

Bill No. SB 1906

Amendment No. Barcode 290830

Senate CHAMBER ACTION House

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Senator Silver moved the following amendment:

Senate Amendment (with title amendment)

On page 3, between lines 11 and 12,

insert:

Section 3. Subsections (3) and (7) of section 631.54, Florida Statutes, are amended to read:

631.54 Definitions.--As used in this part:

(3) "Covered claim" means an unpaid claim, including one of unearned premiums, which arises out of, and is within the coverage, and not in excess of, the applicable limits of an insurance policy to which this part applies, issued by an insurer, if such insurer becomes an insolvent insurer after October 1, 1970, and the claimant or insured is a resident of this state at the time of the insured event or the property from which the claim arises is permanently located in this state. "Covered claim" shall not include any amount due any reinsurer, insurer, insurance pool, the Florida Residential Property and Casualty Joint Underwriting Association formed pursuant to s. 627.351, or any other underwriting association,

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1 as subrogation, contribution, indemnification,~~recoveries~~ or
2 otherwise. Member insurers shall have no right of subrogation
3 against the insured of any insolvent member.

4 (7) "Member insurer" means any person who writes any
5 kind of insurance to which this part applies under s. 631.52,
6 including the exchange of reciprocal or interinsurance
7 contracts, and is licensed to transact insurance in this
8 state. The term does not include the Florida Residential
9 Property and Casualty Joint Underwriting Association formed
10 pursuant to s. 627.351.

11 Section 4. Present subsections (4), (5), and (6) of
12 section 631.57, Florida Statutes, are redesignated as
13 subsections (5), (6), and (7), respectively, and a new
14 subsection (4) is added to that subsection, to read:

15 631.57 Powers and duties of the association.--

16 (4) The Florida Residential Property and Casualty
17 Joint Underwriting Association is exempt from all assessments
18 made by the association, except that the Florida Residential
19 Property and Casualty Joint Underwriting Association shall pay
20 all assessments levied by the association to secure funds to
21 pay or defease all interest, principal, redemption premium, if
22 any, related costs of issuance of, and any other payments
23 required under the bond resolution or trust indenture, of bond
24 issues to pay covered claims arising from insurer insolvencies
25 caused by, or proximately related to, any hurricane. Any
26 assessment levied under this paragraph shall be levied in the
27 proportion that the Florida Residential Property and Casualty
28 Joint Underwriting Association's net direct written premiums
29 in this state in the classes protected by the account bears to
30 the total of the net direct written premiums received in this
31 state by all insurers for the preceding year for all coverages

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1 listed under s. 631.55(2)(c).

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3 (Redesignate subsequent sections.)

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6 ===== T I T L E A M E N D M E N T =====

7 And the title is amended as follows:

8 On page 1, line 10, after the semicolon,

9

10 insert:

11 amending s. 631.54, F.S.; redefining the term
12 "covered claim" for purposes of the Florida
13 Insurance Guaranty Association; amending s.
14 631.57, F.S.; providing that the Florida
15 Residential Property and Casualty Joint
16 Underwriting Association is exempt from
17 assessments by the Florida Insurance Guaranty
18 Association, except for assessments to pay or
19 defease costs of certain bond issues;

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