

Bill No. CS for CS for SB 320

Amendment No. Barcode 814186

<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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Senator Holzendorf moved the following amendment:

Senate Amendment (with title amendment)

On page 2, line 26, delete that line

and insert:

Section 2. Effective retroactively to January 1, 2002, subsection (5) is added to section 625.041, Florida Statutes, to read:

625.041 Liabilities, in general.--In any determination of the financial condition of an insurer, liabilities to be charged against its assets shall include:

(5) Any insurer in this state which writes workers' compensation insurance shall accrue a liability on its financial statements for all Special Disability Trust Fund assessments that are due within the current calendar year. In addition, such insurers shall also disclose in the notes to the financial statements required to be filed pursuant to s. 624.424 an estimate of future Special Disability Trust Fund assessments, if such assessments are likely to occur and can be estimated with reasonable certainty.

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1 Section 3. Subsection (15) of section 641.35, Florida
2 Statutes, is amended to read:

3 641.35 Assets, liabilities, and investments.--

4 (15) ~~SPECIAL CONSENT~~ INVESTMENT OF EXCESS FUNDS.--

5 (a) After satisfying the requirements of this part,
6 any funds of a health maintenance organization in excess of
7 its statutorily required reserves and surplus may be invested:

8 1. Without limitation in any investments otherwise
9 authorized by this part; or

10 2. In such other investments not specifically
11 authorized by this part provided such investments do not
12 exceed the lesser 5 percent of the health maintenance
13 organization's admitted assets or 25 percent of the amount by
14 which a health maintenance organization's surplus exceeds its
15 statutorily required minimum surplus. A health maintenance
16 organization may exceed the limitations of this subparagraph
17 only with the prior written approval of the department.

18 (b) Nothing in this section authorizes a health
19 maintenance organization to:

20 1. Invest any funds in excess of the amount by which
21 its actual surplus exceeds its statutorily required minimum
22 surplus; or

23 2. Make any investment prohibited by this code ~~Any~~
24 investment of the health maintenance organization's funds not
25 enumerated in this part requires the prior approval of the
26 department.

27 Section 4. Subsection (2) of section 631.904, Florida
28 Statutes, is amended to read:

29 631.904 Definitions.--As used in this part, the term:

30 (2) "Covered claim" means an unpaid claim, including a
31 claim for return of unearned premiums, which arises out of, is

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1 within the coverage of, and is not in excess of the applicable
2 limits of, an insurance policy to which this part applies,
3 which policy was issued by an insurer and which claim is made
4 on behalf of a claimant or insured who was a resident of this
5 state at the time of the injury. The term "covered claim" does
6 not include any amount sought as a return of premium under any
7 retrospective rating plan; any amount due any reinsurer,
8 insurer, insurance pool, or underwriting association, as
9 subrogation recoveries or otherwise; or any return of premium
10 resulting from a policy that was not in force on the date of
11 the final order of liquidation. Member insurers have no right
12 of subrogation against the insured of any insolvent insurer.
13 This provision shall be applied retroactively to cover claims
14 of an insolvent self-insurance fund resulting from accidents
15 or losses incurred prior to January 1, 1994, regardless of the
16 date the Department of Insurance filed a petition in circuit
17 court alleging insolvency and the date the court entered an
18 order appointing a receiver.

19 Section 5. Except as otherwise expressly provided in
20 this act, this act shall take effect July 1, 2002.

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

24 And the title is amended as follows:

25 On page 1, line 6, after the semicolon

26

27 insert:

28 amending s. 625.041, F.S.; revising the
29 liabilities that a workers' compensation
30 insurer must include on its financial
31 statements; amending s. 641.35, F.S.;

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1 specifying inclusion of certain losses and
2 claims under liabilities of a health
3 maintenance organization under certain
4 circumstances; providing an exception;
5 providing for the investment of funds of a
6 health maintenance organization in excess of
7 certain reserves and surplus under certain
8 circumstances; amending s. 631.904, F.S.;
9 redefining the term "covered claim";
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