

1 A bill to be entitled
 2 An act relating to reciprocal insurers; amending s.
 3 629.271, F.S.; authorizing domestic reciprocal
 4 insurers to pay a portion of unassigned funds to their
 5 subscribers; providing limitations; providing an
 6 effective date.

8 Be It Enacted by the Legislature of the State of Florida:

10 Section 1. Section 629.271, Florida Statutes, is amended
 11 to read:

12 629.271 Distribution of savings.—

13 (1) A reciprocal insurer may ~~from time to time~~ return to
 14 its subscribers any unused premiums, savings, or credits
 15 accruing to their accounts. ~~Any~~ Such distribution may ~~shall~~ not
 16 unfairly discriminate between classes of risks, or policies, or
 17 between subscribers, but ~~such distribution~~ may vary as to
 18 classes of subscribers based on ~~upon~~ the experience of the ~~such~~
 19 classes.

20 (2) In addition to the option provided in subsection (1),
 21 a domestic reciprocal insurer may, upon the prior written
 22 approval of the office, pay to its subscribers a portion of
 23 unassigned funds of up to 10 percent of surplus, with
 24 distribution limited to 50 percent of net income from the
 25 previous calendar year. Such distribution may not unfairly
 26 discriminate between classes of risks or policies, or between

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27 | subscribers, but may vary as to classes of subscribers based on
28 | the experience of the classes.

29 | Section 2. This act shall take effect July 1, 2016.