

By the Committees on Insurance, Rules & Calendar and  
Representative Bitner

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6           have been impliedly repealed or superseded;  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; amending s. 627.0628,  
11          F.S.; deleting obsolete provisions relating to  
12          adoption and revision of hurricane loss  
13          projection standards and guidelines; amending  
14          s. 627.215, F.S.; deleting an obsolete  
15          reporting requirement on the excess profits  
16          law; amending s. 627.3511, F.S.; deleting  
17          findings relating to the need to reduce the  
18          number of Residential Property and Casualty  
19          Joint Underwriting Association policies;  
20          amending s. 629.520, F.S.; deleting obsolete  
21          provisions relating to the authority of limited  
22          reciprocal insurers; amending s. 633.41, F.S.;  
23          deleting an obsolete provision relating to  
24          firefighter certificates of tenure; repealing  
25          s. 624.515(2)(b), F.S., relating to  
26          applicability of the surcharge on policies of  
27          fire, allied lines, or multiperil insurance  
28          insuring commercial property; repealing s.  
29          626.9929, F.S., relating to a grace period  
30          under the Viatical Settlement Act; repealing s.  
31          627.072(4)(c), F.S., relating to a directive to

1 the Insurance Commissioner on the use of a  
2 methodology for establishing rates for workers'  
3 compensation and employer's liability  
4 insurance; repealing s. 627.706(5), F.S.,  
5 relating to applicability of sinkhole insurance  
6 requirements; repealing pt. XXII, ch. 627,  
7 F.S., relating to the Workers' Compensation  
8 Insurance Purchasing Alliance; providing an  
9 effective date.

10

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

12

13 Section 1. Paragraph (b) of subsection (1) of section  
14 624.408, Florida Statutes, is amended to read:

15 624.408 Surplus as to policyholders required; new and  
16 existing insurers.--

17 (1)

18 (b) For any property and casualty insurer holding a  
19 certificate of authority on December 1, 1993, the following  
20 amounts apply instead of the \$4 million required by  
21 subparagraph (a)5.:

22 ~~1. On December 31, 1998, and until December 30, 1999,~~  
23 ~~\$2.25 million.~~

24 1.2. On December 31, 1999, and until December 30,  
25 2000, \$2.5 million.

26 2.3. On December 31, 2000, and until December 30,  
27 2001, \$2.75 million.

28 3.4. On December 31, 2001, and until December 30,  
29 2002, \$3 million.

30 4.5. On December 31, 2002, and until December 30,  
31 2003, \$3.25 million.

1           5.6. On December 31, 2003, and until December 30,  
2 2004, \$3.6 million.

3           6.7. On December 31, 2004, and thereafter, \$4 million.

4           Section 2. Paragraph (d) of subsection (3) of section  
5 627.0628, Florida Statutes, is amended to read:

6           627.0628 Florida Commission on Hurricane Loss  
7 Projection Methodology.--

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

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

19           Section 3. Subsection (14) of section 627.215, Florida  
20 Statutes, is amended to read:

21           627.215 Excessive profits for workers' compensation,  
22 employer's liability, commercial property, and commercial  
23 casualty insurance prohibited.--

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

1 ~~a year by year listing of excess profits returned to~~  
2 ~~policyholders as refunds or credits.~~

3 Section 4. Subsection (1) of section 627.3511, Florida  
4 Statutes, is amended to read:

5 627.3511 Depopulation of Residential Property and  
6 Casualty Joint Underwriting Association.--

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

25 Section 5. Section 629.520, Florida Statutes, is  
26 amended to read:

27 629.520 ~~Abolition of existing~~ Authority of the  
28 ~~department to issue a certificate of authority as a limited~~  
29 ~~reciprocal insurer.--On October 1, 1991, the existing~~  
30 ~~authority of the department to issue a certificate of~~  
31 ~~authority as a limited reciprocal insurer pursuant to this~~

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

18 Section 6. Section 633.41, Florida Statutes, is  
19 amended to read:

20 633.41 Saving clause.--Firefighters employed on July  
21 5, 1969, are not required to meet the provisions of ss. 633.34  
22 and 633.35 as a condition of tenure or continued employment;  
23 nor shall their failure to fulfill such requirements make them  
24 ineligible for any promotional examination for which they are  
25 otherwise eligible or affect in any way any pension rights to  
26 which they may be entitled on July 5, 1969. Firefighters  
27 ~~employed on July 5, 1969, who have not yet been issued a~~  
28 ~~certificate of tenure shall make application to the Florida~~  
29 ~~State Fire College for such certificate no later than June 30,~~  
30 ~~1990, after which date no certificates of tenure will be~~  
31 ~~issued.~~

1           Section 7. Paragraph (b) of subsection (2) of section  
2 624.515, section 626.9929, paragraph (c) of subsection (4) of  
3 section 627.072, subsection (5) of section 627.706, and  
4 sections 627.990, 627.991, and 627.992, Florida Statutes, are  
5 repealed.

6           Section 8. This act shall take effect upon becoming a  
7 law.

8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31