submit to the OFFICE final manual pages and any necessary revisions to the Commercial Lines Rate Collection System information. The final rate level effects included in the Commercial Lines Rate Collection System information must reflect the per policy capping.

**COASTAL ACCOUNT COMMERCIAL RESIDENTIAL (OTHER THAN
CONDO ASSOCIATION)**

12. On or about August 9, 2013, CITIZENS filed with the OFFICE Rate Filing Nos. FCC 13-14278 for Coastal Account Commercial Residential Other Than Condo Association. CITIZENS proposed overall rate changes of +10.3%, with an effective date of February 1, 2014 for new and renewal business. The OFFICE reviewed the original and revised information provided by CITIZENS and based on its findings, hereby establishes the rates that CITIZENS shall implement to reflect an overall average statewide rate of **+9.8% (inclusive of the cash build-up factor)** to meet the requirements of Section 627.351, Florida Statutes. This average rate effect of +9.8% is comprised of +9.8% change for Class Rated Apartments and +9.7% change for Special Class Group A. This rate effect is an estimate based on in-force policy distributions and the rates in this Order. A chart listing the approved territorial rate changes (before cash build-up) is attached hereto as "**Attachment B**". No deviations from these rates are approved, authorized, or established by entry of this order. The Florida Hurricane Catastrophe Fund Cash Build-Up Factor approved for Coastal Account Commercial Residential Other Than Condo Associations is **7.66%**.

13. Within thirty (30) days of the date of this Order, CITIZENS shall submit to the OFFICE final manual pages and any necessary revisions to the Commercial Lines Rate

Collection System information. The final rate level effects included in the Commercial Lines Rate Collection System information must reflect the per policy capping.

THEREFORE, Rates as detailed herein are **ESTABLISHED** and **APPROVED** for Rate Filing Nos. FCP 13-14239, FCP 13-14240, FCP 13-14550, FCP 13-14555, FCC 13-14277 and FCC 13-14278.

FURTHER, all terms and conditions contained herein are hereby **ORDERED**.

DONE AND ORDERED this 23rd day of September 2013.





Kevin M. McCarty
Commissioner
Office of Insurance Regulation

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of this ORDER was sent by Certified Mail to: Barry Gilway, President , 2312 Killearn Center Blvd., Bldg. A, Tallahassee, Florida 32309 on this 23rd day of September, 2013.

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Attachment A			
Mobile Homeowners (MHO-3 and MW-2 Rate Changes)			
Territory	Territory Description	Wind Rate Change	All Other Rate Change
192	Alachua	0.0%	-10.0%
292	Baker	0.0%	-10.0%
601	Bay, Coastal	0.0%	-10.0%
721	Bay, Remainder	0.0%	-10.0%
59 Wind	Bay	10.0%	0.0%
392	Bradford	0.0%	-10.0%
57	Brevard, Coastal	6.3%	-10.0%
64	Brevard, Remainder	1.9%	-10.0%
60 Wind	Brevard	10.0%	0.0%
35	Broward, Hillwd & Ft. Ldrdle	7.8%	-10.0%
361	Broward, Coastal	0.0%	-10.0%
37	Broward, Rem. Excl. Ft. L. & Hlywd	0.1%	-10.0%
45 Wind	Broward	0.0%	0.0%
46 Wind	Broward	0.0%	0.0%
47 Wind	Broward	10.0%	0.0%
48 Wind	Broward	8.3%	0.0%
193	Calhoun	0.0%	-10.0%
581	Charlotte, Coastal	1.1%	-10.0%
711	Charlotte, Remainder	0.0%	-10.0%
61 Wind	Charlotte	10.0%	0.0%
591	Citrus, Coastal	0.0%	-10.0%
731	Citrus, Remainder	0.0%	-10.0%
492	Clay	0.0%	-10.0%
551	Collier, Remainder	3.6%	-10.0%
541	Collier, Coastal	0.3%	-10.0%
62 Wind	Collier	10.0%	0.0%
293	Columbia	0.0%	-10.0%
30	Dade, Miami Beach	0.0%	-10.0%
31	Dade, Coastal	0.0%	-10.0%
32	Dade, Miami	0.0%	-10.0%
33	Dade, Hialeah	10.0%	10.0%
34	Dade, Rem Excl H.,M.,M.B.	9.7%	10.0%
22 Wind	Dade	0.0%	0.0%
23 Wind	Dade	10.0%	0.0%
24 Wind	Dade	0.0%	0.0%
25 Wind	Dade	0.0%	0.0%
26 Wind	Dade	0.0%	0.0%
27 Wind	Dade	0.0%	0.0%
28 Wind	Dade	9.7%	0.0%
29 Wind	Dade	0.0%	0.0%
712	De Soto	3.4%	-10.0%
592	Dixie, Coastal	0.0%	-10.0%
732	Dixie, Remainder	0.0%	-10.0%
39	Duval, Jacksonville	0.0%	-10.0%
40	Duval, Remainder	0.0%	-10.0%
41	Duval, Coastal	0.0%	-10.0%
41 Wind	Duval	0.0%	0.0%
602	Escambia, Coastal	0.0%	-10.0%
43	Escambia, Remainder	1.0%	-10.0%
52 Wind	Escambia	1.8%	0.0%
53 Wind	Escambia	1.2%	0.0%
54 Wind	Escambia	1.1%	0.0%
531	Flagler, Coastal	2.5%	-10.0%
701	Flagler, Remainder	0.0%	-10.0%
83 Wind	Flagler	10.0%	0.0%
603	Franklin	0.0%	-10.0%
65 Wind	Franklin	0.0%	0.0%
393	Gadsden	0.0%	-10.0%
923	Gilchrist	0.0%	-10.0%
552	Glades	0.0%	-10.0%
604	Gulf, Coastal	0.0%	-10.0%
722	Gulf, Remainder	0.0%	-10.0%
66 Wind	Gulf	0.9%	0.0%
493	Hamilton	0.0%	-10.0%
713	Hardee	1.7%	-10.0%
553	Hendry	0.7%	-10.0%
159	Hernando, Coastal	1.4%	-10.0%
733	Hernando, Remainder	0.0%	-10.0%
56 Wind	Hernando	2.4%	0.0%
714	Highlands	0.0%	-10.0%
47	Hillsborough, Tampa	0.0%	-10.0%
80	Hillsborough, Excl. Tampa	0.0%	-10.0%
593	Holmes	0.0%	-10.0%
561	Indian River, Remainder	0.0%	-10.0%
181	Indian River, Coastal	11.1%	-10.0%
76 Wind	Indian River	9.7%	0.0%
693	Jackson	0.0%	-10.0%
605	Jefferson, Coastal	0.0%	-10.0%
793	Jefferson, Remainder	0.0%	-10.0%
893	Lafayette	0.0%	-10.0%
692	Lake	0.0%	-10.0%
542	Lee, Coastal	10.8%	-10.0%
554	Lee, Remainder	0.7%	-10.0%
17 Wind	Lee	10.0%	0.0%

Attachment A			
Mobile Homeowners (MHO-3 and MW-2 Rate Changes)			
Territory	Territory Description	Wind Rate Change	All Other Rate Change
18 Wind	Lee	10.0%	0.0%
19 Wind	Lee	0.0%	0.0%
20 Wind	Lee	8.2%	0.0%
993	Leon	0.0%	-10.0%
594	Levy, Coastal	0.0%	-10.0%
734	Levy, Remainder	0.0%	-10.0%
57 Wind	Levy	2.9%	0.0%
931	Liberty	0.0%	-10.0%
932	Madison	0.0%	-10.0%
582	Manatee, Coastal	7.4%	-10.0%
735	Manatee, Remainder	0.0%	-10.0%
68 Wind	Manatee	10.0%	0.0%
792	Marion	0.0%	-10.0%
10	Marin, Remainder	8.5%	-10.0%
182	Marin, Coastal	12.2%	-10.0%
5	Monroe, Excl. Key West	8.3%	-10.0%
7	Monroe, Key West	13.6%	-10.0%
90 Wind	Monroe	10.0%	0.0%
532	Nassau, Coastal	0.0%	-10.0%
892	Nassau, Remainder	0.0%	-10.0%
69 Wind	Nassau	0.0%	0.0%
606	Okaloosa, Coastal	0.3%	-10.0%
723	Okaloosa, Remainder	0.2%	-10.0%
70 Wind	Okaloosa	0.0%	0.0%
555	Okeechobee	2.4%	-10.0%
49	Orange, Orlando	0.0%	-10.0%
90	Orange, Excl. Orlando	0.0%	-10.0%
511	Osceola	0.0%	-10.0%
362	Palm Beach, Coastal	9.7%	-10.0%
38	Palm Beach, Remainder	0.0%	-10.0%
94 Wind	Palm Beach	10.0%	0.0%
95 Wind	Palm Beach	10.0%	0.0%
96 Wind	Palm Beach	7.5%	0.0%
97 Wind	Palm Beach	9.9%	0.0%
595	Pasco, Coastal	0.0%	-10.0%
736	Pasco, Remainder	0.0%	-10.0%
88 Wind	Pasco	7.3%	0.0%
42	Pinellas, Coastal	0.0%	-10.0%
46	Pinellas - Saint Petersburg	0.5%	-10.0%
81	Pinellas, Rem. Excl. Saint Petersburg	0.0%	-10.0%
42 Wind	Pinellas	0.0%	0.0%
50	Polk	0.0%	-10.0%
992	Putnam	0.0%	-10.0%
533	Saint Johns, Coastal	0.0%	-10.0%
702	Saint Johns, Remainder	0.0%	-10.0%
71 Wind	Saint Johns	4.4%	0.0%
562	Saint Lucie, Remainder	1.1%	-10.0%
183	Saint Lucie, Coastal	10.8%	-10.0%
77 Wind	Saint Lucie	10.0%	0.0%
607	Santa Rosa, Coastal	0.0%	-10.0%
724	Santa Rosa, Remainder	0.4%	-10.0%
92 Wind	Santa Rosa	0.0%	0.0%
583	Sarasota, Coastal	0.3%	-10.0%
715	Sarasota, Remainder	0.0%	-10.0%
49 Wind	Sarasota	10.0%	0.0%
50 Wind	Sarasota	10.0%	0.0%
51 Wind	Sarasota	6.7%	0.0%
512	Seminole	0.0%	-10.0%
921	Sumter	0.0%	-10.0%
933	Suwannee	0.0%	-10.0%
596	Taylor, Coastal	0.0%	-10.0%
737	Taylor, Remainder	0.0%	-10.0%
922	Union	0.0%	-10.0%
62	Volusia, Coastal	3.2%	-10.0%
63	Volusia, Remainder	0.0%	-10.0%
14 Wind	Volusia	4.9%	0.0%
15 Wind	Volusia	3.0%	0.0%
16 Wind	Volusia	0.0%	0.0%
608	Wakulla, Coastal	0.0%	-10.0%
725	Wakulla, Remainder	0.0%	-10.0%
58 Wind	Wakulla	1.1%	0.0%
609	Walton, Coastal	0.0%	-10.0%
726	Walton, Remainder	0.0%	-10.0%
75 Wind	Walton	1.5%	0.0%
934	Washington	0.0%	-10.0%

Attachment B
Coastal Account - Commercial Residential Wind Only
Rate change (Before Cash Build-UP)

<u>County</u>	<u>Territory Number</u>	<u>Condos Rate Change</u>	<u>Apartment Rate Change</u>	<u>Special Group-A Rate Change</u>	<u>Special Group-B Rate Change</u>
Bay	59	9.9%	9.8%	9.1%	9.1%
Brevard	60	9.8%	9.8%	9.1%	9.1%
Broward	35	9.3%	9.2%	8.5%	8.5%
Broward	36	9.8%	9.6%	8.5%	8.5%
Broward	37	9.6%	9.7%	8.5%	8.5%
Charlotte	61	9.8%	9.8%	9.3%	9.3%
Collier	62	9.7%	9.7%	9.1%	9.1%
Dade	30	9.6%	9.7%	8.5%	8.5%
Dade	31	9.5%	9.0%	8.5%	8.5%
Dade	32	9.3%	9.6%	8.5%	8.5%
Dade	34	9.3%	9.3%	8.5%	8.5%
Duval	41	9.6%	9.9%	9.5%	9.5%
Escambia	43	9.7%	9.9%	9.3%	9.3%
Escambia	63	9.7%	9.8%	9.3%	9.3%
Flagler	64	9.9%	9.9%	9.5%	9.5%
Flagler	78	10.0%	10.0%	10.0%	10.0%
Franklin	65	9.9%	10.0%	9.3%	9.3%
Gulf	66	9.8%	9.8%	9.3%	9.3%
Hernando	56	10.0%	10.0%	9.5%	9.5%
Indian River	76	9.7%	9.7%	9.3%	9.3%
Lee	67	9.7%	9.8%	9.3%	9.3%
Lee	79	9.8%	9.8%	9.3%	9.3%
Levy	57	9.9%	10.0%	9.5%	9.5%
Manatee	68	9.8%	9.7%	9.3%	9.3%
Monroe	85	9.6%	9.8%	9.2%	9.2%
Monroe	86	9.8%	9.7%	9.5%	9.5%
Nassau	69	9.8%	9.9%	9.5%	9.5%
Okaloosa	70	9.8%	9.6%	9.1%	9.1%
Palm Beach	38	9.6%	9.2%	8.5%	8.5%
Palm Beach	87	9.7%	9.6%	8.5%	8.5%
Pasco	88	9.8%	9.8%	9.5%	9.5%
Pinellas	42	9.7%	9.8%	9.1%	9.1%
Saint Johns	71	9.6%	9.9%	9.1%	9.1%
Saint Lucie	77	9.8%	9.8%	8.5%	8.5%
Santa Rosa	72	9.7%	9.9%	9.1%	9.1%
Santa Rosa	80	9.9%	9.9%	9.3%	9.3%
Sarasota	73	9.5%	9.2%	9.1%	9.1%
Sarasota	81	9.7%	9.8%	9.3%	9.3%
Volusia	44	9.5%	9.8%	10.0%	10.0%
Volusia	74	9.7%	9.8%	9.5%	9.5%
Wakulla	58	9.9%	10.0%	9.3%	9.3%
Walton	75	9.6%	9.7%	9.1%	9.1%