

69O-170.017 Windstorm Mitigation Shutter Discounts.

~~(1)(a) This rule applies to all residential property insurance rate filings filed on or after January 1, 2007. All residential property insurers must make new filings by March 1, 2007, to reflect the requirements in this rule. For the purpose of determining appropriate discounts, credits, rate differentials, or reductions in deductibles for residential properties on which shutters or other wind mitigation devices or fixtures have been installed, pursuant to Section 627.0629(1), Florida Statutes, any rate filing which provides discounts, credits, rate differentials, or reductions in deductibles consistent with any statewide rating organization plan currently approved pursuant to Section 627.062, Florida Statutes, shall be considered in compliance with the applicable requirements of Section 627.0629(1), Florida Statutes.~~

~~(b) A rate filing which does not provide at least the same level of discounts, credits, rate differentials, or reductions in deductibles as specified in such a plan will be disapproved, unless the insurer demonstrates that the discounts, credits, rate differentials, or reductions comply with the requirements of Sections 627.062 and 627.0629(1), Florida Statutes.~~

(2) Section 627.0629, F.S., states that discounts on an actuarially reasonable basis or appropriate reductions in deductibles must be provided in the rates for residential property insurance for fixtures or construction techniques, including minimum provisions of the Florida Building Code which have been demonstrated to reduce windstorm loss. The discounts must reflect the discounts as set forth in Form OIR-B1-1700, "Windstorm Mitigation Discounts; Non-Single Family Residences" (10-06) and

Form OIR-B1-1699 "Windstorm Mitigation Discounts; Single Family Residences" (10-06), which are incorporated by reference, and which are based upon the studies *Development of Loss Relativities for Wind Resistive Features of Residential Structures* and *Development of Loss Relativities for Wind-Resistive Features of Residential Structures of Five or More Units*. These discounts must be used without any modification unless they are supported by detail alternate studies where all assumptions are available to the Office for review. These public domain studies providing data and information on estimated loss reduction for wind resistive building features in residences are incorporated by reference, and are available for downloading at the website of the Florida Department of Community Affairs, at <http://www.floridadisaster.org/brm/RCMP/Wind%20Loss/> and <http://www.floridadisater.org/brm/RCMP/Wind%20Loss/index2.htm> respectively. The forms are available for downloading at the Office's website at www.floir.com. Any insurer that has implemented a residential property rate filing on or after July 1, 1994, that does not provide at least the level of discounts, credits, rate differentials, or reductions in deductibles provided for in an approved rating plan referenced in subsection (1) above, or otherwise comply with the requirements of Section 627.0629(1), Florida Statutes, shall make a shutter discount filing immediately.

(3) Filings can modify other rating factors to reflect revenue impact on current business only if they have actual information on policies receiving the discounts currently to support the modification. An insurer shall provide to residential property insurance policy applicants at the time of procurement of the policy application actual notice of the availability of discounts, credits, rate differentials, or reductions in

~~deductibles, as well as all requirements that must be satisfied in order to qualify for such discounts, credits, rate differentials or reductions. For all residential property insurance policies in force on the effective date of this rule, an insurer shall, at the next renewal, provide such actual notice to the policyholder. After once providing such actual notice to a policyholder or policy applicant, an insurer shall not be required to again provide such notice at the time of renewal of the policy unless the insurer implements changes to its discounts, credits, rate differentials, reductions in deductibles, or requirements that must be satisfied to qualify for such discounts, credits, rate differentials, or reductions. Failure to provide such notice shall be considered a violation of Section 626.9541(1)(a)1., Florida Statutes.~~

Specific Authority ~~624.307(1), 624.308(1) FS. Law Implemented 624.307(1), 627.062(1), (2)(b), (e), (f), (g), 627.0629(1) FS. History—New 4-1-98, Formerly 4-170.017, Amended _____.~~