

By Representative Wiles

1 A bill to be entitled
2 An act relating to insurance; creating s.
3 627.0917, F.S.; providing for calculation of
4 workers' compensation premiums for clients of
5 employee leasing companies; requiring employee
6 leasing companies to maintain and make
7 available specified information; amending s.
8 626.022, F.S.; clarifying that contracts
9 between leasing companies and their clients
10 involve the sale of insurance; amending s.
11 626.321, F.S.; providing for a limited
12 insurance agent license for certain workers'
13 compensation insurance coverage; providing an
14 effective date.

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

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18 Section 1. Section 627.0917, Florida Statutes, is
19 created to read:

20 627.0917 Premium calculation; workers' compensation
21 insurance; employee leasing company clients.--

22 (1) Effective January 1, 1998, workers' compensation
23 insurance premiums for employees provided to a company that
24 becomes a client company of an employee leasing company shall
25 be calculated using the client company's experience
26 modification factor for the first 3 years of the leasing
27 arrangement. If a client company has not qualified for an
28 experience modification factor prior to contracting with an
29 employee leasing arrangement, the client company's premium
30 shall be developed using the leasing company's experience
31 modification factor.

1 (2) Each employee leasing company shall maintain and
2 make available to its workers' compensation carrier the
3 following information:

4 (a) The correct name and federal identification number
5 of each client company;

6 (b) A listing of all covered employees provided to
7 each client company by classification code; and

8 (c) The total eligible wages by classification code
9 and the premiums due to the carrier for the employees provided
10 to each client company.

11 (3) A licensed employee leasing company shall promptly
12 notify its workers' compensation insurance carrier and a
13 state-approved workers' compensation rating organization of
14 the termination of the company's relationship with any client
15 company.

16 Section 2. Subsection (3) is added to section 626.022,
17 Florida Statutes, to read:

18 626.022 Scope of part.--

19 (3) This part also applies to any natural person
20 employed, appointed, or authorized by an employee leasing
21 company to enter into a contractual relationship with a client
22 company on behalf of the employee leasing company when the
23 contractual relationship results in the client company or its
24 leased workers being insured under any insurance policy issued
25 to the employee leasing company. A person may not engage in
26 such activity unless licensed as an insurance agent for each
27 line of insurance provided by the employee leasing company to
28 its client companies.

29 Section 3. Paragraph (j) is added to subsection (1) of
30 section 626.321, Florida Statutes, to read:

31 626.321 Limited licenses.--

1 (1) The department shall issue to a qualified
2 individual, or a qualified individual or entity under
3 paragraphs (d) and (e), a license as agent authorized to
4 transact a limited class of business in any of the following
5 categories:

6 (j) Workers' compensation insurance.--A license
7 covering the sale of workers' compensation insurance coverage
8 when such coverage is provided to a client company under the
9 policy of an employee leasing company.

10 Section 4. This act shall take effect January 1, 1998.

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13 HOUSE SUMMARY

14 Provides for the calculation of workers' compensation
15 insurance premiums for employees who are provided to a
16 company that becomes a client company of an employee
17 leasing company. Requires employee leasing companies to
18 maintain and make available to their workers'
19 compensation carrier specified information. Requires a
20 licensed employee leasing company to notify its workers'
21 compensation insurance carrier and the National Council
22 on Compensation Insurance of the termination of the
23 company's relationship with any client company. Clarifies
24 that contracts between leasing companies and their
25 clients involve the sale of insurance. Provides for a
26 limited license for the sale of workers' compensation
27 insurance covering a client company under an employee
28 leasing company's policy.
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