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 1                    A bill to be entitled
 2          An act relating to premium security deposits;
 3          creating s. 627.4045, F.S.; authorizing
 4          insurers to accept and hold premium security
 5          deposits for certain purposes; providing a
 6          definition; authorizing an insurer to pay
 7          interest on such deposits; specifying
 8          conditions under which such deposits are
 9          considered premium; including such deposits
10          within the definition of covered claim for
11          certain purposes; providing a limitation;
12          providing an effective date.
13
14   Be It Enacted by the Legislature of the State of Florida:
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16          Section 1.   Section 627.4045, Florida Statutes, is
17   created to read:
18          627.4045  Premium security deposits.--
19          (1)  Notwithstanding any other provision of law, an
20   insurer may accept and hold any premium security deposit made
21   by an insured. For purposes of this section, "premium security
22   deposit" means moneys which are deposited with an insurer to
23   secure payment of premium under an insurance contract or
24   agreement to provide commercial property and casualty lines,
25   including workers' compensation and employers' liability,
26   coverage.
27          (2)  An insurer may pay interest to the insured on a
28   premium security deposit, which interest may be a fixed or
29   variable amount or may be expressed as a fixed or variable
30   rate or rates.
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CODING: Words ~~stricken~~ are deletions; words <u>underlined</u> are additions.

1   (3) For purposes of s. 624.509, a premium security

2 deposit shall not be considered as premium received until the

3 deposit is used by the insurer to pay any earned premium

4 obligation of the insured.

5   (4) Any premium security deposit given to an insurer

6 by an insured under this section shall be included in the

7 definition of "covered claim" for purposes of chapter 631.

8   (5) This section does not apply to Parts XV and XVI of

9 chapter 627, F.S.

10   Section 2. This act shall take effect upon becoming a

11 law.

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