

By Senator Horne

6-693-00

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A bill to be entitled
An act relating to mortgage guaranty insurance;
amending s. 635.011, F.S.; defining the term
"surplus as to policyholders"; amending s.
635.041, F.S.; providing requirements for
contingency reserves required to be maintained
by mortgage guaranty insurers; providing an
effective date.

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

Section 1. Subsection (4) is added to section 635.011,
Florida Statutes, to read:

635.011 Definitions.--As used in this chapter, the
term:

(4) "Surplus as to policyholders" means the aggregate
of capital, surplus, and contingency reserve.

Section 2. Subsections (5), (6), and (7) are added to
section 635.041, Florida Statutes, to read:

635.041 Contingency reserve.--

(5) Each mortgage guaranty insurer's surplus as to
policyholders must meet the minimum requirements of s.
624.408.

(6) For purposes of s. 624.408, liabilities include
the contingency reserve liability established under this
section.

(7) The amount established as a contingency reserve
under this section is considered surplus as to policyholders
for purposes of determining whether a mortgage guaranty
insurer meets the requirements of section 624.408 governing
the required surplus as to policyholders.

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Section 3. This act shall take effect July 1, 2000.

SENATE SUMMARY

Provides that, for mortgage guaranty insurers, the surplus as to policyholders required for such insurers to do business in this state is the aggregate of capital, surplus, and contingency reserve. Provides that such surplus must meet the requirements of s. 624.408, F.S. Provides that for purposes of s. 624.408, F.S., liabilities includes the contingency reserve liability required under s. 635.041, F.S., and contingency reserve is considered surplus as to policyholders for purposes of meeting the requirements of s. 624.408, F.S.