Notice of Change/Withdrawal

[**DEPARTMENT OF FINANCIAL SERVICES**](https://www.flrules.org/gateway/department.asp?id=69)

[**OIR – Insurance Regulation**](https://www.flrules.org/gateway/organization.asp?id=520)

RULE NO.: RULE TITLE:

[69O-170.030](https://www.flrules.org/gateway/ruleNo.asp?id=69O-170.030) Loss Reserve Discounts

NOTICE OF CHANGE

Notice is hereby given that the following changes have been made to the proposed rule in accordance with subparagraph 120.54(3)(d)1., F.S., published in Vol. 43 No. 56, March 22, 2017 issue of the Florida Administrative Register.

69O-170.030 should read:

69O-170.030 Loss Reserve Discounts.

(1) No insurer shall apply a discount to its loss reserves other than tabular workers’ compensation loss reserves without special permission from the Office. An insurer shall request such special permission in writing, stating the line of insurance to be discounted and the rate of discount to be applied. Any insurer wishing to discount its December 31 reserves shall apply to the Office for special permission no later than December 1.

In evaluating the request to discount loss reserves, at a minimum, the Office shall consider the following:

a. The risk-based capital;

b. The ratio of loss and LAE reserves to surplus;

c. For insurers selling multi-year contracts, the ratio of the unearned premium reserve to surplus;

d. The ratio of ceded loss and loss adjustment expense reserves to surplus;

e. The quality of the reinsurance supporting the ceded loss adjustment expense reserves to surplus;

f. The one-year and two-year reserve development as a precentage of surplus over the last five years;

g. Gross and Net Writing Ratio to Surplus;

h. Whether the opining actuary of the insurer has been the opinion actuary of an insurance company that dropped to the company action level, mandatory control level, or receivership within five years of the date of the opinion.

All filings shall be submitted electronically to http://www.floir.com/iportal.

(2) through (6) No change

*Rulemaking ~~Specific~~ Authority 624.308(1) FS. Law Implemented 624.307(1), 624.424, 625.091 FS. History–New 1-27-92, Formerly 4-170.030 Amended\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.*