

By Senator Diaz de la Portilla

36-1070-04

1 A bill to be entitled
2 An act relating to the Florida Workers'
3 Compensation Insurance Guaranty Association
4 Act; amending s. 631.904, F.S.; redefining the
5 term "covered claim" to exclude certain claims
6 disallowed in the claimant's state of
7 residence; providing an effective date.

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

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11 Section 1. Subsection (2) of section 631.904, Florida
12 Statutes, is amended to read:

13 631.904 Definitions.--As used in this part, the term:

14 (2) "Covered claim" means an unpaid claim, including a
15 claim for return of unearned premiums, which arises out of, is
16 within the coverage of, and is not in excess of the applicable
17 limits of, an insurance policy to which this part applies,
18 which policy was issued by an insurer and which claim is made
19 on behalf of a claimant or insured who was a resident of this
20 state at the time of the injury. The term "covered claim" does
21 not include any amount sought as a return of premium under any
22 retrospective rating plan; any amount due any reinsurer,
23 insurer, insurance pool, or underwriting association, as
24 subrogation recoveries or otherwise; any claim that would
25 otherwise be a "covered claim" but is an obligation to or on
26 behalf of a person who had a net worth, on the date of the
27 occurrence giving rise to the claim, greater than that allowed
28 by the guaranty fund law of the claimant's state of residence,
29 which state has denied coverage to that claimant on that
30 basis; or any return of premium resulting from a policy that
31 was not in force on the date of the final order of

1 liquidation. Member insurers have no right of subrogation
2 against the insured of any insolvent insurer. This provision
3 shall be applied retroactively to cover claims of an insolvent
4 self-insurance fund resulting from accidents or losses
5 incurred prior to January 1, 1994, regardless of the date the
6 petition in circuit court was filed alleging insolvency and
7 the date the court entered an order appointing a receiver.

8 Section 2. This act shall take effect July 1, 2004.

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11 SENATE SUMMARY

12 Excludes from the definition of "covered claim," for
13 purposes of the Florida Workers' Compensation Guaranty
14 Association Act, any claim made by a nonresident having a
15 net worth that causes the claimant's claim to be denied
16 in his or her state of residence.

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