

SENATE BILL SUMMARY

Prepared by the Division of Legislative Information for the Senate Bill **AS ORIGINALLY FILED**. For more detail, see Senate Bill Analyses, if available, prepared by the Senate's professional committee staff.

SB 1422 Commercial Property Insurance by Senator Bennett

Provides rate standards for nonassessable commercial property insurance. Provides that nonassessable commercial property insurance is not subject to a determination that the rate is excessive or unfairly discriminatory.

Excludes nonassessable commercial property insurance, as it relates to assessment by the Citizens Property Insurance Corporation, from the definition of "subject lines of business." Provides that insurers issuing such insurance policies are not assessable for the portion of the assessment from which the nonassessable commercial property insurance policy is exempt.

Authorizes insurers offering policies covering commercial property risks to offer potential insureds assessable and nonassessable commercial property insurance policies. Requires that an owner of commercial property have the option to purchase either a nonassessable or an assessable commercial property insurance policy regarding that property, if an assessable commercial property insurance policy is offered by the insurer. Requires that an application for a nonassessable commercial property policy contain a specified disclaimer. (See bill for details)