

By Senator McKay

26-1027A-00

See HB 4009

1                                   A bill to be entitled  
2           An act relating to the Florida Statutes;  
3           repealing or deleting various statutory  
4           provisions that have become obsolete, have had  
5           their effect, have served their purpose, or  
6           have been impliedly repealed or superseded;  
7           amending s. 624.408, F.S.; deleting an obsolete  
8           schedule provision relating to the surplus  
9           required to be maintained by certain property  
10          and casualty insurers; repealing s.  
11          624.515(2)(b), F.S., relating to applicability  
12          of the surcharge on policies of fire, allied  
13          lines, or multiperil insurance insuring  
14          commercial property; repealing s. 626.9929,  
15          F.S., relating to a grace period under the  
16          Viatical Settlement Act; amending s. 627.0628,  
17          F.S.; deleting obsolete provisions relating to  
18          adoption and revision of hurricane loss  
19          projection standards and guidelines; repealing  
20          s. 627.072(4)(c), F.S., relating to a directive  
21          to the Insurance Commissioner on the use of a  
22          methodology for establishing rates for workers'  
23          compensation and employer's liability  
24          insurance; amending s. 627.215, F.S.; deleting  
25          an obsolete reporting requirement on the excess  
26          profits law; amending s. 627.3511, F.S.;  
27          deleting findings relating to the need to  
28          reduce the number of Residential Property and  
29          Casualty Joint Underwriting Association  
30          policies; repealing s. 627.706(5), F.S.,  
31          relating to applicability of sinkhole insurance

1 requirements; amending s. 629.520, F.S.;

2 deleting obsolete provisions relating to the

3 authority of limited reciprocal insurers;

4 amending s. 633.41, F.S.; deleting an obsolete

5 provision relating to firefighter certificates

6 of tenure; providing an effective date.

7

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

9

10 Section 1. Paragraph (b) of subsection (1) of section

11 624.408, Florida Statutes, is amended to read:

12 624.408 Surplus as to policyholders required; new and

13 existing insurers.--

14 (1)

15 (b) For any property and casualty insurer holding a

16 certificate of authority on December 1, 1993, the following

17 amounts apply instead of the \$4 million required by

18 subparagraph (a)5.:

19 ~~1. On December 31, 1998, and until December 30, 1999,~~

20 ~~\$2.25 million.~~

21 1.2. On December 31, 1999, and until December 30,

22 2000, \$2.5 million.

23 2.3. On December 31, 2000, and until December 30,

24 2001, \$2.75 million.

25 3.4. On December 31, 2001, and until December 30,

26 2002, \$3 million.

27 4.5. On December 31, 2002, and until December 30,

28 2003, \$3.25 million.

29 5.6. On December 31, 2003, and until December 30,

30 2004, \$3.6 million.

31 6.7. On December 31, 2004, and thereafter, \$4 million.

1           Section 2. Paragraph (b) of subsection (2) of section  
2 624.515, Florida Statutes, is repealed.

3           Section 3. Section 626.9929, Florida Statutes, is  
4 repealed.

5           Section 4. Paragraph (d) of subsection (3) of section  
6 627.0628, Florida Statutes, is amended to read:

7           627.0628 Florida Commission on Hurricane Loss  
8 Projection Methodology.--

9           (3) ADOPTION AND EFFECT OF STANDARDS AND GUIDELINES.--

10           (d) ~~The commission shall adopt initial actuarial~~  
11 ~~methods, principles, standards, models, or output ranges no~~  
12 ~~later than December 31, 1995.~~The commission shall adopt  
13 revisions to such actuarial methods, principles, standards,  
14 models, or output ranges at least annually thereafter. ~~As~~  
15 ~~soon as possible, but no later than July 1, 1996, the~~  
16 ~~commission shall adopt revised actuarial methods, principles,~~  
17 ~~standards, models, or output ranges which include~~  
18 ~~specification of acceptable computer models or output ranges~~  
19 ~~derived from computer models.~~

20           Section 5. Paragraph (c) of subsection (4) of section  
21 627.072, Florida Statutes, is repealed.

22           Section 6. Subsection (14) of section 627.215, Florida  
23 Statutes, is amended to read:

24           627.215 Excessive profits for workers' compensation,  
25 employer's liability, commercial property, and commercial  
26 casualty insurance prohibited.--

27           (14) The application of this law to commercial  
28 property and commercial casualty insurance, which includes  
29 commercial umbrella liability insurance, ceases on January 1,  
30 1997. ~~The Department of Insurance shall, no later than~~  
31 ~~October 1, 1995, provide a report on this law to the President~~

1 ~~of the Senate and the Speaker of the House of Representatives,~~  
2 ~~which report includes a history of the excess profits law and~~  
3 ~~a year-by-year listing of excess profits returned to~~  
4 ~~policyholders as refunds or credits.~~

5 Section 7. Subsection (1) of section 627.3511, Florida  
6 Statutes, is amended to read:

7 627.3511 Depopulation of Residential Property and  
8 Casualty Joint Underwriting Association.--

9 (1) ~~LEGISLATIVE FINDINGS AND INTENT.--The Legislature~~  
10 ~~finds and declares that the Residential Property and Casualty~~  
11 ~~Joint Underwriting Association has written an amount of~~  
12 ~~policies beyond legislative expectations and has become, by~~  
13 ~~virtue of its size, a significant impediment to the~~  
14 ~~restoration of a stable and competitive residential property~~  
15 ~~insurance market in this state; that the public policy of this~~  
16 ~~state requires the maintenance of a residual market for~~  
17 ~~residential property insurance; and that extraordinary~~  
18 ~~measures, beyond implementation of eligibility criteria and~~  
19 ~~noncompetitive rates, are required to reduce the number of~~  
20 ~~policies written by the Residential Property and Casualty~~  
21 ~~Joint Underwriting Association to a reasonable level. It is~~  
22 ~~the intent of the Legislature to provide a variety of~~  
23 ~~financial incentives to encourage the replacement of the~~  
24 ~~highest possible number of Residential Property and Casualty~~  
25 ~~Joint Underwriting Association policies with policies written~~  
26 ~~by admitted insurers at approved rates.~~

27 Section 8. Subsection (5) of section 627.706, Florida  
28 Statutes, is repealed.

29 Section 9. Section 629.520, Florida Statutes, is  
30 amended to read:

31

1           629.520 ~~Abolition of existing~~ Authority of the  
2 ~~department to issue a certificate of authority as a limited~~  
3 ~~reciprocal insurer.--On October 1, 1991, the existing~~  
4 ~~authority of the department to issue a certificate of~~  
5 ~~authority as a limited reciprocal insurer pursuant to this~~  
6 ~~chapter is abolished. Existing limited reciprocal insurers~~  
7 ~~which continue to hold a certificate of authority after this~~  
8 ~~date shall have until October 1, 1992, to convert their~~  
9 ~~certificate of authority by meeting the requirements for a~~  
10 ~~certificate of authority as another type of insurer authorized~~  
11 ~~under this code. All existing certificates of authority as a~~  
12 ~~limited reciprocal insurer not so converted shall~~  
13 ~~automatically terminate on October 1, 1992.~~ The authority of  
14 any limited reciprocal insurer to accept new business or  
15 renewals shall not continue beyond October 1, 1992; however,  
16 such limited reciprocal insurer shall continue to service its  
17 obligations previously incurred or with the approval of the  
18 department, arrange for the transfer of these obligations to  
19 an authorized insurer. All power of the department with  
20 respect to limited reciprocal insurers shall continue  
21 undiminished. This section does not affect any other power of  
22 the department or any other function of the department.

23           Section 10. Section 633.41, Florida Statutes, is  
24 amended to read:

25           633.41 Saving clause.--Firefighters employed on July  
26 5, 1969, are not required to meet the provisions of ss. 633.34  
27 and 633.35 as a condition of tenure or continued employment;  
28 nor shall their failure to fulfill such requirements make them  
29 ineligible for any promotional examination for which they are  
30 otherwise eligible or affect in any way any pension rights to  
31 which they may be entitled on July 5, 1969. ~~Firefighters~~

1 ~~employed on July 5, 1969, who have not yet been issued a~~  
2 ~~certificate of tenure shall make application to the Florida~~  
3 ~~State Fire College for such certificate no later than June 30,~~  
4 ~~1990, after which date no certificates of tenure will be~~  
5 ~~issued.~~

6 Section 11. This act shall take effect upon becoming a  
7 law.

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10 LEGISLATIVE SUMMARY

11 Repeals or deletes various statutory provisions that have  
12 become obsolete, have had their effect, have served their  
13 purpose, or have been impliedly repealed or superseded.  
14 Repeals or deletes obsolete provisions relating to the  
15 surplus required to be maintained by certain property and  
16 casualty insurers and provisions relating to the  
17 applicability of the surcharge on policies of fire,  
18 allied lines, or multiperil insurance insuring commercial  
19 property; a grace period under the Viatical Settlement  
20 Act; obsolete provisions relating to adoption and  
21 revision of hurricane loss projection standards and  
22 guidelines; a directive to the Insurance Commissioner on  
23 the use of a methodology for establishing rates for  
24 workers' compensation and employer's liability insurance;  
25 an obsolete reporting requirement on the excess profits  
26 law; findings relating to the need to reduce the number  
27 of Residential Property and Casualty Joint Underwriting  
28 Association policies; applicability of sinkhole insurance  
29 requirements; obsolete provisions relating to the  
30 authority of limited reciprocal insurers; and an obsolete  
31 provision relating to firefighter certificates of tenure.