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A bill to be entitled  
An act relating to bail bond premiums; creating  
s. 624.4094, F.S.; requiring reporting of net  
amounts of certain bail bond premiums;  
providing a minimum requirement for direct  
written premiums for bail bonds; providing  
application; providing reporting requirements  
for assumed premiums; requiring recordkeeping;  
requiring disclosure of certain information in  
annual statements; providing an effective date.

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

Section 1. Section 624.4094, Florida Statutes, is  
created to read:

624.4094 Bail bond premiums.--

(1) The Legislature finds that a significant portion  
of bail bond premiums is retained by the licensed bail bond  
agents or licensed managing general agents. For purposes of  
reporting in financial statements required to be filed with  
the department pursuant to s. 624.424, direct written premiums  
for bail bonds by a domestic insurer in this state shall be  
reported net of any amounts retained by licensed bail bond  
agents or licensed managing general agents. However, in no  
case shall the direct written premiums for bail bonds be less  
than 6.5 percent of the total consideration received by the  
agent for all bail bonds written by the agent. This subsection  
also applies to any determination of compliance with s.  
624.4095.

1           (2) Premiums assumed by a domestic insurer shall be  
2 reported consistent with subsections (1) and (4) for purposes  
3 of filing financial statements with the department.

4           (3) Each domestic bail bond insurer shall keep  
5 complete and accurate records of the total consideration paid  
6 for all bail bonds written by such insurer.

7           (4) Each domestic bail bond insurer shall disclose the  
8 following information in the notes to the financial statement  
9 in the insurer's annual statement filed with the department.

10           (a) The gross bail bond premiums written in each state  
11 by agents for the company.

12           (b) The amount of premium taxes incurred by the  
13 company in each state.

14           (c) Total consideration withheld by agents and not  
15 reported as an expense by the insurer in financial statements  
16 filed with the department.

17           (d) The amount of bail bond premium included on the  
18 surety line of the annual statement filed with the department.

19           (5) This section does not affect the reporting or  
20 payment of insurance premium taxes under ss. 624.509,  
21 624.5091, and 624.5092, and the insurance premium tax and  
22 related excise taxes shall continue to be calculated using  
23 gross bail bond premiums.

24           Section 2. This act shall take effect October 1, 2000  
25 and shall apply to premiums written for calendar year 2000 and  
26 thereafter.