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INSURANCE REGULATION  
Docketed by:       



**OFFICE OF INSURANCE REGULATION**

**MICHAEL YAWORSKY**  
COMMISSIONER

IN THE MATTER OF:

CITIZENS PROPERTY  
INSURANCE CORPORATION

CASE NO.: 318614-23

FINAL ORDER

TO: Timothy Cerio, President  
2101 Maryland Circle  
Tallahassee, Florida 32303

THIS CAUSE came on for consideration upon the filing by CITIZENS PROPERTY INSURANCE CORPORATION (“CITIZENS”) with the FLORIDA OFFICE OF INSURANCE REGULATION (“OFFICE”) of its Rate Filing Nos. FCC 23-039927, FCC 23-039928, FCC 23-039929, FCC 23-039932, FCC 23-039933, FCC 23-039934, FCP 23-039970, FCP 23-039971, FCP 23-039973, FCP 23-039974, FCP 23-039975, FCP 23-039976, FCP 23-039978, and FCP 23-039980 (collectively “Rate Filings”).

The Florida Legislature amended paragraph (n) of subsection 627.351(6), Florida Statutes, during the 2021 legislature session to increase the policy annual rate increase cap from 10% to 15% over a 5-year period through a yearly increase of 1%. For 2024, the cap will be 13% increasing by 1% from the 2023 cap of 12%. The OFFICE, now having considered the complete record of the above-referenced Rate 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), Florida Statutes, CITIZENS' rates must meet the following requirements:

1. Rates for coverage provided by the corporation must be actuarially sound pursuant to section 627.062, Florida Statutes, and not competitive with approved rates charged in the admitted voluntary market so that the corporation functions as a residual market mechanism to provide insurance only when insurance cannot be procured in the voluntary market, 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 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 section 624.509, Florida Statutes, to augment the financial resources of the corporation.
3. After the public hurricane loss-projection model under section 627.06281, Florida Statutes, has been found to be accurate and reliable by the Florida Commission on Hurricane Loss Projection Methodology, the model shall be considered when establishing the windstorm portion of the corporation's rates. The corporation may use the public model results in combination with the results of private models to calculate rates for the windstorm portion of 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 corporation must make a recommended actuarially sound rate filing for each personal and commercial line of business it writes.

5. Notwithstanding the board's recommended rates and the office's final order regarding the corporation's filed rates under subparagraph 1., the corporation shall annually implement a rate increase which, except for sinkhole coverage, does not exceed the following for any single policy issued by CITIZENS, excluding coverage changes and surcharges:
  - a. Twelve percent for 2023.
  - b. Thirteen percent for 2024.
  - c. Fourteen percent for 2025.
  - d. Fifteen percent for 2026 and all subsequent years.
6. The corporation may also implement an increase to reflect the effect on CITIZENS' cash buildup factor pursuant to s. 215.555(5)(b), Florida Statutes.
7. The corporation's implementation of rates as prescribed in subparagraphs 5. and 8. shall cease for any line of business written by the corporation upon the corporation's implementation of actuarially sound rates. Thereafter, the corporation shall annually make a recommended actuarially sound rate filing that is not competitive with approved rates in the admitted voluntary market for each commercial and personal line of business the corporation writes.
8. The following new or renewal personal lines policies written on or after November 1, 2023, are not subject to the rate increase limitations in subparagraph 5., but may not be charged more than 50 percent above, nor less than, the prior year's established rate for the corporation:
  - a. Policies that do not cover a primary residence.
  - b. New policies under which the coverage for the insured risk, before the date of application with the corporation, was last provided by an insurer determined by the office to be unsound or an insurer placed in receivership under chapter 631, Florida Statutes, or:
  - c. Subsequent renewals of those policies, including the new policies in sub-subparagraph b., under which the coverage for the insured risk, before the date of application with the corporation, was last provided by an insurer determined by the office to be unsound or an insurer placed in receivership under chapter 631, Florida Statutes.

4. The process described in the above-referenced statutory provisions requires CITIZENS to file rate recommendations with the OFFICE. The OFFICE then establishes the rates for CITIZENS by final order.

5. The rate filings governed by this Order for new and renewal business for the Personal Property Rate Filings FCP 23-039970, FCP 23-039971, FCP 23-039973, FCP 23-039974, FCP 23-039975, FCP 23-039976, FCP 23-039978, and FCP 23-039980 are effective no earlier than February 1, 2024. The rate filings governed by this Order for new and renewal business for the Commercial Property Rate Filings FCC 23-039927, FCC 23-039928, FCC 23-039929, FCC 23-039932, FCC 23-039933, and FCC 23-039934 are effective no earlier than March 1, 2024.

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

- FCP 23-039973 Homeowners Multi-Peril (PLA & CA)
- FCP 23-039980 Homeowners Wind-Only (CA)
- FCP 23-039976 Dwelling Fire (PLA & CA)
- FCP 23-039975 Dwelling Fire Wind-Only (CA)
- FCP 23-039970 Mobile Homeowners Multi-Peril (PLA & CA)
- FCP 23-039974 Mobile Homeowners Wind Only (CA)
- FCP 23-039978 Mobile Homeowners Physical Damage (PLA & CA)
- FCP 23-039971 Mobile Homeowners Physical Damage Wind-Only (CA)
- FCC 23-039934 Commercial Residential Property Multi-Peril Condominium Associations (CLA & CA)
- FCC 23-039929 Commercial Residential Property Multi-Peril Excluding Condominium Associations (CLA & CA)
- FCC 23-039927 Commercial Non-Residential Property Multi-Peril (CLA & CA)

- FCC 23-039928 Commercial Residential Property Wind Only Condominium Associations (CA)
- FCC 23-039933 Commercial Residential Property Wind Only Excluding Condominium Associations (CA)
- FCC 23-039932 Commercial Non-Residential Property Wind Only (CA)

PLA refers to the Personal Lines Account, CA refers to the Coastal Account, and CLA refers to the Commercial Lines Account.

7. Earlier this year, in orders 314719-23 and 314720-23, the OFFICE established rates for CITIZENS based on their annual filings. The Chart below shows the annual filing requested rate, the rate that the OFFICE established, the requested rate change for the Rate Filings subject to this order and the combined rate effect of both filings.

Annual Filing File Log No.	Program	Annual Filing Rate Request %	Annual Filing Established Rate %	Rate Cap Increase Filing File Log No.	Rate Cap Increase Requested Change %	Combined Rate Effect of Both Filings %
23-015789	Homeowners Multi-Peril	12.5%	11.3%	23-039973	0.6%	12.0%
23-015790	Homeowners Wind Only	14.6%	14.6%	23-039980	0.7%	15.4%
23-016018	Personal (Dwelling Fire) Multi-Peril	12.3%	12.1%	23-039976	0.7%	12.9%
23-016021	Personal (Dwelling Fire) Wind Only	17.2%	17.2%	23-039975	0.6%	17.9%
23-016253	Mobile Home Multi-Peril	22.1%	22.0%	23-039970	0.5%	22.6%
23-016256	Mobile Home Wind Only	24.2%	24.1%	23-039974	0.5%	24.7%
23-016410	Mobile Home Physical Damage Multi-Peril	19.1%	19.0%	23-039978	0.6%	19.7%
23-016411	Mobile Home Physical Damage Wind Only	17.6%	17.6%	23-039971	0.6%	18.3%
23-017031	Commercial Residential Multi-Peril Condo Assn.	9.2%	9.2%	23-039934	0.6%	9.9%
23-017033	Commercial Residential Multi-Peril Excl. Condo Assn.	9.5%	9.5%	23-039929	0.6%	10.2%
23-017556	Commercial Non-Residential Multi-Peril	7.7%	7.7%	23-039927	0.0%	7.7%

23-017858	Commercial Residential Wind Only - Condo Assn	9.8%	9.8%	23-039928	0.7%	10.6%
23-017856	Commercial Residential Wind Only - Excl. Condo Assn	10.6%	10.6%	23-039933	0.7%	11.4%
23-018154	Commercial Non-Residential Wind Only	12.0%	12.0%	23-039932	0.9%	13.0%

8. No deviations from these rates are approved, authorized, or established by entry of the Final Order.

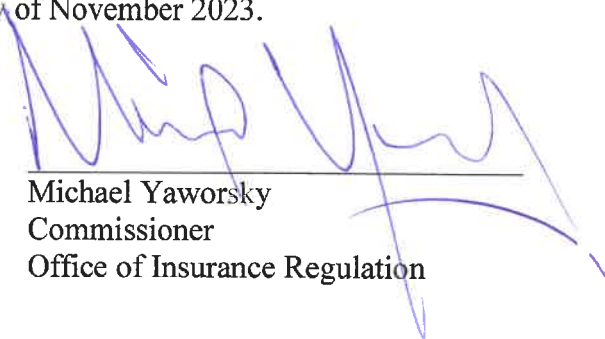
9. Within thirty (30) days of the date of this Order, CITIZENS shall submit to the OFFICE final manual pages and any necessary revisions to the Rate Collection System information.

**THEREFORE**, rates as modified herein are **ESTABLISHED** for Rate Filings Nos. FCC 23-039927, FCC 23-039928, FCC 23-039929, FCC 23-039932, FCC 23-039933, FCC 23-039934, FCP 23-039970, FCP 23-039971, FCP 23-039973, FCP 23-039974, FCP 23-039975, FCP 23-039976, FCP 23-039978, and FCP 23-039980.

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

DONE AND ORDERED this 6<sup>th</sup> day of November 2023.



  
 Michael Yaworsky  
 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: Timothy Cerio, President, Citizens Property Insurance Corporation, 2101 Maryland Circle, Tallahassee, Florida, 32303, on this 7 day of November 2023.

  
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