

FINANCIAL SERVICES COMMISSION
Office of Insurance Regulation
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March 29, 2022

MEMBERS
Governor Ron DeSantis
Attorney General Ashley Moody
Chief Financial Officer Jimmy Patronis
Commissioner Nicole “Nikki” Fried

Contact: Grant Phillips
(850-413-2427)

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

<u>ITEM</u>	<u>SUBJECT</u>	<u>RECOMMENDATION</u>
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1. Request for Approval of Minutes of the Financial Services Commission for May 4, 2021.

<http://www.myflorida.com/myflorida/cabinet/agenda21/0202/Transcript.pdf>

(ATTACHMENT 1)

FOR APPROVAL

2. Request for Approval for Publication and Final Adoption of Rules 69O-136.080; .090; .100; Mergers and Acquisition of Controlling Stock of a Florida Domestic Insurer; Merger, Consolidation, or Acquisition of Controlling Stock, Ownership Interests, Assets, or Control of a Specialty Insurer; Forms Incorporated by Reference

Some forms incorporated by reference in 69O-136.080 are revised and the process and forms for a person to attempt to rebut a presumption of control is added to the rule. 69O-136.090 is created concerning the acquisition of controlling stock of a specialty insurer. 69O-136.100 is created for the eventual incorporation of all forms in 69O-136.

(ATTACHMENT 2) APPROVAL FOR PUBLICATION OF PROPOSED RULE AND FOR FINAL ADOPTION IF NO MEMBER OF THE PUBLIC TIMELY REQUESTS A RULE HEARING OR IF A HEARING IS REQUESTED AND NO NOTICE OF CHANGE IS NEEDED.

3. Request for Approval for Publication and Final Adoption of Rule 69O-137.001; Annual and Quarterly Reporting Requirements

This rule is amended to adopt the 2020 National Association of Insurance Commissioners electronic transmission filing instructions, 2019 NAIC's Annual Statement Instructions, the 2020 NAIC's Quarterly Statement Instructions, and the NAIC's Accounting Practices and Procedures Manual as of March 2019 and 2020.

(ATTACHMENT 3) APPROVAL FOR PUBLICATION OF PROPOSED RULE AND FOR FINAL ADOPTION IF NO MEMBER OF THE PUBLIC TIMELY REQUESTS A RULE

HEARING OR IF A HEARING IS REQUESTED AND NO NOTICE OF CHANGE IS NEEDED.

4. Request for Approval for Adoption of Rule 69O-138.001; NAIC Financial Examiners Handbook Adopted

The rule is amended to adopt the 2019 and 2020 National Association of Insurance Commissioners Financial Condition Examiners Handbooks. The current rule adopted the 2017 and 2018 versions of these handbooks.

(ATTACHMENT 4) APPROVAL FOR PUBLICATION OF PROPOSED RULE AND FOR FINAL ADOPTION IF NO MEMBER OF THE PUBLIC TIMELY REQUESTS A RULE HEARING OR IF A HEARING IS REQUESTED AND NO NOTICE OF CHANGE IS NEEDED.

5. Request for Approval for Adoption of Rules 69O-144.001; .002; .004; .005; .006; .007; .009; .011; .012; Purpose; Approval Procedures; Credit for Reinsurance: Authorized Reinsurers; Credit for Reinsurance; Credit for Reinsurance: Reinsurers Maintaining Trust Funds; Credit for Reinsurance From Certified Reinsurers; Credit for Reinsurance: Other Requirements and Provisions; Credit for Reinsurance from Reinsurers Domiciled in Reciprocal Jurisdictions; Term and Universal Life Insurance Reserve Financing

Rule 69O-144.001 is repealed. Rule 69O-144.002 is amended to contain all reinsurance applications and renewals. Rule 69O-144.004 is created to contain requirements for authorized reinsurers. Rule 69O-144.005 is amended to contain requirements for accredited reinsurers. Rule 69O-144.006 is created to contain requirements for reinsurers maintaining trust funds. Rule 69O-144.007 is amended to contain requirements for certified reinsurers. Rule 69O-144.008 is created to implement Chapter 2021-101, Laws of Florida. Rule 69O-144.009 is created to cover requirements that apply to all types of credit for reinsurance. Rule 69O-144.011 is created to cover reinsurers domiciled in reciprocal jurisdictions. 69O-144.012 is created to adopt NAIC Term and Universal Life Insurance Reserve Financing Model Regulation.

(ATTACHMENT 5) APPROVAL FOR PUBLICATION OF PROPOSED RULE AND FOR FINAL ADOPTION IF NO MEMBER OF THE PUBLIC TIMELY REQUESTS A RULE HEARING OR IF A HEARING IS REQUESTED AND NO NOTICE OF CHANGE IS NEEDED.

6. Request for Approval for Adoption of Rule 69O-171.011; Property Claims Litigation Data Call

Chapter 2021-77, Laws of Florida, amended 624.424, F.S., and added subsection (11), which requires the Financial Services Commission to create a form and requires each authorized insurer or insurer group issuing personal lines or commercial lines residential property insurance policies in this state to file with the Office on an annual basis a supplemental property claims litigation report on an individual and group basis for closed claims.

(ATTACHMENT 6) APPROVAL FOR PUBLICATION OF PROPOSED RULE AND FOR FINAL ADOPTION IF NO MEMBER OF THE PUBLIC TIMELY REQUESTS A RULE

HEARING OR IF A HEARING IS REQUESTED AND NO NOTICE OF CHANGE IS NEEDED.

7. Request for Approval for Adoption of Rules 69O-191.021; .027; .028; .075; .085; .097; .107; Scope; Application for Certificate of Authority; Standards for Fingerprint Cards for New Applicants and Acquisition Applications; Annual and Quarterly Reports; Fees; Change of Ownership; Prescribed Forms

Rules 69O-191.021, .028, .097, and .107 are repealed. Rule 69O-191.027 is amended to transfer all aspects of the applications process from other rules in the chapter to one single rule. Rule 69O-191.075 is amended to incorporate the annual reports that must be filed with the Office. Rule 69O-191.085 is amended to delete reference to fees for filing an application.

(ATTACHMENT 7) APPROVAL FOR PUBLICATION OF PROPOSED RULE AND FOR FINAL ADOPTION IF NO MEMBER OF THE PUBLIC TIMELY REQUESTS A RULE HEARING OR IF A HEARING IS REQUESTED AND NO NOTICE OF CHANGE IS NEEDED.

8. Request for Approval for Adoption of Rules 69O-192.001; .008; .048; .058; Purpose and Scope; General Eligibility; Annual Report; Forms Incorporated by Reference

Rules 69O-192.001 and .058 are repealed. Rule 69O-192.008 is amended to transfer all aspects of the applications process from other rules in the chapter to one single rule. Rule 69O-192.048 is amended to incorporate the annual reports that must be filed with the Office. Some forms in the chapter are amended to comply with notary requirement changes due to Chapter 2019-71, Laws of Florida.

(ATTACHMENT 8) APPROVAL FOR PUBLICATION OF PROPOSED RULE AND FOR FINAL ADOPTION IF NO MEMBER OF THE PUBLIC TIMELY REQUESTS A RULE HEARING OR IF A HEARING IS REQUESTED AND NO NOTICE OF CHANGE IS NEEDED.

9. Request for Approval for Adoption of Rules 69O-194.001; .002; .003; .005; .009; .010; .030; Scope; Definitions; Application; Prepaid Health Clinic Contract; Reporting Requirements; Fees; Forms Incorporated by Reference

Rules 69O-194.001 and .030 are repealed. Rules 69O-194.002 and .005 are amended to correct references of "PHAGE" to "PHC." Rule 69O-194.003 is amended to transfer all aspects of the applications process from other rules in the chapter to one single rule. Rule 69O-194.009 is amended to correct references of "PHAGE" to "PHC," delete the Monthly Marketing Statistical Report, and incorporate electronic versions of the annual report. Rule 69O-194.010 is amended to delete reference to the Department of Health.

(ATTACHMENT 9) APPROVAL FOR PUBLICATION OF PROPOSED RULE AND FOR FINAL ADOPTION IF NO MEMBER OF THE PUBLIC TIMELY REQUESTS A RULE HEARING OR IF A HEARING IS REQUESTED AND NO NOTICE OF CHANGE IS NEEDED.

10. Request for Approval for Adoption of Rules 69O-200.001; .002; .004; .006; .009; .011; .014; .015; .017; Purpose and Scope; Definitions; Qualification to Obtain and Hold a License;

Contractual Liability Insurers; Form Filings; Disapproval of Forms; Exemption From Financial Examination; Forms Incorporated by Reference; Annual Reports

Rules 69O-200.001, 69O-200.002, 69O-200.006, 69O-200.014, and 69O-200.015 are repealed. Rule 69O-200.004 is amended to include all applications for motor vehicle service agreement companies in one rule. Rules 69O-200.009 and 69O-200.009 are amended to update the rule language. Rule 69O-200.017 is created concerning annual reports. Some forms in the chapter are amended to comply with notary requirement changes due to Chapter 2019-71, Laws of Florida.

(ATTACHMENT 10) APPROVAL FOR PUBLICATION OF PROPOSED RULE AND FOR FINAL ADOPTION IF NO MEMBER OF THE PUBLIC TIMELY REQUESTS A RULE HEARING OR IF A HEARING IS REQUESTED AND NO NOTICE OF CHANGE IS NEEDED.

11. Request for Approval for Adoption of Rules 69O-202.001; .005; .008; .012; .015; Purpose and Scope; Notification of Acquisition, Merger and Name Change; General Eligibility Requirements; Annual Statement; Forms Incorporated by Reference

Rule 69O-202.001, F.A.C., is repealed because it does not meet the definition of a “rule” under section 120.52(16), F.S. Rule 69O-202.005, F.A.C., is repealed because it is unnecessary. Acquisition of a corporation authorized to accept donor annuity agreements will be controlled by 69O-136.090, F.A.C. Rule 69O-202.008, F.A.C., is amended to update the general eligibility requirements and how Form OIR-C1-1208 is submitted to the Office. Rule 69O-202.012, F.A.C., is amended to update the annual statement requirements and amend the notary block of Form OIR-A3-1209 to comply with notary requirement changes due to Chapter 2019-71, Laws of Florida. Rule 69O-202.015, F.A.C., is repealed due to all the forms being directly incorporated into other rules in the chapter.

(ATTACHMENT 11) APPROVAL FOR PUBLICATION OF PROPOSED RULE AND FOR FINAL ADOPTION IF NO MEMBER OF THE PUBLIC TIMELY REQUESTS A RULE HEARING OR IF A HEARING IS REQUESTED AND NO NOTICE OF CHANGE IS NEEDED.

12. Request for Approval for Adoption of Rules 69O-203.010; .013; .020; .021; .065; .070; .078; .093; .100; .210; .215; Scope; Application for Certificate of Authority; Standards for Fingerprint Cards for New Applicants and Acquisition Applications; Reinsurance (Excess Loss Insurance); Annual and Quarterly Reports; Fees; Change of Ownership; Prescribed Forms; Forms Incorporated by Reference; Annual Reports

Rules 69O-203.010, 69O-021, 69O-203.093, and 69O-203.100, F.A.C., are repealed. Rule 69O-203.013, F.A.C., is amended to remove the definition for “complete application.” Rule 69O-203.020, F.A.C., is amended to contain all application materials for Prepaid Limited Health Service Organizations. Rule 69O-203.065, F.A.C., is amended to update the submission process for filing excess loss or reinsurance contracts with the Office. Rule 69O-203.070, F.A.C., is amended to incorporate the two annual reports and include the Office’s website for how the reports must be filed with the Office. Rule 69O-203.078, F.A.C., is amended to remove references to application filings. Rule 69O-203.210, F.A.C., is amended to make the Discount Plan Organization application rule consistent with other application rules. Rule 69O-203.215, F.A.C., is created to comprise all annual report requirements for Discount Plan Organizations.

(ATTACHMENT 12) APPROVAL FOR PUBLICATION OF PROPOSED RULE AND FOR FINAL ADOPTION IF NO MEMBER OF THE PUBLIC TIMELY REQUESTS A RULE HEARING OR IF A HEARING IS REQUESTED AND NO NOTICE OF CHANGE IS NEEDED.

13. Request for Approval for Adoption of Rules 69O-193.003; .005; .050; .053; Applications and Management Change; Monthly, Quarterly, and Annual Reports; Minimum Liquid Reserve Requirement; Waiver of Minimum Liquid Reserves.

Forms incorporated by reference in all four rules are amended, including some to comply with notary requirement changes due to Chapter 2019-71, Laws of Florida. The order of two forms are amended to be in numerical order.

(ATTACHMENT 13) APPROVAL FOR PUBLICATION OF PROPOSED RULE AND FOR FINAL ADOPTION IF NO MEMBER OF THE PUBLIC TIMELY REQUESTS A RULE HEARING OR IF A HEARING IS REQUESTED AND NO NOTICE OF CHANGE IS NEEDED.

14. Request for Approval for Adoption of Rules 69P-1.001; .002; .011; .012; .013; .014; .015; .016; .017; .018; .019; Plan of Operation and Articles of Agreement Adopted; Assessment Base Determination; Purpose; Definitions; Time for Filing; Content; Test for Deferment; Conditions to Deferred Assessment; Restrictions; Effect on Deferred Assessment; Payments on Surplus Note; Terms of Surplus Note

Chapter 69P-1, F.A.C., concerns the Florida Windstorm Underwriting Association, which no longer exists after it merged with the Florida Residential Property and Casualty Joint Underwriting Association, which later became Citizens Property Insurance Corporation. All eleven rules in the chapter will be repealed.

(ATTACHMENT 14) APPROVAL FOR PUBLICATION OF PROPOSED RULE AND FOR FINAL ADOPTION IF NO MEMBER OF THE PUBLIC TIMELY REQUESTS A RULE HEARING OR IF A HEARING IS REQUESTED AND NO NOTICE OF CHANGE IS NEEDED.