



INFORMATIONAL MEMORANDUM

OIR-05-001M

February 8, 2005

Office of Insurance Regulation

Kevin M. McCarty
Commissioner

NOTICE TO ALL INSURERS WRITING PERSONAL AND COMMERCIAL RESIDENTIAL PROPERTY INSURANCE

The purpose of this Informational Memorandum is to request insurers who write personal lines residential coverage and commercial lines residential coverage to refrain from implementing or seeking rate changes until after Florida's regular legislative session for 2005 has been concluded.

Personal Lines residential coverage consists of coverage for homeowners, mobile home owners, dwelling, tenants, condominium unit owners, cooperative unit owners and other similar policies. Commercial lines residential coverage consists of coverage for condominium associations, cooperative associations, apartment buildings, as well as coverage for common elements of a homeowner association and similar policies.

Residential coverage for personal lines and commercial lines, as set forth in Section 627.4025, Florida Statutes, includes coverage for particular perils such as windstorm and hurricane coverage.

This is a difficult time for those Floridians who reside in areas that have been adversely affected by recent hurricanes. The Office of Insurance Regulation (Office), in conjunction with the Florida Legislature and other concerned parties, is currently exploring possible ways to expand the capacity of our insurance market in order to improve both the availability and the affordability of insurance for residents in this state. It is anticipated that the Florida Legislature will address numerous insurance issues during the regular legislative session that begins in March 2005.

For those insurers with **"file & use"** rate filings currently pending, the Office requests that the **deemer dates** be extended until 30 days after the regular legislative session has been concluded. Similarly, for those insurers with **"use & file"** rate filings currently pending, the Office requests that the **implementation dates** be extended until 30 days after the regular legislative session has been concluded. The Office will continue to review each filing during the period that the legislature is in session in an effort to resolve all outstanding issues with insurers. Approval of the filings is contingent, at least in part, upon insurers agreeing not to implement filings for at least 30 days after the regular legislative session has been concluded and agreeing to file appropriate adjustments that may be necessitated by any new legislation that is enacted.

The Office also requests that all insurers that are affected by this informational memorandum refrain from presenting any new rate filings until the regular legislative session has been concluded. We acknowledge that House Bill 9A, which was enacted in December 2004, requires the filing of changes to certain policy forms. These filings and any associated rate/rule filings will continue to be accepted and reviewed by the Office during the period that the legislature is in regular session.

We look forward to working collaboratively with all interested parties in an effort to improve the Florida insurance market for the benefit of both your company and Florida residents. We believe that your cooperation and agreement with these requests will be in the interest of all concerned and will also obviate the need for further intervention in this matter by this Office.

Questions regarding these issues may be directed to Lee Roddenberry, Director of Property and Casualty Product Review at 850-413-5310.