

By Senator Horne

6-1395-01

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A bill to be entitled
An act relating to surety bonds; amending s.
625.071, F.S.; modifying the amount of reserve
which surety insurers may maintain on bail
bonds and judicial bonds in lieu of the
unearned premium reserve required under s.
625.051, F.S.; providing financial reporting
requirements; providing an effective date.

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

Section 1. Section 625.071, Florida Statutes, is
amended to read:

625.071 Special reserve for bail and judicial
bonds.--In lieu of the unearned premium reserve required on
surety bonds under s. 625.051, the department may require any
surety insurer or limited surety insurer to set up and
maintain a reserve on all bail bonds or other single-premium
bonds without definite expiration date, furnished in judicial
proceedings, equal to the lesser of 35 25 percent of the bail
premiums in force or \$7 per \$1,000 of bail liability as of the
date of any financial statement filed with the department.
Each insurer shall file a supplementary schedule showing bail
premiums in force and bail liability and the associated
special reserve for bail and judicial bonds with financial
statements required by s. 624.424. Bail premiums in force do
not include amounts retained by licensed bail bond agents or
licensed managing general agents ~~total consideration charged~~
~~for such bonds as are outstanding as of the date of any
current financial statement of the insurer.~~

Section 2. This act shall take effect July 1, 2001.

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SENATE SUMMARY

Modifies the amount of reserve that surety insurers may maintain on bail bonds and judicial bonds in lieu of the unearned premium reserve required under s. 625.051, F.S. Specifies financial reporting requirements.